

Uniform Global Quality Assurance

Commitment to Quality Assurance

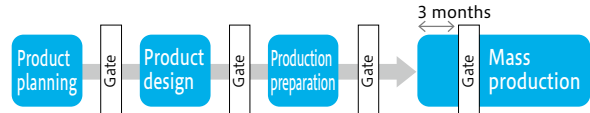
Under our basic quality policy, we guarantee quality at every step from development to production for “Customer First” and “Quality First” principles.

For our quality assurance systems, we have obtained certification under the international standards ISO 9001/ IATF 16949 and have established a quality management system. We are also working to strengthen quality assurance throughout the Group using the Quality System Global Standards^{*1} as common rules. We pursue quality that meets customer expectations by reliably building

quality into new products through our Initial Management System, which checks how well each process is done, from planning to design and production.

^{*1} Incorporates the know-how and rules for quality improvement in the Toyota Gosei Group

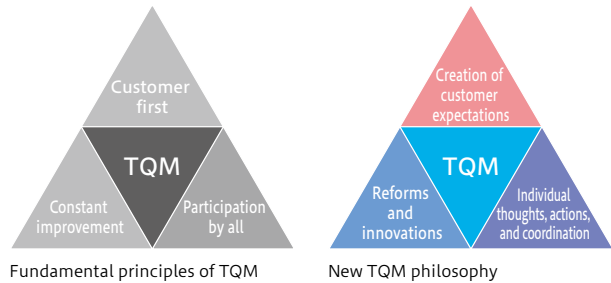
Gate Control by Initial Management System



TQM for a Stronger, Better Company

Based on the basic principles of TQM,^{*2} we are raising product and work quality and individual and organizational vitality. Company-wide TQM activities are undertaken to create a flexible and resilient corporate character. In addition to our conventional *kaizen* activities, including Workplace Management *Kaizen* Activities and Small Group Activities, we are building a new TQM philosophy with the concept of “changing the way we work in anticipation of coming changes,” and sequentially spreading these new TQM activities in the Group.

^{*2} Total Quality Management



Development of Human Resources for Future Business and Environmental Changes

We established the Quality Learning Center as a place to foster a mindset in which all members of the Toyota Gosei Group, including suppliers and overseas locations, can think and act in a “Customer First” and “Quality First” manner. In addition to the company’s quality history and examples of quality *kaizen* that embody the TG Spirit, we use this as a place to repeatedly learn about initiatives as we move toward the future.

In addition, during “Global Quality Month” in November each year, everyone makes a “Declaration of Thought and Action” in their position and role. Through this and the establishment of regular opportunities for everyone to reflect on their own actions, we try to firmly establish the

“Customer First” mindset.

Training Personnel with Digital Analysis Skills

With the recent utilization of big data and the rapid expansion of DX, the ability to analyze data has become an essential skill. We are strengthening the practical education, including industry-academia collaboration,^{*3} of people who can use statistical quality control (SQC) and machine learning (ML).

^{*3} Experts from Shiga University and the Toyota Group serve as instructors



Toyota Group machine learning dojo

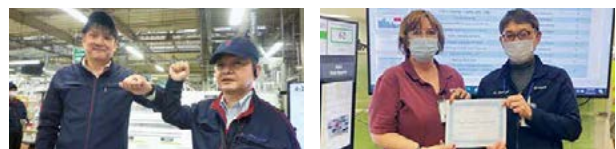
Manufacturing Quality Assurance and Continuous Improvement Activities

In order to deliver safe and secure products to our customers around the world, we are executing defect-free process completion centered on production processes for safety parts, which are directly related to the basic performance (running, turning, and stopping) and safety of vehicles. Audits and improvements by certified auditors are also conducted for safety part production processes.

Ongoing “Quality Assurance Declaration Activities”

We cultivate a workplace culture of continuous improvement and have conducted “Quality Assurance Declaration Activities” since 2012 with the aim of creating manufacturing floors that can cope well with changes. We identify issues from the three angles of developing

human resources, developing processes, and preventing recurrences, and then conduct *kaizen*. At the stage when we achieve our targets, the supervisor gives an “Assurance Declaration” to the company president on-site. With the aim of quality that will earn the trust of the customers globally, we undertake this activity with the participation and concerted effort of the entire Toyota Gosei Group.



“Quality Assurance Declaration Activities” in local confirmation meetings with the company president (left: Japan, right: North America)