

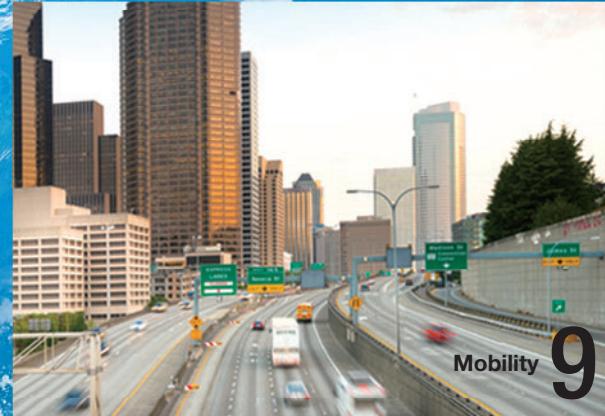


CSR Report
2013

Since its establishment in 1948, the Toyota Tsusho Group has expanded its businesses from a global perspective to provide products and services under the banner of "Creation of Added Value."

Group companies worldwide are currently cooperating closely in undertaking operations encompassing production, processing, retail and services that respond to the conditions and needs of each region.

The Toyota Tsusho Group will fully utilize its global networks, expertise in international collaboration and the strengths cultivated within the Toyota Group to strive toward a new image—one of a trading company capable of flexible thinking and making precise, well-tailored proposals.



CSR Report 2013

Contents

2 Corporate profile/
Editorial comments

3 A word from the president

9 Mobility Markets

**Making next-generation vehicles
(PHV, EV) a daily mode of transport—Field tests nurture new markets**

11 Life & Community Markets

Raising the quality of medical care in India through hospital management

13 Earth & Resources Markets

Developing lithium resources in Argentina to meet growing demand

15 Collaboration with CFAO Markets

Aiming to become Africa's No. 1 alliance

17 Business activities and key CSR issues Markets

19 Safety efforts People

24 Approach to the environment Environment

31 Human resource initiatives People

37 Governance Society

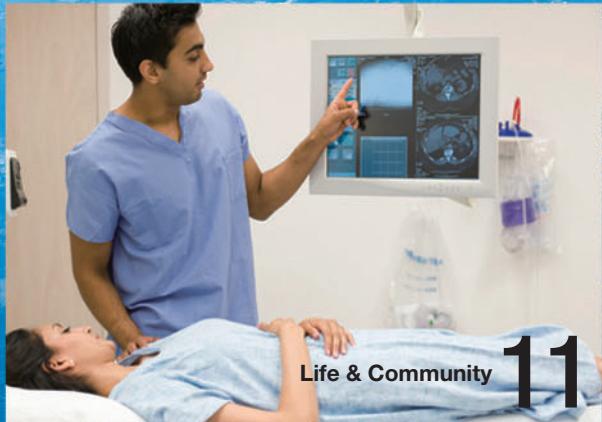
41 Social contribution activities Society

44 Third-party opinion

45 Trading network and key management indicators

Toyota Tsusho Corporation stakeholders and CSR





Life & Community

11



13 **Earth & Resources**



15 **Collaboration with CFAO**

Photo Credits: Thomas Renaud

Corporate profile

(as of March 31, 2013)

Company name:	Toyota Tsusho Corporation
Establishment:	July 1, 1948
Paid-in capital:	¥64,936 million
Common stock issued:	354,056,516 shares
Head office:	Century Toyota Bldg. 9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan
Tokyo head office:	3-13, Konan 2-chome, Minato-ku, Tokyo 108-8208
Branches & sales offices (Japan):	12 (Hokkaido, Tohoku, Niigata, Hamamatsu, Matsumoto, Mishima, Toyota, Osaka, Hokuriku, Hiroshima, Kyushu, Takamatsu)
Branches & offices (overseas):	25
Consolidated companies:	Japan: 110 Overseas: 505
Number of employees:	2,863 (non-consolidated) 48,336 (consolidated)

Editorial comments

Editorial policy

While Toyota Tsusho Corporation had posted environmental reports on its website since 2002, this information has been integrated into the CSR Report since 2005. The purpose of this report is to describe and report to our stakeholders worldwide Toyota Tsusho's activities aimed at the sustainable development of a global society.

The Toyota Tsusho Group views CSR not as a special undertaking, but rather considers it inseparable from the management of all corporate activities. This year's report includes special features detailing our global efforts from the perspective of sustainability. In addition, the report introduces activities in which we engage through our business, such as "developing a culture of safety," "creating value through personnel diversity," "implementing environmental initiatives" and "undertaking social contribution."

Reference guidelines

GRI Sustainability Reporting Guidelines (3.1 version)
Ministry of the Environment, Japan, Environmental Reporting Guidelines (2012 version)
ISO 26000 (A corporate social responsibility reference)

Scope of the report

Toyota Tsusho Corporation's main consolidated subsidiaries and affiliates. However, some of the activities described herein are those of Toyota Tsusho Corporation only.

Reporting period

This report covers the period from April 1, 2012, to March 31, 2013 (although certain activities are included that fall outside this reporting period).

Date of publication

July 2013 (previous publication: August 2012; next publication: July 2014)

Representative responsible for publication

Jun Karube, President and CEO

Promoting sustainability for the global community by addressing social needs and concerns through value creation in our three business domains: Mobility, Life and Community, and Earth and Resources

Basic Stance

Enriching society and promoting sustainability for the global community while increasing our corporate value

Our corporate creed calls for us to generate value that enhances the quality of life and to operate in a manner that honors individuality, that resonates with the community, and that preserves environmental quality. We regard management, in other words, as a function of fulfilling our corporate social responsibility. In accordance with that stance, we strive to promote sustainability for the global community while increasing our corporate value. That means crafting a business model to serve evolving needs and expectations with new kinds of value.

The blueprint for our efforts is our Global 2020 Vision, adopted in April 2011. That vision provides for pursuing sustainable growth by building a business portfolio balanced equally among three business domains. We characterize those domains as Mobility (present and future automotive transport), Life and Community (consumer goods and other goods and services for enriching daily life), and Earth and Resources (natural resources and infrastructure development).

In April 2013, we augmented the Global 2020 Vision with explicit guidelines for fulfilling our corporate social responsibility. Those guidelines include benchmarks for each business domain, and they align the Global 2020 Vision squarely with our corporate social responsibility agenda.

Notable initiatives in the past fiscal year

Tackling issues of concern to humankind through our three business sectors in accordance with our Global 2020 Vision

Activity in our Mobility business domain includes working to secure broad acceptance for plug-in hybrid vehicles and pure-electric vehicles. Those vehicles have a big role to play in reducing automotive output of greenhouse gases, and broader market penetration will hinge partly on the availability of battery-charging facilities. So we have begun participating directly in building networks of charging stations. We secured an equity stake in May 2012 in the US company ChargePoint, Inc., which is the world's largest operator of charging stations. In cooperation with ChargePoint, we subsequently installed pilot charging networks in Japan, Portugal, and Singapore. And we have initiated car-sharing services with electric vehicles in those nations to study the networks' viability.

Hospital management is the subject of a promising new venture in our Life and Community business domain. We established a hospital management company in India in April 2012 with Japan's Secom Co., Ltd., and India's Kirloskar Group. Our plans call for opening a general hospital in India in 2013—the first Japanese-Indian-owned hospital there for serving the medical needs of India's growing population. Our participation in the project will include providing medical equipment and insurance services, drawing on our well-established strengths in those sectors.

In our Earth and Resources business domain, we invested in an Argentine project in September 2012 for extracting and purifying lithium. That rare earth element



is an essential material for the storage batteries used in a vast array of equipment. And we are the first Japanese company to secure a direct equity holding in lithium development. We began work on a processing plant in December 2012, and we plan to begin full-scale commercial production there in the latter half of 2014.

Pursuing synergies through our strategic alliance with the large French trading company CFAO

We acquired a controlling interest in the large French trading company CFAO through share purchases from July to December 2012. CFAO specializes in Africa and has extensive operations there in the automotive sector and in other sectors. Its business operations are especially strong in North Africa and West Africa. Our African operations, particularly in the automotive sector, meanwhile, is especially strong in East Africa and Southern Africa. Together, the Toyota Tsusho and CFAO vehicle distribution operations serve 53 of Africa's 54 nations. Also, CFAO possesses Africa's largest pharmaceutical wholesale business network. We therefore envision exciting opportunities for fostering synergies with CFAO in pharmaceuticals and medical care through our Life and Community business domain. Opportunities for nurturing synergies with CFAO also abound in our Earth and Resources business domain. Especially promising are opportunities for cultivating business in infrastructure by leveraging the Toyota Tsusho and CFAO business networks in other sectors. Our shared vision with CFAO for our strategic alliance calls for asserting leadership in community commitment, as well as in business. We are determined to contribute to sustainable growth throughout Africa. That means engaging in a full spectrum

of public-interest activities, as well as shaping our business activities to maximize our contribution to social vitality.

Accompanying our globalization with a stepped-up emphasis on fulfilling our corporate social responsibility in regard to community vitality and environmental quality

Fulfilling our corporate social responsibility is a mounting emphasis for us as our operations assume an increasingly global scope. Safety in and around the workplace is a core emphasis, and we convened our inaugural Global Safety Meeting. At that meeting, safety supervisors from Toyota Tsusho operations in Australia, Brazil, Thailand, and the United States gathered and agreed on ways to promote safety.

We adopted new guidelines for environmental protection, meanwhile, in the past fiscal year. Those guidelines mandate preliminary environmental impact assessments as part of the evaluation process for proposals for large investment projects. We conducted environmental impact assessments for seven project proposals under the new guidelines during the fiscal year.

All of us at Toyota Tsusho are more committed than ever to honoring individuality, to resonating with the community, and to preserving environmental quality. And we will continue working in that spirit to fulfill our corporate social responsibility. We invite your careful attention to our progress.

July 2013


Jun Karube
President and CEO

Toyota Tsusho's approach to CSR

Toyota Tsusho Corporation conducts CSR activities with the goal of realizing our Corporate Philosophy of “living and prospering together with people, society, and the Earth.” We have been striving for *kaizen* (continuous improvement) in our CSR activities, for example by establishing the Toyota Tsusho Supply Chain CSR Behavioral Guidelines in 2012.

Our CSR philosophy

Our Behavioral Guidelines describe how we will conduct CSR activities to realize our Corporate Philosophy

Toyota Tsusho Corporation's Corporate Philosophy sets forth the company's *raison d'être* and the resolve with which it manages its operations. Our Behavioral Guidelines define a code of action for all executives and employees. Toyota Tsusho's basic management philosophy is based on a Fundamental Philosophy of unchanging ideals that should be passed on to future generations.

Our Behavioral Guidelines describe how we will conduct CSR activities to realize our Corporate Philosophy.

Fundamental Philosophy

Corporate Philosophy

Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to the creation of a prosperous society.

Behavioral Guidelines

As a good corporate citizen, we will:

- Implement open and fair corporate activities,
- Fulfill our social responsibilities and conserve the global environment,
- Offer creativity and provide added value, and
- Respect people and create a responsive workplace striving to achieve job satisfaction.

The Toyota Tsusho Group's philosophy system

Our philosophy system codifies our actions into four tiers designed to realize our Fundamental Philosophy

Toyota Tsusho's Group philosophy system comprises four tiers: “Fundamental Philosophy,” “Vision,” “Long-Term Business Plan and Annual Plan,” and “The Toyota Tsusho Group Way.”

At the apex of Toyota Tsusho's philosophy system is its Fundamental Philosophy, which addresses such questions as “What is the purpose of our corporate existence” and “What are our objectives, and how will we achieve them?” Our Fundamental Philosophy comprises our Corporate Philosophy and Behavioral Guidelines.

Our newly formulated vision addresses the question of how we will realize our Fundamental Philosophy 10 years hence. Five-year long-term plans and annual plans provide specifics on how we will achieve the targets described in the Vision.

Toyota Tsusho has formulated our new corporate vision, the Global 2020 Vision, to clarify our objectives for the 10-year period commencing in fiscal 2011, which are to be shared among all group employees throughout the world. This new vision presents our corporate ideal as striving to “maintain an unwavering sense of responsibility” and “garner our customers' trust,” and clarifies how Toyota Tsusho will pursue CSR initiatives even more proactively than in the past.

To promote these initiatives, the Toyota Tsusho Group Way

sets forth the group's unique values, beliefs and daily principles of conduct. On the basis of the Toyota Tsusho Group Way, all Toyota Tsusho executives and employees pursue the aim of creating value from the customer's perspective, based on three principles: “passion for business,” “On site, hands on, in touch,” and “teamwork.”

“G' VALUE with you” is the Toyota Tsusho Group's flagship message, forming the basis for its initiatives as it strives to realize its group philosophy.

Promotion structure

We aim to provide added value that will satisfy all our stakeholders

In 2005, we reorganized the corporate ethics committee and named it the CSR Committee (chaired by the President and CEO), to serve as the central organization for promoting CSR throughout the group. Organizations under the CSR Committee include the Specified Import & Export Control Committee, the Conference on the Global Environment, the Safety Management Improvement Committee, and the OS&H Promotion Committee, with each committee discussing and deliberating the various CSR themes. Also, the ERM (Enterprise Risk Management) Department, which is responsible for companywide integrated risk management, covers compliance, while the Social Contribution Office is a specialized organization that actively drives our social contribution efforts. Based on this structure, we seek to conduct even more-active CSR efforts, resulting in added value that will benefit all our stakeholders.

CSR promotion structure

President & CEO

CSR Committee

Membership

● President & CEO ● Executive Vice President

[Sales divisions]

● Chief Division officers
● General managers of divisional planning departments

[Administrative division]

● Chief division officers ● Deputy chief division officers
● General managers of related departments

Import & export control

Specified import & export control committee
(Convenes once per year)

Environmental preservation

Conference on the global environment
(Convenes once per year)

Occupational safety and health

Safety management improvement committee
(Convenes once per month)
OS&H promotion committee (Convenes once per year)

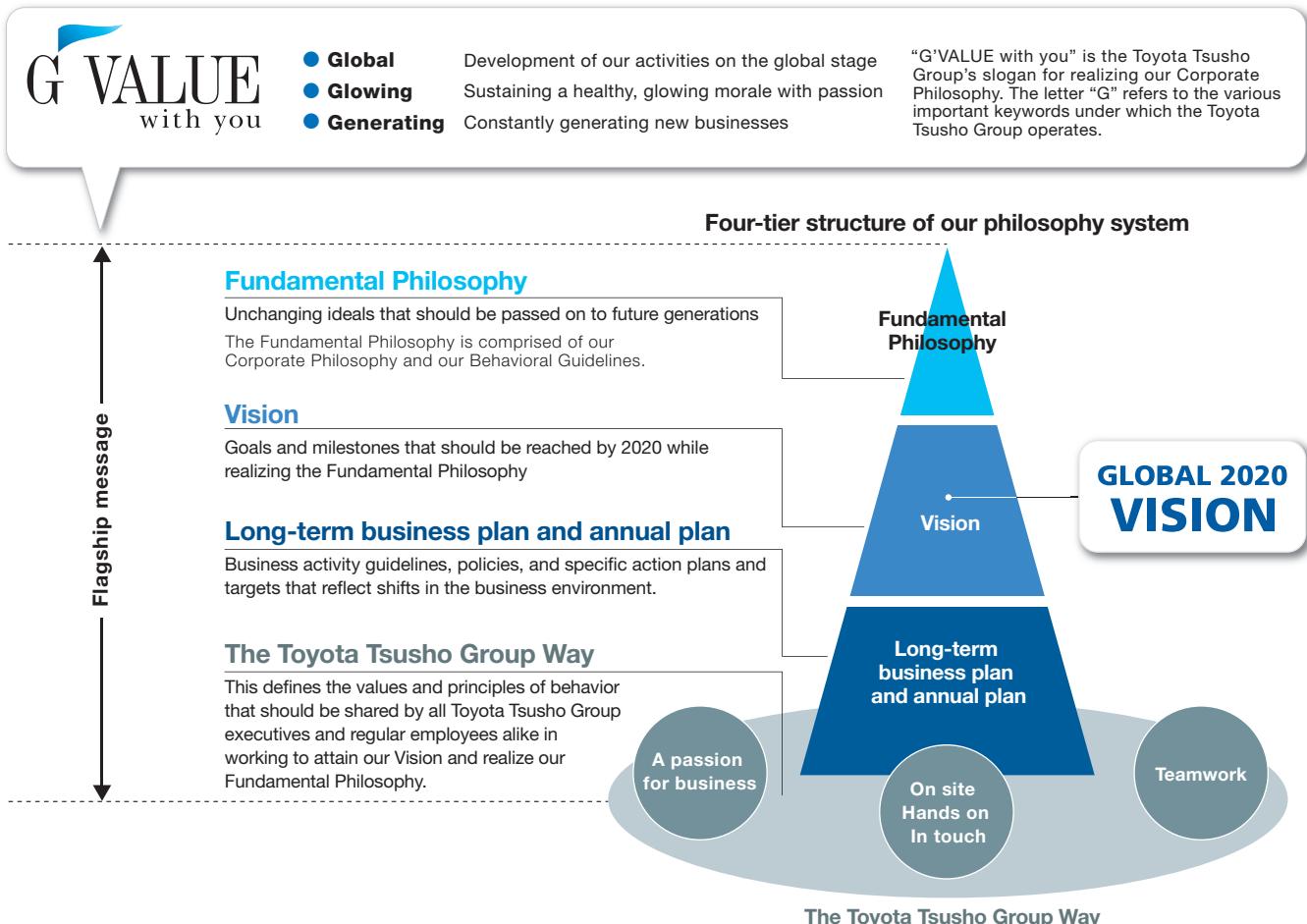
Compliance

ERM Department (Standing)

Social contribution

Social Contribution Office (Standing)

Group Philosophy System and the GLOBAL 2020 VISION



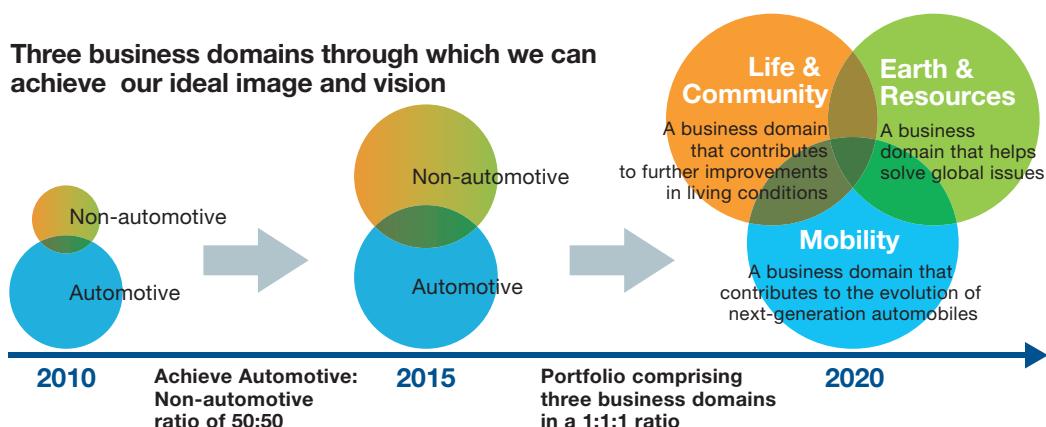
GLOBAL 2020 VISION Toyota Tsusho's Aims

The Ideal Image and Vision

- Maintain an unwavering sense of responsibility
- Leading the Toyota Group
- Generating new value as a creation-oriented company
- Securing our customers' trust

TRY-1

Three business domains through which we can achieve our ideal image and vision



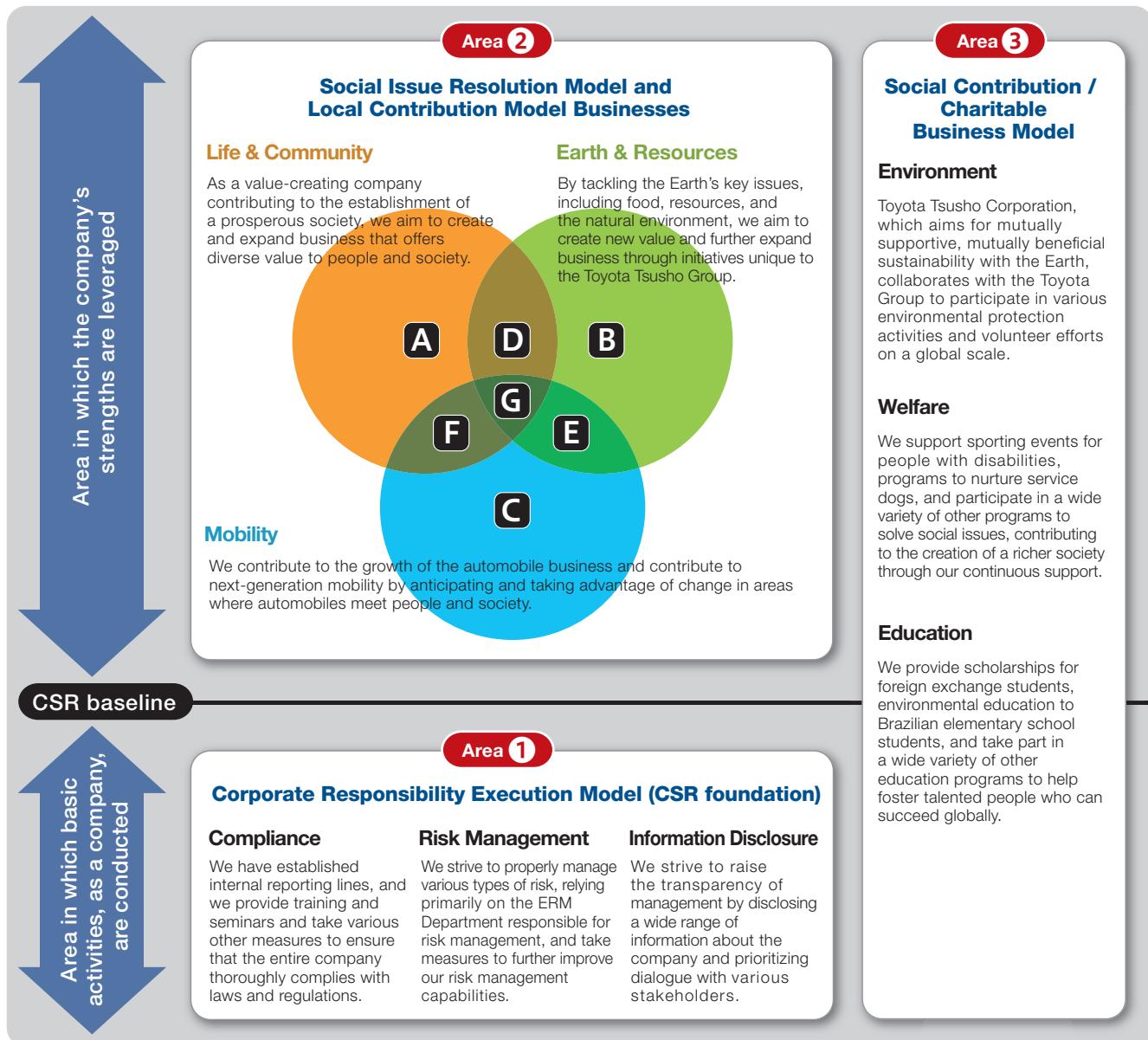
Breakthroughs and Co-creation

Priorities in achieving the ideal image and vision

- **Breakthrough:** Breaking the shell and evolving towards our ideal image
- **Co-creation:** Putting into motion a growth cycle to help boost collective creation

We created a CSR Activities Map in April 2013 to facilitate the strategic execution of social responsibility as a company

In an age of wide-ranging social issues, the ways in which companies are expected to fulfill their social responsibility are diversifying. Toyota Tsusho Corporation has created a map to serve as a guideline for the strategic and effective promotion of its CSR activities.



