

Relations with employees

Assurance of Safety, Hygiene, and Health

Creation of a Safe and Comfortable Work Environment

Toyota Auto Body are working actively to secure the safety and health of all employees beginning with our employees, by establishing “Toyota Auto Body safety and health basic policy.”

Toyota Auto Body safety and health basic policy

【Fundamental Policies】

Ensuring the health and safety of all people who work at Toyota Auto Body is the foundation of our policy, which is based on the acknowledgement of our societal responsibility. Through our belief in “Safety first” and “Respect for humans,” we are working actively toward making a healthy mind and body, and also creating a safe and comfortable work environment in aiming for “zero accidents” and “zero illnesses.”

【Action Policy】

- 1) Prioritize safety and health over all things.
- 2) Observance of company rules, and also safety and health in aiming for a high standard for a safe and healthy work environment.
- 3) Good communication and activities that allow all employees to participate in bringing together the originality and ingenuity of each employee.
- 4) We persist in our efforts to eliminate danger and harmful factors and we promote continuous improvement for safety and health management.

System of Safety and Health Activities

In order to create a safe and comfortable work environment and also create a healthy mind and body, our Safety and Health Committee, which comprises labor and management, deliberates over efforts regarding safety, sanitation, and health. Committee results are then used for daily maintenance improvement activities by production line management.

For auditing if line management is on target, an auditing room has been created for each division general manager to have direct control.



Observance of Basic Safety Rules and Work Environment Improvement Activities

To prevent occupational injury, Toyota Auto Body have made safety rules clear. It is important that all employees observe these rules. The Basic Safety Rules at Toyota Auto Body were reorganized to be clearer from last fiscal year. Also, we have promoted educating workers about these rules. This allows operators to more easily observe the rules and also allows supervisors to give instruction for the proper use of the forklifts. This fiscal year, we devised a way to display the rules to make them more conspicuous. In addition, we are promoting observance of these rules by repetitive drill practice. One example of displaying the rules is the placing of a mark on the forklift mast to allow for a clear forward view for the operator.

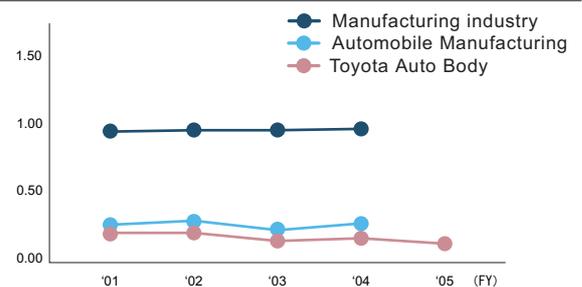
Basic rule

Pallet carrying height
 <Ensuring fields of view for forward movement>
 Carrying of loads below the height of the red line (1300 mm from the floor) on the outer mast.

1300mm

Display of the carrying height in forklift operation

■ Frequency of occupational accidents (Rate of lost-workday injuries)



$$\text{Rate of lost-workday injuries} = \frac{\text{Number of lost-workday accident cases}}{\text{Total labor hours}} \times 1,000,000$$



Efforts to reduce physical burden for assembly line workers

Among vehicle assembly line operations, a reduction in interior overhead part installation and assembly involving entry and exit from the vehicle reduces fatigue as well as physical burden on the line worker.

From the development stage for the production of the new Estima, designing, production technology, and the plants are integrated. Through such changes as part installation structural changes and modulation, assembly has been made easier with significant improvement for line worker posture during vehicle assembly.

For example, modulation and other such improvement results in the line worker not having to enter the vehicle to for installation of cabin roof components, which reduces working in a semi-crouched position and looking upward to perform installation. Moreover, reducing physical burden has improved production quality.

Example: Reduced physical burden by ceiling modulation



Efforts toward reducing noise

Reduction of work environment noise is an important issue for improving operation efficiency and also for the prevention of reduced hearing ability. Up to this time, Toyota Auto Body has planned to reduced noise; however, currently we have introduced an attractive method that results in significant noise reduction and also allows for monitoring of machinery.

