CORPORATE GOVERNANCE *(Translation)*

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Corporate governance at Toyota Tsusho Corporation (the "Company") is as follows:

I. Toyota Tsusho's Basic Policy on Corporate Governance, Capital Structure, Corporate Attributes, and Other Basic Information

1. Basic Policy

In the Toyota Tsusho Group's Fundamental Philosophy, the Toyota Tsusho Group (the "Group") has set forth the corporate philosophy "Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to creation of a prosperous society." The Group has instituted the Behavioral Guidelines as a fundamental code of conduct for legally and appropriately realizing this philosophy as a good corporate citizen.

In keeping with this Fundamental Philosophy, the Company has instituted the Basic Policies on Establishing Internal Control Systems for the purpose of carrying on and deepening penetration of the Toyota Tsusho Group Way, which articulates the Group's unique values, beliefs, and daily principles of conduct, of promoting value creation from the customer's perspective, and of fulfilling the Group's social mission by establishing a "system for ensuring the appropriateness of the Company's operations."

On the basis of this fundamental philosophy, the Company will actively promote further management efficiency, transparency, rigorous compliance, and financial soundness. In addition, the Company will further enhance its public relations and investor relations activities to promote wider understanding of the Group.

[Reasons for not implementing each principle of the Corporate Governance Code]

The Company implements each principle of the Corporate Governance Code.

[Disclosure based on each principle of the Corporate Governance Code]

[Principle 1.4]

(1) Policies on strategic shareholdings

Maintaining and strengthening business relationships and cooperative relationships with a wide variety of companies is necessary for sustained enhancement of the Company's corporate value. When the Company continuously holds shares of listed companies other than subsidiaries and affiliates, it periodically monitors the achievement of the significance and purpose of acquisition, alignment with Company's business strategy, and investment profitability. In so doing, the Company rationally and comprehensively assesses the contribution of shareholding to enhancing the Company's corporate value over the medium and long term and conducts timely and periodic reviews of the shareholding policy, including divestment.

・Policy on the exercise of voting rights

Striving to maintain and strengthen partnership with investee companies, the Company engages in communications with these companies that contribute to enhancement of their shareholder interests and corporate value over the medium and long term, of which the exercise of voting rights is an important element. The Company's departments that manage investments take that perspective and appropriately exercise voting rights on the basis of multifaceted and comprehensive consideration of the situation of each investee company.

[Principle 1-7]

The Company has stipulated in the Board of Directors Regulations and Executive Officer Regulations that reporting to and approval by the Board of Directors is required when directors or executive officers engage in transactions with the Company. In transactions between the Company and the Company's major shareholders or other related parties, the Company decides price and other terms and conditions on the basis of individual negotiations, as in the case of ordinary transactions, approves transactions in accordance with internal rules, and endeavors to ensure that related-party transactions do not harm the interests of the Company or the common interests of all shareholders.

[Principle 3-1 (i)]

The Company discloses the corporate philosophy, vision, long-term business plan, and other information on the corporate website.

http://www.toyota-tsusho.com/english/company/vision.html

[Principle 3-1 (ii)]
Please see “I. 1. Basic Policy” of this report.

[Principle 3-1(iii)]
・Policies
Remuneration for officers consists of fixed monthly payment and variable bonus. The Company’s remuneration structure ensures a link with company performance, reflecting job responsibilities and performance of individuals.
The level of monthly remuneration is set according to the officer’s position within the maximum amount determined pursuant to a resolution of the Ordinary General Meeting of Shareholders.
Bonus is decided based on the consolidated business performance of each fiscal year, comprehensively taking into account dividends, level of bonus for employees, trends of other companies, medium- to long-term business performance, and amounts paid in the past. Bonus is not paid to outside directors or Audit & Supervisory Board members in light of their role of monitoring and supervising management from an independent position; only fixed monthly remuneration is paid.
・Procedures
In its consideration of remuneration for directors, the Company has established the Executive Compensation Meeting, whose members include the independent outside directors, to deliberate on the remuneration of directors and make recommendations to the Board of Directors as reference for resolution.

