

# Relationship with Stakeholders

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## Relationship with Our Customers

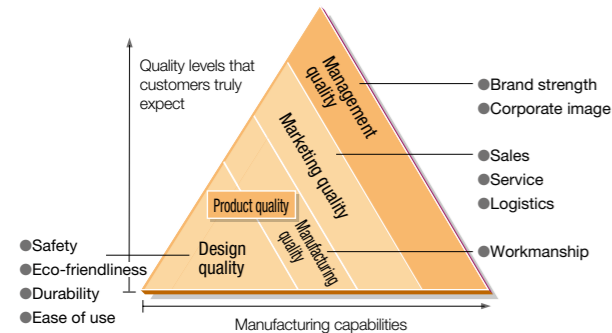
Adhering to a quality first approach, Toyota Industries strives to realize *monozukuri* (manufacturing) that quickly responds to the diverse, ever-changing needs of customers.

**“A product should never be sold unless it has been carefully manufactured and has been tested thoroughly and satisfactorily.”**

Carrying on the spirit of founder Sakichi Toyoda, Toyota Industries strongly believes that quality is the lifeblood of a company. Focusing on quality first and ensuring customer safety and reassurance are our most important responsibilities to our customers and form the basis of our approach to corporate social responsibility (CSR).

Toyota Industries strives to maintain and improve the total quality of our corporate activities, which encompasses not only “product quality” but also “marketing quality” and “management quality.” “Product quality” is embodied in the safety, eco-friendliness, durability, ease of use and workmanship of our products, while “marketing quality” entails excellent sales and service in addition to these attributes and “management quality” further enhances our overall corporate image and brand strength in terms of all of these attributes.

### Types of Quality Sought by Toyota Industries



**“We should express our gratitude to our customers by providing them our best quality products.” (from Toyota Industries’ Quality Guidelines)**

Placing top priority on our “Customer First” philosophy, Toyota Industries undertakes product development that meets customer expectations.

At Toyota Industries, development of a new product entails defining specific goals to incorporate quality in every stage from product planning and design to production preparation, production, sales and after-sales services. We perform a design review (DR), which allows a product to proceed to the next stage only when a responsible business division head examines and approves whether the product has reached the target quality level.

Should a defect occur after the product launch, the quality assurance departments of each business division immediately devise necessary measures. At the same time, a probable cause is identified from both technical and structural aspects, and if deemed necessary, the new product development system itself is reviewed to prevent a recurrence in the successor model.

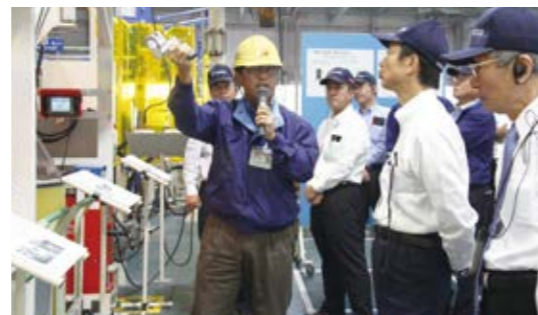
### Activities Based on the Quality Guidelines

Quality forms the basis of our operations and is essential in attaining the goals of our Vision 2020. As such, we formulated our Quality Vision 2020, which defines our philosophy in ensuring quality.

#### Quality Vision 2020

**All members in the Toyota Industries Group place utmost emphasis on quality first and continuously supply attractive products/services that anticipate global customers’ needs.**

To achieve the goal of this vision, we issue the Quality Guidelines, which identify priority quality-related issues to be implemented in each fiscal year, to all production bases in and outside Japan and enforce Company-wide, horizontally aligned activities. The implementation status of these guidelines is reviewed by top management at the Quality



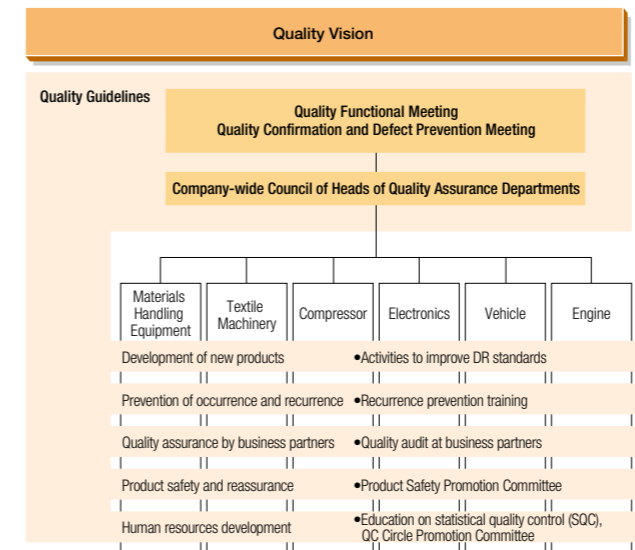
Quality inspection by top management

Functional Meeting and the Quality Confirmation and Defect Prevention Meeting, both chaired by the head of the Production Headquarters\*, for identifying additional issues and devising countermeasures. Issues raised are followed up at meetings of the Company-wide Council of Heads of Quality Assurance Departments chaired by the head of the Quality Control Department\* of the Production Headquarters. The president also checks on the outcome of these activities through *genchi genbutsu* (go and see for yourself) inspections.