On the press line, we are using a method that significantly reduces sound by surrounding the area around press machines with polycarbonate noise-proofing walls.

Noise reduction by press line noise-proofing walls



Efforts toward asbestos

Throughout our company, we are promoting a consolidated system for asbestos.

We have confirmed that asbestos is not used in any products, although asbestos does exist in certain buildings in our plants, we have taken measures to prevent concern by following regulations set by law.

Efforts toward basic technical education

In order for new workers to quickly acquire basic technical knowledge necessary for production sites, we have compiled and summarized the best curriculum, methods of instruction, and tools for drill practice to promote intensive education at our education center.

Support for creating a healthy mind and body

Effort toward mental health

For having a healthy mind, we are promoting the creation of a system for mental health.

- To prevent employees from “suffering from mental stress,” workers are able to diagnose their condition. In addition, we are introducing the use of a system from an outside agency which provides information for individuals to become mentally strong people.
- To “detect the onset of anxiety and quickly resolve it,” we are promoting awareness education for managers and supervisors. In FY2005, 311 people participated in courses and we plan to continue promoting education after FY2006.
- For employees “to be linked to treatment if they are suffering from mental stress,” we have increased the number of our mental health care staff.

Using the internet, item, one's mental condition is diagnosed and output.

Advice is displayed on how to become a mentally stronger person

By inputting the problem Individuals can be diagnosed Either the office or at home.

Performing a self-mental check by using computer diagnosis and through providing information



Employee Relations

■ Invigoration of people and the work environment

Aiming for ideal human resources

We are introducing our “Toyota Auto Body Career Development Program” and we are also aiming for developing human resources for the mid-term to long-term in order for each worker to perform with enhanced ability.

[1] Policy

- ① We aim for building relationships of sharing and respect for mutual aspirations between individuals and our company.
- ② We promote growth of the individual and we are building a planned, mid-term to long-term “human resources” clear.

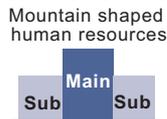


[2] Toyota Auto Body's aim for ideal workers

■ Office and engineering positions

Establishing professionalism through experience gained in various fields

- ① Possess skills as a professional that are acknowledged by others. Various expert abilities through having a main career and sub career.
- ② Possess the ability to step out in a new direction based on environmental data.
- ③ Leadership skills to carry an organization.
- ④ Have the power to execute with the will to perform globally



■ Technical positions

Improve one's ability within a certain type of work and secure a high degree of well-rounded skill

- ① Possess a wide range of skills that allow for flexibility with changes in production.
- ② Possess improvement skills to carry out through safety, quality improvement, and cost reduction in a balanced manner.
- ③ Possess leadership that achieves an orderly workplace.
- ④ Possess skills for execution and a strong belief in creating products.

[3] Global development of human resources

We are aiming to develop necessary overseas human resources through actively promoting international training that centers on training and support for globalization. One way we are developing human resources that support global expansion within and outside the company.

Other than previously educating supervisors of domestic consolidated subsidiaries, we newly built a Global Production Support Center in February 2006. The center emphasizes “developing workers to be taught on-site” through hands-on education that also involves managers and supervisors of overseas affiliated companies.



Together with trainees from Malaysia



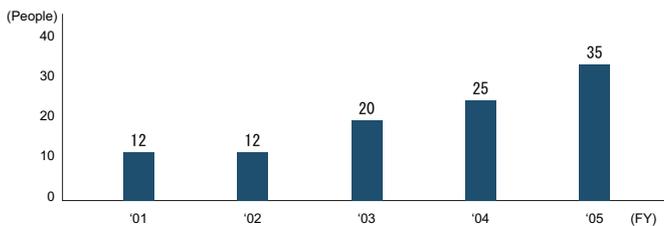
Promotion of equal opportunity and respect for diversity

Amidst changes in the environment surrounding the labor market, with the coming progress of women in society and the diversification of individual's values, an increase in competitiveness together with the social nature of companies is considered a significant problem by management, which has harnessed the diversification of human resources. Based on this thinking, we are actively working to also enhance "child support," "reemployment of elders," and "employment of disabled people."