[Principle 3-1 (iv)]
・Policies
The Company comprehensively considers and appoints the right person for the right position that will enable appropriate and prompt decision-making at each role.
The Company considers appointments of outside officers in accordance with the requirements set forth in the Companies Act and the independence standards established by financial instruments exchanges.
・Procedures
In its consideration of director nominations, the Company has established the Executive Appointment Meeting, whose members include the independent outside directors, to deliberate on the nominations of directors and make recommendations to the Board of Directors as reference for resolution.
Audit & Supervisory Board members are appointed by approval of the Audit &

Supervisory Board and resolution of the Board of Directors.

[Principle 3-1 (v)]
The reasons for the election of individual directors and Audit & Supervisory Board members are described in the election proposals in the Reference Materials for the General Meeting of Shareholders.
For details, please refer to the Notice of Ordinary General Meeting of Shareholders posted on the corporate website.

[Supplementary Principle 4-1-1]
The following matters require judgment and resolution by the Board of Directors.
・Matters stipulated in laws and ordinances and the Articles of Incorporation;
・Matters delegated to the Board of Directors by resolution of the General Meeting of Shareholders; and
・Other important business matters.
Other matters are delegated to each director and the progress is reported to the Board of Directors as appropriate according to their degree of importance to the business.

[Principle 4-9]
The Company's independent officers are selected from individuals who are able to reflect a wealth of experience, advanced professional knowledge, and wide-ranging insights in the Company's management and are able to actively and constructively offer their suggestions and views about enhancing the Company's corporate value over the medium and long term from a fair and neutral position and who satisfy the requirements for outside directors and outside auditors set forth in the Companies Act and the independence standards established by financial instrument exchanges.

[Supplementary Principle 4-11-1]
The Company selects its directors from inside and outside the Company who have a wealth of experience, advanced professional knowledge, and wide-ranging insights so as to develop a system in which decision-making and oversight of management and execution are appropriately performed.
The Company comprehensively deliberates the members of the Board of Directors from the perspective of enabling appropriate and prompt decision-making and appointing the right person for the right position according to individual roles. The Board of Directors currently consists of a total of sixteen directors, including three independent outside

directors.
The Company has appointed two persons who have appropriate knowledge of finance and accounting as Audit & Supervisory Board members. The Audit & Supervisory Board currently consists of five members, including three outside auditors, who supervise and check officers' business execution from an objective and professional perspective.
Please see "Principle 3-1 (iv)" of this report regarding policies and procedures for the selection and appointment of directors.

[Supplementary Principle 4-11-2]
Concurrent service of directors and Audit & Supervisory Board members as officers of other listed companies is noted in the Notice of Ordinary General Meeting of Shareholders.

[Supplementary Principle 4-11-3]
As a result of analysis and evaluation performed through interviews with the chairman, who is the chairperson of the Board of Directors, the president, and the outside directors, the Company believes that appointing outside directors has invigorated discussion and exchange of views at Board of Directors meetings and increased the effectiveness of the Board of Directors. In addition, the Company is endeavoring to further increase the effectiveness of the Board of Directors by means such as reviewing the matters to be discussed and resolved by the Board of Directors.
The Company will continue to periodically analyze and evaluate the effectiveness of the Board of Directors.

[Supplementary Principle 4-14-2]
・The Company appropriately provides the elected members of the Board of Directors and Audit & Supervisory Board with information necessary for them to fully perform their functions. The Company also provides opportunities for directors and Audit & Supervisory board members to participate, at Company expense, in seminars, training, etc. conducted by third-party organizations necessary for the performance of their duties.
・In addition to providing orientation for newly appointed outside officers, the Company continuously arranges opportunities for them to understand the business activities of the Company and the Group, such as inspecting the actual situation on-site (Genchi Genbutsu) by visiting the Company's principal business entities and holding dialogues with employees.

・At least once a year, the Company holds Executive Review Meetings in which inside and outside officers participate. At the meetings, an intensive review of recent management issues is conducted, and information necessary for the performance of duties is provided.

[Principle 5-1]
The Board of Directors has approved the following policy.
Policy for development of systems and measures to promote constructive dialogue with shareholders

(i) The Company has appointed a director of public affairs and a director of investor relations.

(ii) The Company has formed a task team for the purpose of organic collaboration that supports dialogue.

(iii) General Meeting of Shareholders: The Company provides easy-to-understand explanations of the Company's business, organization, etc. and conscientiously answers questions from shareholders.

Individual investors: The Company regularly makes presentations at IR events and provides explanations of the Company.