As for initiatives to ensure product safety, in order to meet customers’ expectations for safety and reassurance we have been promoting activities to minimize risks at the development and design stage based on the assumption that customers make use of our products in diverse ways, including foreseeable misuse and use under malfunctioning conditions.

\* As of March 31, 2016

### Company-Wide, Horizontally Aligned Quality Assurance Activities



### Initiatives to Raise Quality Awareness

To ensure that we live up to our customers’ expectations in terms of quality, we believe it is important to have a high level of quality awareness on an individual level. That is why we engage in various activities to raise quality awareness, including organizing quality seminars and distributing Quality Month Texts.

As a new initiative in fiscal 2016, we asked all employees to complete a quality awareness questionnaire. With the aim of elevating quality awareness to the next level, we created the questionnaire ourselves so that answering questions would encourage personal development. Based on the results, we analyzed strengths and weaknesses in each line of work and department, and provided departmental feedback as a tool to help individuals understand what actions they need to take to improve quality.

We intend to conduct quality awareness questionnaires

every year as part of Quality Month in an effort to maintain and improve high levels of quality awareness.

### Providing Support to Business Partners

Improving the quality of our products requires joint quality improvement activities with our business partners in and outside Japan. For this reason, we collaborate with our major business partners in upgrading their quality assurance efforts. Specifically, we conduct an annual quality audit to identify deficiencies and ensure effective improvement, and provide quality-related education.

Responsible executives of Toyota Industries verify the outcome of these activities through *genchi genbutsu* inspections.

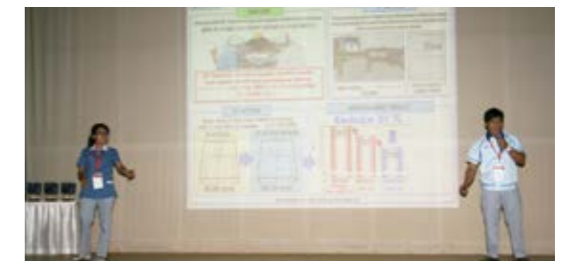
These activities enable our business partners to attain the level of quality assurance that Toyota Industries requires and establish a culture to foster quality assurance on their own.

### Promoting Human Resources Development

Toyota Industries provides systematic quality education to all employees to help them acquire quality assurance skills needed in actual operations.

Our production bases outside Japan also promote *kaizen* (improvement) efforts and human resources development through quality control (QC) circle activities. We visit subsidiaries outside Japan to give hands-on instructions for promoting QC circle activities and train QC circle instructors. As a venue for presenting activity results, we hold the Global QC Circle Convention every year and provide workshop sessions to raise skills.

We are working to reinforce our foundation for quality assurance based on the belief that manufacturing starts with nurturing excellent personnel.



Global QC Circle Convention



Global QC Circle workshop

# Relationship with Our Business Partners

Toyota Industries encourages open procurement and seeks co-existence and co-prosperity with our business partners (suppliers) based on mutual trust. We also facilitate environmentally preferable purchasing, CSR-oriented procurement practices, human resources development and disaster prevention activities for a possible major earthquake.

## Fair Business Transactions Based on an Open Door Policy

To achieve open procurement, we provide fair and equal opportunities to all potential business partners on our Website.

We comprehensively evaluate our business partners based on such factors as quality, price, adherence to delivery times, technological capabilities and management information. We also assess their initiatives for safety, the environment and compliance as we strive for the timely and stable procurement of excellent products at lower costs based on fair business transactions.

## Co-Existence and Co-Prosperity Based on Mutual Trust

We work hard to realize co-existence and co-prosperity with our business partners based on mutual trust. Every year, we hold procurement policy meetings and top manager seminars for major business partners to facilitate mutual understanding and cooperation. In addition, we provide such programs as quality management and technical skills training, guidance directed toward *kaizen* at their production sites and safety and health education throughout the year.

## Reducing Environmental Impact through Environmentally Preferable Purchasing

In order to create environmentally friendly products, we aim to procure parts, raw materials and equipment from business partners that give sufficient consideration to the environment.

Our Environmentally Preferable Purchasing Guidelines, which we have formulated to enforce "green" purchasing, apply not only to parts, raw materials and equipment but also to packaging materials. Along with environment-friendly products, we deliver safety and reassurance to customers.

## Localization of Business for Good Corporate Citizenship

In view of increased local production outside Japan, we promote procurement from local business partners in order to contribute to the local community through consolidated subsidiaries as a good corporate citizen.

