

Start TPEC Vision 2030!

Corporate Strategy Dept.

In the spring of 2021, we formulated VISION2030, which will be the road to TPEC's new decade. This issue reviews the previous VISION and introduces the new VISION announcements and our corporate policies for fiscal 2021, which will be the first step toward achieving them.

Change in VISION

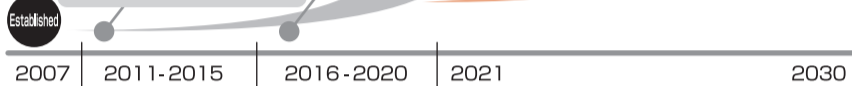
TPEC VISION 2030

- Creating new value and co-creating an exciting everyday life and a thrilling future
- Leading the world by deepening and innovating manufacturing centered on CPS

TPEC VISION 2020

1. Respect the individuality of each person and build a culture of independence and autonomy
2. Implementing and developing original digital engineering that exceeds customer expectations

TPEC VISION 2015



Gradual growth from "V15: Responding to customer expectations" to "V20: Exceed customer expectations"

➔ Aiming for further growth from a global perspective in the V30

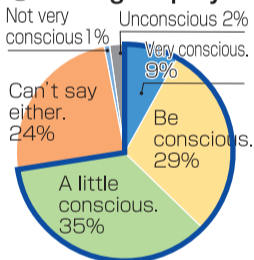
TPEC VISION 2030

- Creating new value and co-creating an exciting everyday life and a thrilling future
- Leading the world by deepening and innovating manufacturing centered on CPS*

*Cyber Physical System : Cycle for feedback to the real world of digital analysis results obtained from data collection/accumulation/analysis

<Reference> VISION2020 Results (Partial Introduction)

① Raising employee awareness (excerpt from the results of the Moral Survey 2020)



"The figure we've been aiming for is clear, and the vision is easy to understand and understood," and "we've almost never been hesitant about what we should prioritize. We're always imagining our customers' expectations and thinking about things that go beyond."

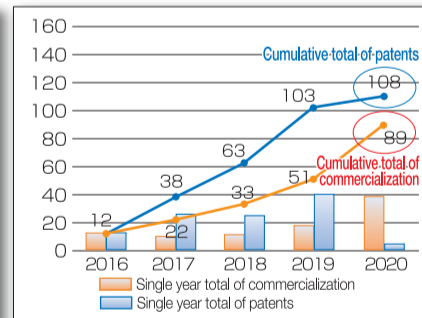
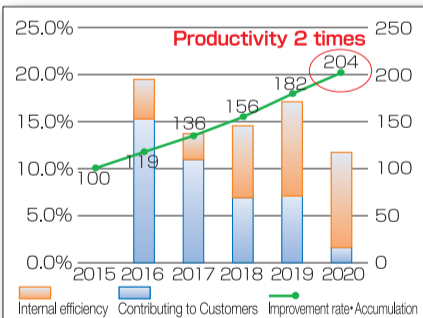
➔ Result that 75% of employees are always aware of their work

② Structural Improvement -Productivity Improvement-

➔ Efficiency enhancement returns to development and human resource development

③ Raising development awareness

➔ Achievement of cumulative targets for patent applications and merchandising



(Excerpt from V20 consideration material by Engineering Management Dept.)

On the Start of VISION2030

First of all, I would like to express my gratitude to the working members and all other employees for their various cooperation in formulating this plan.

TPEC's mission is to innovate automobile manufacturing and monozukuri centered on CPS by realizing digital twins through the experience and knowledge of field engineering cultivated through Toyota's monozukuri and the advancement of digital engineering. This time, we have formulated a VISION based on such an idea. Toward VISION, we will become a "ONE TEAM" and grow into a company that is active on the global stage, while creating a smile for everyone.