Institutional investors: The Company holds quarterly results briefings.

Overseas investors: The Company provides explanations of the Company at forums held in Japan and meets regularly with major shareholders.

(iv) Feedback on shareholder opinions and concerns is provided to management executives as necessary.

(v) Insider information is appropriately managed in accordance with the Insider Trading Control Regulations instituted by the Company.

2. Capital Structure

Percentage of shares held by foreign investors 20% or more, less than 30%

[Description of Major Shareholders]

Name or Designation	Number of Shares Held (Shares)	Ownership Interest (%)
Toyota Motor Corporation	76,368,939	21.69
Toyota Industries Corporation	39,365,134	11.18
The Master Trust Bank of Japan, Ltd. (trust account)	22,058,600	6.27

Japan Trustee Services Bank, Ltd. (trust account)	14,245,500	4.05
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	8,098,635	2.30
Mitsui Sumitomo Insurance Co., Ltd.	6,000,000	1.70
Sumitomo Mitsui Banking Corporation	4,249,589	1.21
Aioi Nissay Dowa Insurance Co., Ltd.	4,087,868	1.16
Tokio Marine & Nichido Fire Insurance Co., Ltd.	4,049,874	1.15
Nippon Life Insurance Company	3,522,468	1.00

Existence of controlling shareholders (excluding parent company) —

Existence of parent company None

Supplementary Information

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3. Corporate Attributes

Stock exchange and section	Tokyo 1st Section, Nagoya 1st Section
Fiscal year end	March
Line of business	Wholesale trade
Number of employees at the end of the previous fiscal year (consolidated)	1,000 persons or more
Sales during the previous fiscal year (consolidated)	More than JPY 1 trillion
Number of consolidated subsidiaries at the end of the previous fiscal year	300 companies or more

4. Guidelines for Measures to Protect Minority Shareholders in the Event of Transactions with Controlling Shareholders

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5. Other Particular Conditions that May Materially Affect Corporate Governance

[Matters Relating to Transactions with Listed Subsidiaries]
Although there are various business transactions between the Company and listed subsidiaries, the Company decides price and other terms and conditions on the basis of individual negotiations, as in the case of ordinary transactions. There are no matters

that restrict the independence of the Company or subsidiaries in mutual relationships and transactions.

II Status of Business Management Organization and Other Corporate Governance Systems Relating to Business Decision-Making, Execution, and Supervision

1. Matters Relating to Organizational Structure and Organizational Operation

Organization type: Company with an Audit & Supervisory Board

[Matters Relating to Directors]

Number of directors stipulated in the Articles of Incorporation	25 persons
Directors' term of office stipulated in the Articles of Incorporation	1 year
Chairperson of the Board of Directors	Chairman (excluding when concurrently serving as president)
Number of directors	16 persons
Election of outside directors	Elected
Number of outside directors	3 persons
Number of outside directors designated as independent directors	3 persons

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)										
		a	b	c	d	e	f	g	h	i	j	k
Jiro Takahashi	From another company								○	△		
Yoriko Kawaguchi	From another company											
Kumi Fujisawa	From another company											

*Symbols indicating relationship with the Company

○ Applicable to the director now or recently

△ Applicable to the director in the past

● Applicable to a close relative of the director now or recently

▲ Applicable to a close relative of the director in the past

a A person who executes business of the listed company or a subsidiary

b A person who executes business or a non-executive director of a parent

company of the listed company

c A person who executes business of a fellow subsidiary

d A person of whom the listed company is a major client or a person who executes business of such person

e A major client of the listed company or a person who executes business of such entity

f A consultant, accounting expert, or legal expert who receives significant remuneration or other assets from the listed company other than remuneration as an officer

g A major shareholder of the listed company (in cases where the shareholder is a corporation, a person who executes business of the corporation)

h A person who executes business for a client of the listed company (excluding persons categorized as any of d, e, or f above) (applies to the individual only)

i A person who executes business for another company holding cross-directorships or cross-auditorships with the listed company (applies to the individual only)

J A person who executes business for an entity to receiving donations from the listed company (applies to the individual only)

k Other

Relationship with the Company (2)