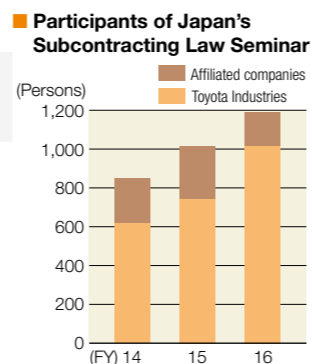
## Promoting Human Resources Development

We proactively provide procurement education both internally and externally. In fiscal 2016, we provided training on Japan's subcontracting law to strengthen compliance, with seminars attended by 1,012

Toyota Industries employees and 175 participants from affiliated companies. We also carried out workplace compliance inspections in an effort to prevent violations.

As a new initiative getting underway from fiscal 2017, we have started providing basic education for less-experienced employees at Toyota Industries and affiliated companies, with the aim of improving knowledge among personnel in procurement.

We also work with Hoeikai, an organization consisting of our business partners, to provide support to strengthen the management platforms of member companies through Toyota Production System (TPS) activities in manufacturing and QC circle activities.



Basic education in procurement

## Business Continuity Plan (BCP) Activities for Possible Major Earthquake

We engage in BCP-related activities in anticipation of a major earthquake in Japan. To improve our preparedness for resuming the supply of products to customers at the earliest possible opportunity in the event of a disaster, we are making concerted efforts with business partners to ensure the stable supply of parts and raw materials during the restoration of production.

Having formulated disaster mitigation plans for all companies that took part in disaster mitigation workshops (tabletop exercises) up until fiscal 2015, in fiscal 2016 we promoted BCP initiatives by starting to confirm actual progress through *genchi genbutsu* inspection. We also provided emergency recovery support in the wake of the earthquake in Kumamoto that occurred in April 2016, including sending personnel and providing relief supplies to affected suppliers.



Antiseismic initiatives

### BCP Activities

Topic	FY2013	FY2014	FY2015	FY2016
Action policy	Determining current status	Reinforcing disaster mitigation		
Scope of activities	Hoeikai (business partners)			
	Suppliers of major parts			
Activities	Supply chain surveys	Improving accuracy through periodic surveys		
	Mitigation workshops	Tabletop exercises		
	Disaster mitigation plans	Formulation, aggregation and review		
	<i>Genchi genbutsu</i> confirmation	Confirmation		
	Training for determining extent of damage	Periodic training		

# Relationship with Our Shareholders and Investors

We aim to obtain an appropriate company valuation in stock markets through timely and appropriate information disclosure while promoting good communications with shareholders and investors.

## Basic Perspective

Toyota Industries continually carries out timely and appropriate information disclosure for shareholders and investors. In this way, we raise management transparency so that we obtain an appropriate company valuation in stock markets. We proactively provide not only information required under disclosure laws and regulations but also information on our management policy and business activities. Also, we engage in various investor relations activities to facilitate productive dialogue with shareholders and investors and feed back their comments to executives and relevant business divisions to reflect them in our business activities.

## General Shareholders' Meeting

We hold our annual general shareholders' meeting early to avoid the date on which many companies hold their respective shareholders' meetings so that more shareholders can attend. We are further facilitating the exercise of voting rights of our shareholders by allowing them to exercise such rights via the Internet and by joining the electronic voting platform for institutional investors.

We held our 137th General Shareholders' Meeting on June 11, 2015, in which a record-high 418 shareholders participated. To foster a better understanding of our business activities, we invited our shareholders for a lift truck plant tour following the general shareholders' meeting.

	133rd	134th	135th	136th	137th
Shareholders' meeting	320	363	396	348	418
Plant tour	112	132	185	144	163

## Investor Relations Activities

For institutional investors and securities analysts, our management conducts briefing sessions to explain our quarterly financial results, including business performance, progress achieved at each business division and future initiatives. In addition to accepting individual interviews and making visits to institutional investors, we host lift truck plant tours (production lines, technical exhibits, etc.) to showcase our approach to manufacturing and on-site initiatives and

facilitate a deeper understanding of Toyota Industries. To respond to the growing number of institutional investors outside Japan requesting a meeting, we visit some of them to explain our management policies and business overview. We also participate in conferences hosted in Japan by securities companies and hold individual meetings. For individual investors, we hold company information sessions to promote an understanding of our business and management policies.

We have redesigned the Investor Relations page on our website and newly added a page for individual investors, in which our business details and strengths are summed up in an easy-to-understand manner.

### Major IR Activities

#### For institutional investors and securities analysts in Japan

- Quarterly financial results briefings
- Individual interviews/visits
- Small meeting
- Teleconferencing
- Company-hosted plant tours
- Issuing/delivering *Toyota Industries Reports*

#### For institutional investors outside Japan

- Individual interviews/visits
- Teleconferencing
- Participation in conferences hosted by securities companies
- Issuing/delivering *Toyota Industries Reports*

#### For individual shareholders and investors

- Company information sessions
- Company-hosted plant tours
- Issuing/delivering notice of general shareholders' meeting
- Issuing/delivering business reports



Lift truck plant tour hosted by Toyota Industries (Dec. 2015)

## Returning Profits to Shareholders

Toyota Industries regards ensuring shareholder benefits as one of the most important management policies. Accordingly, we strive to continue paying dividends at the consolidated dividend payout ratio of roughly 30% and meet the expectations of shareholders upon comprehensively taking into consideration such factors as business results and demand for funds. For fiscal 2016, Toyota Industries paid annual cash dividends per share of ¥120.0 (interim cash dividend per share of ¥60.0 and year-end cash dividend per share of ¥60.0).