Area 1 Corporate Responsibility Execution Model (CSR foundation)

This Area defines CSR baseline activities that all companies are expected to execute as part of their social responsibility.

Compliance →P38

- Operation and maintenance of internal control systems
- Thorough compliance with internal rules
- Thorough execution of fair competition and trade
- Compliance training
- Supply chain CSR management
- Respect for human rights
- Non-discriminatory hiring policy

Risk Management →P39

- Risk management mainly through ERM Committee
- Information security management
- Promotion of environmental management
- Promotion of workplace safety and health
- Promotion of business continuity management (BCM)

Information Disclosure →P40

- Active disclosure on company website
- Information disclosure that is easy to understand and highly transparent for stakeholders
- Financial results briefings and individual meetings for investors
- Creation of corporate publications (CSR Report, Annual Report, business reports, etc.)

Area 2 Social Issue Resolution Model and Local Contribution Model Business

This Area defines activities that leverage the strengths of the company and help to solve various social issues, thereby contributing to the creation of prosperous local communities.

A Life & Community

Chemical & Electronics Division

- Detergent manufacturing in Vietnam

Food & Agribusiness Division

- Grain accumulation business in Australia
- Frozen vegetable manufacturing business in Vietnam

Consumer Products & Services Division

- Nursing care business in China
- Insurance brokerage business in Vietnam
- Paper diaper collection and disposal business in Japan →P30
- Medical clinic in Thai plant
- Medical business in India →P11
- Consultant-type health management service in Japan

B Earth & Resources

Machinery, Energy & Project Division

- Coalbed methane gas development in Australia
- Coalbed methane gas development in Canada →P30
- Goreway power plant development business in Canada
- Oyster Creek power plant development business in U.S.
- Cogeneration power plant business
- Water treatment business in China

[Renewable Energy]

- Wind power generation business
- Solar power generation business (U.S., etc.)
- Geothermal power plant business (Kenya)

[Iraq Yen Loan Assistance Projects]

- New substation construction
- Repair of thermal power plant equipment
- Hopper dredger supply
- Export of mobile substations

Administrative Division

- Sewage sludge recycling business →P29
- Research and sale of bio-fuel plant materials

C Mobility

Global Production Parts & Logistics Division

- Techno-park business

Automotive Division

- Business expansion in emerging countries, including African countries and Papua New Guinea →P23

Chemical & Electronics Division

- Traffic information service in Thailand



D Life & Community × Earth & Resources

Chemical & Electronics Division

- Investment in iodine development and manufacturing project in Chile
- Participation in Kitakyushu Smart Community Creation Project →P30

Food & Agribusiness Division

- Bell pepper cooperative agriccommerce and industry project
- Mushroom business in China
- Bluefin tuna culture business

E Earth & Resources × Mobility

Metals Division

- Plan to build rare-earth manufacturing plant in India
- Lithium development in Argentina →P13
- Establishment of Green Metals Japan Inc. Tohoku Plant

Global Production Parts & Logistics Division

- Carbon fiber recycling business

Administrative Division

- Start of verification tests for bio-hydrogen production from sewage sludge

F Life & Community × Mobility

Global Production Parts & Logistics Division

- Airport operation business in Laos
- Driver training in Thailand
- Cold warehousing business in China

Chemical & Electronics Division

- Support for mobility electrification in China and other Asian countries →P9

G Life & Community × Earth & Resources × Mobility

Chemical & Electronics Division

- Bio-polyethylene business
- Lubricating oil manufacturing and sales in Taiwan
- Lithium-ion batteries business

Area 3 Social Contribution / Charitable Business Model

This Area defines philanthropic activities beyond the scope of business aimed at contributing to society as a good corporate citizen.

Environment →P42



Preserving forests and their precious natural environments

Welfare →P42

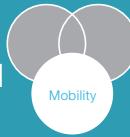


Donating pharmaceuticals in Africa, where supplies are insufficient

Education →P43



Supporting youth development through sports



Making next-generation vehicles (PHV, EV) a daily mode of transport—Field tests nurture new markets

Next-generation vehicles (PHV, EV) have been heralded as “eco-cars” which will make energy-efficiency and environmental protection a reality in the transportation industry. Consumers have doubts, however, over the short driving range and high prices compared with conventional automobiles. With the exception of consumers groups with a special interest in the environment, these eco-cars have yet to garner widespread support. The challenge remains to realize an environmentally conscious mobile society. At Toyota Tsusho, we are creating markets and businesses to promote the expansion of next-generation vehicles.



Conducting field tests for the “COMS” micro EV

In Japan, Singapore, and Europe



Promoting the electrification of light vehicles

In China and Other Asian Nations



Promoting the deployment of charging infrastructure

In the United States and China



Collaborating with partners in the United States and China to deploy a charging infrastructure

A charging infrastructure is critical to expanding the adoption of next-generation vehicles. The U.S. government has announced a plan to increase PHV and EV ownership to 1 million vehicles by 2015 and is promoting the creation of a network of nationwide charging stations to make this happen. There are two main charging methods: a high-cost, quick-charging method which takes less than an hour to charge a vehicle, and a low-cost, standard charging method which takes several

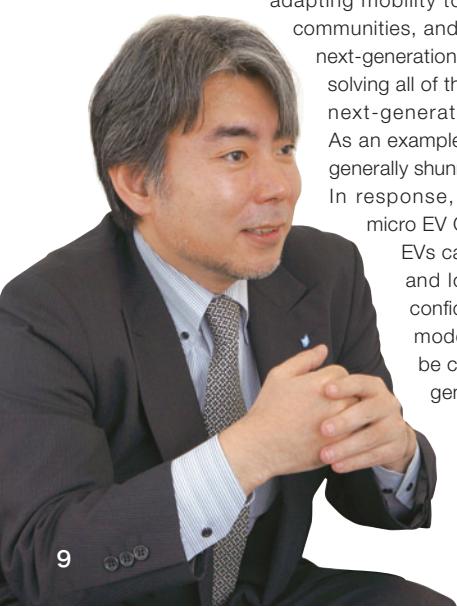
hours. In the U.S., stations that charge vehicles over several hours are emerging at corporate campuses and in shopping mall parking lots to meet the standard charging needs of owners.

In China, the government is promoting EVs as an answer to energy and environmental problems. China is contending with a number of social issues caused by conventional automobiles, including soaring oil prices and urban air pollution from car exhaust. In response, the government has announced a plan to increase private and public ownership of PHVs and EVs to 5 million cars by 2020.

After monitoring the situation in various countries, Toyota Tsusho made an investment in ChargePoint, North America's largest charging infrastructure company, as part of its efforts to promote the development of low-cost standard charging equipment and services for corporate and private vehicle owners. The successful North American initiatives will be transferred to China and other countries through local business partners to spur progress in infrastructure and support the wider adoption of next-generation vehicles.



EV bus charging station operated by Chinese partner Potevio New Energy Co., Ltd.



Akio Hamada

General Manager,
HEV (Next-Generation Mobility) Business
Development Department

Field tests in Japan, Singapore, and Europe for micro EV “COMS”

How can we make EVs easier to use? To lower the barriers to EV adoption among consumers, we have begun researching car-sharing schemes in which people share the use of an EV. Feasibility studies have begun in four regions around Japan at condominiums and other places where members would typically use shared vehicles. The studies feature the single-occupant micro EV “COMS” produced by Toyota Auto Body Co., Ltd. The test vehicles are



shared by service members at designated sites and within fixed regions. The feasibility concept assumes that members will be travelling short distances for a low fee. Member feedback and vehicle data are being collected to prepare for the launch of a commercial business in the future. The key to success will be finding price points and usage schemes that can enable a wide range of consumers to easily use the EVs.

In many Asian nations outside of Japan, the legal frameworks for micro EVs have yet to be established, and EVs cannot yet operate on public roads. Limited field tests are being conducted in Singapore, however, on roads within the National University of Singapore campus.

In Europe, where the laws do allow micro EVs to operate, we have proposed COMS to a logistics company for small package deliveries. The micro EV uses size to its advantage on narrow European roadways often congested with parked cars. Since the postal industry has been proactive in taking environmental protection initiatives, we have targeted the industry as a gateway to market introduction and are now conducting feasibility tests with the Portugal postal service and other organizations.



Field tests at the National University of Singapore

Supporting the electrification of mobility in China and other Asian nations

In China and other Asian nations, the motorcycle and light vehicle are still common forms of transportation. Throughout Asia, for example, there are some 10 million three-wheeled automotive taxis operating. Some nations are now considering the introduction of electric three-wheeled vehicles. In China, there are already more than 130 million two-wheeled electric vehicles in operation, and small EVs have begun operating in rural areas where there are still

few gasoline stations. China and other Asian markets are expected to accelerate the shift to electric mobility in order to reduce emissions of greenhouse gases and air pollutants, slash imports of fossil fuels, and generally use the switch from gasoline to electric power to raise the quality of life of their citizens.

Toyota Tsusho is aiding the establishment of a sound electric mobility market and improving quality and functions by providing technical support for batteries, motors, and inverters—critical equipment for the electrification of mobility. We have already developed an electric three-wheeled vehicle prototype for the Thai market and begun road tests to promote the expansion of safe and environmentally conscious three-wheeled electric vehicles.

Stakeholder comment

Leading the charge for the adoption of electric vehicles



Mr. Pasquale Romano
CEO, ChargePoint Inc.

ChargePoint is world's largest EV charging network. At ChargePoint we make it simple for cities, towns, businesses and parking operators to offer electric vehicle charging services to their customers. ChargePoint is a unique mix of EV charging stations from a variety of manufacturers and cloud based software systems supporting all the functions necessary to simplify EV charging.

We are currently exploring working together to expand ChargePoint service to Asian regions with Toyota Tsusho Corporation who engage in a wide range of business activities on a global scale.



Raising the quality of medical care in India through hospital management

Toyota Tsusho, the Secom Group (Japan) and the Kirloskar Group (India) jointly established Takshashila Hospitals Operating Private Limited in April 2012.

The hospital management company will become the first Japanese-Indian venture to manage a hospital in India when it opens a general hospital in the IT hub of Bangalore, India's fourth-largest city, by the end of 2013.



▼ Management structure of a hospital in Bangalore, India



Growing middle-class medical needs

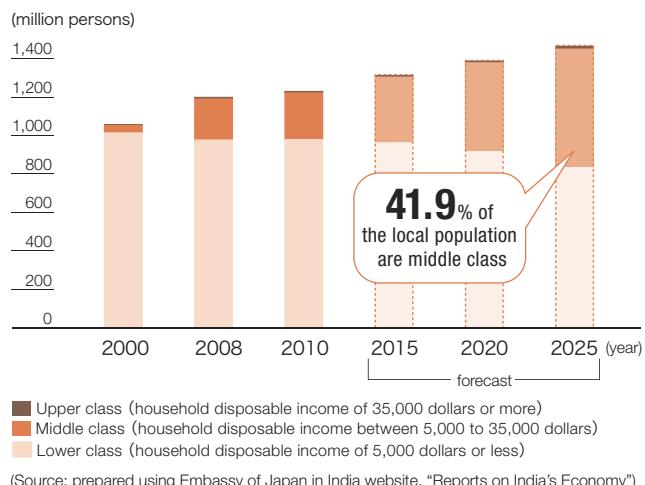
Without full-fledged universal health care and less than 20% of its population covered by private health insurance, India's medical industry is polarized between sophisticated private hospitals treating the affluent and a portion of the middle-class, and state-run hospitals treating large numbers of middle- and low-income patients. India's middle-class continues to expand as its economy grows, and a greater proportion of the population is seeking a higher standard of medical treatment at private hospitals.

Though the health care system in India boasts a talented corps of doctors, many of them educated in the West, the number of

doctors, nurses, and hospital beds are all well below international standards. The lack of an adequate medical infrastructure has become a serious social problem in the country.

Additionally, as the standard of living increases, the number of cases of diabetes and other lifestyle diseases is surging. To remedy these problems, India will need to adopt medical services common in advanced countries, such as medical checkups, cancer screening, and diabetes management programs developed in Japan.

India's population and transforming middle-class



Message from the Project Manager

Combining Japanese and Indian know-how to provide a new level of medical services

Japanese companies enjoy a positive image in India, and Japan is generally viewed as a country with high technology, sincere people, and a high level of medicine. Given this image, the local expectations of Sakra World Hospital are very high. We have gathered together a hospital staff dedicated to learning Japanese medical practices and combining the know-how of Japanese and Indian medical industries to create a new level of medical services.

We look forward to collaborating with the Secom Group, with its long success in Japanese hospital support, and the Kirloskar Group, our longtime partner in India, to provide high-quality medical services in India.

Yasushi Matsumoto
General Manager
Living and Healthcare Department



Japanese know-how applied to Indian hospital management

With the aim of serving India's medical needs, the three joint-venture partners are combining their know-how to establish Sakra World Hospital, a 300-bed general hospital in the IT and biosciences hub of Bangalore, India's fourth-largest city and home to a large middle-class. The hospital will strive to offer high-quality services covering



a range of needs, from advanced treatments to lifestyle diseases, by improving the local medical infrastructure. The hospital will also tackle pressing issues in India's medical practice, including treatment for victims of traffic accidents, which are on the rise, rehabilitation services, perinatal care, and methods to lower hospital infection.

Japanese medical industry know-how will be leveraged in all areas of hospital administration. The hospital will introduce "team medicine," in which doctors and nurses treat patients from equal positions, and invest in nurse training. This will be a critical element to improving the level of treatment, as nurses still suffer from a low social position in India. An exchange program has already been begun in which Indian doctors and nurses are visiting Japan and skilled Japanese doctors are visiting India to raise the quality of team medicine and nursing by adopting best practices from Japan.

Promoting medical equipment sales and other related sectors

Though the hospital is focused on getting up and running by the end of 2013, in the future the joint-venture partners plan to promote related sectors, including the expansion of medical equipment sales by Japanese manufacturers.

Currently, India's medical equipment market is dominated by U.S. and European manufacturers, largely because many Indian doctors have studied in the West, and Japanese manufacturers have yet to establish adequate logistics and maintenance systems in India. The joint venture is currently conducting feasibility studies on the establishment of joint management and logistics organizations to prepare for Japanese equipment manufacturers' full-scale entry into the Indian market. Additionally, the joint venture has begun an insurance business selling casualty and other types of insurance to hospital employees, with a plan to expand to medical insurance in the future.

In the future, Toyota Tsusho will leverage its general trading company network to introduce Japanese medical equipment, insurance services, and other related businesses to India.

Stakeholder comments



Highly reliable medicine for all of India

I've been involved with this project from its inception, having been attracted to the innovative concept of creating an Indian-Japanese joint venture to provide medical services based on world-class safety processes. Our goal is to offer the highest level of medical services and quality so that our hospital can become a model for hospital expansion projects in the future. With its global vision, I look forward to Toyota Tsusho's cooperation in disseminating information from our hospital throughout India.



Teaming with reliable partners to expand in India

In Japan, the Secom Group has teamed with 18 hospitals to provide high-quality medical services around the country. In expanding overseas, one key issue was the selection of the right partner companies. In this project, we found ideal partners in Toyota Tsusho, a pioneer in Indian business development, and the Kirloskar Group, with its extensive local connections. We are committed to providing patient-oriented medical services in India by leveraging our know-how in hospital administration in Japan.



Developing lithium resources in Argentina to meet growing demand

Rechargeable lithium-ion batteries are used widely to power mobile devices. In recent years, lithium-ion batteries have also become a critical component for plug-in hybrid vehicles (PHVs) and electric vehicles (EVs). Toyota Tsusho is the first Japanese company to develop the raw material for these batteries—lithium.

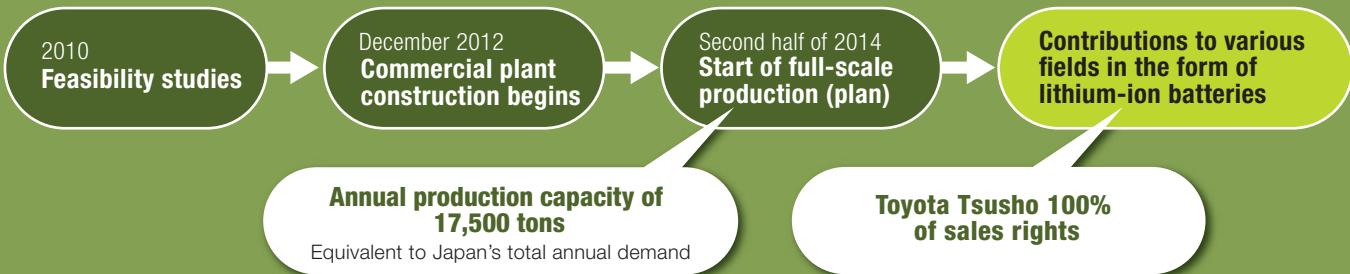


For PHVs and EVs



As a backup power source for households

▼Lithium Development Roadmap



Aiming to become a new supplier amid an oligopolistic market

Lithium is a rare metal used as a raw material for the positive electrode of lithium-ion batteries and for other industrial applications. Currently, global lithium production is controlled by a total of four companies from South America and Australia. New suppliers of the

material are needed to ensure the development and wider adoption of such next-generation vehicles as PHVs and EVs.

Toyota Tsusho responded to market needs by starting a basic feasibility study in 2008, after which it began mining capacity assessment surveys and infrastructure surveys with the assistance of JOGMEC*.

* An independent administrative corporation established by Japan's Ministry of Economy, Trade and Industry to ensure a stable and continual supply of resources and energy for Japanese society.

Message from the Project Manager

We are striving to provide a stable, inexpensive supply of lithium and meet the expectations of customers and government organizations.

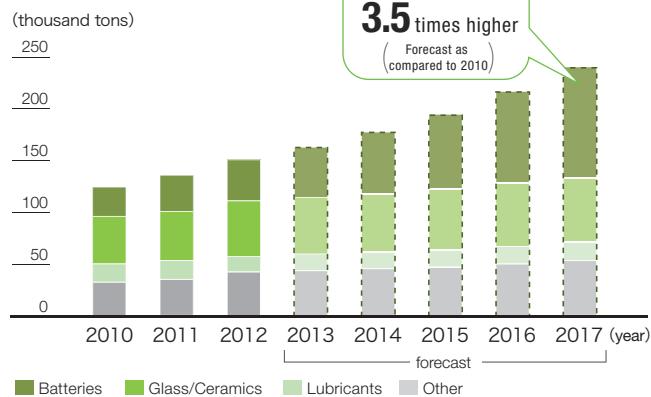
The Salar de Olaroz project represents the first time a Japanese company has made a capital investment in the development of lithium resources. Securing stable natural resources is a core part of Japan's national strategy. As such, we have received consistent support from the Japanese government, with the Japan Oil, Gas and Metals National Corporation (JOGMEC) taking part from the exploration phase and government debt guarantees being pledged for the project.

There are high expectations that we can emerge as a new supplier in the lithium market, which has traditionally been an oligopoly. The local community has also been very supportive of the project. In 2011, when mining approval became delayed after a change in government, the community petitioned the government to move the project forward. We look forward to meeting the hopes and expectations of the local community by making contributions to society through this project.

Atsushi Sugimoto

General Manager, Metal Resources Department

Lithium Demand by Use



A production capacity covering Japan's entire domestic demand

Toyota Tsusho focused on Argentina's Salar de Olaroz after researching the available lithium resources worldwide. Salar de Olaroz's water boasts a high lithium content and low level of impurities, and the production and transport infrastructure necessary to harvest it is in place. In 2010, we began feasibility studies with the lake's mining rights owners, Australian company Orocobre Limited. A pilot plant was built in 2011, followed by the establishment of a joint venture and start of construction on a commercial plant in December 2012.

In the production process, we extract lithium directly from



▲ Lime plant tanks under construction



Brine production well excavation ▶



the lake water. This requires fewer production steps and lower cost compared with extracting lithium from pulverized ore. The manufacturing process adopts a secondary refinement step using an ion exchange resin to purify the extract into high-grade lithium. Fertilizers are also being manufactured from the production by-product, potassium. In order to reduce the environmental impact, salt generated from concentrated brine accumulates in ponds and will be buried after the project's completion. This environmental planning

was one reason the project was accepted by the local community.

Full-scale production is scheduled to begin in the latter half of 2014. Annual production capacity will be 17,500 tons, which is equivalent to the current annual demand in Japan.



Groundbreaking ceremony for the production plant

of lithium and promote the expanded use of low-cost, high-quality lithium-ion batteries, which can support the continued development of mobile devices and rising expectations for next-generation vehicles.

Stakeholder comment

We have high expectations in Toyota Tsusho's marketing leveraging its global network



Mr. Richard P. Seville
Managing Director
Orocobre Ltd.

Orocobre Limited has had exploration and mining rights at Salar de Olaroz since June 2006 and completed a Definitive Feasibility Study in April 2011. Together with partners Toyota Tsusho and JEMSE, it is now building the first major lithium brine project in 20 years. The project has the full support of the local indigenous inhabitants and 80% of the workforce is sourced from local indigenous communities. Orocobre was Argentine Mining Company of the year in 2012 partly because of its "benchmark" work in CSR. Orocobre's Managing Director stated that, "Orocobre was very pleased to partner with Toyota Tsusho on the Salar de Olaroz lithium project."