Name	Independent Officer Status	Supplementary Information	Reason for Appointment
Jiro Takahashi	○	Although Mr. Takahashi serves as Chairman and Representative Director of Meiko Trans Co., Ltd., a business partner of the Company with which the Company had a relationship of mutual appointment of outside directors.In addition, the	Mr. Takahashi has been active as a business executive for many years at Meiko Trans Co., Ltd. and also has experience as Chairman of the Nagoya Chamber of Commerce. The Company has elected him as an outside director in the expectation that he will apply this wealth of experience and broad-based

		amount of transactions with Meiko Trans is less than 1% of the Company's net sales, and in view of their size and nature, the Company has determined that these transactions have no effect on Mr. Takahashi's independence.	knowledge of all aspects of management in the Company's management. The Company has determined that Mr. Takahashi's relationship with the Company entails no risk of conflict of interest with general shareholders and has designated him as an independent officer.
Yoriko Kawaguchi	○	—	Ms. Kawaguchi has held a succession of important posts, including Minister of the Environment and Minister of Foreign Affairs, and also has experience as a Managing Director of Suntory Ltd. The Company has elected her as an outside director in the expectation that she will apply this sophisticated expert knowledge concerning environmental problems, international politics and economic trends in the Company's management. As there is no special relationship between Ms. Kawaguchi and the Company, the Company has designated her as an independent officer.
Kumi Fujisawa	○	—	Ms. Fujisawa founded an investment trust rating company, where she served as

			Representative Director, and also participated in the establishment of think tank SophiaBank Limited, where she currently serves as Representative Director. She has held many public posts at government organizations, including the Ministry of Economy, Trade and Industry and the Financial Services Agency. The Company has elected her as an outside director in the expectation that she will apply this wealth of experience and broad-based knowledge in the Company's management. As there is no special relationship between Ms. Fujisawa and the Company, the Company has designated her as an independent officer.

Establishment or non-establishment of an optional committee corresponding to a Nominating Committee or Compensation Committee	Established

Status of Establishment of an Optional Committee, Members of the Committee, and Attributes of the Chairperson of the Committee

	Name of the Committee	Total Number of	Number of Full-time	Number of Inside Directors	Number of Outside	Number of Outside	Number of Others	Committee Chair (Chairperson)

		Members	Members		Directors	Experts		
Optional committee corresponding to a nominating committee	Executive Appointment Meeting	5	0	3	2	0	0	Inside director
Optional committee corresponding to a compensation committee	Executive Compensation Meeting	5	0	3	2	0	0	Inside director

Supplementary Information

The Board of Directors will pass resolutions with respect to proposals for the election and compensation of directors, making reference to the recommendations of the Executive Appointment Meeting and Executive Compensation Meeting.

[Matters Relating to Auditors]

Establishment or non-establishment of an Audit & Supervisory Board	Established
Number of Audit & Supervisory Board members stipulated in the Articles of Incorporation	5 persons
Number of Audit & Supervisory Board members	5 persons

Cooperative Relationships between Audit & Supervisory Board Members, Independent Auditors, and Internal Audit Division

[Status of internal audits and statutory audits]

The Audit Department conducts internal audits of the Company and Group companies in accordance with the audit policy and plan approved by the president in conformance with the Company's Internal Audit Regulations. The Audit Department holds monthly meetings with the Audit & Supervisory Board members, reports on audit results and exchanges views, and endeavors to improve audit quality and efficiency. In addition to conducting internal audits, the Audit Department also performs duties relating to internal control and regularly exchanges views with the Audit & Supervisory Board members at the abovementioned meetings.

Statutory audits involving auditing of the performance of duties by directors focused on the status of internal controls, mainly compliance and the risk management system, are conducted in accordance with the audit policy and plan approved by the Audit & Supervisory Board, which consists of five Audit & Supervisory Board members elected at the General Meeting of Shareholders (two full-time and three part-time outside Audit & Supervisory Board members). Audits are also conducted of the appropriateness of the results of audits conducted by the independent auditors.

[Status of Accounting Audits]
The Company has appointed PricewaterhouseCoopers Arata to perform accounting audits. In addition to undergoing regular accounting audits conducted by PricewaterhouseCoopers Arata, the Company receives appropriate advice about management and organizational problems to an extent that does not impair the independence of the independent auditors.

