



## Compliance

### Basic philosophy

Toyoda Gosei’s management philosophy states, “We promote business operations with integrity through the establishment of a system founded on thorough compliance and corporate ethics.” Together with highly ethical and fair business practices, we strive for thorough compliance in all areas based on this philosophy.

The Toyoda Gosei Group Charter for Business Ethics

### Compliance system

Toyoda Gosei has established the Compliance and Risk Management Committee with the Company’s president serving as chairman and all company officers as members. The Committee’s activities include reporting on and discussing that status of compliance with business ethics, laws, and regulations. The items reported and discussed in the Committee are shared with the compliance advocates selected by each department in Company-wide Compliance Advocates’ Meetings so that they will be reflected in the activities of each workplace. The committee works for thorough compliance with a unified approach between management and the workplace.

Regular compliance liaison conferences are also held with Group companies in Japan. Group companies in other countries have also established compliance committees, appointed compliance advocates, or set up other compliance systems suited to the circumstances in their region and company. Compliance activities are carried out globally in coordination with Toyoda Gosei Co., Ltd.

### Specific efforts

#### • Compliance activities

Toyoda Gosei conducts level-specific and risk-specific training with the aim of raising and solidifying compliance awareness in every employee.

Each year, a compliance sustainment questionnaire survey is conducted for all employees to check the depth of compliance awareness and whether there are signs of violations. *Kaizen* activities are then conducted based on the results.

At the same time, both domestic and international Group companies are establishing basic policies and advocacy systems for compliance, and carrying out their own inspections for risks in their main activities. The results of the inspections are checked by each functional department in Toyoda Gosei, and efforts are made for thorough compliance in the entire Toyoda Gosei Group with support for the *kaizen* and responses of each company through feedback reports.

#### • Efforts for the prevention of antimonopoly and competition law violations

Specific behavioral guidelines that Toyoda Gosei expects employees to follow in various business activities, especially sales, are embodied in the Codes of Conduct for Antitrust Law Compliance in the Company’s internal regulations. Efforts are made for thorough compliance through training and education for employees.

Antitrust law compliance manuals based on the

sets forth shared values and behavioral standards for the entire Toyoda Gosei Group. Group companies in Japan and other countries then formulate and implement their own behavioral guidelines based on the Charter. Toyoda Gosei Co., Ltd. has also established the Toyoda Gosei Guidelines for Business Ethics, which it expects every employee to follow, and has worked to familiarize all employees with these guidelines.

### Compliance



laws of each country are prepared for the regions where Group companies are located, and efforts are made to prevent anticompetitive acts globally. Continuing education activities are also conducted through training specifically for antitrust and competition laws, regular level-specific compliance training, and other training.

#### • Anti-bribery efforts

The Toyoda Gosei Group has formulated Global Anti-Bribery Guidelines as a common guide for global activities, and is making efforts to prevent bribery, accounting fraud, and other forms of corruption. With level-specific training and training for Group companies doing business in regions where there is high risk, education to prevent corruption is provided to employees.

#### • Early detection and correction of problems with internal reporting system

Compliance consultation offices have been set up both inside and outside the company. In external offices, outside lawyers who can deal with problems from an objective standpoint are in charge. Internal labor consultation offices have also been established to specifically handle labor troubles and harassment. In addition to internal consultation offices in all Group companies in Japan, an external compliance consultation shared with Toyoda Gosei has been established. At overseas Group companies, external or internal consultations offices have been established.