It is very important to understand the market trend and to construct sales channels when you develop to secure mineral resources like Li, which will be used for eco-cars (HEV, PHV and EV). In a difficult situation like that, Toyota Tsusho is one of the companies who cannot only work with worldwide networks they have but also work strategically with the Japanese government. Such marketing strategy with a positive approach is something we value. We look forward Toyota Tsusho continuous input to supply our product from Olaroz to a Lithium Value Chain.

Contributing to the local economy through a public-private venture

Since the local subsidiary began construction of a pilot plant in 2010, the project has provided employment for residents of the nearby town of Olaroz Chico along with educational support through the use of computers and other equipment. In addition, we conducted an environmental assessment of the area's water resources and proposed new methods of water purification using the latest technology from Japan. In these and other ways, the project is helping to improve the quality of life of the local residents. JEMSE, the public mining development company for Jujuy Province, in which the plant is located, has taken an 8.5% stake in the project development company, reflecting our efforts to establish a relationship with the community based on the principle of coexistence and co-prosperity.

Toyota Tsusho will strive to become a leading global supplier

Aiming to become Africa's No. 1 alliance

An alliance covering almost all African regions

On December 29, 2012, Toyota Tsusho Corporation made a capital investment in CFAO S.A. (CFAO). CFAO is France's largest trading company, and since its foundation, the company's business has centered on Africa. Toyota Tsusho, meanwhile, has a 90-year history in Africa. As Africa strives for sustainable growth, CFAO and Toyota Tsusho are making contributions to the continent's development through their CSR activities.

Overview of CFAO

Establishment: 1887
Number of employees: 11,400 (consolidated)
Revenues: 3.6 billion euros (year ended December 31, 2012)
Head office: Paris, France
Representative: Alain Viry
Business description:
Automobile import and export, pharmaceutical wholesale, etc.



Photo Credits: Thomas Renaut

Generating synergy in 53 African nations

CFAO does business primarily in northern and western Africa, while Toyota Tsusho's operations are rooted in eastern and southern Africa. With complementary geographical coverage, the companies together sell automobiles in 53 of Africa's 54 nations.

CFAO is executing a "Three Pillar Strategy" comprised of Equipment, which includes the distribution and sale of automobiles and industrial machinery; Healthcare, which boasts Africa's largest pharmaceutical wholesale network; and Consumer Goods, which promotes the sale of beverages, stationery, and other goods.

CFAO's strategy is compatible with Toyota Tsusho's "Global 2020 Vision" and its three business domains of Mobility, Life & Community, and Earth & Resources. The two companies have also taken a similar approach to business development by transferring the strengths of their core automobile businesses into other business domains.

CFAO's social responsibility in Africa

CFAO's contributions to Africa extend far beyond its business activities. In helping to address the many social issues in Africa, CFAO is actively promoting a wide range of CSR initiatives in the areas of healthcare, education, NGO partnerships, and the environment. CFAO and Toyota Tsusho have many potential areas for collaborative CSR initiatives in the future.

CFAO's Basic Policy and approach

CFAO strives to make contributions to Africa not only through its business activities, but also through CSR activities in the areas of healthcare, education, and other areas. The company has established the following basic policy and four main CSR ambitions.

● Basic Policy

Sustainable development is a particularly critical issue in Africa. As an organization with historic roots on the continent, CFAO has a duty to be exemplary, as well as specific responsibilities to society and the environment. The group continually takes new steps for the benefit of its employees and local communities in the countries where it operates.

● Four Main CSR Ambitions

- Acting as a model employer with a locally appropriate CSR policy
- Supporting economic and social progress in the local community by forging partnerships with nongovernmental organizations
- Minimizing the impact of its activities on the environment
- Ensuring that its employees buy in to the rules laid down in the Group's Code of Business Conduct.

A broad range of CSR activities

On the basis of its basic policy, CFAO is engaged in a range of CSR activities.

In the field of healthcare, CFAO is taking measures to prevent the spread of HIV/AIDS in Sub-Saharan Africa, which remains seriously affected by the disease. The company has implemented a specific program of education, prevention, testing, and treatment in all its Sub-Saharan subsidiaries in order to eliminate the threat to its employees and their families.

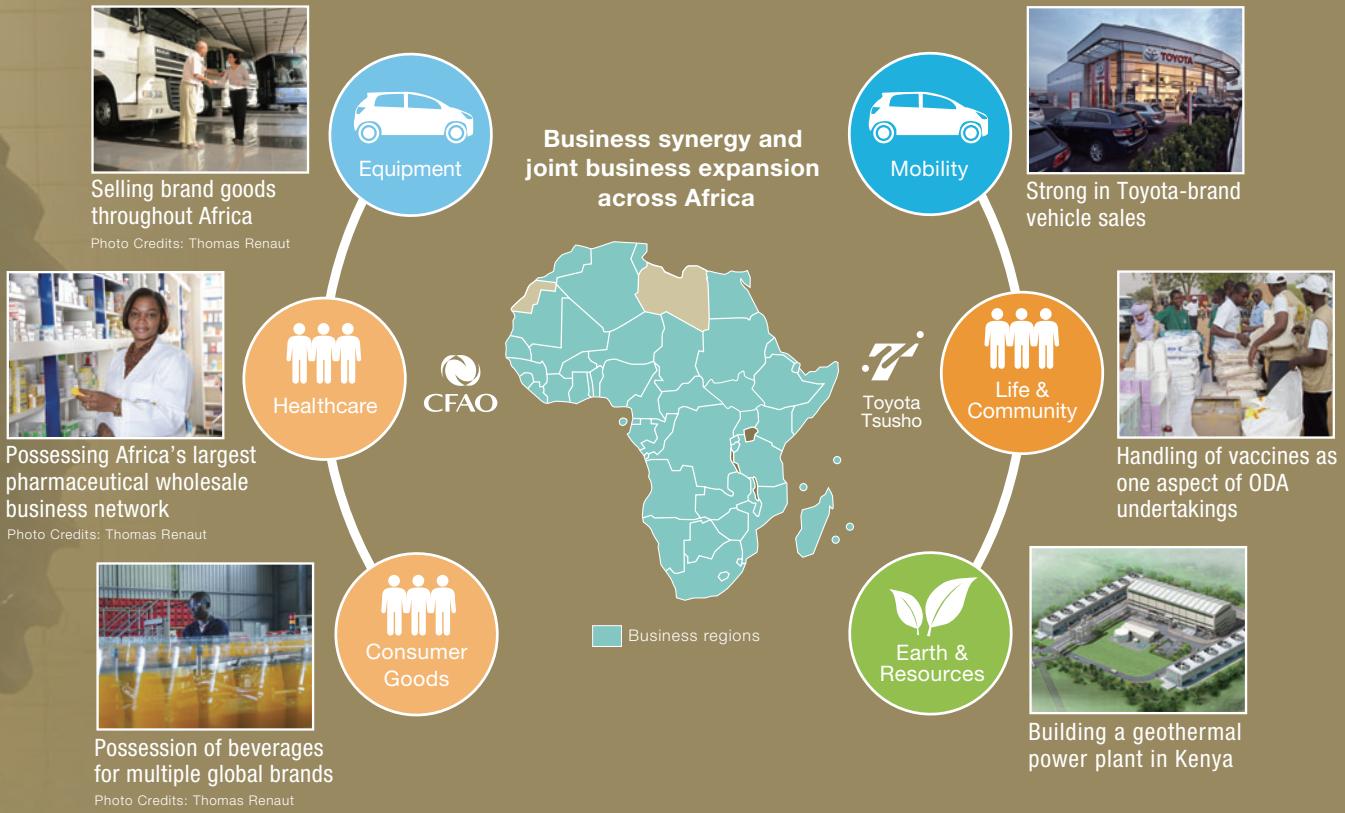
In the field of education, CFAO offers scholarship programs. Since 2001, the company has provided scholarships for the children of its employees, and in the 2012-2013 academic year, about 580 children were able to attend secondary school using the program. Additionally, CFAO offers support for students desiring to continue their studies at African high schools and



Dispatch of "Flying Doctors" to remote areas in various African countries
Photo Credits: AMREF



Supporting children's schooling through provision of scholarships



universities and obtain qualifications in such practical business fields as management and accounting. In the 2012-2013 academic year, about 80 students received this scholarship.

Environmental protection continues to be a major issue across Africa. CFAO has been monitoring its environmental impact since 2004. Waste management is a priority for the company. In 2012, a 3R program was begun with external partners in Madagascar, Cameroon, and Burkina Faso aimed at "reducing" the amount of waste generated, "reusing" products, and "recycling" waste.

CFAO supports non-governmental organizations (NGO) based on the view that partnerships are critical to solving social problems in Africa. In 2012, the company provided approximately 280,000 euros in support to NGOs, including for such initiatives as AMREF-Flying Doctors, which seeks to improve public health and hygiene in remote parts of the continent.

CFAO has also taken measures to bolster relations between NGOs and employees through the CFAO Solidarité program begun in 2002. The program encourages employees to become directly involved with the on-site operations of NGO grassroots activities. In 2012, the program funded 11 organizations with a total of approximately 100,000 euros.

Creating synergy in CSR

There are many common goals in the philosophies and visions of CFAO and Toyota Tsusho (see Page 5). The companies have also adopted the "Alliance Vision," which includes the goal of being No. 1 in contributions to the sustainable development of Africa. CFAO and Toyota Tsusho will forge closer relations in the future to make collaborative CSR activities possible.

"Alliance Vision" Promoted by Toyota Tsusho and CFAO



Message from the project manager

CFAO's future is inseparable from Africa, and the Group has a long-term commitment to furthering the continent's development. Building up strong social and environmental responsibility programs helps enhance our employer reputation and increases staff motivation. We ensure that our policy gears around the Group's strategic and operational aims. In the field of education, we work to foster professional skills. In the field of healthcare, we are now expanding our HIV sensitization program to other diseases that afflict the continent, such as diabetes and cardiovascular disease. In the domain of mobility, we are strengthening our road safety awareness programs, an area where we can leverage synergies with Toyota Tsusho.

Laurence Tovi

Vice President, Communications & Corporate Social Responsibility



Business activities and key CSR issue

Toyota Tsusho Corporation's seven business divisions are promoting CSR activities that reflect the unique aspects of their operations.

Resource development

Manufacturing and processing

Metals Division



- ▶ Development of rare-earth resources

- ▶ Metal processing (steel sheet, steel bars, wire, steel pipe, aluminum, etc.)
- ▶ Molten aluminum production

Global Production Parts & Logistics Division



- ▶ Tire and wheel assembly

Automotive Division



- ▶ Automobile assembly

Machinery, Energy & Project Division



- ▶ Energy procurement (crude oil, coal, natural gas, etc.)
- ▶ Renewable energy (wind, solar, biomass, etc.)
- ▶ Independent power producer (IPP)

- ▶ Facility design and manufacture
- ▶ Contracted drilling of marine gas fields
- ▶ Identification of infrastructure projects (generators, etc.)
- ▶ Environmental equipment installation

Chemical & Electronics Division



- ▶ Development of iodine, silica sand, and other resources

- ▶ Manufacturing of plastics compounds, processing of semifinished products
- ▶ Manufacturing of inorganic chemicals, Manufacturing of detergent raw materials
- ▶ Manufacturing of bio-polyester
- ▶ Electronics manufacturing service (consignment mounting of electronics components and production of semiconductors)
- ▶ Development of automotive embedded software and contents

Food & Agribusiness Division



- ▶ Agricultural cultivation management
- ▶ Aquaculture

- ▶ Processing and manufacture of foods
- ▶ Rice milling
- ▶ Flour milling

Consumer Products & Services Division



- ▶ Use of fair trade cotton

- ▶ Textile processing
- ▶ Apparel manufacturing

Logistics

Sales

Recycling

Key CSR issues

○ Safety ● Environment ○ Governance

- ▶ Just-in-time logistics at processing centers
- ▶ Metal materials procurement logistics

- ▶ Recovery and processing of scrap metal inside plants
- ▶ End-of-life vehicle (ELV) recycling
- ▶ Development of recycling technologies

- **Investment project safety assessment:** Promoting occupational safety and health management →P21
- **Investment project environmental assessment:** Environmental management →P25
- **Environmental pollution prevention:** Toyota Tsusho Group's Environmental Policy →P24

- ▶ Consolidated transportation for automotive production parts
- ▶ Vehicle logistics

- ▶ Sales of automotive accessories and materials
- ▶ Product planning and development for automotive parts
- ▶ Support for overseas expansion of automotive parts manufacturers, etc.

- **Traffic accident prevention:** Thai traffic safety education and training center →P23

- ▶ Automobile logistics
- ▶ Spare parts and accessory logistics

- ▶ Automobile sales (new and used vehicles)
- ▶ After-sales service
- ▶ Sales finance

- ▶ Used vehicle procurement

- **Automobile dealers' precise maintenance:** Service staff training →P23

- ▶ Machinery and equipment (delivery, assembly, and maintenance)
- ▶ Tankers for bunker fuel

- ▶ Market identification for industrial vehicles and construction machinery

- ▶ Water treatment
- ▶ Recycling of industrial waste and waste oil

- **Investment project safety assessment:** Promoting occupational safety and health management →P21
- **Investment project environmental assessment:** Environmental management →P25

- ▶ Operation of chemical tanks
- ▶ Quality management support for electronics components, semiconductors, etc.
- ▶ Procurement and distribution of electronics components and semiconductors

- ▶ Next-Generation Mobility application development products
- ▶ Development of bio-products
- ▶ Development of nanotechnology materials
- ▶ Mobile phone sales
- ▶ Network system integration and support
- ▶ Music streaming and media services

- **Compliance with chemical substance regulations:** Pollution prevention →P29
- Operation of chemical substance management system →P29

- ▶ Grain terminals
- ▶ Quality and safety management support

- ▶ Development of sales markets
- ▶ Product development

- ▶ Advanced composting process

- **Food safety and quality management:** Ensuring food safety →P22
- **Appropriate product labeling:** Ensuring food safety →P22
- **Food traceability:** Ensuring food safety →P22

- ▶ Rental center for nursing care products
- ▶ Apparel logistics (inspection, store-by-store sorting)

- ▶ Product and business planning (insurance-related services, textile products, lodging and residential housing, medical facilities, related services, nursing care products, related services)
- ▶ Development of sales markets

- ▶ Recycled textile materials

- **Environmental assessment:** Environmental management →P25
- **Appropriate disposal of nursing care goods:** Paper diaper collection system for nursing care facilities →P30
- **Elimination of forced and child labor in apparel business:** Plant inspections at contract manufacturers' plants →P39

Common areas

- **Promoting occupational safety and health management** →P20
- **Preventing global warming** →P27
- **CSR management for the supply chain** →P39

Safety efforts

Based on the Toyota Tsusho Group's Policies on Safety and Health, the Group promotes occupational health and safety initiatives that are designed to ensure the continuity of operations by ensuring the safety of all people who work at Toyota Tsusho Corporation and all those who are involved in its operations, including business partners and investees. We have also established the Food Safety Management Group so as to offer safe and reliable food, and are building a food safety management system.

The Toyota Tsusho Group's Policies on Safety and Health (Revised July 2011)

1. Recognizing that good communications are paramount for ensuring safety and health, top management places a high premium on dialogue with employees.
2. While strictly adhering to relevant safety and health laws and the internal workplace business rules and procedures of our customers, we have established our own standards, as we work to raise the level of our safety and health management.
3. We utilize occupational safety and health management systems and implement *kaizen* (continuous improvement) as we aim to continually raise safety and health levels.
4. To promote safety and health activities at all companies throughout the Toyota Tsusho Group, we will establish the necessary organizations and structures and clarify the locations of responsibilities.
5. To progress with the creation of comfortable and healthy workplaces, we will provide all employees with sufficient and necessary education for ensuring their safety and health.

We promote business with the aim of creating a corporate culture that prevents accidents.

Toyota Tsusho Corporation believes that ensuring the safety not only of our Group employees, but of every worker associated with us, is a fundamental corporate social responsibility. As we aim to deliver added value to our customers and push forward with global expansion, the Toyota Tsusho Group considers ensuring health and safety a prerequisite for the sustainability of our business. We actively engage in safety efforts based on the three pillars of "control structure," "education and personnel development," and "support for accident prevention."

For example, we conduct preliminary discussions and site checks for construction projects when we start up a new business, fulfilling our duty to take safety into consideration. Furthermore, when Toyota Tsusho is contributing 50% or more in a business investment, we conduct an examination of the planning through construction work to confirm that a safety management structure has been put in place.

Risk associated with traffic accidents has become prominent as our business grows in emerging economies such as Myanmar and Angola, and in response we are working to reduce accidents and putting an effort into encouraging safe driving that takes particular regional characteristics into consideration.

In this context, we held a Global Safety Meeting at the Nagoya Head Office in fiscal 2012 to establish and reinforce safety management structures at our overseas Group companies. Safety-related personnel—including the Executive Vice Presidents—from four Group companies in Thailand, the

United States, Brazil, and Australia convened to promote the "Safety First" philosophy among overseas operations. Due to the high evaluations from participants in the meeting and other relevant parties, we plan to continue holding the Global Safety Meeting in the fiscal year ending March 31, 2014.

Toyota Tsusho's long-term vision, the Global 2020 Vision, states that we want to be a company that "garners our customers' trust." By considering safety in every aspect of our business, and ensuring the safety and health of each person with whom we are associated, we hope to be a company that is respected and trusted by everyone, and that has a culture that encourages people to speak out in the interest of accident prevention. I will continue working with everyone in this fiscal year, moving forward with safety management so as to realize that ideal.

Mikio Asano

Executive Vice President
Safety and Health Management
General Supervisor



Occupational safety and health management

Promotion structure

We strive to share safety information and raise safety consciousness, with the weekly safety meeting and safety management improvement committee at the core of our efforts.

Toyota Tsusho Corporation holds weekly safety meetings attended by safety-related personnel, primarily members of the "zero accident" teams in each division.

Also, the safety management improvement committee, which extends laterally across the entire company and is attended by divisional executives (chief division officers and directors in charge of "zero accident" promotion), meets monthly for the sharing of information and the uplifting of safety consciousness among top executives.

Zero accident team members have been placed in all departments to promote safety

Under the supervision of the heads of the sales divisions, zero-accident team members at all sales departments take part in safety management activities within their own sales departments, as well as in any Group companies that their departments are responsible for managing. They work to uncover any issues, propose countermeasures and manage the progress of activities.

Furthermore, we hold annual zero-accident team conventions to raise safety awareness. Attendees report on their departments' activities along with initiatives requiring improvement, while commendations are awarded for outstanding activities. In

fiscal 2012, Group company Toyo Grain Terminals received a commendation for sharing case studies on its accidents and promoting an understanding of the incidents with three other Group companies operating livestock feed grain silo businesses.

Additional activities in fiscal 2012 included expanding the scope of plant safety assessment and risk assessment, and adding "safety experience training hall" as a new course.



Safety commendation

Global Safety Meeting introduced to bolster safety initiatives at overseas Group companies

We have established the Toyota Tsusho Group OS&H promotion committee to promote occupational health and safety activities at Toyota Tsusho Corporation and its Group companies in Japan. This committee is chaired by the general manager of the Human Resources Department, with the safety and health management general supervisor, who is a Toyota Tsusho director, and the representative directors of 53 Group companies in attendance.

Group companies outside Japan also share the "Safety First" policy and philosophy. Safety activities at overseas sites are promoted in accordance with the laws and regulations of each country. In fiscal 2012, we also began holding a Global Safety Meeting. Safety-related

personnel from four Group companies in Thailand, the United States, Brazil, and Australia convened to promote the "Safety First" philosophy among overseas operations.

We plan to continue holding the Global Safety Meeting in the fiscal year ending March 31, 2014.



A Global Safety Meeting

Promoting occupational safety and health management

Basic stance

Promoting safety management that includes Group companies and suppliers

Toyota Tsusho Corporation has regularly implemented accident and disaster prevention activities and striven to instill a culture of safety since the establishment of the Safety Management Office in 1985 and the Safety & Global Environment Management Department in 2001.

We made efforts to increase visualization of safety by establishing indicators based on evaluations through safety diagnoses, etc. As a result of such efforts, "Sincere, Straightforward, Speedy" have taken hold at each department, making possible more open and accurate accident reports.

Structure for promoting occupational health and safety



Safety efforts

In fiscal 2012, we set a goal of executing safety activities that earn the trust of our customers by acting with a firm awareness of safety and promoting speedy action.

Toyota Tsusho Corporation

Top-level management conducted safety inspections at the plants of 22 Group companies in Japan and 26 companies in seven countries outside Japan.

Toyota Tsusho conducts plant inspections at our business sites in Japan and overseas, whereby top-level management and the leaders of business divisions take the initiative in checking safety. We also conduct "plant safety diagnoses," which involve reviews of 10 items, including the management structure, the status of occupational health and safety committee activities, and the annual activity plan's implementation status. Furthermore, we perform risk assessments in an effort to prevent accidents from occurring. These activities enable us to identify issues and implement countermeasures.

In fiscal 2012, top-level management inspected plants of 22 companies in Japan and plants operated by a total of 26 companies in Vietnam, Argentina, Colombia, China, the United Kingdom, Turkey, and Russia.

Plant diagnoses were carried out at Group companies (22 in Japan and 26 overseas), with thorough guidance on safety management provided on-site. In addition, each Group company conducted risk assessments to look into measures to identify sources of danger so as to prevent accident occurrence.

Number of work-related accidents and work stoppage rate* in FY2012

53 Japanese and 168 Overseas Group companies

	Number of work-related accidents	Work stoppage rate
Japan	19 accidents (including 5 work stoppages)	0.29
Overseas	61 accidents (including 22 work stoppages)	0.48

Work stoppage rate at domestic Group companies operating factories (FY2012)

	Metals	Energy	Others
Target companies	13	4	15
Employees	1,165	459	3,065
Stoppage rate	0.84	2.48	0.00

* An indicator of accident frequency. The calculation is based on the number of accident-related casualties per 1 million working hours.

Work stoppage rate =

$$\frac{\text{Number of deaths and injuries due to accidents}}{\text{Total work hours}} \times 1,000,000$$

Suppliers

The Safety and Health Cooperation Council, with a membership of around 550 suppliers, works to enhance safety maintenance.

Through the cooperation of our approximately 550 suppliers, we have formed the Safety and Health Cooperation Council, an organization that seeks to prevent accidents. Upon the request of the supplier, we also visit supplier sites to share our safety and health know-how.