Election or non-election of outside Audit & Supervisory Board members	Elected
Number of outside Audit & Supervisory Board members	3 persons
Number of outside Audit & Supervisory Board members designated as independent officers	2 persons

Relationship with the Company (1)

Name	Attribute	Relationship with the Company (*)												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Tetsuro Toyoda	From another company							○		○				
Kazunori Tajima	Certified public accountant													
Yuichiro Kuwano	Attorney-at-law													

*Symbols indicating relationship with the Company

○ Applicable to the Audit & Supervisory Board member now or recently

△ Applicable to the Audit & Supervisory Board member in the past

● Applicable to a close relative of the Audit & Supervisory Board member now or recently

▲ Applicable to a close relative of the Audit & Supervisory Board member in the past

a A person who executes business of the listed company or a subsidiary

b A non-executive director or an accounting advisor of the listed company or a subsidiary

c A person who executes business or a non-executive director of a parent company of the listed company

d An Audit & Supervisory Board member of a parent company of the listed company

e A person who executes business of a fellow subsidiary

f A person of whom the listed company is a major client or a person who executes business of such person

g A major client of the listed company or a person who executes business of such entity

h A consultant, accounting expert, or legal expert who receives significant remuneration or other assets from the listed company other than remuneration as an officer

i A major shareholder of the listed company (in cases where the shareholder is a corporation, a person who executes business of the corporation)

j A person who executes business for a client of the listed company (excluding persons categorized as any of , g, or h above) (applies to the individual only)

k A person who executes business for another company holding cross-directorships or cross-auditorships with the listed company (applies to the individual only)

l A person who executes business for an entity receiving donations from the listed company (applies to the individual only)

m Other

Relationship with the Company (2)

Name	Independent Officer Status	Supplementary Information	Reason for Appointment
Tetsuro Toyoda		Mr. Toyoda serves as Chairman of Toyota Industries Corporation, a major shareholder of the Company. Although there are various business transactions between the Company and Toyota	Mr. Toyoda concurrently serves as an officer of an important business partner, and the Company has elected him to obtain his broad insights and deep

		Industries Corporation, the Company decides price and other terms and conditions on the basis of individual negotiations, as in the case of ordinary transactions.	understanding of the Company's business and appropriate auditing and checking of the performance of duties by directors from a shareholder's perspective.
Kazunori Tajima	○	—	Mr. Tajima is knowledgeable about accounting and auditing, and the Company has elected him to obtain his wealth of experience and specialized knowledge in this field in appropriate auditing and checking of the performance of duties by directors from a neutral and objective perspective. As there is no special relationship between Mr. Tajima and the Company, the Company has designated him as an independent officer.
Yuichiro Kuwano	○	—	Mr. Kuwano has been active as an attorney-at-law for many years. The Company has selected Mr. Kuwano as a candidate for Audit & Supervisory Board member so that the Company may benefit

			from his wealth of experience and expert knowledge of the legal field and appropriate auditing and checking of the performance of duties by directors from an objective and neutral perspective. As there is no special relationship between Mr. Kuwano and the Company, the Company has designated him as an independent officer.

[Matters Relating to Independent Officers]

Number of independent officers 5 persons

Other Matters Relating to Independent Officers

Principal Concurrent Posts

Outside directors

・Mr. Jiro Takahashi: Meiko Trans Co., Ltd. (Chairman and legal representative)

・Ms. Yoriko Kawaguchi: Japan Petroleum Exploration Co., Ltd. (Outside Director)

・Ms. Kumi Fujisawa: The Shizuoka Bank (Outside Director),

Outside Audit & Supervisory Board members

・Mr. Tetsuro Toyoda: Toyota Industries Corporation (Chairman), Aichi Steel Corporation (Outside Audit & Supervisory Board member)

・Mr. Kazunori Tajima: Kazunori Tajima Certified Public Accounting Office (President), Daikoku Denki Co. Ltd. (External Auditor), Nihon Decoluxe Co., Ltd. (Outside Director), SHINWA Co., Ltd. (Outside Corporate Auditor), UNY Group Holdings Co., Ltd. (External Auditor)

・Mr. Yuichiro Kuwano: Shobunsha Publications,Inc.(External Auditor)

[Incentives]

Status of implementation of measures concerning the granting of incentives to directors	Introduction of a performance-linked compensation system

Supplementary Information

For details, please see “I. 1. Basic Policy [Disclosure based on each principle of the Corporate Governance Code] Principle 3-1 (iii)” of this report.