We will also be acquiring treasury stock up to a maximum of 4 million shares in the amount of ¥18 billion during the period from June 10, 2016 to June 9, 2017, with the aim of improving capital efficiency and returning profits to shareholders.



Toyota Industries' redesigned website. The English website is to be redesigned within fiscal 2017.



# Relationship with Our Associates

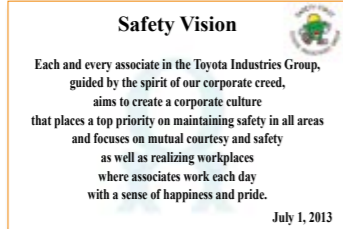
Our ultimate goal is to create safe and secure workplaces for everyone, where each and every associate can exercise their diverse potentials and play active roles.

## Building a Safety-Oriented Culture That Aims for Zero Industrial Accidents

In accordance with our fundamental policy of "creating people capable of autonomously maintaining occupational safety and health," Toyota Industries strives to prevent industrial accidents and occupational disorders as well as realize better work environments.

Based on the idea of building "a homelike atmosphere at work that is warm and friendly" as stated in the Toyoda Precepts, we clarified "the true meaning of safety" and "the ideal goal of safety" and formulated the "Safety Vision" in fiscal 2014.

With the aim of fostering a safety-oriented culture, we have promoted activities to instill the vision throughout the Toyota Industries Group. Having extended activities to top management at consolidated subsidiaries in Japan in July 2015, we have now completed safety workshops for top management, as well as health and safety staff, at all Group companies worldwide.



Safety workshop for top management at consolidated subsidiaries in Japan

Safety workshops have helped top management at individual companies to recognize that "safety is the cornerstone of business continuity," and enabled them to take the initiative in safety dialogue, including ceremonies for new employees and meetings, based on the conviction that it is possible to eliminate accidents entirely.

In fiscal 2016, we primarily implemented "activities aimed at establishing a safety-oriented culture" and "pursuit of fundamental safety for machinery and equipment centering on risk assessments and activities to promote safety measures from human, object and administrative standpoints." We intend to continue with such activities in the future.

For a safety culture to firmly take hold, leadership and strong awareness among managers and supervisors are vital. As such, we provide safety workshops for managers and supervisors at respective departments.

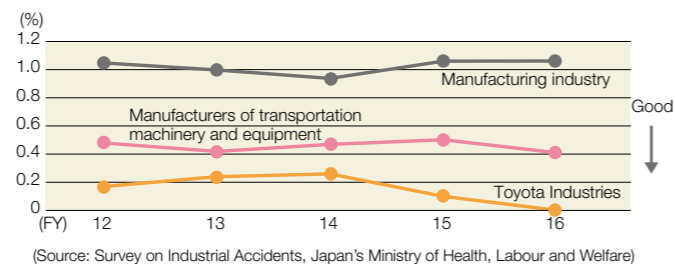
Having completed workshops for manufacturing departments during the first half of fiscal 2016, we are planning to finish rolling out workshops to administrative and engineering departments by the end of fiscal 2017. We also

intend to continually improve safety awareness by establishing an educational framework for newly appointed managers and supervisors.

As typical examples of activities aimed at establishing a safety-oriented culture, we encourage point-and-call practices to check safety, instruct associates to use hand rails when going up or down stairs and call on associates to raise awareness among each other.

Implementation of these various initiatives resulted in a certain year-on-year improvement in the frequency rate of lost workday injuries in fiscal 2016. We will continue to implement unfaltering initiatives to instill a safety culture among associates.

### Frequency Rate of Lost Workday Injuries



In terms of chemical risk assessments, we have revised our proprietary Ecology, Safety and Health Material Investigation System (EMIS) in order to assess risks during preliminary inspections of harmful chemical substances and to contribute to health and safety management in the workplace. The system itself is designed so that chemical substances cannot be purchased unless an application is filed in advance.

At subsidiaries outside Japan, since a notion of a safety-oriented culture differs in individual countries and regions, communication is particularly important when mutually incorporating effective activities from one another while understanding and respecting a diverse range of cultures. With that in mind, we planned a health and safety regional meeting and organized one at a base in North America in November 2015.

This meeting is designed to create a cooperative framework not only in complying with laws but also in establishing a safety-oriented culture and improving health and safety technology and measures, with an emphasis on strengthening cooperation among subsidiaries in respective regions.

We are planning to organize a regional meeting in Europe and other areas in fiscal 2017 onward and aim to establish a health- and safety-oriented culture at the highest level in each region.