Suppliers are divided into two categories, "construction" and "delivery," with conferences or seminars held for each category four times annually to share information related to safety management and trends on the indication of non-conformance. Directors and general managers from five divisions—Metals, Global Production Parts & Logistics, Machinery, Energy & Project, Chemical & Electronics, and Consumer Products & Services—attend these conferences or seminars, with the Safety Promotion Group members serving as the secretariat.

In fiscal 2012, attendees presented case studies on accidents and disasters at Group companies as a way of improving safety management through information sharing.

Investments

Conducting safety reviews of business investments at the planning stage

When Toyota Tsusho is contributing 50% or more of the investment in a project accompanied by construction, we conduct an examination of the planning through construction work cycle to confirm that a safety management structure has been put in place. In fiscal 2012 alone, we conducted more than 50 such reviews.

The Safety Management Group of the Safety and Global Environment Management Department strives to ensure that construction projects are completed without any accidents or disasters in order to fulfill our duty as a safety-conscious contractor. To this end, the group ensures that the five elements of the safe construction cycle are functioning properly: implementation of training for new site visitors, implementation of work direction and KY, safety patrols, safety meetings and the 4S.

Five elements of the safe construction cycle

- Training for new site visitors
- Implementation of work direction and KY
- Safety patrols
- Safety meetings
- 4S

Safety training

Training

We are expanding rank-based safety training and cultivating in-house safety training instructors.

We believe that human resource cultivation is where safety management truly begins, so in addition to Group employees, we also conduct safety training for suppliers.

In line with our aim of increasing safety awareness, the zero accident team members who direct safety activities at sales divisions are required to undergo training upon appointment as a safety manager. In fiscal 2012, 161 people took part in this training, raising the cumulative total to 1,000.

Rank-based safety training is also provided to new employees, mid-level employees, managers and executives, and we are expanding the scope of safety training to include suppliers.

We cultivate instructors who provide this safety training in-house so they can understand the circumstances within the Toyota Tsusho Group and provide instruction corresponding to actual workplace needs. Training is provided by employees who have received RST Trainer certification as instructors for occupational health and safety by Japan's Ministry of Health, Labour and Welfare and the Toyota Group's instructor certification for supervisory foreman education as "specialist instructors for all Toyota personnel responsible for work operations." Currently, 54% of the employees assigned to Safety Management Group hold

Principal training and number of people taking courses (FY2012)

Training topic	Target	Number of people taking courses
Education and training for new employees	New employees	150 persons
Training upon appointment as a safety manager	Mid-level employees, managers	161 persons
Training for personnel posted overseas		29 persons
Education for persons responsible for construction		130 persons
Education for persons responsible for work operations	People in charge (including at Group companies and suppliers)	475 persons
Training for high-elevation workers		559 persons
Education on prevention of electrical shock		560 persons
Practical safety workshop		835 persons
Training for top-level executives	Executives	344 persons

these certifications (as of fiscal 2012).

At our workplaces, we also assemble a variety of safety training programs on DVD to promote visual safety education. Four types of DVDs are available: in the construction category, training covers working at high elevations, slinging work and preventing electric shock; in the delivery category, lashing and crane operations; in the production category, how to respond to abnormalities during operations; and the management category. We have distributed these DVDs to 337 business units in Japan and overseas.

We have set up a practical safety workshop to enhance employee sensitivity to danger.

To heighten employee sensitivity to danger, in fiscal 2009 we established the Practical Safety workshop at the Toyota Steel Center. The workshop offers simulation of some 40 different types of danger, including squeezing and danger involving heavy items, and in addition to attendance by Toyota Tsusho and Group company employees the workshop is also open to business partners who take part in the Safety and Health Cooperation Council.

In fiscal 2012, approximately 800 people used this facility.



A practical safety workshop

Dealings with business partners

Shin-Ei Kinzoku Co., Ltd. (Anjo City, Aichi Prefecture), which is engaged in metal recycling, has been utilizing our Practical Safety Workshop once a month, since a year ago, as one aspect of its safety training. To date, 50 members of its staff have undertaken this training. A representative stated, "We have made comparisons with other practical safety workshops, but chose Toyota Tsusho, because we can select from among many options to have a program tailored to our company's needs. We hope to continue to use the facilities for future employee training."

Providing information on safety

We broadcast health and safety information using the electronic bulletin board OSH^{*}-NET.

We have set up the "zero accident" Room at our headquarters, where we provide

information about Toyota Tsusho Corporation's safety initiatives, as well as disaster case studies and training content. The facility is open to employees of Toyota Tsusho and Group companies, and can be freely used by customers and suppliers.

Also, we used OSH-NET, an electronic bulletin board set up in fiscal 2008, to offer employees health and safety information, such as materials on safety and health management, disaster case studies, the minutes of various meetings and information on safety and health, all in a single, convenient location. In fiscal 2011, OSH-NET was redesigned to add news updates and other features in order to improve the site's convenience and functionality.

We strive to have all of our employees share and understand information about a variety of safety and health efforts, and for the entire company to aim to improve safety awareness.

* Abbreviation for "occupational safety and health"

Ensuring food safety (Food & Agribusiness Division initiatives)

Supply chain

We provide guidelines for careful selection of superior suppliers and product management.

Food & Agribusiness Division has created a food safety management system with the Food Safety Management Group at its core, and strives to comply with laws and regulations. Our process of supplier selection includes plant inspections in addition to the screening of records. Only suppliers that have cleared our supplier selection management standards are chosen for registration.

Guidelines for product management based on our Supplier Management Standards are provided to registered suppliers, and strict management of each process, from ingredient selection through product shipping, is required. Also, local supplier inspections have been stipulated in an inspection manual based on our food safety management system rules, and in addition to requiring that registered suppliers conduct regular inspections, when suppliers find on-site inspections to be difficult, Toyota Tsusho conducts inspections through the Food & Agribusiness Division.

For food products imported into Japan, due to risks of unanticipated residual agrochemicals and animal drugs, we set our own internal rules for inspection and conduct inspections upon import in accordance with the rules.

In the event that an inspection uncovers

a regulatory violation or other major problem, we take measures to prevent the raw materials or products from being shipped or distributed. Additionally, we make a thorough investigation into the cause of the problem and consider and implement measures to prevent reoccurrence so as to avert a food accident.

In fiscal 2012, in accordance with our internal rules, we conducted regular inspections of registered suppliers. In addition to reconfirming the management systems of our suppliers, we also checked remedial action taken in response to issues identified in previous inspections. We also established standards for the selection of inspection organizations when consigning inspections to outside organizations as part of our efforts to raise the reliability of inspections even further.

Toyota Tsusho's logistics centers

We have created our own manuals in conformity with the demands of Japan's Ministry of Agriculture, Forestry and Fisheries and Japan's Ministry of Health, Labor and Welfare for thorough quality control.

The Food & Agribusiness Division maintains grain silos at four sites in Japan. We operate these silos according to our own quality control manuals that conform to Japan's Ministry of Agriculture, Forestry and Fisheries guidelines and directives (on feedstuffs and wheat) and Japan's Ministry of Health, Labor and Welfare directives (on corn). We conduct thorough cleaning and temperature controls at every stage, including pre-loading, loading, storage and shipment.



Grain silo

Appropriate product labeling

We strive for appropriate labeling and confirm the accuracy of ingredient labeling and date management.

We strive for thoroughly appropriate labeling so as to offer accurate information and product security. We confirm in advance that the ingredients actually in the product match the labeling, and we store label records, including label samples and artwork, etc.

The Supplier Management Standards of the food safety management system

Safety efforts

stipulate rules regarding date management, such as sell-by and use-by dates, and we

confirm that our suppliers are conducting proper date management.

Automotive Division initiatives

We make contributions to local traffic safety through maintenance staff training, driver education, and other activities, helping to fulfill our social responsibility as an automobile wholesaler and retailer.

The Automotive Division operates automobile and auto parts wholesale and retail operations in some 150 countries around the world as a representative for Toyota Motor Corporation and several other automobile manufacturers. As part of our social responsibility, we are promoting a wide range of CSR activities in these countries with the aim of improving local traffic safety.

Regular automobile maintenance is critical to the safe and secure operation of automobiles. In Papua New Guinea, about 80% of our 300 service and maintenance

employees have taken a basic education certification course from Toyota Motor as part of our efforts to certify employees and bolster training. In Sri Lanka, we began holding driver training courses for the employees of our local distributors in 2011. In 2012, more than 30 employees received classroom instruction on road laws and practical training through the course. In Trinidad and Tobago, we invite customers to showrooms to receive seminars on driving etiquette and regular automobile maintenance.



Maintenance employees receiving training
(Papua New Guinea)

Global Production Parts & Logistics Division initiatives

We have opened a driver training center in Thailand, one of the world's few major auto producers, to contribute to local traffic safety by providing thorough training for truck drivers supporting our logistics operations.

For the Toyota Tsusho Group, Thailand is a crucial market. The country is one of the world's major producers of automobiles and a major auto exporter. Toyota Tsusho Group company TTK Logistics (Thailand) Co., Ltd. boasts a team of 1,700 drivers to execute its logistics business and deliver the components that local auto parts makers need.

In 2011 TTK Asia Transport (Thailand) Co.,Ltd.-an affiliate company and one of the largest truck transporters in Thailand-opened a training center in Chachoengsao Province to provide traffic safety education for these drivers. The facility was designed in accordance with the Thai Ministry of Transport's overland transport vehicle training curriculum training course. The center features a high-speed driving track

and an eco-driving course for practicing fuel economy as part of its comprehensive range of facilities designed to provide a diverse curriculum.

The center offers courses for every level of driver, from the inexperienced to trainers, and nurtures employees through a planned curriculum. Japanese driving safety know-how is adapted to the local circumstances throughout the curriculum. For example, in consideration of the insufficient maintenance of Thai roadways, drivers learn how to safely navigate dangerous road conditions encountered while driving. This type of hands-on, experience-based training is highly effective and is reflected in the successful track records of drivers after they've completed the courses.

In the future, the training center plans to

train drivers from other companies and regions. By gaining certification from the Thai government and expanding its functions to offer training programs to drivers of other companies, the center aims to become a model for safe driver training facilities in emerging Asian countries.



Traffic safety education



TTK traffic safety education center in Chachoengsao Province, Thailand

Approach to the environment

Toyota Tsusho Corporation considers its approach to the environment to be inextricably linked with our Corporate Philosophy of “living and prospering together with people, society and the Earth.” In accordance with the Toyota Tsusho Group’s Environmental Policy, all executives and employees share this understanding and perform their activities accordingly.

Toyota Tsusho Group’s Environmental Policy

- ① As a responsible corporate citizen, we strive to reduce impact on the environment, conserve energy, recycle resources and eliminate environmental pollution, while placing a high priority on not disturbing the global environment in conducting business.
- ② We promote environment-related businesses, such as the efficient use of waste and the preservation of natural resources, and contribute to the realization of a recycling-oriented economy and society in collaboration with our affiliates and business partners.
- ③ We comply with all environmental requirements, including environmental laws and regulations and industry guidelines.
- ④ We participate in activities to reduce impact on the environment by establishing an environmental management system and implement *kaizen* (continuous improvement) of these activities through periodic review and the application of creative ideas.
- ⑤ We enhance environmental awareness among employees by providing environmental training and promoting a thorough understanding of our environmental policy.

We promote *kaizen* in environmental management as a company with responsibility for the global environment and for business sustainability.

The various environmental issues cropping up in Japan and overseas pose challenges that Toyota Tsusho must not seek to avoid. Conducting business in an environment-conscious manner and responding to environmental challenges is our social responsibility and duty, and indeed we view it as our mission. By fulfilling this mission we can realize our Corporate Philosophy of “living and prospering together with people, society and the Earth, we aim to become a value-creating company that contributes to the creation of a prosperous society.”

To realize our Corporate Philosophy, we are building the Toyota Tsusho Group environmental management system based on the Toyota Tsusho Group Environmental Policy. In addition to seeking to bring about a society in harmony with nature, meaning one that is recycling-oriented as well as low-carbon, we are also working to maintain full compliance with all environmental laws and regulations and to prevent pollution.

Toyota Tsusho Corporation pursues global business activities in a wide range of fields. In Japan, we have utilized a system to quantitatively analyze environmental risk in our business activities and provide management-level visualization through environmental risk assessment and environmental plant assessment. In fiscal 2012, we began expanding this system to overseas subsidiaries. We will continue to promote this initiative in fiscal 2013 in order to strengthen global compliance with environmental regulations and prevent environmental pollution.

Additionally, we introduced an investment project environmental assessment system to manage environmental assessments prior to investment and ensure that our investments are environmentally conscious.

The Toyota Tsusho Group’s strong desire for the global environment can be summed up as “to fulfill our responsibility toward the global environment and sustainable business so as to ensure that we pass on a bountiful global environment for future generations.” Based on this approach, we are promoting environment-friendly business measures in the three business domains highlighted in the Toyota Tsusho Group’s Global 2020 Vision: “next-generation mobility systems,” “better living environments,” and “solutions to global issues.” We will continue to implement *kaizen* in environmental management.

Mikio Asano
Executive Vice President
Environmental Management
General Supervisor



Environmental management

Promotion structure

We are stepping up our environmental management efforts, focusing on our conference on the global environment.

Toyota Tsusho's environmental management efforts are centered on our annual conference on the global environment. Participants include the environmental management general supervisor, environmental management representative and chief division officers, as well as environmental management representatives of Group companies. This forms the structural basis for our group-wide environmental management initiatives.

Our annual conference on the global environment is aimed at promoting the enhancement of the Toyota Tsusho Group's environmental activities.

The conference is a venue for sharing examples of thorough incorporation of the directives of the environmental management general supervisor, who bears ultimate responsibility for the environment for the Toyota Tsusho Group overall, *kaizen* regarding issues of environmental significance, and measures to prevent recurrence of irregularities, complaints or close calls that have taken place at Group companies.

At the conference held at the end of July 2012, the environmental management general supervisor explained the directives for continually improving the environmental performance of the Group.

Conference participants also reported on the second environmental risk assessment and the oil leak prevention task force's activities as part of the

initiatives to prevent environmental accidents. Leaders of these initiatives were directed to continue promoting prevention measures.

In order to thoroughly share and promote the fiscal 2013 directives announced by the environmental management general supervisor throughout the Group, an environmental promotion meeting was held in January 2013 and attended by employees in charge of the ISO administrative offices of a total of 56 Group companies.

The results of the second environmental risk assessment for domestic operations and the oil leak prevention initiatives were shared among the meeting participants.



Conference on the global environment

measures in place to comply with environmental regulations and prevent environmental pollution for investment projects.

In fiscal 2012, we carried out environmental assessments of 56 projects, of which 30 projects required additional environmental protection equipment and monitoring measures to gain approval.

From April 2012, we formally launched the new investment project environmental assessment system. This system provides advance assessments to ensure the environmental consciousness of large-scale investment projects covering 30 types of operations^{*2} with a particularly large impact on the environment.

In fiscal 2012, seven projects were assessed using this new system. Through the continued operation of this system, we will gather project data and create databases as part of an effort to reduce the environmental impact risk and prevent environmental problems.

*1 Air pollution, water contamination, soil contamination, noise, vibration, ground subsidence and offensive odors

*2 Based on Japan Bank for International Cooperation guidelines

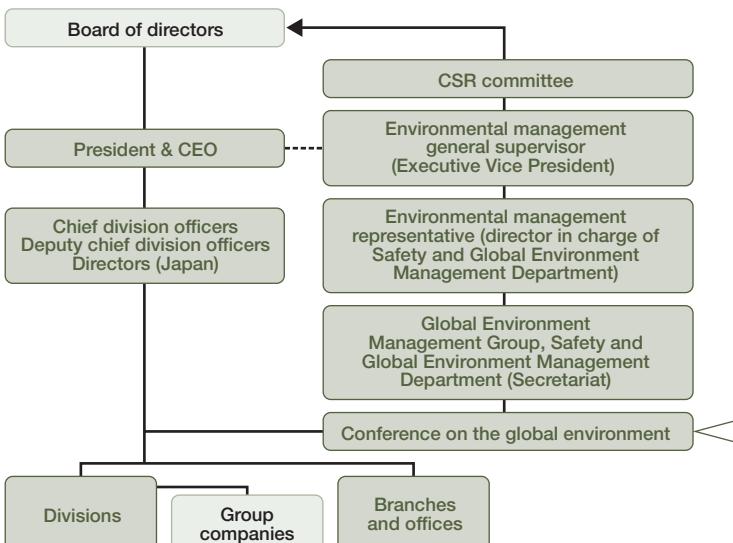
Emergency response

We have put in place emergency communication procedures and set up a system to ensure reporting within one hour.

Toyota Tsusho Corporation has set up emergency communication procedures in preparation for emergencies, such as when environmental standards established by laws, regulations and ordinances or in agreement with the community are exceeded, or complaints from local residents or governments are received.

This system is designed to ensure that in the event of an accident, the department

Environmental management promotion structure



Members

- Environmental management general supervisor
- Environmental management representative
- Environmental management representatives at Toyota Tsusho Group companies (full-time representatives)
- Audit & supervisory board members
- Chief division officers
- General managers of planning department of respective divisions
- General manager of Corporate Planning Department
- General manager of General Administration Department
- General manager of ERM Department
- General manager of Safety and Global Environment Management Department
- General manager of Regional Strategy & Coordination Department
- General manager of Global Business Strategy Department

Aims of our conference on the global environment

- Promoting improvements in environmental activities**
- Ensure thorough deployment of top management directives
- Present cases that show examples of *kaizen* in critical environmental issues
- Prevent recurrence of noncompliance (lateral deployment)

in which the problem arose takes immediate steps to minimize risk and reports to related departments within one hour. Next, the direct causes are specified through analysis and preventative measures are constructed, and the process continues until the effectiveness of those measures is confirmed. The same process is applied in the case of minor environmental irregularities, which represent an exceeding of voluntary standards or occur within the industrial zone but do not conflict with laws or regulations.

There were no environmental accidents in fiscal 2011 that resulted in non-compliance with laws or regulations. Those accidents that did occur were reported across the organization to other departments or Group companies as examples via the conference on the global environment or the company intranet, and we engaged in emergency preventative measures.

Establishment of an environmental management system

We are encouraging ISO 14001 certification at Group companies in Japan and overseas.

Toyota Tsusho Corporation is pursuing a course of consolidated environmental management on a global basis as a way to promote our environmental preservation efforts and prevent environmental and other risks from materializing. As a common tool to help achieve this objective, we encourage group companies in Japan and overseas to acquire certification under ISO 14001 international standards for environmental management systems.

One company in Japan acquired this certification in fiscal 2012. As a result, as of March 31, 2013, we had received ISO 14001 certifications for 62 companies in Japan and 155 overseas.

Internal and third-party audits

We verify our environmental management system through internal and third-party audits.

To ensure that our environmental management system is operating effectively, we conduct internal audits as well as third-party ISO 14001 audits through external auditing organizations.

The fiscal 2012 internal audit utilized the results of the environmental risk assessment and focused on environmental regulation management procedures, compliance assessment, and emergency procedures.

The fiscal 2012 ISO 14001 third-party audit was for recertification. The audit focused on *kaizen* of the environmental management system, environmental management of the entire supply chain, and environmental risk management under worst-case scenarios.

Neither the internal audit nor the third-party audit identified serious issues.

The external audit organization granted a three-year renewal of our ISO 14001 certification.

Internal and third-party audit results (FY2012)

	Toyota Tsusho (non-consolidated)	Group companies
Internal audits	101 departments	56 companies
Third-party audits	76 departments	56 companies
Total		278 persons

Developing environmental management personnel

We hold ISO seminars and ISO 14001 internal auditor development courses.

Each year, Toyota Tsusho Corporation conducts ISO seminars to cultivate personnel

to drive our environmental management. In fiscal 2012, we held seminars for our ISO leaders (primary and secondary environmental leaders, managers of key departments, and employees in charge of ISO administrative offices), with a total of 278 employees participating at the Nagoya and Tokyo head offices. The seminars covered environmental management systems, environmental risk assessment, preventing reoccurrence of environmental accidents, measures to eliminate oil leaks, and other topics.

We also invited outside instructors to lead ISO 14001 internal auditor development courses at our domestic Group companies, with 18 employees participating in fiscal 2012. In fiscal 2013, the course was held in April in Nagoya and Tokyo. We plan to continue these courses in order to improve the skills of the Group's internal auditors.

Seminar results (FY2012)

	Toyota Tsusho (non-consolidated)	Group companies
ISO seminar		
Nagoya (2 times)	97 persons	94 persons
Tokyo	38 persons	25 persons
Osaka	14 persons	10 persons
Total		278 persons
ISO 14001 internal auditor development course		
Nagoya	2 persons	16 persons
Total		18 persons

Annual schedule of environmental activities

	April 2012	May	June	July	August	September	October	November	December	January 2013	February	March
ISO seminars	Environment fundamentals training for new employees				Seminars for leaders of ISO administrative offices							
Group meeting					● Conference on the global environment					● Environmental promotion conference		
Internal audits												
Third-party audit												
Internal awareness	Monthly environmental activities			Encourage cool business attire in summer. Set room temperature to 28°C						Encourage warm business attire in winter. Set room temperature to 22°C		

Preventing global warming

CO₂ emissions reductions at offices and other facilities

We have established energy management standards to ensure progress on the reduction of electric power consumption.

As a member of the Japan Foreign Trade Council, Inc.*, Toyota Tsusho Corporation participates in a voluntary action plan implemented by the council to achieve the Kyoto Protocol's greenhouse gas reduction targets.

As part of the voluntary action plan, we set an average annual consumption target of around 2,854 tons for fiscal 2008 to fiscal 2012. We made strides toward the target by reducing electric power and gas consumption at 26 offices in Japan. As part of an ongoing energy-saving program, all of Toyota Tsusho Corporation sites in Japan set their thermostats to 28°C in the summer and 22°C in the winter and encourage employees to adopt cool business attire in summer and warm business attire in winter. Four Toyota Tsusho Group sites have also installed solar power generation systems, while other sites have installed sunshades to raise the efficiency of air conditioning systems.

