

Monitoring and responding to manufacturing processes and market quality

Defect-free process completion is carried out in production and other processes for parts involved in the basic automotive functions of running, turning, and stopping, as these parts are directly linked to safety. We want the Toyota Gosei name to equal quality in the minds of customers worldwide. For this purpose, we advance quality assurance declaration activities at all production locations. This means that all employees make efforts to improve safety and the people in charge of all manufacturing processes improve quality through the development of people and processes. When a mechanism that can ensure the target quality has been completed and is in place, the manager makes an “assurance declaration” to the president or site manager. The president or site manager then conducts a site inspection. Through

“*jidoka*,” we improve quality by creating processes that do not produce or pass on any defects and developing workers with a high sensitivity to safety and to avoiding mistakes. We also have fulltime auditors who audit and improve processes at all production sites globally.

A system is in place so that whenever a quality problem occurs in the market, we can quickly investigate the causes based on information from automakers and implement prevention measures. When it is difficult to pinpoint the cause of a problem and develop solutions internally, we work with the quality departments of automakers to take precise measures to prevent recurrence based on inspections with test vehicles and other means. In this way we prevent such quality defects from occurring in the next products.

Supply chain management

We aim to deepen, grow and develop our partnership with suppliers based on our basic procurement policy.

Basic procurement policy

1. Optimum global procurement

In the process of procuring product materials, products and parts, production equipment, dies/ molds and other goods needed for our business, we conduct comprehensive assessments of suppliers from a global perspective. This includes quality, cost, volume/delivery, technology, and the supplier’s attitude to continuous improvement. We do our utmost to make purchases in a fair and open manner.

We also welcome proposals from suppliers for new technologies and methods and new products.

2. Mutual growth based on mutual trust

We want to grow together with our business partners through dealings based on a long-term vision. To this end we work to build strong relationships of trust through close communication with suppliers.

3. Thorough environmental protection and legal compliance

We do our utmost to ensure environmental protection and legal compliance in all our development, design, and production activities. In procurement we follow the principles of purchasing items with minimal environmental impact and conducting our activities in ways that reduce environmental impacts.

We also exercise extreme care for full legal compliance and confidentiality in relation to our procurement activities.

Support for suppliers

We support strong supplier structures with “*genchi-genbutsu*” (go-and-see activities), and work for their growth. In addition to standardized work and defect prevention to avoid serious quality problems, and lowering of cost prices for higher competitiveness, we involve suppliers in mold and product design. Through

sectional committee activities we share information necessary for quality improvements with suppliers. We also conduct checks and risk assessment for compliance with Japan’s Industrial Safety and Health Act to help support the creation of safe workplaces and prevent fires and disasters.

Green procurement

We do our utmost for environmentally-friendly procurement based on our Green Procurement Guidelines (4th Edition), which consist of three components: establishing environmental management systems; improving regulatory compliance and environmental performance; and managing harmful substances. To reduce environmental impacts, we strive to enhance suppliers’ internal organizations and systems and raise the level of their production activities. Positive results have been

achieved, such as acquisition of ISO 14001 certification and reduction of energy consumption and waste. We comply with increasingly strict chemical substance regulations around the world and monitor the chemicals contained in items procured from suppliers. We also coordinate with suppliers in complying with European ELV (end-of-life vehicle) and REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) regulations, and in the management of volatile organic compounds.



Collaboration with suppliers

Our partnerships with suppliers are very important to us for smooth business operations. Every April, Toyoda Gosei Co., Ltd. holds a procurement policy briefing with about 200 suppliers of products, machining processes, materials, facilities, and molds. We inform suppliers of upcoming issues and efforts, including our business environment and direction, and share our procurement policy for the year with regard to safety, quality, delivery, price, technology, global expansion and CSR. We also give awards to show our appreciation to suppliers for achievements in their fields, while encouraging all suppliers to continue making progress. Every quarter, we hold a procurement liaison meeting with about 100

suppliers, where we share production information and information on quality improvements, compliance, safety, earthquake measures, confidentiality, chemical substance control and human resources development.



Procurement policy briefing, Japan



Procurement policy briefing, China

Contributing to local communities

The Toyoda Gosei Group wants to earn the trust of society through all its business activities, including the development and manufacture of products that satisfy customers worldwide, environmental preservation, and social contribution. TG Group companies and their

employees around the world are making efforts to contribute to their communities in the four areas of social welfare, environmental preservation, youth development, and community safety, and grow together with strong local roots.

Social Welfare



Introduction of fund-raising meals in cafeterias



Wheelchair repair in welfare institutions

Environmental Preservation



Environmental education for elementary school students



A total of more than 300,000 trees planted domestically and internationally

Youth Development



Support for Boys and Girls Invention Club



Sports clinics

Community Safety



Anti-crime patrols



Traffic safety patrols

Sports Promotion



Trefuerza volleyball team (currently, Nagoya Wolfdogs)



Blue Falcons handball team



Scorpions basketball team

Since winning their first league championship in 2015, the Trefuerza volleyball team (currently, Nagoya Wolfdogs) has been in contention for the top spot every year. Our handball and basketball teams are also active in Japanese domestic leagues.