President Akitomo Baba

FY2021 Policies

Basic concept and direction of the system

- Strengthen functions to reallocate functions and enter new areas and internalize acquisitions
- Optimize management span by enlarging the organization

Company-wide slogan

Revolution for the future

Challenge to strengthen competitiveness and business reform centered on TPS

Corporate Policies (Overview)

0. Safety and workplace culture

- **Safety:** Continue basic initiatives and promote measures to encourage self-awareness
- **Health:** Promote initiatives to reduce the rate of observers, including lifestyle and exercise habits improvement
- **Compliance:** Strengthen and implement audit functions that can respond to changes in the company's environment and risks in a timely manner
- **Disaster prevention:** Establishment of BCM systems and strengthening of drills for various risks
- **SDGs:** Promote corporate activities aimed at raising individual awareness and realizing a sustainable society

1. Challenging the future

- **CPS:** CPS construction and demonstration and improvement with integrated tools, systems and processes
- **New Business Planning:** Strategic planning and planning promotion for horizontal expansion of existing businesses and establishment of new businesses
- **Partnership:** Clarify the division of roles with each related company and build a cooperative system in new areas
- **Advancement of elemental technologies:** Improvement of elemental technologies for digital twin utilization and reducing redo

2. Sustainable Growth

- **Strengthen competitiveness:** Reallocation of resources in priority areas based on improving the level of business charts and operations
- **Promote of independence:** Promoting independence by expanding operations to overseas, B/M, etc.
- **CASE Response:** Promote responses to new technological domains associated with automotive technological innovations

3. Solidify the foundation of the company

- **Promoting diversity:** Establishment and development of systems and systems that enable diverse human resources to thrive
- **Work satisfaction reform:** Establishment and development of a personnel system to support the growth of each employee
- **Strengthening human resource development:** Strengthening human resource development: Promoting basic, specialized education, and multi-skill development to accelerate new business and technology development
- **Strengthen earnings base:** Improve the accuracy of earnings management and build a framework that can respond quickly to risks

Initiation ceremony

HR & General Administration Dept

16 new employees joined the company < April 1 >

A ceremony for joining the company was held at the Head Office and Fukuoka Technology Center, with 16 new colleagues and welcomed them. Continuing from last year, the event was held thoroughly to prevent the spread of the new coronavirus infection.

At the ceremony, on behalf of new employees, Mr. Tsukamoto stated his aspirations for joining the company. In addition, we received a congratulatory message from General Manager Koyashiki of TMC, Production Engineering Planning Div., and a message of encouragement from President Baba.

Although it is a world where three-cs measures are required, we ask for your guidance in close relationship (spirit), sometimes gentle, sometimes strict.



▲ Greetings from new employee representative



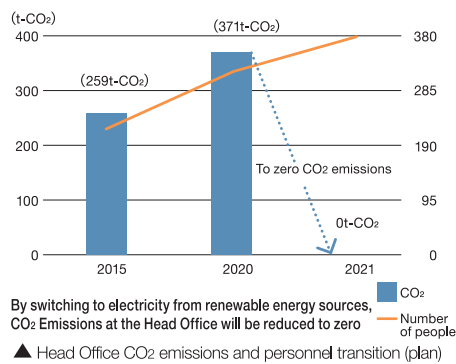
▲ Congratulations on joining the company

TPEC's SDGs Initiatives

Switch to renewable energy-derived power

●Toward Zero CO₂ Emissions

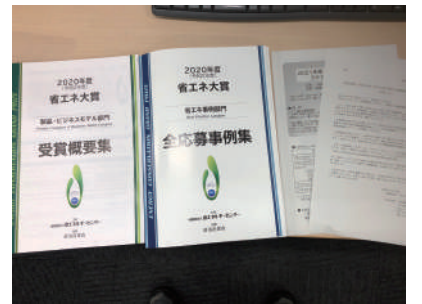
The majority of CO₂ emissions in TPEC business are from electricity. Following the Seventh Munakata Global Environmental Symposium held last October, in TPEC, the Environmental Committee decided to learn about and promote electricity derived from renewable energy. The selection of electricity suppliers derived from renewable energy was decided in cooperation with the Accounting & Purchasing dept. The supply of renewable energy is scheduled to start in April. If supplies start, the result is "Zero CO₂ Emissions." In the future, we will also promote energy saving and private power generation of renewable energy, and we will be able to make further progress in order to reduce the remaining small amounts of CO₂ emissions to zero. In the future, the Environmental Committee will continue its efforts with the idea that "there is still something we can do for ourselves. Is there anything else we can do?"