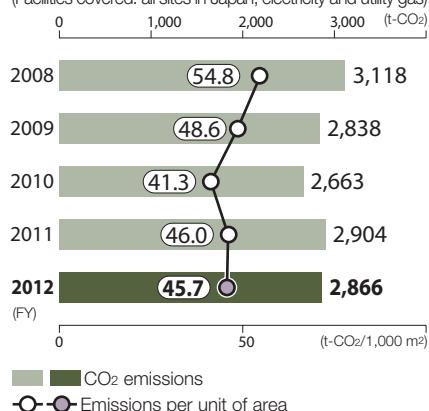
In fiscal 2012, Toyota Tsusho Corporation formulated energy management standards and launched an energy-saving promotion council. The council is responsible for creating energy efficiency investment and implementation plans at the start of the year and managing the plans to ensure steady progress. The council also set specific energy management standards for 11 sites to bolster energy management. Moving forward, as a member of the Japan Foreign Trade Council, we will continue to manage CO₂ emissions reductions and make progress toward the target of reducing emissions annually by 1% per unit of sales.

* Established in 1947 as a private-sector organization in the area of international trade. JFTC seeks to contribute to the development of Japanese trade, trading companies and the economy.

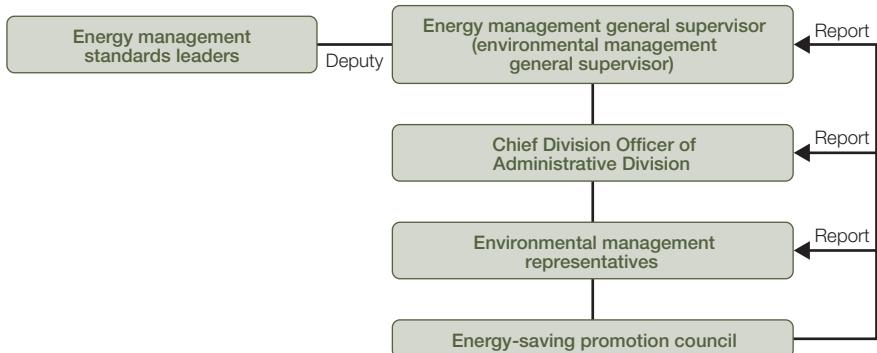
Office CO₂ emissions

Toyota Tsusho, non-consolidated

(Facilities covered: all sites in Japan, electricity and utility gas)



Energy-Saving Promotion Council



Reducing CO₂ emissions at the Metals Division

We are reducing CO₂ emissions in the molten aluminum business through the installation of energy-saving equipment.

The Metals Division is developing its molten aluminum business, in which it melts down aluminum materials and supplies aluminum in a molten state. Energy-saving equipment has been introduced at our plants along with a variety of *kaizen* measures so as to reduce energy use.

We have introduced regenerators* and other highly energy efficient equipment at MOST, a high-volume U.S. production subsidiary. By the end of fiscal 2012, three regenerators had been installed at the company.

We also have switched to a manufacturing solvent that emits lower amounts of fluoride, while promoting the reuse of chips and cutting oil generated in the manufacturing processes.

We introduced one regenerator at our largest manufacturing site, PT Indonesia Smelting Technology (IST), in fiscal 2012, leading to a 555.5-ton reduction in CO₂ emissions. We plan to install a second regenerator in fiscal 2013 and expect the plant's CO₂ emissions to decline by approximately 23% as a result.

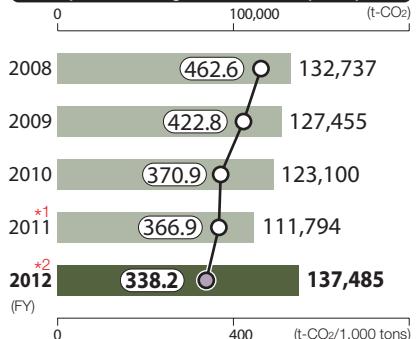
In fiscal 2013, we plan to take further measures to reduce CO₂ emissions and meet the target of a 1% year-on-year reduction.

* Burners that raise combustion efficiency by reheating exhaust heat in the air, for use in combustion air.



CO₂ emissions from the molten aluminum business

One Japanese and eight Overseas Group companies



*1 With the exception of April through June due to the impact of the earthquake

*2 Excluding results in September, when business was significantly affected by the Senkaku Islands dispute.

Other major initiatives

Toyotsu Smelting Technology (TST)	Reduced both fuel and electric power consumption by approximately 20% (at Hokkaido Plant) by changing operating conditions and eliminating processes. Reduced CO ₂ emissions by 109.9 tons by installing inverters in dust collection equipment (at Kanda Plant).
Tianjin Toyotsu Aluminium Smelting Technology (TAST)	Reduced annual CO ₂ emissions by 135.0 tons by installing inverters in dust collection equipment Reduced annual CO ₂ emissions by 44.6 tons by switching to a recuperative burner for ladle heating equipment

Reducing CO₂ emissions at Group companies

We continue to reduce CO₂ emissions through the consolidation of manufacturing facilities and lowering standby power consumption.

We are taking various initiatives to reduce CO₂ emissions at domestic Group companies, primarily their manufacturing operations. These include the consolidation of manufacturing equipment, installation of skylights and LED lighting to reduce power consumption, reduction of standby power consumption by turning off compressors when not in use, use of inverter controls, and consolidation of similar production equipment.

Moving forward, we plan to introduce CO₂ emissions reduction initiatives at overseas Group companies as well.



Skylights at Toyotsu-new Pack



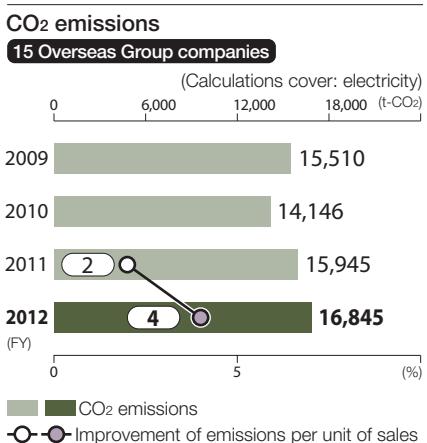
LED lighting at Toyotsu-new Pack



Geothermal heat pump at Tianjin Fengtian Steel Process Co., Ltd. (China)

CO₂ emissions

15 Overseas Group companies



Reducing CO₂ emissions during transport

We are promoting the reduction of CO₂ emissions centered on two companies that are “specified consigners”* under Japan’s Law Concerning the Rational Use of Energy.

Toyota Tsusho Corporation and Toyota Steel Center Co., Ltd., which are certified as specified consigners under Japan’s Law Concerning the Rational Use of Energy, aim to reduce CO₂ emissions 1% per year on a unit sales basis. To achieve this, the two companies are promoting a

modal shift from trucks to rail or ship transport, which emits less CO₂. They are also increasing container loading ratios and shortening distribution routes to make truck transportation more efficient. Measures such as these are designed to reduce CO₂ emissions during product transport and other aspects of logistics through cooperation with shippers.

The portion of Toyota Tsusho’s sales taken up by metals and other heavy items for distribution has increased, so CO₂ emissions per sales unit from fiscal 2008 through fiscal 2013 have worsened 9.5%. Nonetheless, those of Toyota Steel Center have improved 4.6%.

In fiscal 2013, in order to meet the target of reducing emissions per unit of sales by 1% compared to the previous year, we plan to take such measures as concentrating the logistics of our processing centers and increasing the rate of installation of digital tachographs.

* Companies that transport 30 million tons or more of cargo per year

Using sustainable resources

Increasing waste recycling and lowering the landfill waste ratio

We have taken *kaizen* to new levels for waste recycling and lowering the landfill waste ratio.

Toyota Tsusho Corporation promotes the 3Rs: reduce waste, reuse products and recycle resources.

In fiscal 2012, we promoted the recycling of waste through *kaizen* activities, increasing the number of waste separation bins, and through e-learning programs to raise awareness of ways to enhance waste separation and recycling rates. As a result of these activities, our recycling rate rose from 79.6% in fiscal 2011 to 85.6% in fiscal 2012.

In terms of the landfill waste ratio, which represents the final amount of waste generated, the Toyota Tsusho Group lowered its landfill waste ratio from 0.43% in fiscal 2011 to 0.38% in fiscal 2012. This was achieved by recycling soot and dust into sub-base materials and expanding thermal recycling based on guidelines set by Japan’s Ministry of the Environment.

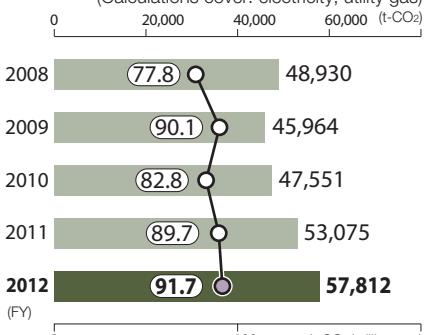
Additionally, from fiscal 2012, we have revised our waste paper disposal system. While in the past we paid disposal fees for waste paper, we now sell waste paper to disposal and recycling companies. Group companies, meanwhile, are taking measures to sell waste oil and batteries to disposal and recycling companies.

We will continue to promote the 3Rs for waste throughout the Group by setting

CO₂ emissions

57 Japanese Group companies

(Calculations cover: electricity, utility gas)



CO₂ emissions

Toyota Steel Center

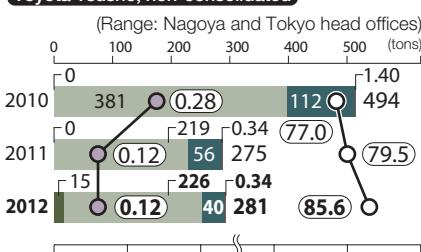
CO₂ emissions during transport



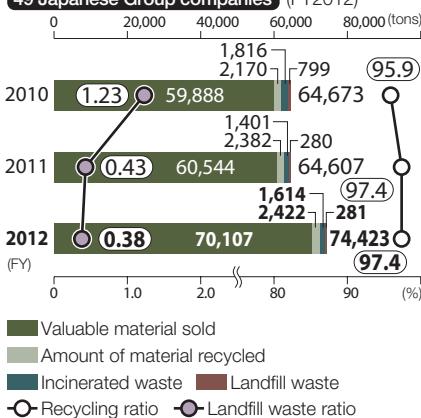
Approach to the environment

targets appropriate with the conditions at each company.

Reducing waste and promoting recycling Toyota Tsusho, non-consolidated



Reducing waste and promoting recycling 49 Japanese Group companies (FY2012)



Pollution prevention

Chemical management

Chemical management in consideration of human health and the environment in line with the EU REACH^{*1} regulations.

Some of the substances used in industrial processes pose a pollution risk or can damage human health. At the Toyota Tsusho Group, we use and manage these substances in compliance with the various rules established by the European Union.

For example, at plastics processing plants and synthetic rubber processing plants manufacturing auto parts, we use plasticizers and flame retardants regulated by REACH. As part of our substance management activities, we manage the amounts of each of the regulated substances and related compounds contained in products. Also, we confirm whether or not SVHCs^{*2} are contained in molded items, and use and manage chemical substances in consideration of human health and the environment.

^{*1} Short for “registration, evaluation, authorization and restriction of chemical substances” and an EU law on the use, handling and purposes of chemical substances.

^{*2} Short for “substances of very high concern” of which there is substantial concern about serious negative impact on the environment or human health.

Environmental training and environmental awareness

Boosting employee awareness

We are raising employees' awareness of environmental issues through e-learning systems and “environment month” campaigns.

Toyota Tsusho Corporation is also promoting initiatives to heighten the environmental awareness of general employees.

In fiscal 2009 we launched intranet-based e-learning courses on ISO 14001 and certifications for environmental specialists (biological diversity and eco-verification). These e-learning courses provide employees with more opportunities to study the environment.

As a member of our Toyota-wide production environment conference, we promote the “All-Toyota Global Environmental Awareness Month” every June.

In fiscal 2012, we promoted messages from Toyota Group executives, displayed environment-themed posters in offices, and held screenings for environmental movies.

We plan to implement a wide range of initiatives to raise the environmental awareness of employees throughout the company.



Screening of movie on environmental issues

Chemical & Electronics Division initiatives

We have started operation of a chemical substance total management system.

In the Chemical & Electronics Division, we officially started operation of a new chemical substance total management system in April 2012. The system was developed in response to more stringent requirements for the management of chemical substances advocated by the International Conference on Chemicals Management and the Strategic Approach to International Chemicals Management, a policy framework adopted

by the ICCM.

Additionally, the division enhanced its compliance structure in response to regulations in China and Taiwan, along with the revision of laws in Japan. To ensure that these improved systems were implemented as planned, the division held seminars for its employees to promote the importance of compliance and specific tasks required under the systems.

Chemical substance management initiatives and plans

FY2012 achievements	FY2013 plans
<ul style="list-style-type: none"> Officially began operation of the chemical substance total management system; established a compliance verification structure In China, took measures to comply with new chemical substance environmental management law and hazardous chemical safety management regulation In Taiwan, took measures to comply with toxic chemical management law and labor safety and health law In Japan, strengthened inspections of imported product components to comply with revised Act on the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. Held seminars on division's response to legal revisions. 	<ul style="list-style-type: none"> In China, take measures to comply with hazardous chemical registration and management law In South Korea, take measures to comply with K-REACH Establish compliance structures at chemical sales subsidiaries

e-Learning course participants (FY)	2011	2012
ISO 14001 basics, putting it into practice	3,266	3,776
Eco-verification (Parts 1-17), biodiversity	10,828	11,692

Environmental business development

Waste recycling

We have started a business to recycle sewage sludge in the San'in region of Japan.

Sewage sludge generated through the processing of sewage is commonly incinerated and the ash disposed of as

landfill waste. This has caused environmental problems in many regions of Japan, as landfill waste sites are reaching capacity and greenhouse gases are emitted during incineration.

We collaborated to launch a sewage sludge recycling business as a way to alleviate this problem. The business recycles sludge into a heat insulator for steel production and a biomass fuel after drying and carbonization. Toyota Tsusho and Nippon Zoki Pharmaceutical Co., Ltd. joined the effort in 2012 by subscribing to a third-party allocation of new shares in Waste Biomass Co., Ltd., a subsidiary of Sanko Co., Ltd., the largest industrial waste disposal and processing company in Japan's San'in region. We are leveraging our trading functions to provide marketing and sales support for the business.

We plan to expand the business to other regions of Japan in the future to contribute to the reduction of greenhouse gas emissions and the creation of jobs for local communities.



Sewage sludge carbonization plant of Waste Biomass Co., Ltd. commenced full-scale operations from April 2013.

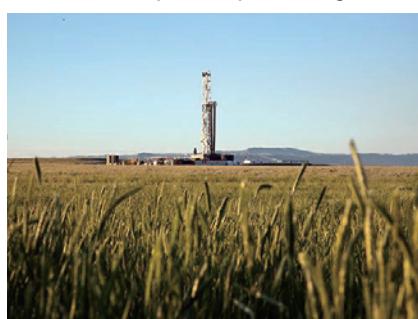
New energy development

We are contributing to the stable supply of new energy through the development of coalbed methane gas in Canada.

Along with shale gas, coalbed methane gas is considered a promising new source of natural gas. In April 2012, Toyota Tsusho Corporation acquired a 32.5% interest in a coalbed methane project from Encana Corporation, Canada's largest natural gas producer, to participate in the development, production and sale of coalbed methane gas.

At peak production, the project is expected to produce the LNG equivalent of 1.02 million tons of gas a year. One of the key features of the project is its low environmental impact, as the mines do not produce large amounts of underground water in the development and production processes.

Toyota Tsusho will continue to support the stable supply of energy through environmentally friendly natural gas



Coalbed methane gas wells (Alberta, Canada)

development and production projects.

Using sustainable resources

We are participating in a “smart community” development project in Japan’s Kitakyushu City.

“Smart stores” refer to next-generation commercial operations that use energy efficient equipment, storage batteries, and other technologies to use energy efficiently. To realize these stores, Toyota Tsusho joined Fuji Electric, Denso, FamilyMart, Takamiya, and Yamato Transport to conduct field tests of energy management systems in Japan’s Kitakyushu City from June 2012.

The tests are part of the “Kitakyushu Smart Community Creation Project,” which will test the new concepts in actual stores through December 2014. The results will contribute to leveling regional electric load and establishing energy management systems that can support the creation of a low-carbon society.



Optimized control of store power usage through cooperation of each company

Consumer Products & Services Division initiatives

We have developed hygienic and environmentally conscious methods to collect and dispose of used paper diapers from nursing care facilities.

The Consumer Products & Services Division provides a wide range of products and services for the nursing care industry, from the sales and rental of geriatric care equipment to comprehensive solutions for nursing care providers. As a trading company, we strive to create high added-value services that solve social issues related to the nursing care industry. In developing our business, we have a responsibility to consider the impact of our business on society and the environment in fulfilling our social responsibility as a company providing services in areas closely linked to public needs.

The hygienic management and disposal of used paper diapers is an example of how Toyota Tsusho makes a positive impact. The use of paper diapers has grown at nursing care facilities in recent years, leading to

serious problems with their disposal. Hygienic disposal methods are required to prevent used paper diapers from becoming a serious waste problem. In response, the Consumer Products & Services Division has developed the “Clean Forever” service. This service collects used paper diapers in specially designed, fully sealed containers and disposes of the diapers in a hygienic manner.

In Clean Forever, Group company Toyota Chemical Engineering Co., Ltd. and other specialist companies collaborate to strictly manage the collection and disposal processes. The diaper collection containers have been specially designed to fully seal after collection and prevent the release of bad odors. The container materials were also specially selected to prevent the release of toxic gases during incineration. The companies also introduced

a manifest sheet system to confirm that each process prior to incineration has been completed according to stated procedure.

The companies are now investigating ways to recycle paper diapers into paper instead of incinerating them.



“Multipail” fully sealable, specially designed collection containers

Human resource initiatives

While employee and corporate growth are a matter of course, Toyota Tsusho Corporation promotes CSR based on our Principles Concerning Employees so as to realize our Corporate Philosophy of “Living and prospering together with people, society and the Earth, we aim to become a value-creating company that contributes to the creation of a prosperous society.”

Principles concerning employees

We aim to realize our management strategies without being constrained by past experiences or preconceptions and based on the watchwords “real source” and “On site, Hands on, In touch.” Accordingly, from the perspective of overall optimization, the Toyota Tsusho Group will employ, develop and advance employees who can cooperate and lead the way to an even better future.

Key points for promoting CSR from an employee perspective

Point ①

Build an environment that allows employees to work with vitality.

To enable a company and its employees to realize continuous growth, it is essential to create a workplace environment and systems that make employees’ work rewarding and fulfilling. With this in mind, we are devising a number of measures to build such an environment and systems.

Point ②

Create frameworks for promoting constant and autonomous reforms and *kaizen*.

We regard a company’s responsibility as enabling employees to act with self-initiative, with an unceasing desire to pursue reforms and *kaizen* (continuous improvement). Toyota Tsusho is building systems and frameworks that promote such actions.

Point ③

Develop human resources capable of responding flexibly, quickly and sincerely to changes in the environment.

The management environment is evolving at a breathtaking pace. Even so, we will work to strengthen our business functions and develop human resources capable of continually undertaking sincere business activities.

Point ④

Promote teamwork with an eye toward overall optimization as an organization.

While maintaining respect for individuals, we also recognize the limitations of acting individually and are thus determined to create an organization that enables overall optimization. To do so, we believe it is essential to have a corporate culture that fosters mutual respect and ensures sufficient vertical, horizontal and diagonal communication. We are currently creating a framework for such a corporate culture.

We are aiming to create opportunities for fuller dialogue between upper-level management and employees so as to achieve our Global 2020 Vision.

We at Toyota Tsusho Corporation make daily efforts based upon our Principles Concerning Employees to create a work environment in which all employees, including those of our affiliates, can work with vitality and feel highly motivated so we can all realize *kaizen* (continuous improvement).

In fiscal 2012, we revised various systems and training programs to ensure that our employees and the Toyota Tsusho Group can undertake initiatives as one to support the achievement of the goals of the “Global 2020 Vision.”

At Toyota Tsusho Corporation, various changes were made to training programs in fiscal 2012. The existing Practical Career Training for administrative staff was divided into two separate courses—short-term and long-term—with the purpose of enhancing employees’ skills. In these courses, trainees discuss issues directly related to their department’s business. Their superiors will be taking part to help formulate detailed, practical solutions to the issues. This both facilitates the enhancement of practical career skills for individuals and encourages an exchange of opinions between the company and the employees on the company’s future direction.

In terms of Group-wide training, human resources employees from each Group company convened at an information-sharing meeting to share and discuss ways of dealing with changes to laws and regulations and the status of training systems at each company.

Additionally, portions of the Breakthrough Seminars for management-level employees in Japan and Leadership Development Program (LDP) for employees outside Japan were held jointly to help lower corporate boundaries and stimulate

discussions between employees of Toyota Tsusho Corporation and its group companies.

Furthermore, in order to raise the crisis management skills of Toyota Tsusho Corporation employees, in addition to the Crisis Management Training provided during new overseas assignment seminars, we newly added Regional Crisis Management Training and branch manager Crisis Management Training. Improving the crisis management structure for has become an urgent organizational issue amid the company’s plans to expand business to every region of the globe.

In fiscal 2013, we will strive to strengthen our crisis management structure through the newly established Security Management Group which will be reviewing the system fundamentally in detail, as well as expanding the crisis management boundaries to the entire Toyota Tsusho Group and its employees.

Our business is formed by our people. We are making efforts for our employees and our company to grow together, so that we can continue contributing to society through our business.

Kuniaki Yamagiwa

Managing Director and Chief Officer
of the Administrative Division



Personnel systems

Basic stance

We work to conduct employee performance evaluations that are fair and performance-based.

Toyota Tsusho Corporation considers “overall optimization” a core value that relates to all human resources initiatives, including hiring, training, evaluation and rotation. To exist as an organization and provide greater value to stakeholders, Toyota Tsusho believes that in addition to boosting individual performance, cooperation from multiple human and organization resources is essential.

Toyota Tsusho Corporation strives to perform fair employee evaluations based solely on performance and without bias to gender, age or nationality. When evaluating performance levels each year, we require interviews between the employee and the evaluator. We also hold modification meetings at various stages of the process of performing evaluations to ensure that employee performance is assessed fairly from multiple perspectives.

Similarly, we work to ensure fair and results-based systems of employee classification, compensation and rotation.

Challenge rotation

We boost employee motivation toward their jobs by meeting their posting requests.

Toyota Tsusho Corporation has in place a challenge rotation system, whereby the company seeks to encourage high levels of job motivation by meeting employees' requested postings.

