

## **2021 TMC Entrance Ceremony – President Akio Toyoda’s Message**

Congratulations to all of you for joining Toyota Motor Corporation (TMC).

Regrettably, last year we were unable to hold an entrance ceremony due to the spread of COVID-19. This year too, we were unsure until the last minute, but the new online format enabled us to go ahead with the ceremony. I would like to use this opportunity to share my thoughts, including with those of you now in your second year, who I was unable to speak with last year.

There are two things that I have said at every entrance ceremony, and I would like to share those same words with all of you. The first is that, during the first three years at Toyota, I want you to focus on trying as hard as you can in your work. Second, I want you to love cars.

Since I became president in 2009, over 22,000 people have joined the company in Japan. One in four current employees at TMC began their life at Toyota with my words in mind.

However, around ten percent of those individuals have already left Toyota.

In particular, one of the reasons given by young people who decide to leave is ‘the slow pace of digitalization’. At present, there is a tendency at Toyota to look up to the people who have information, and the reality is that information rests in the hands of a limited few, without being shared.

To remedy this situation, over the next three years I hope to bring us up to a world-class level through a digitalization drive led by our ‘digital native’ generation. My hope is that this will ensure that the necessary information

is available to those who need it, when they need it, and create an environment where we can all focus on moving in the same direction.

There is also another issue – carbon neutrality, a topic that we need to address by working together with our 5.5 million peers in the automotive industry in Japan.

Innovation is essential to achieving this goal, and I believe that innovation is born from diversity. All of you taking part today have come here with different experiences and careers. We value this individuality and diverse points of view in the hope that they will drive innovation.

Some of you may consider yourselves unlucky to have made a major life milestone during a pandemic. ‘Why us?’ you may be thinking. However, I am sure that the experience you have gained will benefit you. I want you to have confidence in the journey that has brought you here.

In your new workplaces, I’m sure you will encounter hardships and demanding tasks. The same was true for me.

On joining Toyota mid-career, I struggled with unreasonable conditions and felt frustrated by my lack of ability time and again. Despite this, what got me through was an enduring love for cars, and for Toyota, along with the support of supervisors, colleagues, and friends who were there for me during the tough times.

I believe that, through every setback, we grow as people, becoming kinder and stronger.

To all of our new graduates, I encourage you to be unafraid of failure. To our mid-career hires, I hope that you will turn your experience at other companies into a strength, as something to compare Toyota against. And to all of you: please treasure the friends and colleagues on whom you can depend in difficult times.

I ask our supervisors to work closely with every individual in their workplace, such that their growth and successes become a source of personal joy. To that end, when assigning work, please share sufficient information and clarify the task's objectives, deadlines, and level of priority. I entrust you to create a workplace where everyone is conscious of the significance of their work.

In this era of rapid transformation, I'm sure there will be situations when even supervisors and experienced colleagues, let alone our newest members, are unsure how to proceed. At such times, you can rely on the following:

Prioritize action over waiting and watching, speaking out over staying silent, empathy over persuasion, and selflessness over self-interest.

And when you do make a mistake, never try to conceal, deceive, or lie about the fact. Stop and work as a team to pin down the root cause through *genchi genbutsu*, then take steps that lead to *kaizen*. This is how we do things at Toyota, the DNA passed down since the company's founding.

Toyota was born from the ambition of Kiichiro Toyoda and the other founding members to 'establish an automotive industry for the future of Japan'. The founding members dealt with one hardship after another, without seeing the fruits of their labors.

It is us who have been enjoying the benefits of their hard work. Unless we are prepared to take on risks and face new challenges, we cannot hold our heads high before our predecessors or future generations.

It is the successor who must have an enterprising spirit. I hope all of you will take these words to heart.

Finally, I would like to close by shifting the focus a little.

Let's take a moment to gaze outside your windows. Can you see the cherry blossom trees in full bloom? I am in a place that is blessed by nature; if I listen carefully, I can even hear the birds singing. Other than us humans, the pandemic has not affected the lives of other living creatures. We may be the only ones running around in a panic.

I see the pandemic as a good opportunity to change the way we view this theater which we call Earth, where we always put humans in the spotlight. I encourage all of you to consciously try looking at the world from a new perspective.

There is much that we must do for the future, for the planet. Let's work hard together to make that happen! Once again, I congratulate you on becoming part of Toyota.