Health and safety regional meeting at a base in North America



A unique safety dojo at a base in North America

## Initiatives for Health Management and Improvement

As a task for the medium term, we are promoting associate health improvement programs to counter risks associated with aging and greater stress.

Specifically, we proactively provide health guidance to prevent lifestyle diseases from developing into metabolic syndrome and actively encourage follow-up after annual health checkups. We also conduct periodic age-based health education for all associates to maintain and promote their health and wellness. Along with specific health guidance required by the Japanese government, we provide health promotion guidance to associates below the age of 40 to help them improve lifestyle habits early on.

### Major Health Promotion Activities in Fiscal 2016

Participants of age-based health education	(2,157 persons)
Persons having completed guidance program on prevention of lifestyle diseases	(556 persons)
Stop smoking enlightenment events	
• World No Tobacco Day: One-day no smoking (May 29)	
• No Smoking Days: Half-day no smoking (for 10 days)	
Participants of stop smoking campaigns (held jointly with health insurance association)	(44 persons)
Participants of walking events (held jointly with health insurance association)	(3,783 persons)

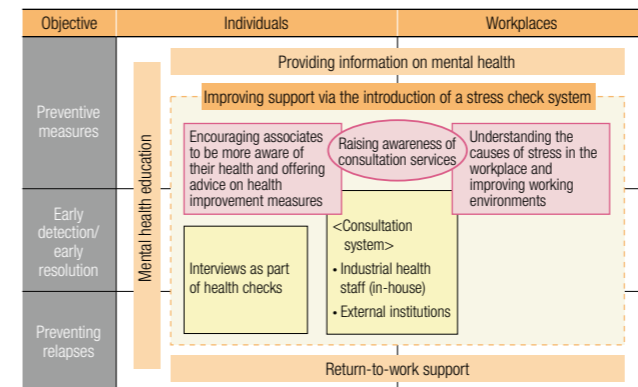
As part of mental health support activities, we have in place a system to offer early consultation through a health-related hotline. Other activities include upgrading our self-care/line-care education to prevent new cases and operation of a return-to-work support program for persons on long-term leave for prevention of relapses. We have successfully achieved positive results through these activities.



Stretching exercise during age-based health education

In fiscal 2016, we looked into establishing the necessary mechanisms to introduce a stress check system in September 2016. From the initial fiscal year in which this system will be implemented, we are also planning to

### Improving Mental Health Support Systems (Introducing a Stress Check System)



introduce feedback to relevant workplaces so that we can improve our mental health support structure even further.

## Enhancing Team Strength

Toyota Industries believes that it is essential to enhance team strength so that each associate can work with vitality and the Company can achieve sustainable growth.

We believe that team strength is made up of "technical skills" that form the basis of manufacturing operations, "management skills" to make maximum use of technical skills and a "spirit of harmony" that supports both. While further enhancing our team strength, we are striving to extend and hand it down beyond all business domains, generations and geographic regions.



### Technical Skills

To develop skills to support manufacturing, the Technical Learning Center, one of our training facilities, plays the central role in associate education, offering basic skills training at the Technical Training School and facilitating efforts to enhance the skills of young technical staff through in-house skills contests. We also work to cultivate highly skilled specialists through participation in the national and international skills competitions.

At the 53rd National Skills Competition\* held in 2015, the Toyota Industries team won one gold medal in the "mechanical device control" category and received prizes in various other categories, thereby attaining medals for the 15th consecutive competition.

In addition, the Toyota Industries team won a bronze medal in the "structural ironsmith" category at the 43rd WorldSkills Competition held in São Paulo, Brazil, in 2015.



\* Skills competition for determining Japan's top young engineers 53rd National Skills Competition (mechanical device control)

### Number of Medals Won at the National Skills Competition

	FY2014	FY2015	FY2016
Gold medal	1	1	1
Silver medal	2	3	2
Bronze medal	3	1	3
Total	6	5	6

## Management Skills

We conduct TICO Business Practices (TIBP) training targeting associates in administrative and engineering fields, with the aim of mutually sharing the thinking and values that the Company gives importance to, as well as to improve our associates' problem-solving capabilities. TIBP training programs are also provided at subsidiaries outside Japan in our efforts to raise the level of management skills throughout the Toyota Industries Group.

## Spirit of Harmony

Toyota Industries is creating a bright, energetic and caring work environment that fosters a dynamic workforce and allows every member to demonstrate his or her capabilities both as an individual and as a team. We are proactively encouraging communication not only during work hours but also through social gatherings, sports days, summer festivals, Group-wide *ekiden* long-distance relay races and cheer squads for various sports events.

## Establishing Work Environments Where Diverse Human Resources Can Play Active Roles

We are implementing a variety of measures to create work environments where a diverse range of human resources can fully exercise their capabilities. These include promoting active roles of female associates, supporting the employment of persons with disabilities and creating an environment in which older associates can work more actively.

## Promoting Active Roles of Female Associates

We have been formulating plans to harness a more diverse range of human resources and continuing to carry out activities since 2008.