“Challenge rotation” is a system through which we give job-posting preference to employees who have indicated a specific desire to obtain specific postings. The system is available to employees who have been handling the same job for five years or more and involves the presentation of a specific plan (a plan for engaging in new business that the employee would like try in which the work skills built up so far will be used, but conversely that will also provide the acquisition of new perspectives and horizons) for an employee's desired posting. In fiscal 2012, 35 employees made applications through this system, of which 17 were assigned to different posts.

Commendation systems

We take a variety of perspectives into consideration in presenting commendations to organizations and individuals in recognition of their contributions to realizing our corporate vision.

Every year, we present commendations to organizations and individuals in Japan and overseas in recognition of their efforts to realize our corporate vision.

Division GV awards* are given to organizations with high levels of performance. And from among those award winning organizations, one is selected to receive the President Award. In fiscal 2012, the President's Awards recognized the success of the East Africa TRY-1 project led by the Automotive Division, and the Kenya/Olkaria geothermal power plant project spearheaded by the Machinery, Energy & Project Division.

Principal commendation systems and FY2012 award recipients

Name	Target	Recipient
Division GV Award	Organizations achieving high levels of operating performance	32 organizations
Division Synergy Award (new)	Organizations generating a high level of synergy	8 projects
Commendation for Qualification Acquisition	People obtaining company recommended qualifications	165 persons
Commendation of Social Contribution	Individuals volunteering to make social contributions	5 persons
Excellent Kaizen Proposal Awards	Individuals successful in making operational kaizen	32 persons

(Application and selection processes for each award)

● Division GV Award

Projects are nominated—through application forms—and awarded within each division. Eight are selected from among these for the GV superiority prize, and the president himself selects the recipient of the president's award.

* Name derived from Toyota Tsusho Corporation's flagship message, “G' VALUE with you.”

● Division Synergy Award

Projects are nominated within each division—through application forms—out of which one project per division is awarded.

● Commendation for Qualification Acquisition

Recipients are selected from among automatic submissions made as the result of filing qualification acquisition forms.

● Commendation for Social Contribution

Recipients are selected from among applications submitted by individuals directly to the Human Resources Department.

● Excellent Kaizen Proposal Awards

The Kaizen Proposal Department awards “A”-ranking projects from each division.

Labor-management dialogue

Building good relations based on dialogue

Discussions progressed on creating systems to better utilize the experience of re-employed employees.

Approximately 70% of Toyota Tsusho Corporation associates, or 2,519 people, belong to the Toyota Tsusho Labor Union. All employees in principle are union members.* Each year, labor union representatives meet with executives in charge of human relations approximately 10 times, convening the Personnel System Evaluation Committee to discuss personnel systems and other aspects of a work-life balance.

In fiscal 2012, in consideration of the revised Law Concerning Stabilization of Employment of Seniors, the Personnel System Evaluation Committee studied the establishment of a new system to better utilize the experience and talents of retired employees who have been reemployed by the company. In addition, the committee made changes to the company housing system to ensure fairness among employees.

Furthermore, as in the previous year, Divisional Labor-Management Confabs were held to encourage the sharing of division policies and issues among division executives and younger employees.

Toyota Tsusho Corporation held joint seminars with the Toyota Tsusho Labor Union and made a financial contribution to the union's year-end holiday party as a form of support and cooperation. In fiscal 2012, as part of support for the reconstruction of the Tohoku region, Toyota Tsusho Corporation and the Labor Union jointly supported the establishment of specially designated guidance classrooms and study halls in Sumita, Iwate Prefecture for children living in local temporary housings.

* Employees of section chief grade or higher, as well as employees with line chief experience, do not qualify for union membership.

Human resource development

Basic stance

We are cultivating human resources capable of implementing the Toyota Tsusho Group Way.

Toyota Tsusho Corporation implements a diverse range of educational and training programs to develop personnel capable of exemplifying the keywords of the Toyota Tsusho Group Way: “A passion for business,” “On site, Hands on, In touch” and

Human resource initiatives

"teamwork" and to raise employee skill levels. Furthermore, we focus on personnel who can share information throughout the Company and cooperate from the perspective of overall optimization.

Education and training

In addition to various training programs for career-track employees, new long-term training programs were implemented to enhance the skills of administrative employees.

To maximize overall organizational performance from the perspective of total optimization, we offer rank-based training to employees from the time they enter the company through their sixth year, as well as to newly appointed executives.

In addition, we have established practical knowledge courses for younger employees and offer an array of training programs for studying business skills, including Innovation Leader Cultivation Seminars to cultivate the start-up mentality for creating new businesses. For staff working overseas, we also offer approximately 100 e-learning courses, including business skill and leadership development courses.

In fiscal 2012, we introduced long-term training programs to boost the skills of administrative employees. In fiscal 2013, we plan to offer joint programs for headquarters employees and local associates at overseas subsidiaries in order to nurture employees who can succeed on a global stage.

Training results (FY2012)

Toyota Tsusho, non-consolidated

Category	Course name	Number of attendees
Personnel in charge of specific tasks^{*1}		
Long-term program	Breakthrough Seminars	16 persons
	Innovation Leader Cultivation Seminars	22 persons
	New business conception	32 persons
Rank-based training	Training for newly appointed department general managers	15 persons
	Training for newly appointed group leaders	60 persons
	Practical training for newly appointed managers	61 persons
	Training for newly appointed L-staff	50 persons
	Training for newly appointed ST-staff	40 persons
	Training for existing T1 staff	26 persons
	Training for newly appointed T1	41 persons
	Mid-grade accounting	60 persons
	Strategy and marketing	61 persons
	Career design/ability to involve others	93 persons
Business skills used throughout the company (open recruitment)	Problem-solving and questioning	46 persons
	Beginning accounting	65 persons
	Second year training	65 persons
OJT-related	M&A	25 persons
	Logical writing	43 persons
	Writing emails in English	54 persons
According to goal	OJT leader training	99 persons
	Pre-overseas appointment training	146 persons
Administrative staff^{*2}		
Long-term program	TRY-1 women's program	8 persons
	Practical career NEO training	23 persons
Rank-based training	Training for newly-appointed SG	18 persons
	Training for newly-appointed G1	30 persons
	Training for newly-appointed G2	90 persons
	Second year training	48 persons

NOTES

^{*1} Employees who may be relocated to different regions. Also called "career-track employees."

^{*2} Personnel who handle backup work for personnel in charge of specific tasks or routine tasks in a specific region. Also known as "general employees."

We are building a self-education support system to match employee ambition

We are building a self-education support system for employees by providing subsidies to cover course fees for correspondence courses and other external learning opportunities. We make this system well-known by posting information on an electronic bulletin board and in education system electronic brochures, and by emailing eligible employees so as to encourage more of them to take advantage of it.

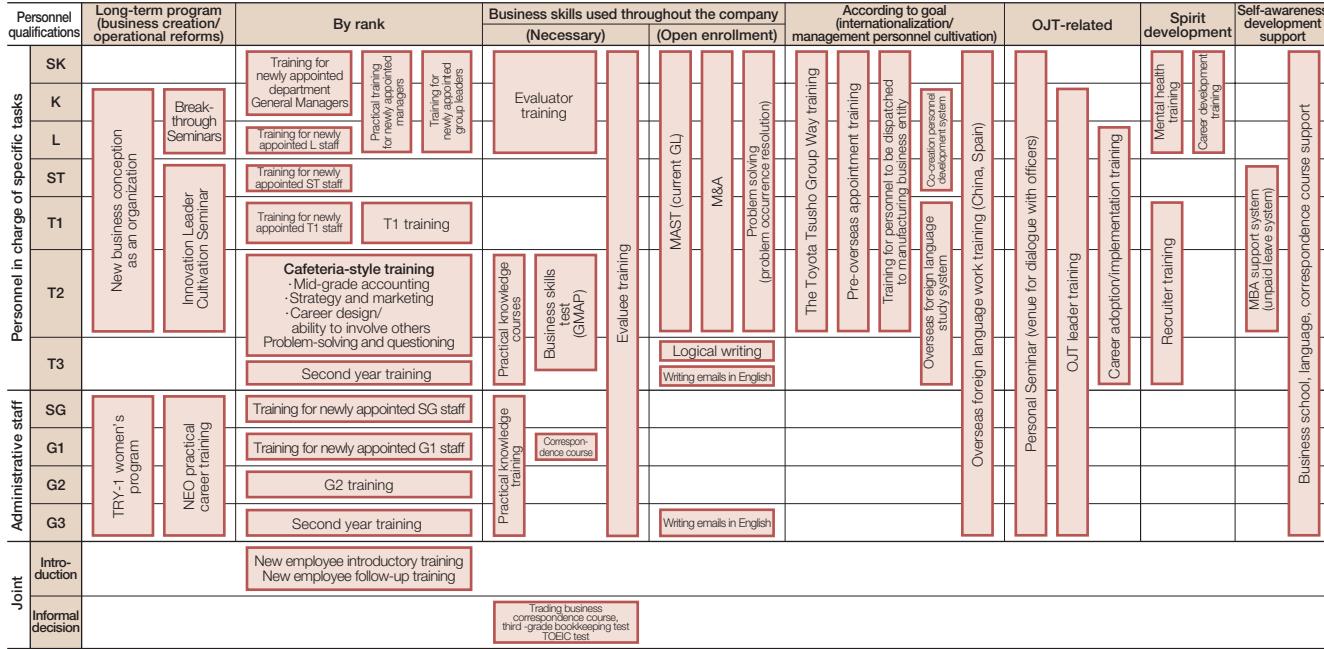
We are developing a variety of educational systems at our Toyota Tsusho Group companies as well, and are working to improve the quality of human resources development throughout the entire Toyota Tsusho Group.

All young employees are sent on overseas assignments by their seventh year with the company.

As a trading company, Toyota Tsusho Corporation posts employees to overseas assignments on a frequent basis. To further develop employees who can handle such postings, we have put in place an Overseas Foreign Language Study system for personnel in charge of specific tasks who are in at least their second year of employment. Following one year of language study at an overseas university or language education institution, employees taking advantage of this system undergo approximately one year of practical training under the guidance of an expatriate stationed at an overseas branch or trading subsidiary.

This system therefore functions as a program that offers language study

Training system chart (extract) **Toyota Tsusho, non-consolidated**



opportunities as well as enables participants to experience local customs and cultures, while helping to vitalize career development and the practice of job rotation.

From fiscal 2012, working together with the sales divisions, we made progress on a plan to have all employees be sent on an overseas assignment by their seventh year with the company. During fiscal 2013, with the acquisition of major French trading company CFAO, we plan to significantly expand the number of assignees to France as part of the effort to nurture a truly global workforce.

People dispatched overseas for foreign language study and their study locations

Toyota Tsusho, non-consolidated

(FY)

Countries to which employees are dispatched	2010	2011	2012
Argentina	1	0	1
Egypt	1	0	0
Mexico	1	1	0
China	1	1	2
Russia	0	1	0
Brazil	0	1	1
France	0	0	1

We are promoting the cultivation of human resources overseas.

In recent years, our overseas business ratio has increased, and the need has grown to share our Corporate Philosophy, values and objectives globally. Accordingly, Toyota Tsusho Corporation is stepping up its efforts to train personnel hired locally at overseas branches and companies in the Toyota Tsusho Group Way and Global 2020 Vision.

We also work to develop manager-level employees at overseas business units. We

Opinion of local associate of an overseas company

Wanjohi Kangangi

Toyota Kenya Ltd.



A desire to expand knowledge on methods and practices of Japanese management

I joined Toyota Kenya in March 2012. As the general manager for the Hino Motors department, I'm in charge of promoting sales of Hino commercial vehicles in Kenya. I had an opportunity to take part in the Leadership Development Program, where I learned about strategy, leadership, project management and other topics. I also took part in a program to visit Ecuador and Panama to witness firsthand successful case studies and learn how to deal with complicated dealer issues. In the future, I'd like to systematically study Japanese management methods and cultural traditions.

in Kenya

have made the personnel systems at our primary business units consistent and introduced the Leadership Development Program (LDP) for executive-level personnel. In fiscal 2012 there were 19 participants in this program. At the same time, Toyota Tsusho Corporation offers training for employees prior to posting them overseas to make their transition to the local business environment as smooth as possible.

Toyota Tsusho Corporation's Human Resources Department dispatches its staff overseas to handle local human resource requirements. The department is developing a framework that will enable it to handle personnel matters in English and Chinese. From 2005, the department has welcomed human resources staff from overseas subsidiaries on temporary assignments in Japan. In fiscal 2012, a human resources employee from Poland completed a two-week assignment to Japan in November 2012. The employee supported a project to create an English version of a checklist to manage data on the status of human resources systems at overseas subsidiaries.



LDP training

or reporting has been made, and when required the person who filed is notified.

In fiscal 2012, this desk handled two cases, which we resolved through cooperation from the company's in-house counsel.

The consultation contact point is available to all Toyota Tsusho Group employees irrespective of terms of employment. We work to make sure that the system is well-known, and it is explained during new-employee training and newly appointed manager training.

Training and awareness activities

We conduct training and other initiatives to boost employees' human rights awareness.

To increase employees' awareness of human rights, we conduct training activities, centered on the Human Resources Department. Nearly all Toyota Tsusho employees take the harassment training offered by the Human Resources Department.

In addition, the same training is conducted at affiliated companies.

Fair hiring

Personnel in charge of hiring undergo human rights training and recruit in an unbiased manner.

Toyota Tsusho Corporation's hiring activities avoid discrimination based on gender, age, nationality or disability, and instead focus on fairly determining whether an individual's abilities, skills, motivation and aptitude are consistent with the position Toyota Tsusho seeks to fill.

To prevent discrimination and prejudice in our recruiting, those in charge of hiring are required to undergo training on human rights.

Respect for human rights

Basic stance

We strive to ensure respect for human rights, based on our Behavioral Guidelines.

Toyota Tsusho Corporation's Behavioral Guidelines state that we will "respect people, and create an active workplace worth working in."

In keeping with this principle, we prohibit discrimination on the basis of gender, age, nationality or disability and encourage respect for human rights.

Consultation office

We have set up a consultation contact point to deal with harassment.

Toyota Tsusho Corporation has set up a contact point for consultation on and reporting of sexual harassment, power harassment, discriminatory language, and other human rights matters. Investigations are launched if necessary after consultation

Promoting fairness

Basic stance

We have in place a variety of systems to meet our goal of being an organization that empowers many people with different abilities.

Toyota Tsusho Corporation has established the Diversity Promotion Office, which spearheads our effort to create a workplace that welcomes diversity, under the concept of "establishing an organization that allows everybody to fully utilize their capabilities without discrimination on the basis of gender or age and to create new value."

Our approach includes expanding our systems to support a work-life balance, provide training for female employees to develop their careers, promote the employment of people with disabilities, rehire retired workers, and promote diversity in a host of other ways.

Encouraging female employees

Our practical career training for administrative staff has been renewed.

Toyota Tsusho Corporation has a number of initiatives in place to promote increased roles for female employees

In fiscal 2012, we revamped the practical career training program for female administrative staff by creating two separate courses: a short-term intensive course (which can be taken after two or more years at the company) and a long-term course (selective) for those aiming to advance their careers. This training is aimed at cultivating female employees who can take the perspective of the group or organization in setting their own goals and test their hypotheses.

We also participate in the Chubu Diversity Net* seminar which is held once or twice annually to promote participation in joint seminars for various industries and create a network of female professionals.

In addition, we take measures to support the career continuity of female employees. For example, a human resources coordinator will arrange talks between a female employee who has taken childcare leave and her superiors one month prior to that employee returning to work, to make possible a smooth return. (Such talks are also arranged for male employees returning from childcare leave.)

* A volunteer organization established through an alliance of companies in Japan's Chubu (central) region to encourage corporate cultures that recognize and respect diversity among human resources by sharing information and initiatives. Toyota Tsusho is one of the lead companies.

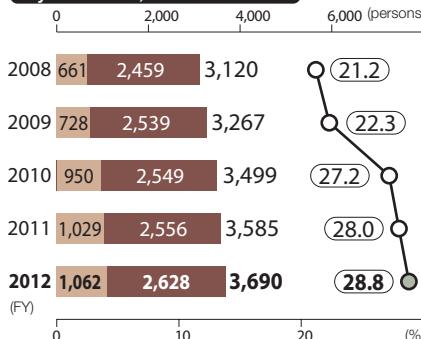
Work-life balance

We have systems in place to help employees balance work and life.

Toyota Tsusho Corporation is expanding a variety of systems to help employees balance work and outside life, such as

Number of employees by sex

Toyota Tsusho, non-consolidated



Female employees Male employees

—○— Ratio of female employees

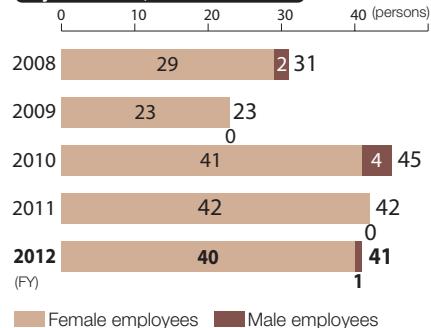
* Including Toyota Tsusho employees dispatched to other companies

childcare leave and a system of reduced working hours.

We also hold family participation events such as "Welcome to Toyota Tsusho," as well as others that support the efforts of employees who are raising children. These sorts of activities, as well as interviews with

Indicates the number of people who take childcare leave.

Toyota Tsusho, non-consolidated



Aiko Negishi

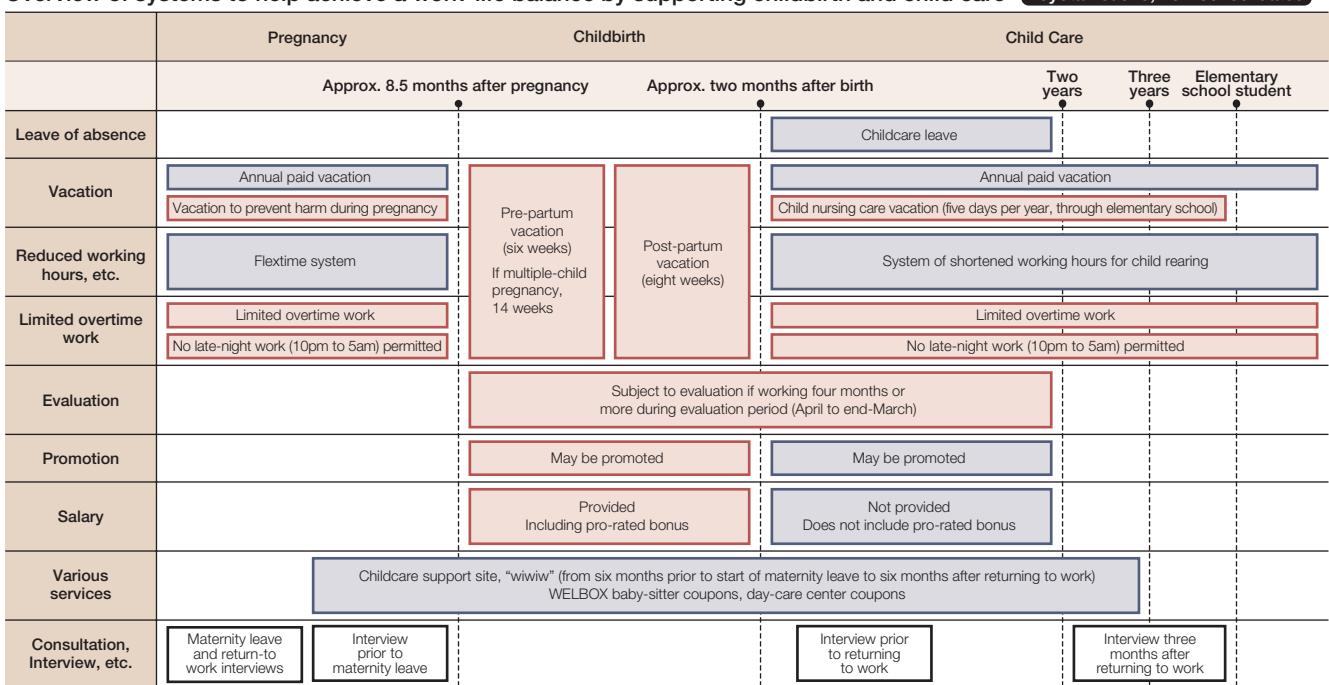
Automotive Division
Automotive Business
Innovation Department

Opinion of a user of the work-life balance system

I can take my child to the pediatrician during the week, which really helps out.

My first daughter was born in 2010, and I took a six-month leave of absence for her birth and early childcare. Currently, I'm enrolled in the shortened-hour childcare leave system and leave work at 4pm. I typically pick up my daughter and do housework, but the system also allows me to visit the pediatrician in the evening if my child becomes ill. That really helps out. I'd like to see the system used by more employees and have a positive influence on society as a whole, establishing Toyota Tsusho as a leading company in terms of work-life balance.

Overview of systems to help achieve a work-life balance by supporting childbirth and child care **Toyota Tsusho, non-consolidated**

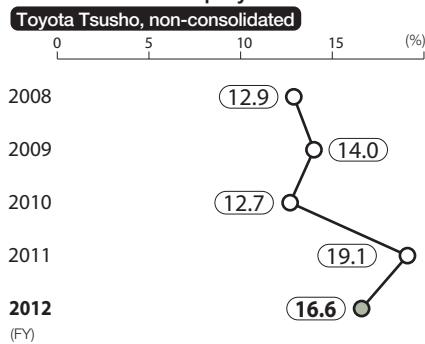


Available only to women

Available to men and women

employee parents of young children, are regularly posted on our company intranet, and so is information about a variety of support systems that promote our employees' work-life balance.

Ratio of female employees with children



Employing people with disabilities

We aim to provide a workplace where able-bodied people and people with disabilities can work together in a pleasant environment.

We strive to make our facilities barrier-free, for example by installing elevators and toilets for the use of the physically challenged and placing Braille instructions in passageways and other locations. We have also established the Toyotsu Office Service Corporation as a special subsidiary* under the Disabled People Employment Promotion Act, to encourage the hiring of people with disabilities. In fiscal 2012, we began allowing employees with visual disabilities to use seeing-eye dogs at work sites.

Additionally, we have established in-house massage facilities that we call the "Health Keeper System" which hires sight-impaired nationally certified Amma massage practitioners. This provides workplaces for people with disabilities while enhancing our welfare offerings.

* A subsidiary that, subject to certain requirements, is considered jointly as a single operating location for the purposes of calculating the parent company's percentage of employees with disabilities

Rehiring retired workers

We offer systems that meet diverse needs.

