

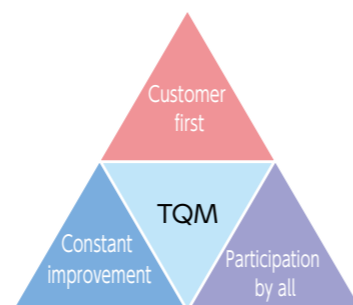
Customer Relations

With priorities on customers and quality, we are working to constantly improve our products and services and our value as a company.

Integrated quality assurance, from development to production

Toyota Gosei ensures quality in all business activities, from development to production, based on our basic quality policy. Every one of our plants has obtained certification in the ISO 9001 (JQA-QM7318/QMA11826/QMA12841) and ISO/TS16949 (JQA-AU124) international standards for quality management systems. Each plant also sets its own quality control goals for production. These goals are based on the principles of Total Quality Management, or TQM—activities designed to enhance the quality of products, work, and management, and increase the dynamism of individuals and organizations, through constant improvement and the participation of all based on the “Customer First” principle. In addition, all Group companies use our Quality System Global Standards, which incorporate quality improvement with rules and know-how to ensure quality.

Fundamental principles of TQM



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 full-time 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.



Activities for improving trust in the market

CLOSEUP

Ongoing “Quality Assurance Declaration Activities”

These activities have been conducted since 2012 to improve quality in terms of developing both workers and processes with the aims of cultivating a workplace culture of continuous improvement and building robust shop floors. In FY2016 targets were set for activities from the operators’ perspectives and in accordance with the quality level of each process. Once a target is achieved, the area moves on to the next target in an upward spiral. *Kaizen* is done for work that is difficult to perform and places where quality is inconsistent in each section. When the stage is reached with zero complaints, a declaration of assured quality is made and the executive in charge makes an on-site check of the improvements that have been implemented. The company president or executive in charge shake hands with the supervisor responsible for the manufacturing area to affirm the declaration.



The company president shakes hands with the supervisor who has completed an assurance declaration to express congratulations and affirm continuation of activities.



On-site check by company president

TQM for a stronger, better company

With “Customer First” firmly in mind, we carry out TQM programs globally to raise the quality of products and work to increase individual and organizational dynamism. All employees make continuous improvements from their respective positions. In this way we build stronger, better

corporate structures throughout the Toyota Gosei Group. In FY2016 the first TG Global Small Group Activity Conference was held. Outstanding examples of *kaizen* from TG locations around the world were presented while global TG members studied and learned from each other.

TQM activities at Toyota Gosei

Level	Activities
Managerial	Improving workplace management
Staff	Small group activities Improving statistical quality control (SQC) and quality engineering (QE) capabilities
Line	Small group activities (QC Circles)

Small group activity implementation rate at international locations (FY2016)

78%

(29 of 37 production companies)

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First “TG Global Small Group Activity Conference” held

The TG Global Small Group Activity Conference was started with the aims of invigorating QC circles and group *kaizen* activities for each workplace in the entire TG Group. Previously presentation conferences were held for each region—Japan, China/Taiwan, Asia, Americas—but for the first global conference executives and employees from a total 13 group companies from Japan, China, Vietnam, India, USA, and the Czech Republic gathered in Japan. About 240 people listened to ten presentations on topics including reducing materials loss and raising productivity in office work. Outstanding examples of activities were shared in the group and participants learned from each other.



Sales activities aligned with customer needs

Toyota Gosei sales and other departments meet the demands of customers around the world, growing sales while building good customer relationships. We collect and analyze data on customers’ needs and the issues they are facing,

and then work with engineering and other relevant departments in the company to present development plans aligned with those needs to provide products that will satisfy them.

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Global Sales Meeting

Sales executives from Toyota Gosei Co., Ltd. Sales Headquarters and Toyota Gosei Group companies in the Americas, China, Europe, Thailand and India gathered in Japan for a Global Sales Meeting. They shared information on key activities based on issues in each region, and discussed how to move toward greater inter-regional coordination in sales activities for world cars.



Recognition from customers

Our quality improvement efforts have been recognized by global customers.

Quality awards received (FY2016)

Company receiving award	Commending organization	Award
Toyoda Gosei Co., Ltd.	Hino Motors, Ltd.	Quality Management Award
	Suzuki Motor Corporation	Best Partner Award
TG Fluid Systems USA Corporation	Toyota Motor North America, Inc.	Excellent Quality Award
GDBR Industria e Comercio de Componentes Quimicos e de Borracha Ltda.	Toyota Argentina S.A.	Quality, Delivery, Cost Certificate Award
	Honda Automoveis Do Brasil Ltda.	Quality, Delivery Excellent Award
Tai-yue Rubber Industrial Co., Ltd.	Yulon Nissan Motor Co., Ltd.	Superior Manufacturer Award
Tianjin Toyoda Gosei Co., Ltd.	Tianjin FAW Toyota Engine Co., Ltd.	Quality Achievement Award
	FAW Toyota (Changchun) Engine Co., Ltd.	
	Great Wall Motor Co., Ltd.	Quality Improvement Award
Toyoda Gosei (Zhangjiagang) Co., Ltd.	GAC Toyota Motor Co., Ltd.	Quality Excellence Award
Toyoda Gosei (Foshan) Rubber Parts Co., Ltd.	Tianjin FAW Toyota Motor Co., Ltd.	
	Sichuan FAW Toyota Motor Co., Ltd.	
	GAC Toyota Engine Co., Ltd.	
Toyoda Gosei (Foshan) Auto Parts Co., Ltd.	GAC Toyota Motor Co., Ltd.	Quality Cooperation Award
Toyoda Gosei Minda India Pvt. Ltd.	Maruti Suzuki India Ltd.	Improvement in Quality Performance Award
Toyoda Gosei South India Pvt. Ltd.	Toyota Kirloskar Motor Pvt. Ltd.	Appreciation Award for Quality Activities
	Toyota Kirloskar Auto Parts Pvt. Ltd.	Zero Defect Supplies
Minda TG Rubber Pvt. Ltd.	Toyota Kirloskar Motor Pvt. Ltd.	Best Quality Supplier
Toyoda Gosei UK Ltd.	Jaguar Land Rover	Quality Award
Toyoda Gosei South Africa (Pty). Ltd.	Toyota South Africa Motors (Pty) Ltd.	Supplier Superior Award in Quality Management



TG Fluid Systems USA Corporation receives Excellent Quality Performance Award from Toyota Motor North America, Inc.



Toyoda Gosei (Zhangjiagang) Co., Ltd. receives Quality Excellence Award from GAC Toyota Motor Co., Ltd.



Toyoda Gosei South Africa (Pty). Ltd. receives Supplier Superior Award in Quality Management from Toyota South Africa Motors (Pty) Ltd.