Grantees of stock options

Supplementary Information

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[Remuneration for Directors]

Status of disclosure (of individual directors’ remuneration)	Only a portion of remuneration is individually disclosed.

Supplementary Information

Details of directors’ remuneration are disclosed in annual securities reports and made available for public inspection on the corporate website (http://www.toyota-tsusho.com/ir/). (Japanese version only)
Details of directors’ remuneration for fiscal 2016 are as follows.

Total amount of remuneration: JPY 582 million for 18 directors (of which, JPY 37 million for 3 outside directors)

Existence of guidelines for the amount and calculation method of remuneration	No

Disclosed Details of Guidelines for the Amount or Calculation Method of Compensation

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[Support System for Outside Directors (Outside Audit & Supervisory Board Members]

The Company distributes to the outside directors in advance materials on agenda items to be proposed to the Board of Directors and, in principle, the secretariat of the Board of Directors (Corporate Planning Department) explains the agenda items in advance. In

addition, the Company has assigned a full-time staff to assist with the duties of the Audit & Supervisory Board members, including the outside Audit & Supervisory Board members.

2. Matters Relating to Functions for Business Execution, Auditing and Oversight, Nomination, Remuneration Decisions, etc. (Outline of the current corporate governance system)

The Company has sixteen directors, three of whom are outside directors. The Company has adopted the Audit & Supervisory Board system for auditing of directors' execution of duties, which is conducted by five Audit & Supervisory Board members elected at the General Meeting of Shareholders, three of whom are outside Audit & Supervisory Board members.
The Company implements consolidated management based on a divisional system. Currently the Company has a total of seven divisions: six sales divisions and the Administrative Division. Each division is led by a director appointed as chief division officer. The role of these directors is to ascertain circumstances from the perspectives of both corporate-level management and performance of duties in the divisions under their charge. They promptly communicate and share information by means including the Operating Committee.
The Company has introduced an executive officer system and seeks to speed up decision-making and improve management efficiency by having directors concentrate on corporate-level management and executive officers on division-level management. In addition, through separation of corporate-level management (directors) and performance of duties at divisions (executive officers), the Company strengthens the Board of Director's function of supervising the status of performance of duties and promotes clarification of authority and responsibilities and strengthening of internal control.
In addition, the Company has established Corporate Management Committees for discussion of corporate-level cross-organizational issues in which directors and executive officers deliberate each management issue, consulting with the Board of Directors as necessary.

3. Reason for Selection of the Current Corporate Governance System
The system of a Company with an Audit & Supervisory Board is the foundation of the Company's corporate governance. The Company has adopted the current corporate

governance system to ensure management soundness by means of the following.

・Strengthening of appropriate decision-making and management oversight, reflecting the expert and objective perspective of outside directors

・Strengthening of auditing and checking of the performance of duties by directors from an expert perspective and shareholders' perspective by outside Audit & Supervisory Board members

・Greater speed and efficiency in decision-making through an executive officer system

III. Status of Implementation of Measures Relating to Shareholders and Other Stakeholders

1. Status of Measures to Vitalize the General Meeting of Shareholders and Facilitate the Exercise of Voting Rights

	Supplementary Information
Early distribution of shareholder meeting convocation notices	The Company distributes convocation notices at an early date (three weeks before the Ordinary General Meeting of Shareholders).
Scheduling of the General Meeting of Shareholders avoiding dates on which general shareholders' meetings of companies are concentrated	The Company schedules the meeting before dates on which general shareholders' meetings of companies are concentrated.
Exercise of voting rights by electronic means	The Company enables the exercise of voting rights via the Internet by personal computer or mobile telephone using a system operated by the shareholder registry administrator.
Participation in a platform for electronic exercise of voting rights and other measures to improve the environment for the exercise of voting rights by institutional investors	The Company ensures sufficient time for consideration by institutional investors using an electronic voting platform for institutional investors operated by ICJ Corporation.
Provision of summary English-language convocation notices	The Company prepares summary English-language convocation notices and posts them on the corporate website.
Others	For the purpose of vitalizing the General

	Meeting of Shareholders and facilitating the exercise of voting rights, the Company posts the date of the General Meeting of Shareholders and convocation notice (including the business report) on the corporate website by the date of distribution of the convocation notice.	