Toyota Tsusho Corporation has set 60 as its mandatory retirement age. However, in fiscal 2006 we set up a system for rehiring former employees who wish to work after retirement.

Under this system, employees who wish to be rehired take a one-month vacation

Record of rehiring retired workers

Toyota Tsusho, non-consolidated (FY)

2008	2009	2010	2011	2012
20	19	12	15	10

prior to being rehired. Our system for rehiring retired workers is flexible and meets diverse requests such as reduced working hours.

Health and safety management

Routine health checks and mental health activities

We help employees maintain their physical and mental health through routine health checks and stress tests.

We provide annual health examinations for all employees, annual comprehensive examinations for employees age 30 and higher, and health examinations for employees prior to and following overseas assignment.

In addition, to prevent the onset of mental health conditions, employees fill out "mental health checkup" surveys and undergo stress checks. We provide extensive health management for employees on their first overseas assignment. All employees assigned to overseas subsidiaries must take part in a mental health checkup three months following the start of the first assignment.

In fiscal 2012, mental health coordinators were newly assigned in each division. This new system enables coordinators at the work site to respond promptly, enabling early detection of problems and providing assistance to employees. Coordinators assemble for meetings chaired by industrial physicians to share information.



Mental health guidebook

Time management

We work to prevent health damage caused by long working hours.

To prevent employees from damaging their health due to long working hours, Toyota Tsusho Corporation has introduced a work monitoring system to ascertain the working hours of all employees. Under this system, the working hours of all employees are checked on a bimonthly basis. If an employee has worked more than the standard hours, the Human Resources Department consults directly with the employee's superior to improve the situation. Additionally, in fiscal 2010 we introduced the

Monthly Paid Leave Campaign to encourage employees to take paid leave.

In fiscal 2012, labor coordinators from each division met quarterly to discuss overtime results and ways of reducing overtime. The information was also shared between labor and management at Safety and Health Committee meetings.

Trends in taking of paid holidays

Toyota Tsusho, non-consolidated (FY)

2010	2011	2012
35.81%	38.94%	39.45%

Seminar prior to overseas assignment

Regional crisis management training has been newly established to prepare for overseas emergencies.

Toyota Tsusho Corporation offers training for employees and their families prior to overseas assignments in order to increase awareness of the importance of personal safety, health management and other issues related to living overseas. Toyota Tsusho Corporation has created an "Overseas Crisis Management Manual" which is distributed to branch managers of overseas sites to help them prepare for emergency situations.

In fiscal 2012, in addition to employee training prior to overseas assignments (held four times for a total of 137 participants), we newly held regional crisis management training (for contingencies in Central & South America and Africa) four times (for a total of 57 participants) in order to bolster crisis management for regions requiring special responses to deal with dangerous environments.

We also newly established a crisis management training program for branch managers (for a total of 10 participants). Outside lecturers discussed methods to determine whether or not to evacuate from a country and important considerations when working in dangerous countries.

Governance

Toyota Tsusho Corporation is actively pursuing increased management efficiency, transparency, thorough compliance and a healthy financial position on a base composed of our audit & supervisory board member system and the executive officer system.

Corporate governance

Basic stance

We pursue initiatives on the basis of our Corporate Philosophy.

Our initiatives are designed to fulfill the Toyota Tsusho Group's Corporate Philosophy. In other words, by "living and prospering together with people, society and the Earth, we aim to be a value-generating company that contributes to the creation of a prosperous society." To realize this philosophy, the Company is actively pursuing increased management efficiency, transparency, thorough compliance and a sound financial position.

In addition, we consider ways to promote a broader understanding of the Toyota Tsusho Group by further enhancing public relations and investor relations.

Promotion structure

The Operating Committee consolidates corporate management to accelerate the dissemination of information.

Toyota Tsusho Corporation has been formed as a company with a board of corporate auditors, and five audit & supervisory board members are elected at the general shareholders meeting. Three outside audit & supervisory board members are employed to perform audits from a third-party perspective. The audit & supervisory board members are responsible for monitoring the appropriateness of accounting methods and results of audits by an independent auditor, exchanging information and ideas regarding crucial accounting topics, improving quality and efficiency in auditing by promoting cooperation with an independent auditing firm, as well as enhancing corporate governance.

Toyota Tsusho conducts consolidated management through a divisional framework, with divisions responsible for related Group companies. At present, this structure comprises eight divisions,

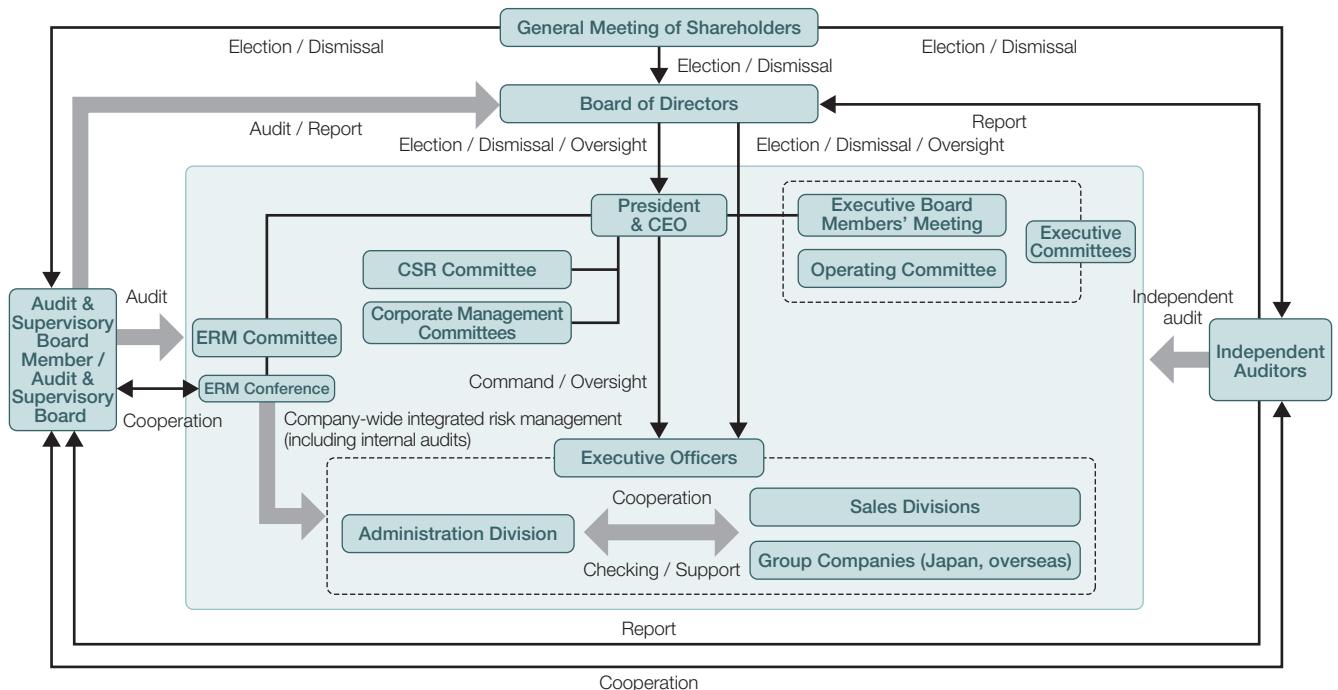
including seven sales divisions and the Administrative Division.

In April 2006, Toyota Tsusho streamlined its board of directors and introduced an executive officer system to bolster management efficiency and improve the conduct of business. Dedicated executive officers are in place for each division to assist management efforts of chief division officers. In this way, the Board of Directors keeps abreast of both overall Company management and the execution of duties associated with the divisions under their charge, intermediating between the two functions.

Directors and executive officers attend meetings of the Operating Committee, ensuring that information is rapidly disseminated and shared.

Additionally, Toyota Tsusho has established corporate management committees to enable directors and executive officers to discuss measures to resolve management issues from a company-wide perspective, and consult the Board of Directors as necessary.

Corporate governance structure (As of April 2013)



Compliance

Compliance system

We have established a CSR committee that is chaired by the President & CEO.

Toyota Tsusho Corporation implements a variety of measures to ensure that executives and employees carry out their duties in accordance with laws and regulations and the Articles of Incorporation.

We have established the CSR committee, chaired by the President and CEO, which deliberates and formulates plans related to compliance, safety and the environment, labor and personnel, social contribution and other topics.

The ERM Department, which is responsible for company-wide integrated risk management, carries out the evaluation, management, checking and monitoring of business execution in business processes. Other duties of the ERM Department include ensuring the reliability of financial reporting, operating internal reporting systems and taking charge of internal audits.

In fiscal 2012, there were 13 reports in Japan and 18 reports overseas of suspected compliance violations, but in each case the proper response was made through discussions between the respective department and the Administrative Division.

We are applying corporate governance to all Group companies.

To ensure the appropriateness of business activities, we hold domestic affiliate governance coordination meetings (nine companies attend the Nagoya meeting, and 12 companies attend the Tokyo meeting) and domestic Group company credit management coordination staff meetings (20 companies attend the Nagoya meeting, and 10 companies attend the Tokyo meeting). These meetings serve as an opportunity to share Group policies among the companies.

Additionally, while avoiding undue interference with the execution of operations of Group companies, Toyota Tsusho Corporation follows and maintains control over important matters pertaining to the financial status and essential operational issues of its subsidiaries. When necessary, directors and audit & supervisory board members are dispatched to subsidiaries to perform oversight and auditing of business operations. Toyota Tsusho also conducts internal audits through the ERM Department.

Internal audit subjects are selected on a risk basis, with an audit cycle of approximately three to five years. In fiscal 2012, six departments at Toyota Tsusho (non-consolidated) were audited, along with one overseas office and 13 Japanese and overseas Group companies.

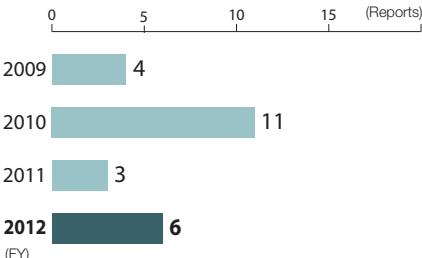
Follow-up audits are made to confirm the *kaizen* (continuous improvement) of issues discovered through audits.

We have established internal and external reporting lines.

All employees, including temporary staff members and contract employees, have access to internal (ERM Department) and external (law offices) reporting lines for reporting and consultation on items concerning business ethics. We use our intranet and compliance training sessions to make employees aware of these lines.

In accordance with the Whistleblower Protection Act, we take sufficient care to protect persons who file such reports. The

Reports made through internal reporting system



names of filers and other details are kept strictly confidential, and we prohibit any disadvantage accruing to filers in terms of position, rank, compensation or others. Moreover, the ERM Department general manager provides feedback on progress after a filing has been made.

Six reports or consultations were filed in fiscal 2012, and all were dealt with appropriately.

We pursue initiatives to eliminate anti-social forces.

Our Nagoya and Tokyo head offices and our Osaka branch are members of local countermeasures associations, through which we follow instructions from police authorities and share information about anti-social forces.

Furthermore, we respond to any unlawful demands via collaboration with the police, other relevant institutions and legal counsel.

Compliance training

We conduct training and hold seminars for Group companies in Japan and overseas.

In an effort to ensure thorough compliance, Toyota Tsusho Corporation created its Code of Ethics Guidelines in fiscal 1998. As of fiscal 2012, the guide has been revised 10 times. We have published revisions to the guide online, and in fiscal 2012, we also distributed printed versions to executive officers, full-time corporate auditors, and general managers of Toyota Tsusho Corporation, along with the



Compliance training scene

Principal compliance training conducted (FY2012)

	Target	Content	Activities in FY2012
Legal seminars for officers	Toyota Tsusho Corporation officers	General compliance	31 people
Compliance seminar for new employees	New employees of Toyota Tsusho Corporation	General compliance	128 people
Training on specific themes	Toyota Tsusho Corporation employees	Subcontract Law, handling third-country monetary payments, the basics of intellectual property rights, etc.	954 people (total of 20 times)
e-Learning	Toyota Tsusho Corporation employees	Subcontract Law	3,093 people
Seminar for people in charge of human resources at affiliated companies in Japan	People in charge of human resources at principal Group companies in Japan	<ul style="list-style-type: none">• Responding to personnel issues• Response to the Labor Standards Act• Application of Off-JT	185 people (total of 4 times)
Seminar involving trips to affiliated companies in Japan	Employees of principal Group companies in Japan	Subcontract Law	2 companies
Japanese Group company director training	New directors of principal Group companies in Japan	General compliance	109 people in 60 companies

President and CEO of Group companies in Japan.

A portable version of the guide was also revised and distributed to all of Toyota Tsusho Corporation's executive officers, full-time corporate auditors, and employees, along with the executive officers and employees of Group companies in Japan.

We also hold various types of training and seminars to ensure compliance and specific codes of conduct in employees' everyday operations.

In fiscal 2012 we held seminars for new employees and officers at affiliated companies in Japan.

CSR management for the supply chain

We have established the Toyota Tsusho Supply Chain CSR Behavioral Guidelines and are requesting that suppliers comply with them.

The Toyota Tsusho Group is building a diverse global value chain and procuring materials and goods from countries around the world. Forced labor and child labor are concerns in some of those countries, so we believe it necessary to promote CSR management across the supply chain in conducting our business.

We have established the Toyota Tsusho Supply Chain CSR Behavioral Guidelines in order to achieve mutual sustainable

growth with our suppliers by sharing an awareness of CSR and promoting coordinated CSR efforts. We request that our suppliers adhere to these guidelines.

In fiscal 2012, we promoted suppliers' compliance with the guidelines through coordinated efforts with the managers of Group companies in Japan. The guidelines have been published on an intranet site accessible by Group companies in order to infuse them throughout the Group.

In fiscal 2013, we plan to enhance

Toyota Tsusho Supply Chain CSR Behavioral Guidelines

We ask our suppliers to abide by the following Guidelines: (Established April 1, 2012)

- Respect the human rights of employees and refrain from inhumane treatment of others.
- Prohibit forced labor, child labor, and insufficiently compensated labor.
- Strive to furnish a safe, hygienic, and healthy work environment.
- Refrain from discrimination in hiring.
- Comply with all related laws and international rules, conduct fair trading and thoroughly prevent corruption.
- Ensure the quality and safety of goods and services.
- Strive to maintain a sound global environment.
- Promptly and appropriately disclose information concerning the above.

information sharing by publishing articles in the in-house magazine and making information available during various meetings. Through these initiatives, we will strengthen and promote CSR management across the supply chain.

Risk management

Risk management

We are promoting appropriate ascertainment and management according to the nature of risks.

As a basic approach, we have categorized risk into "risk requiring serious response" and "continuous flow risk." Risk requiring serious response was handled on a corporate basis, with specific measures discussed at the quarterly ERM Conference. With regard to continuous flow risk, we took measures to prevent oversights and omissions, primarily for issues remaining from the previous fiscal year. In addition, we handled this type of risk not only on a corporate basis, but in coordination with affiliates.

Due to the urgent nature of risk requiring serious response, we placed a priority on the formulation of business continuity plans (BCP) to respond to major disasters and revisions to information security management rules. In regard to continuous flow risk, Toyota Tsusho Corporation completed the establishment of systems for legal compliance and the conclusion of contracts, and responsibility for completion of these tasks is now shifting to affiliated companies.

Response to serious risk as described above is discussed at the ERM Conference. This ensures that discussions are substantive and risk management is executed more efficiently, while involving all areas of the company in the discussions. In regard to special risks faced by each division and continuous flow risk, each division utilizes ERM coordination meetings to have detailed discussions on response measures.

Post-revision risk categories

Risk requiring serious response

- Business investment risk
- Management resource allocation risk
- Labor risk

Continuous flow risk

- Contract risk
- Country risk
- Legal compliance/law and regulation response risk
- Risk of improper behavior by employees
- Information security risk
- Disaster risk

Consumer Products & Services Division initiatives

We are strengthening management of our supply chain to eliminate forced labor and child labor in the apparel business.

The Consumer Products & Services Division's apparel business procures goods from garment factories and other facilities making up its supply chain, and there is a risk that such facilities rely on forced or child labor. Our customers and society as a whole are demanding the elimination of the use of such labor. Toyota Tsusho recognizes this as an important CSR issue and is striving to strengthen its countermeasures.

At garment factories in which we have a capital stake, we confirm the ages of job applicants by requesting personal identification. Additionally, prior to beginning business relations with new suppliers, we demand that the suppliers confirm the ages of their employees so as to eliminate forced and child labor.

At the present time, we are not aware of any issues with forced labor or child labor within our supply chain.



At TVVC, our Vietnamese subsidiary, the President and CEO makes personal inspections of the plant and provides direct instruction to worksite leaders.



Uniform sewing line at Vietnamese subsidiary TVVC

Information security

We are revising information management rules to strengthen security in and outside Japan.

Toyota Tsusho Corporation has drafted Document Regulations and Handling Protocols for Management and Storage of Documents and implements other measures such as designating departments in charge of storage and the storage period. We are also dedicated to proper management of confidential information and have formulated the "Regulations for Confidential Information and Personal Information." We also conduct various training programs to improve employee awareness of information security.

In fiscal 2012, we revised rules for handling confidential information and personal information, followed by seminars at all domestic sites to explain the changes to approximately 2,300 employees. Additionally, in order to bolster the entire Group's information security, we held a total of 12 security enhancement meetings in and outside Japan. A total of 142 Group companies (53 in Japan, 89 overseas) participated in the meetings.

We also established information security consultation desks in Japan and overseas, and instituted concrete measures to enhance information security throughout the entire group.

In fiscal 2013, we will promote *kaizen* throughout the Group in accordance with the information security levels of each Group company in order to firmly establish the April revision of the rules for handling confidential information and personal information, and as a way to promote revisions to the confidential information handling rules of Group companies in and outside Japan.

We will continue to implement *kaizen* of our information security in accordance with the ongoing digitalization of society by revising our rules and education programs as well as making other improvements.

Information disclosure (communication with stakeholders)

Website

CSR information is accessible via a link at the top of our website.

Toyota Tsusho Corporation's website provides substantial information, including basic corporate information and information on business activities, finances and employment opportunities.

In addition to disclosing information about the Company, we work to make the

website a point of bilateral communication, providing points of contact for stakeholders to request materials or submit inquiries.

From December 2012, we have made a management message on CSR from our President and CEO accessible from the homepage of our website in order to clarify our position on CSR. We also strove to enhance information on related topics and promptly publish new material.



Direct access to a CSR message from our President and CEO on the website's homepage

IR activities

We held a production facility tour in Thailand.

Toyota Tsusho Corporation promotes disclosure and dialogue by holding financial results briefings as well as individual meetings with institutional shareholders, including those located overseas.

We aimed to increase opportunities for direct dialogue with investors in fiscal 2012, and in addition to holding about 150 separate conferences for all investors, we also held small meetings when necessary. In March, we also held a production facility tour in Thailand to enable shareholders to better understand our functions and role.

In addition, videos of the financial results briefings have been posted online in Japanese and in English, with two of the four annual briefings taking the form of teleconferences. We have been working to provide a broad array of investors with a deeper understanding of Toyota Tsusho.

The opinions that we gain from investors through dialogue are immediately provided to our executives as feedback, where they help us in forming management policies.

General Meeting of Shareholders

We avoid holding our General Meeting of Shareholders on days when there is a large concentration of other shareholder meetings.

To allow as many shareholders as possible to attend our General Meeting of Shareholders, we avoid holding this meeting on days when there is a large concentration of other shareholder meetings. For shareholders and other

stakeholders who are unable to attend the meeting, we provide on-demand viewing through our website following the meeting.

We send out our shareholder meeting convocation notice three weeks prior to the meeting to facilitate the exercise of voting rights by shareholders. We also participate in platforms for the exercise of voting rights to enable institutional investors in and outside Japan to smoothly exercise their rights.

Additionally, from fiscal 2011, we began posting notes appended to financial statements on our website to conserve paper.



91st General Meeting of Shareholders

Social contribution activities

We pursue activities along three key themes—education (people), the environment (Earth) and welfare (society)—in accordance with our Corporate Philosophy of “living and prospering together with people, society and the Earth.”

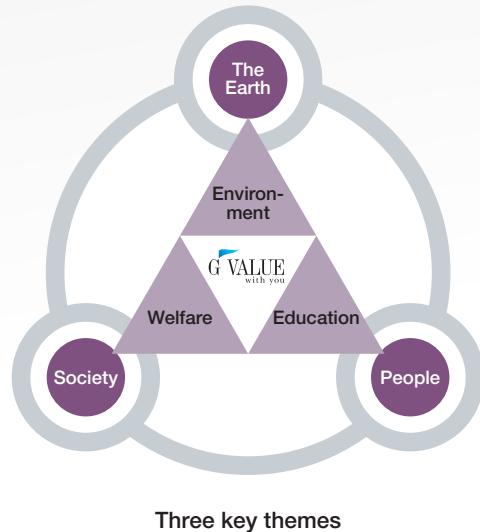
Basic Policy for Social Contribution Activities

As a good corporate citizen, Toyota Tsusho Corporation aims to “live and prospering together with people, society and the Earth,” and to contribute to the creation of a prosperous society.

Promotion of Activities

Toyota Tsusho positions people (education), the Earth (environment) and society (welfare) as key themes in light of its Corporate Philosophy, and vigorously promotes social contribution activities around the world to help realize a more prosperous society.

In terms of specific activities, we select and implement substantive and effective programs that strike a balance among the following three approaches of “by company,” “by officer and employee” and “by business activity.” Toyota Tsusho also encourages officers and employees, supporting their participating in these activities, while the Company as a whole voluntarily participates in activities in an autonomous manner aimed at realizing the creation of a prosperous society and at fulfilling our social responsibilities.