We have been working to enhance support systems through such measures as introducing "a return-to-work ("welcome-back") system for associates who have left work to care for children and family members or to accompany their spouse for a job transfer" and "a shorter work-hour system for child care." We also introduced a telecommuting system in April 2014. As a result, we have managed to reduce the gender gap in terms of average length of service

## Initiatives for Promoting Active Roles of Female Associates

~ FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
<b>Enhancing support systems</b> •Extending the period of childcare leave •Introducing a shorter work-hour system for child care •Introducing a telecommuting system •Introducing a leave system to allow parental care of children with illnesses •Establishing on-site day care •Introducing a "welcome-back" system*1								
<b>Cultivating corporate culture</b> •Opening a Diversity Navi page on the intranet •Holding exchange meetings and lectures to share experiences of female associates in balancing work and family •Project for promoting active roles of female associates •President's message								
<b>Increasing the ratio of female associates</b> •Starting to recruit main career track female associates (for engineering positions in 1986 and administrative positions in 1996) •Seminars for female students in science track •Increasing recruitment of female associates from non-engineering university departments								
<b>Cultivating career consciousness</b> •Individual interviews with female assistant managers and their superiors •Formulating individual development plans •Sending trainees overseas •Training for career development for assistant managers								
<b>Setting targets for the number of female associates in managerial positions</b> Toyota Industries •Keidanren**2 •MHLW**3 7 (2006); 29 (2016); 75 (target for 2020)								

\*1: A system to enable reinstatement under certain preconditions

\*2: Japan Business Federation

\*3: Ministry of Health, Labour and Welfare

in administrative and engineering positions to 1.4 years.

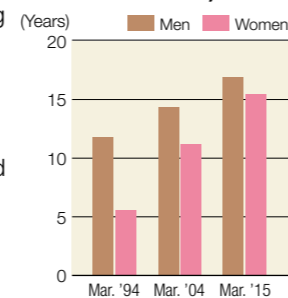
We have also been cultivating a better corporate culture through the launch of Diversity Navi activities, which entail such ongoing activities as providing forums for associates with limited working hours to share opinions and seek advice from one another. As a result, the number of female associates in managerial positions has quadrupled over the course of 10 years from 2006 to 2016 (from seven to 29).

In terms of measures to promote more active roles for female associates, we have set the target of increasing the ratio of female graduate recruits to 40% in administrative positions and 10% in engineering positions, and tripling the number of female associates in managerial positions by the year 2020 compared with 2014, and intend to step up activities to achieve our goal.

## Action Plan

		FY2016	FY2017
Changing mindsets among managerial staff and across all associates	(1) Launch, message from president	Implementation	
	(2) Awareness seminar for managerial staff	Implementation	
	(3) Follow-up on individual development plans	(Ongoing)	
	(4) Getting spouses involved in pre-maternity leave seminars		Implementation
Career support for female associates	(1) Sending associates overseas for training at an early stage in their careers	(Ongoing)	
	(2) Career training and interviews for female assistant managers		Implementation
	(3) Role model exchange meetings		Implementation
	(4) Early return-to-work support (pre-maternity leave seminars)		Implementation
	(5) Improving career development support	Implementation	
Promoting flexible working practices	(1) Expanding telecommuting options		Implementation

## Service Years by Male and Female Associates (Administrative and Engineering Positions, Non-Consolidated)



Project members to promote more active roles for female associates

In 2015, we set up a project to promote more active roles for female associates, comprising 11 men and women from different departments. This project was key for the identification of issues and formulation of policy proposals in promoting the increased active roles of female associates through discussions and exchanges among project members and stakeholders. The results of these discussions formed the basis for the development of a Company-wide action plan in clarifying the initiatives for this project. In carrying out the action plan, we specifically focus on the initiatives to change the mindset among managerial staff and across all associates, provide female associates career support and promote flexible working practices. We have already launched activities involving management, heads of

## Creating a company where all associates can fulfill their potential

- Ask yourself, what is a company for? Its purpose is to make its customers, shareholders and associates happy.
- Given Japan's declining birthrate and aging society, the time will come when a male-dominated system of long working hours is no longer viable. We need to embrace diversity.
- Promoting more active roles for female associates is not only for the benefit of women but also for the benefit of all our associates and our vitality as a company so that we can all be happy in our work.