2. Status of Investor Relations Activities

	Supplementary Information	Explanation by Company Representatives
Preparation and publication of a disclosure policy	The Company has instituted a disclosure policy and the Disclosure Regulations and announced and declared on the corporate website that it will systematically engage in effective, consistent information disclosure.	
Holding of periodic briefings for individual investors	The Company periodically participates in investor relations events for individual investors hosted or supported by securities exchanges, securities companies, newspaper publishers, and other external organizations and holds Company briefings conducted by officer in charge of the Finance Department, the Finance Department manager or IR Group leader. The Company held a total of twelve briefings, mainly in Tokyo and the three major metropolitan areas, in fiscal 2015.	No
Holding of periodic briefings for analysists and institutional investors	The Company holds quarterly results briefings (with the Company representative providing explanations at the full-year and half-year results briefings). The Company held four briefings in fiscal 2015. The Company also holds business briefings for affiliate CFAO S.A. and Oxygen related business	Yes
Holding of periodic	The Company participates in forums for foreign	No

briefings for foreign investors	investors held in Japan and holds Company briefings conducted by the officer in charge of the Finance Department, the Finance Department manager, and the IR Group leader. The Company held six briefings in fiscal 2015. In addition, the director in charge of the Finance Department conducts overseas roadshows for Europe and Middle East Asia and Asia region.
Posting of investor relations materials on the corporate website	The Company posts the following materials and information, among others, in the Investor Relations section of the corporate website (URL: http://www.toyota-tsusho.com/english/ir/) Medium- to long-term business strategy; financial and operating performance highlights; financial statements; various type of reports; integrated reports; briefing materials; shareholder, share, corporate bond, and ratings information; FAQ and answers
Establishment of a department (person) in charge of investor relations	・Department in charge of investor relations: Finance Department, IR Group ・Officer in charge of investor relations: Administrative Division chief division officer, executive officer in charge of the Finance Department ・Person responsible for investor relations clerical liaison: IR Group leader
Other	・The Company receives opinions and suggestions on management and strategies and feeds them back into business management, through routine meetings between Japanese and foreign institutional investors and securities analysts and the department in charge of investor relations, and periodic small meetings between these stakeholders and the Company’s top

	management. ・The Company publishes Japanese and English editions of the Integrated Report once a year and distributes the report to interested persons to promote understanding among Japanese and foreign institutional investors and individual investors.

3. Status of Measures to Respect the Positions of Stakeholders

	Supplementary Information
Promotion of environmental preservation activities and CSR activities	The Company's CSR policy is to realize the fundamental philosophy of management, and the Company implements various environmental preservation activities and CSR activities. The Company reports on the achievements of activities to the general public by preparing and publishing the Integrated Report (distributed on the corporate website).
Institution of policy concerning disclosure of information to stakeholders	The Company has instituted a disclosure policy and the Disclosure Regulations and systematically engages in effective, consistent information disclosure to achieve the following objectives. ・Build relationships of trust with stakeholders through proactive, effective information disclosure and fulfillment of accountability. ・Strive for timeliness and fairness in information disclosure and contribute to appropriate share price formation and formation of reputation in society that correctly reflect the Company's corporate value. ・Feed back to management the opinions of stakeholders and contribute to enhancement of corporate value through interactive communication with stakeholders.

IV. Matters Relating to Internal Control Systems

1. Basic Policy on Internal Control Systems and Implementation Status

[Basic Policy]

In the Toyota Tsusho Group's Fundamental Philosophy, the Toyota Tsusho Group (the "Group") has set forth the corporate philosophy "Living and prospering together with people, society, and the Earth, we aim to be a value-generating corporation that contributes to creation of a prosperous society." The Group has instituted the Behavioral Guidelines as a fundamental code of conduct for legally and appropriately realizing this philosophy as a good corporate citizen.

In keeping with this fundamental philosophy, the Company has instituted the Basic Policies on Establishing Internal Control Systems for the purpose of carrying on and deepening penetration of the Toyota Tsusho Group Way, which articulates the Group's unique values, beliefs, and daily principles of conduct, of promoting value creation from the customer's perspective, and of fulfilling the Group's social mission by establishing a "system for ensuring the appropriateness of the Company's operations."