Results of social contribution activities in FY2012 (★- details on the following page)

Sector	Activity details
Environment	<ul style="list-style-type: none"> • Mt. Fuji and Aokigahara Jukai (Sea of Trees) Cleanup • Mt. Fuji Reforestation Project for forestry preservation ★ • Volunteers participated in All-Toyota Forestry Maintenance Program (tree-thinning in Kise Forest, Toyota City) ★ • Cottonseed oil company in Brazil organizes reforestation program and environmental education for local elementary school children ★
Social welfare	<ul style="list-style-type: none"> • Support for microfinance courses for university students through the PlaNet Finance NPO*1 • Continuous support for the TABLE FOR TWO (TFT) program*2 at both our Nagoya and Tokyo head offices • Support for the Japan Service Dog Association • Donations by the Osaka Produce & Foodstuffs Dept. of the Kyushu Food Group of food inventory slated for disposal due to poor packaging, etc. to various welfare facilities through the NPO Second Harvest Japan. • Sponsored Tokai Wheelchair Twin Basketball Kariya Tournament and volunteers managed tournament • Held disaster-prevention event at All-Toyota Big Holiday ★ • Continuous support by Toyota Tsusho (Africa) Pty. Ltd. (TTAF), our South Africa subsidiary, for agricultural development projects • South African subsidiary TTAF donated pharmaceuticals to the Malawi government ★
Education	<ul style="list-style-type: none"> • Supported foreign students in Japan through Toyota Tsusho Corporation International Student Scholarship ★ • Conducted seminar for teachers. Five teachers from Machida City primary schools participated in a seminar on general trading company business, our business activities, personnel, and other matters, and were given a tour of the port and customs facilities. • Social contributions made through the Fighting Eagles, Toyota Tsusho's basketball team ★ • Singapore subsidiary TTAP organized work experience program for local children ★
Volunteer	<ul style="list-style-type: none"> • Employees encouraged to participate in volunteer activities*3
Great East Japan Earthquake recovery support	<ul style="list-style-type: none"> • Employees participated in the Disaster Area Recovery Support by Toyota Group (Rikuzentakata City and Ofunato City) ★ • Educational support with specially designated guidance classrooms and study rooms provided for children living in temporary housing (Sumita Town, Iwate Prefecture) ★ • Fairs held to promote products made at vocational facilities in disaster-stricken regions (Nagoya Head Office) ★ • Opening of area for in-house sales at our Tokyo Head Office of food products from Fukushima ★ • Volunteers participated in program to raise acorn seedlings for disaster region reconstruction • Donation campaign raised approximately ¥1.5 million in relief provided through Japan Platform

*1 An NPO working to increase awareness of microfinance (small unsecured loans for the poor).

*2 A system whereby ¥20 is donated to school meal expenses in developing countries each time meals are ordered from a fixed healthy menu. Run by the TABLE FOR TWO International NPO.

*3 Employees were encouraged to take part in volunteer activities. As a result, approximately 470 members from the Toyota Tsusho Group participated in the following activities:

- Wheelchair Twin Basketball Kariya Tournament
- 2012 Service Dog Festival
- All-Toyota Forestry Maintenance Program (Spring/Autumn) ★
- Great East Japan Earthquake Disaster Region Volunteers (Toyota Group initiative)
- Campaign to Delivery Picture Books
- Mt. Fuji Reforestation Project ★
- Nagoya City Handicap marathon
- Tajimi Wine Festival
- Osaka Marathon Cleanup Campaign
- Osaka Marathon
- Acorn seedling program for disaster region reconstruction
- Nagoya/Aichi Marathon festival



Environment

60 volunteers join in Mt. Fuji Reforestation Project

Since fiscal 2008, Toyota Tsusho has participated in the Mt. Fuji Reforestation Project, organized by OISCA-international. The project aims to reforest some 100 ha of public forest in the village of Narusawa in Yamanashi Prefecture, where a significant number of trees have been lost to disease and pests. Yamanashi Prefecture and private-sector companies have joined to spearhead the project.

In fiscal 2012, some 60 employees and family members from Toyota Tsusho and its affiliates took part in the project, placing netting around new saplings to protect them from deer.



60 employees and family members take part in the project.

Annual participation in All-Toyota Forestry Maintenance Program

Organized jointly by Toyota City and the Toyota Group, employees took part in volunteer activities for an ongoing tree-thinning project at Kise Forest in Toyota City aimed at rejuvenating decaying forest.

In 2012, the event was held in May and October. Volunteers received a lecture on the state of Japan's forests from a forestry expert before taking part in the tree-thinning work. Family participants expressed their appreciation for the opportunity, commenting that volunteer work was valuable environmental education for their children.



Sunshine fills the Kise Forest after the tree-thinning work.

Working to protect water resources through environmental education in Brazil

Oleos Menu Industria e Comercio Ltda., a wholly owned Brazilian subsidiary that produces cottonseed oil, has established an "Environment Week" around the annual World Environment Day. During this week, the company invites local elementary school children and teaches them about tree planting and the environment.

The Frutal River adjoining the plant area is a critical water resource for local residents. Children therefore learned about the importance of water resources and planted trees along the river to help with the reforestation of the area.



Menu employees pose with children who took part in tree-planting.



Welfare

Disaster-prevention event held at All-Toyota Big Holiday

A shouting contest was held at the All-Toyota Big Holiday event hosted by the 14 companies of the Toyota Group as part of the disaster-response and prevention activities. The contest was intended to encourage people to shout for help in the event of an earthquake or other natural disaster, such as an earthquake in the Tonankai or Nankai ocean regions off the coast of central and southern Japan.

Visitors also learned how to whistle SOS and use other objects around them to call for help. The activities both entertained the visitors and helped to raise their awareness of disaster response and preparedness.



A participant has her voice measured in decibels during a shouting contest.

Campaign to delivery picture books to children in Asia

Since 2007, Toyota Tsusho has taken part in the Campaign to Deliver Picture Books organized by the Shanti Volunteer Association (SVA). The campaign translates Japanese picture books into Asian languages using translated stickers and donates the books to children in developing Asian countries.

In fiscal 2012, 246 employee volunteers from 13 offices participated. As of the end of fiscal 2012, a total of 1,779 picture books had been donated under the program. Recipients of the Toyota Tsusho Corporation International Student Scholarship also took part, sharing news of their home countries with the volunteers.



Employees place translated stickers on picture books.

Donating pharmaceuticals to the Malawian government

Toyota Tsusho Africa (Pty) Ltd. donated pharmaceuticals to Malawi's Ministry of Health in collaboration with Toyota Malawi Ltd., a wholly owned subsidiary of Toyota Tsusho and Toyota distributor. Infectious diseases, pneumonia, and other illnesses are prevalent among Malawian children, and a chronic shortage of foreign currency has made it difficult for the government to procure needed pharmaceuticals.

Malawian President Joyce Banda attended the ceremony to accept the donations and praised the initiative.



Company representatives receive a commemorative gift from President Banda.



Education

Supporting foreign students in Japan

Since fiscal 2011, we have provided scholarships to foreign students in Japan through Japan Educational Exchanges and Services. Under the program, university students receive two-year scholarships for their junior and senior years. In fiscal 2012, the second year of the program, 14 students from 13 universities and representing eight countries were selected. This brings the current scholarship recipients to 28, including those who began receiving scholarships in the first year of the program.

We also hold various events for the students, including training to learn about general trading companies and their business, invitations to take part in volunteer activities with employees, and student exchange events.



Scholarship students take part in training at Toyota Tsusho Corporation's Tokyo Head Office.

Basketball clinics for elementary and junior high school students

The Fighting Eagles, Toyota Tsusho's basketball team, holds basketball clinics for elementary and junior high school students. The clinics are welcomed by local communities for promoting not only better basketball skills, but education, fitness, and local exchanges. In fiscal 2012, the team coached more than 1,300 children on 21 occasions.

Toyota Tsusho has also held the Toyota Tsusho Cup, an invitational tournament for elementary and junior high school basketball teams, a total of 15 times, giving many players a chance to test their skills.



Commemorative photo with elementary and junior high school students participating in the basketball clinic.

Work experience event for Singapore children

Toyota Tsusho Asia Pacific Pte. Ltd.(TTAP), our Singapore subsidiary, invited 22 children from the Singapore Children's Society to take part in the work experience event TT Kids. The event simulated a real work day for the children to nurture their curiosity and interest in professions.

TTAP also donated a year's worth of milk, sporting goods, and monetary donations from employees.



Children and TTAP employees enjoy the event together.



Great East Japan Earthquake recovery support

Volunteering for Disaster Area Recovery Support by Toyota Group

The Toyota Group is providing ongoing support for the reconstruction of the disaster-struck regions through volunteer solicitation programs 15 Toyota Group companies.

In 2012, 10 groups of volunteers were dispatched between May and November, each group taking part in support activities for five days. The groups used the town of Sumita in Iwate Prefecture as their base and focused their activities on the neighboring cities of Rikuzentakata and Ofunato.

Eight volunteers from Toyota Tsusho joined the program. The volunteers received prior training to gather current information on the disaster regions and prepare themselves mentally for the experience.



Volunteers remove muck from a ditch in a residential area of Rikuzentakata.

Educational support for children in temporary housing in Sumita, Iwate Prefecture

Toyota Tsusho and the Toyota Tsusho Labor Union are jointly supporting specially designated guidance classrooms and study rooms built by the town of Sumita in Iwate Prefecture for children living in temporary housing in the town. The programs help children who have relocated to Sumita from disaster areas recover emotionally and provide environments where the children can concentrate on their studies. This initiative is expected to continue as long as families are living in the temporary housing.



The mayor of Sumita (second from the left) receives donations.

Fairs promote reconstruction of disaster region

The Nagoya and Tokyo head offices held fairs in December 2012 to promote the sale of products from the disaster region.

The fair at the Nagoya Head Office featured food and sundries made at facilities for people with disabilities in Miyagi, Fukushima, and Iwate prefectures. The Tokyo Head Office fair featured food products from the cities of Kitakata and Iwaki in Fukushima Prefecture. The Nagoya fair also sold wine made at facilities for people with disabilities in Aichi Prefecture.

The fairs attracted a combined crowd of about 500 employees.



Food and sundries are sold at an employee cafeteria.

Third-party opinion



Mr. Hiroji Tanaka

Professor Emeritus, Tokyo College of Transport Studies
Director and Senior Researcher, Business Ethics Research Center

Profile

Graduated from Chuo University Faculty of Law, Section 2, and the Faculty of Economics. Following a career at the Bank of Japan and other organizations, held professorships at Nihon University, Waseda University Graduate School, and then Rikkyo University Graduate School from 2002 to 2006. President and professor of Tokyo College of Transport Studies from 2006 to 2013. A former member of the Ministry of Economy, Trade and Industry's Japanese National Committee for ISO Working Group on Social Responsibility and other committees. Has authored numerous books.

Toyota Tsusho Corporation's CSR Report 2013 clearly explains the status and results of CSR initiatives the company is taking throughout its organization to contribute to the solving of social problems in its three main business areas of Mobility (advancement of automobiles), Life & Community (enhancement of living environments), and Earth & Resources (solving environmental problems).

Toyota Tsusho has published a CSR Report annually since 2005, and in this year's edition, the appropriate use of graphs and images and the wealth of information make this an excellent report for facilitating stakeholders' understanding of its CSR activities.

Commending Toyota Tsusho for its superior efforts

First, in the management message from the President and CEO, the company's philosophy and vision are clearly stated along with the main goals for fiscal 2012. Management has made an admirable commitment that serves as the standard for the company's CSR activities. Among the praiseworthy activities are the contributions to solving social problems through the three business domains making up Toyota Tsusho's "Global 2020 Vision," the promotion of synergy in Africa through the alliance with French trading company CFAO, and the strengthening of CSR activities for both society and the environment in conjunction with the globalization of business. In this way, Toyota Tsusho has made a resolute declaration of its commitment to creating and providing value beneficial to solving social issues and thereby contributing to the sustainable development of global society.

Second, Toyota Tsusho has created a CSR Activities Map to strategically promote CSR and enable the visualization of CSR activities. The company has categorized its CSR initiatives into three areas: Corporate Responsibility Execution Model (CSR foundation) in Area 1; Social Issue Resolution Model and Local Contribution Model Business in Area 2; and Social Contribution (Philanthropic) Model in Area 3. The activities taken in the three business domains of Mobility, Life & Community, and Earth & Resources represent the Area 2 Social Issue Resolution Model and Local Contribution Model Business leveraging the company's strengths, and overall this makes it very easy for stakeholders to grasp the scope of activities.

Third, each of the company's seven operating divisions is pursuing CSR activities in their wide-ranging global business, and these activities are explained using local photographs and comments from the stakeholders. The promotion of occupational safety and health management, reduction of CO₂ emissions, elimination of forced and child labor, and fair business relations with suppliers are described in detail from each of the global business sites.

Fourth, Toyota Tsusho is pursuing synergy in Africa with CFAO, the French trading company in which it has made a capital investment. The companies have created the "Alliance Vision" and plan to jointly take a leadership role in business success, human resources development, and social contributions on the African continent. The message from the coordinator for this project expressed the passion the companies have for contributing to the sustainable growth of Africa.

Expectations on future initiatives

Through the development of its global business, Toyota Tsusho has undertaken important CSR issues and has established a track record of success. In the "Human resource initiatives" section of the report, the company explains four points that are appropriate for promoting CSR in human resources. The detailed discussion of the respect for human rights, the promotion of diversity and other points, however, focus mainly on domestic operations and there is a lack of detailed discussion from a global perspective. For developing business in Africa in particular, I would like to see Toyota Tsusho refer to the central guidance on human rights in ISO 26000 and take more action to ensure respect for human rights, avoidance of assistance for human rights violations, and ways to address discrimination and the socially disadvantaged.

In the area of stakeholder dialogue, Toyota Tsusho provides information through relevant articles, discloses information on its website and holds meetings with investors, while pursuing other initiatives. Going forward, I would like to see the company hold stakeholder meetings and find ways to reflect the feedback internally while also publishing the results in the CSR Report. This would increase stakeholder trust in the company and further strengthen CSR activities.

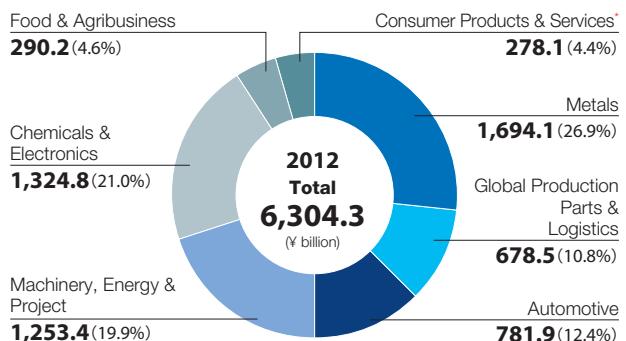
Trading network and key management indicators



Subsidiaries and affiliates by segment (as of March 2013)

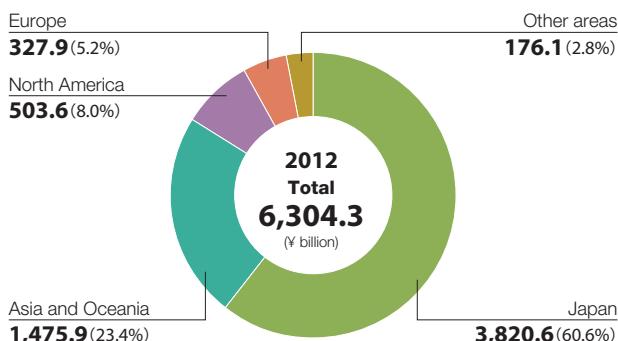
	Japan	Asia and Oceania	North America	Europe	Other areas	Total
Metals Division	19	44	14	8	6	91
Global Production Parts & Logistics Division	3	28	13	4	2	50
Automotive Division	4	85	0	40	115	244
Machinery, Energy & Project Division	52	53	78	28	5	216
Chemical & Electronics Division	24	67	9	28	34	162
Food & Agribusiness Division	17	15	4	2	2	40
Consumer Products & Services Division*	29	34	3	0	3	69
Administrative Division and local subsidiaries	3	22	16	14	9	64
Total	151	348	137	124	176	936

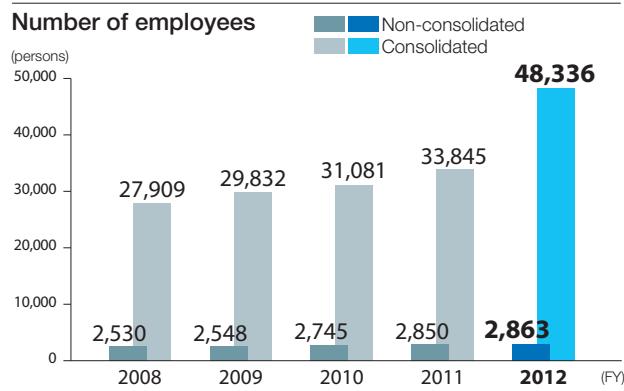
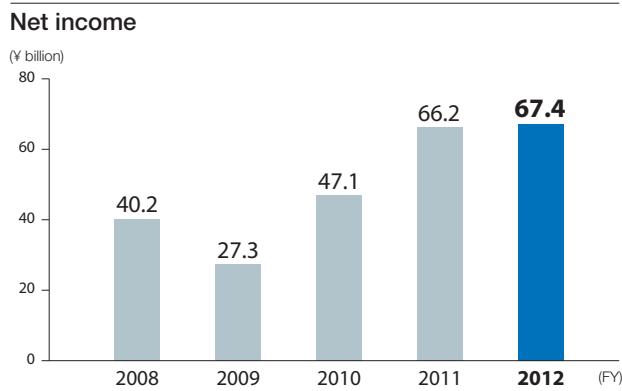
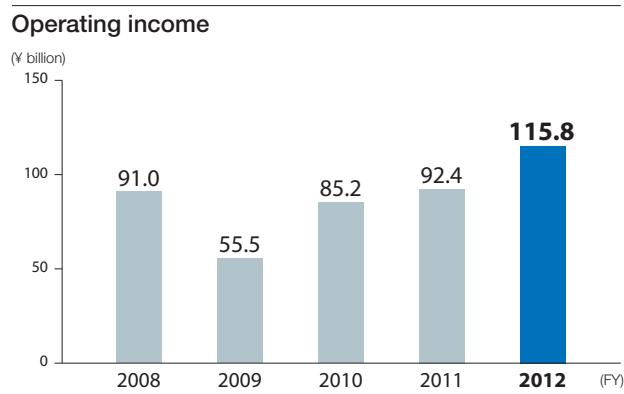
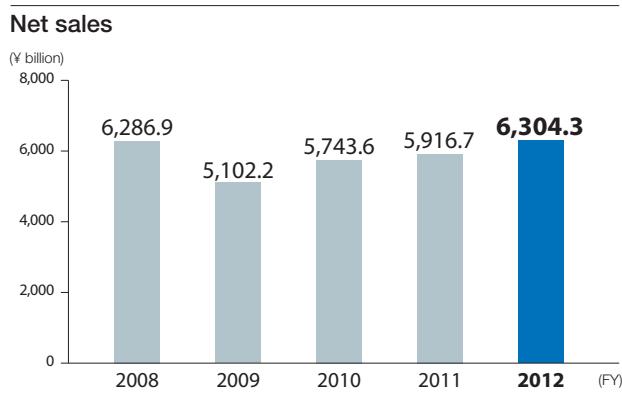
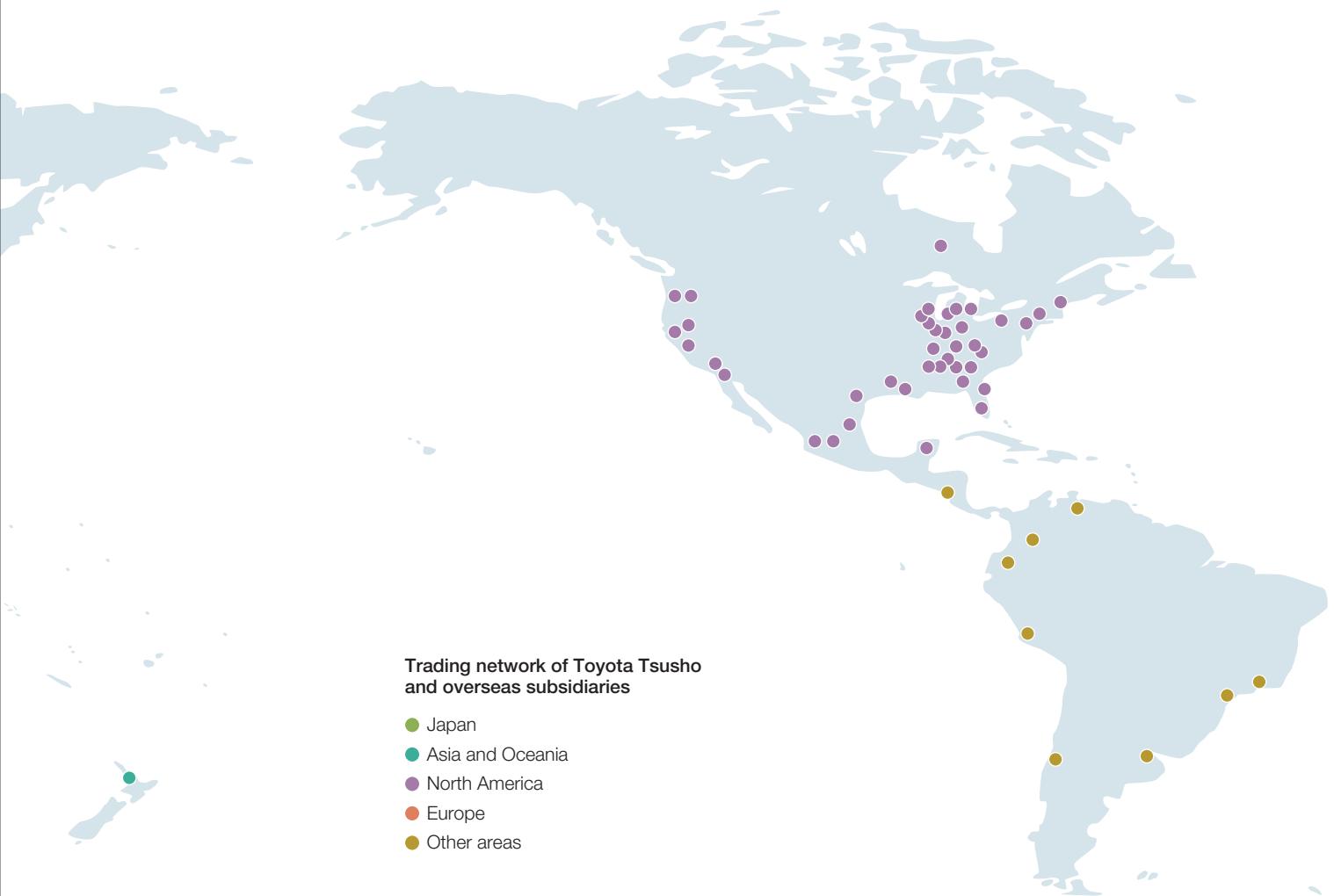
Segment sales



* On April 1, 2013, the Japanese name of the Consumer Products & Services Division was changed, however the English name remains unchanged.

Regional sales







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