Cooperative Initiatives of Toyota Environmental Challenge 2050

●It was posted in the Energy conservation grand prize applicant casebook!

In collaboration with TOYOTA MOTOR CORPORATION, Sunstar Engineering Inc., The Yokohama Rubber Co., Ltd. and PYLES JAPAN CO., LTD., we applied for the Grand Prize*1 for energy conservation under the theme of "Reducing the amount of waste of automotive glass adhesives." In order to reduce the adhesives remaining at the bottom of the drum, TPEC is approaching with CAE techniques to reduce the space remaining between the base of the drum and the base of the material extrusion plates*2. Among the measures taken, the optimum plate shape was adopted from flow analysis and deformation analysis of the drum, and it was also found that the effect can be expected from the viewpoint of waste reduction and energy saving when actual verification begins. All TPEC operations are directly linked to SDGs. We will continue to be aware of our role as a member of the Toyota Group and work to contribute to the Toyota Environmental Challenge 2050.



*1 A system to award superior energy-saving efforts in Japan's industry, business, and transport sectors, as well as advanced, high-efficiency energy-saving products, etc.
 *2 Plates that extract material from a drum to coating the product with adhesives

▲ Energy conservation grand prize applicant casebook

TTDC×TPEC Technical Exchange Meeting

●Start of Technology Exchange Meeting!<March 4>

The first TTDC×TPEC Technology Exchange Meeting was held at TPEC Head Office and Fukuoka Technology Center. Five people from TTDC, including President Kagawa visited us. Since it was held at the head office, some executives and general managers participated online from Motomachi. This time, as it was held at TPEC, we introduced our initiatives, focusing on the initiatives at the digital lab (next-generation robotics processes, etc.).

In addition, TTDC introduced the initiatives related to the IP business and the measurement business. In the measurement business, they are focusing on three core technologies: measure, connecting, and control, and introduced ADAS simulations and examples of initiatives utilizing the cloud.

"We will continue to hold "exchange meetings" on a regular basis, so please look forward to it!" The second TTDC×TPEC exchange meeting will be held at TTDC.



▲ Explanation of the use of DE data

White 500 certified for 5 consecutive years

●Continuously accredited White 500 certified as an Excellent Health and Productivity Management Corporation (March 4)

Received certification from the Ministry of Economy, Trade and Industry for the fifth consecutive year under the Certified Health and Productivity Management Organization Recognition Program (White 500). This year, the number of companies entering the program increased further than usual to 2523, and the number of companies that are certified was limited to the top 500.

Due to the Covid-19, workplace health promotion activities and health fairs were discontinued. However, the following measures taken as measures to prevent infection with the Covid-19 contributed to the high evaluation of the certification. ① Measures at work ② Employee health management on a daily basis, ③ Recommendation of telework, and ④ Grant of special leave in case of fever. Going forward, with the aim of becoming a healthy workplace, we will also work on "online seminars" and "online videos" that can participate even in the Covid-19.



▲ Certificate



▲ Certified for 5 consecutive years

Utilization of SDGs badges

●We are using it to raise awareness and disseminate it throughout the company!

In order to further promote SDGs initiatives in the future, we have introduced badges to make them known and disseminate within the company. Badges are mainly worn by directors and general managers. Wearing them is just a catalyst for raising awareness. We will continue to develop ideas and initiatives in daily operations and in daily life, including internal development and the creation of topics.



▲ SDGs17 goals



▲ Badge wearing example

Series My SDGs

In order to instill it within the company and raise awareness, each division representative will declare that he or she will do so.

- I look for fair trade products and actively purchase them. I will also cooperate in activities to eliminate poverty. (K. Nakashima, Corporate Head Office)
- When shopping, I reduce food loss by choosing foods that have a short expiration date. (T. Yamamoto, Technical Development Dept.)
- When I see elderly persons in the neighborhood, I say hello to them, and ask them for any trouble. (F. Tatemichi, Vehicle SE Div. 1)
- I respect diversity and strive to foster high quality that derives the essence from a wide range of opinions. (H. Sekihara, Powertrain Engineering Div.)