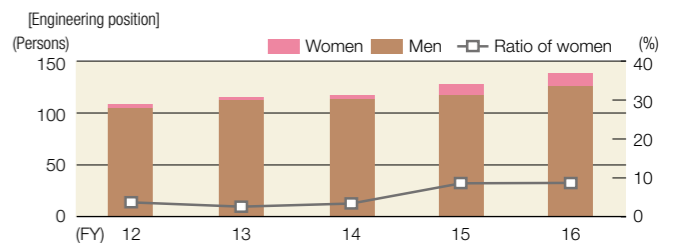
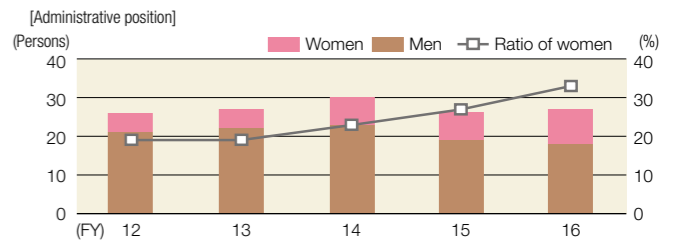


Announcing project recommendations



Project activities

## Hiring of New Graduates (Non-Consolidated Basis)



departments and managerial staff, and have relayed a message from the president.

Rather than merely appointing more female associates to managerial positions, we are working to improve workplaces so as to offer women a wider range of jobs and higher quality of work and to enable female associates to fulfill their individual potential.

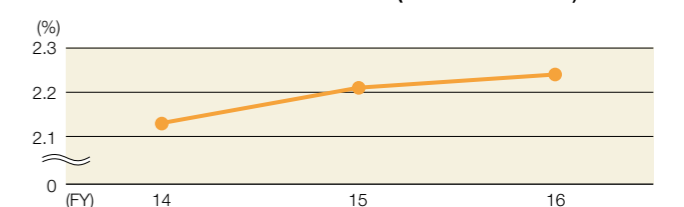
In January 2016, we were certified by the Aichi Labor Bureau as a "Female-Friendly Company." We will continue to promote activities aimed at creating more active roles for female associates.



## Employment of Persons with Disabilities

We respect the idea of people with and without disabilities working together and sharing life and work values. Under this basic policy, we continue to employ persons with disabilities every year. They are assigned to a variety of sections and work with other members to perform their designated tasks. In fiscal 2016, the ratio of associates with disabilities on a non-consolidated basis was 2.24%.

## Ratio of Associates with Disabilities (Non-Consolidated)



## Creating a Work Environment for Older Associates

We focus on creating a better work environment for older associates by adjusting the height of jigs in production lines and modifying processes to compensate for deterioration of vision so that they can work with less stress.

Moreover, since the introduction of a re-employment system for associates who reach the mandatory retirement age of 60, the number of associates who choose to continue working has been increasing. In response, we hold "55 Career Training" for associates reaching the age of 55 to give them an opportunity to envision life and work after the age of 60 and think about how they should work during the remaining pre-retirement period.



# Relationship with Our Local Communities

With a view toward creating an enriched and healthy society and ensuring its sustainable growth, we fulfill our role as a good corporate citizen and actively undertake social contribution activities in every region where we do business.

## Activities as a Good Corporate Citizen

Based on "Respect for Others" as described in our Basic Philosophy, we strive to fulfill our role as a good corporate citizen in every region where we do business and actively engage in social contribution activities to realize an enriched and healthy society. In our activities that emphasize social welfare, youth development, environmental protection and community contribution, we not only provide cooperation and support through personnel, facilities, funds and know-how but also strive to closely connect with participants. To foster employees' awareness of their ties to society and raise their interest in contributing to society, we make enlightenment efforts such as providing a venue for volunteer activities and sharing information on volunteer activities that encourage the participation of all employees. Employee associations\* are actively undertaking various activities to contribute to local communities, mainly in the areas of supporting welfare facilities and protecting the natural environment.

\* Voluntary organizations formed by employees at each job level

## Structure for Promoting Social Contribution Activities

The CSR Committee deliberates on policies of our social contribution activities while the Social Contribution Group within the General Administration Department at the Head Office takes the initiative in carrying out activities.

## Activity Examples of Toyota Industries and Consolidated Subsidiary (Japan)

### Toyota Industries Corporation Youth Development

#### Organizing Food Education and Exchange Meeting for Children from Children's Homes

The Toyota Industries Team Leader Association from manufacturing departments planned a rice growing experience alongside children from children's homes as a new type of social contribution activity. With help from members of the local agricultural cooperative, the association got involved in activities such as planting rice, harvesting rice and pounding rice cakes, and shared with the children the importance of food all year round. From making scarecrows to playing in the mud, everyone got some exercise and had a fun time as well.



Employees planting rice with children from children's homes

### Consolidated Subsidiary Community Contribution

#### Participating in Joint Patrols to Stop Nuisance Parking

Sun River Co., Ltd., which operates sporting facilities, leases real estate and manages restaurants, carries out traffic safety activities in fall every year as a member of an association of local companies. During this campaign, employees took part in joint patrols to stop nuisance parking in the area around Esaka Station (Osaka Prefecture). As well as helping to improve traffic manners among local residents, this activity also serves to raise awareness among employees themselves.