[Implementation Status]

The Company has instituted the Basic Policy on Development of Internal Control Systems, clearly defined the duties of directors and developed a system capable of timely and appropriately confirming the status of development of systems that ensure the appropriateness of the Company's operations. The Company revises the basic policy in accordance with changes in the management environment. The status of implementation to date is as follows.

1. Compliance system

The Company has developed a "system for ensuring that the performance of duties of directors and employees complies with laws and regulations and the Articles of Incorporation," distributed standard and portable editions of the Code of Ethics to all officers and employees, and established the CSR Committee chaired by the president. The Company promotes information sharing and mutual checks and balances among the divisions through such forums as the Operating Committee.

2. Risk management system

The Company has developed “Regulations and other systems related to the management of risk of losses” and institutes management regulations, conducts training, and distributes manuals related to various risks. The Company has prepared guidelines or management regulations for risks pertaining to business execution that require particular caution, namely, investment and lending risk, credit risk, market risk, and occupational health and safety, and environment risks, and appropriately identifies and manages these risks. The Company is developing appropriate management systems at dedicated departments to deal with information security, crisis management, and other issues. In addition, the ERM Committee endeavors to identify risks companywide and discover risk-related issues.

3. Information management system

The Company has developed a “system relating to the retention and management of information relating to the performance of duties by directors and employees,” instituted document regulations and document handling standards relating to document retention, and designated departments responsible for document retention and retention periods for each type of document.

4. System for ensuring the propriety of operations of the corporate group

The Company has developed for the Toyota Tsusho Group a “system for ensuring the propriety of operations of the corporate group consisting of the Company and its subsidiaries,” promotes sharing of Group policies and mutual sharing of information and ascertains and manages the financial standing of subsidiaries and important matters relating to business execution. In accordance with the systems of subsidiaries, the Company also dispatches directors and Audit & Supervisory Board members as necessary to oversee and conduct audits, and the Company’s Audit Department conducts internal audits.

2. Basic Policy on Exclusion of Antisocial Forces and Implementation Status

The Company has stipulated in the Toyota Tsusho Code of Ethics that it “takes a firm stance toward antisocial forces and organizations that threaten the order and safety of civil society” in accordance with the Charter of Corporate Behavior established by the Japan Business Federation and adheres to a policy of firmly refusing demands from antisocial forces and organizations.

To accomplish this, the Company regularly cooperates with outside specialized

agencies such as the National Center for Removal of Criminal Organizations and the Organized Crime Control Bureau of Police Headquarters and has developed a system for dealing with antisocial forces. The Company's Nagoya Head Office, Tokyo Head Office, and Osaka Branch are members of the Aichi Prefecture Corporate Defense Council, the NPA (National Police Agency) Special Violence Prevention Council, and the Osaka Corporate Defense Alliance Council, respectively, and receive guidance and share information as members.
In the event that an unreasonable demand is received from antisocial forces, the General Administration Department, as the designated department responsible for responding, takes a resolute stance and responds in cooperation with the police and other relevant agencies and an attorney.

V Others

1. Introduction of Takeover Defense Measures

Introduction of takeover defense measures No

Supplementary Information

The Company has not introduced takeover defense measures at this time.

2. Other Matters Relating to Corporate Governance Systems

Overview of the Timely Disclosure System

The Company has instituted as Disclosure Regulations activities policies and mechanisms for all officers and employees to systematically engage in effective, consistent information disclosure to accomplish the following items.

1) Build relationships of trust with stakeholders through proactive, effective information disclosure and fulfillment of accountability.
2) Strive for timeliness and fairness in information disclosure and contribute to appropriate share price formation and formation of reputation in society that correctly reflect the Company's corporate value.
3) Feed back to management the opinions of stakeholders and contribute to enhancement of corporate value through interactive communication with stakeholders.

<Internal Systems Related to Management and Timely Disclosure of Company Information>

Under the Disclosure Regulations, all officers and employees promptly report to the information manager (Chief Division Officer of Administrative Division) and the department responsible for information management (Public Affairs Department) about matters decided at committee meetings and important information occurring at the Company and its subsidiaries in accordance with the division of their duties. After receiving reports, the information manager and department responsible for information management rigorously implement internal information management, judge the necessity of timely disclosure of the information, and timely disclose information requiring disclosure.

Corporate Governance Structure (as of June 2016)