Employees taking part in a joint patrol to stop nuisance parking

## Major Social Contribution Activities of Toyota Industries and Group Companies

Theme	Activities
Social welfare	<ul style="list-style-type: none"> <li>Events to interact with persons with disabilities</li> <li>"Walk Rally (orienteering)," harvest festival, festival</li> <li>Support for welfare facilities</li> <li>Support for charity bazaars at facilities by providing goods</li> <li>Volunteer work for facility cleanup/repair/pruning/weeding</li> <li>Support for sales of products from facilities for persons with disabilities by providing opportunities to set up stalls</li> <li>Volunteer listening activities at elderly care facilities</li> </ul> <p><b>Supporting activities and raising money for medical institutions through a charity marathon (France) (P53)</b>                      Support for feeding the homeless and needy (Australia)                      Donating Christmas presents for less fortunate children (U.S.A.)</p>
Youth development	<ul style="list-style-type: none"> <li>Support for Youth Invention Clubs</li> <li>Monozukuri workshops for elementary school children during summer vacations</li> <li>Holding handmade kite-flying competitions</li> <li>Running craft corners at local events</li> </ul> <p>Providing plant-hosted environmental education to elementary school children                      Holding mini concerts at elementary schools  <b>Organizing food education and exchange meeting for children from children's homes (P52)</b>  <b>Assisting with events aimed at sharing the joys of monozukuri (U.S.A.) (P53)</b></p>
Environmental protection	<ul style="list-style-type: none"> <li>Initiatives for forest conservation</li> <li>Tree thinning activities for conservation of prefecture-owned forests</li> <li>Producing and donating benches made of thinned wood</li> <li>Tree-planting activities for reforestation</li> <li>Support for environmental festival through participation and financial assistance (Sweden)</li> <li>Tree-planting activities on Mt. Papandayan (Indonesia)</li> </ul> <p><b>Tree-planting activities to protect mangrove forests (Indonesia) (P53)</b>                      Cleanup activities along the delta coast (Romania)                      Cleanup activities at Semeru National Park (Indonesia)</p>
Community contribution	<ul style="list-style-type: none"> <li>Participation in local traditional events (Mando Festival)</li> <li>Road cleanup activities in areas around plants</li> <li>Activities to raise awareness for traffic safety</li> <li>Crime prevention patrols</li> <li>Highway cleanup activities (U.S.A.)</li> <li>Donating plumbing equipment, desks, uniforms and other items to schools (India)</li> </ul> <p><b>Participating in joint patrols to stop nuisance parking (P52)</b></p>
Other	<ul style="list-style-type: none"> <li>Holding charity concert</li> <li>Support for international NGO in collecting spoiled postcards</li> <li>Periodic blood donation drives</li> </ul> <p><b>Participating in earthquake recovery support activities in Japan (Germany) (P53)</b></p>

(Activities without country designation were conducted in Japan.)

## Activity Examples of Consolidated Subsidiaries (Outside Japan)

### France Community Contribution

#### Supporting Activities and Raising Money for Medical Institutions through a Charity Marathon

##### Toyota Material Handling France SAS (TMHFR)

Subsidiary engaging in sales and servicing of materials handling equipment

The TMHFR team made up of 89 people participated in charity marathons held in Paris and Toulouse in November 2015. These events are part of a campaign to raise recognition and awareness of men-specific illnesses and to be more health-conscious, and participants must wear a moustache whether real or fake. Participation fees of around 45,000 euros were raised and donated to medical institutions to support treatment and research on depression and prostate cancer.



Employees who participated in charity marathons

### Indonesia Environmental Protection

#### Tree-Planting Activities to Protect Mangrove Forests

##### P.T. TD Automotive Compressor Indonesia (TACI)

Subsidiary producing car air-conditioning compressors

In January 2016, TACI provided cooperation to an environmental protection program promoted by an Indonesian subsidiary of Toyota Motor Corporation and its group companies and planted trees at Maron Beach on the island of Java. This activity is conducted to protect mangrove forests, which play an important role in safeguarding biodiversity. A total of approximately 300,000 mangrove trees were planted, including 2,000 trees donated by TACI.



Employees planting trees

### U.S.A. Youth Development

#### Assisting with Events Aimed at Sharing the Joys of Monozukuri

##### Michigan Automotive Compressor, Inc. (MACI)

Subsidiary producing car air-conditioning compressors

In July 2015, MACI cooperated in the annual Learning Fair conducted in Jackson County in Michigan. The fair provides a hands-on opportunity to explore technology and craftsmanship and is a great learning experience for children and adults alike. Five MACI employees took part and prepared a monozukuri corner using compressor pieces and a robot experience corner.



Employees and children who took part in the event

### Germany Other (Recovery Support)

#### Participating in Earthquake Recovery Support Activities in Japan

##### TD Deutsche Klimakompressor GmbH (TDDK)

Subsidiary producing car air-conditioning compressors

In May 2015, five employees of TDDK joined recovery support efforts in the area greatly damaged in the Great East Japan Earthquake through the NPO Kizuna-in-Berlin. The volunteers engaged in various activities, such as restoring homes, tending farms and repairing tools. They stayed with the local residents in a homestay, which enabled them to deepen their insights into Japanese culture and daily life and to form bonds with people in the communities.



Employees helping repair tools