Childcare Support System

Our company has come to support balancing work and child raising more than in the past. We think that it is the "duty of the company to create an environment that allows talented and willing employees to be active," which is based on the thinking that the company allows employees to provide their own nursing and childcare. Further improvements came with extensions for baby breaks for childcare leave and the period allotted for shortened working hours in October 2005.

Number of employees using childcare leave



Childcare Support System

Age of child	Contents	Age of child								Applicable				
		Pregnancy	1	2	3	4	5	6	7	8	Office and engineering	Technical		
Pregnancy Delivery ~ through Child's first year	① Overtime and late night work restrictions when pregnant	No overtime or late night work	6w week											
	② Time off before and after delivery	6 weeks prior to delivery (14 weeks for multiple births), No work for 8 weeks after delivery	8w week											
	③ Maternity protection measures during pregnancy and after delivery	Maternity protection measures taken based on physician's instructions during pregnancy and for one year after delivery												
	④ Childcare time	Child rearing time (30 minutes x 2 per day)												
Until 3 years old	⑤ Maternity leave (period)	Office and engineering positions ...Child is under 2 years old. Technical positions ...Child is under 3 years old.												
	⑥ Restrictions on late night work	No late night work												
Until 6 years old	⑦ Restrictions on overtime (within a set time)	No work beyond set hours Not to exceed 24 hours in one month 150 hours for the year												
	⑧ Child nursing leave	Allowance of five days per year for nursing care if child is injured or ill for children up to the time they enter elementary school.												
Until 8 years old	⑨ Overtime restrictions	No overtime												
	⑩ Short work hours	Set working hours per day reduced by 2 hours												
	⑪ Flexible time system	Allow for flexible hours (starting and finishing work)												

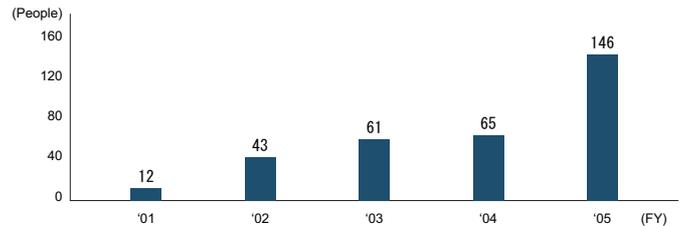
Legend: Light blue = Newly established in April 2005; Dark blue = Improved in October 2005

Reemploying elder workers (Career Partner System)

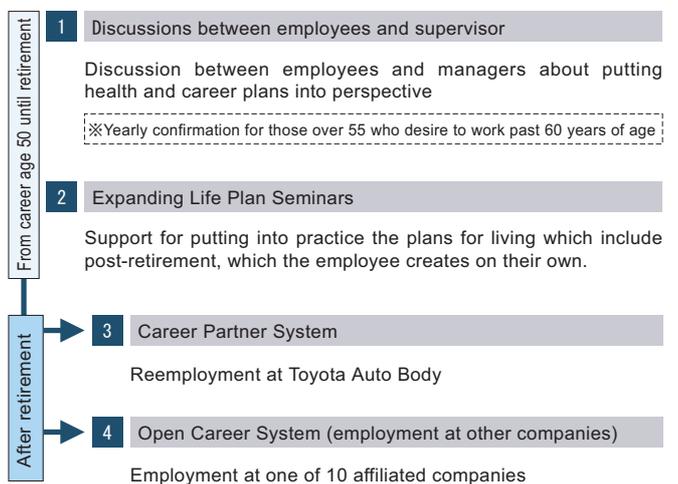
We are introducing a "Career Partner System" (from fiscal 2001) to allow eligible retirees 60 or older to willingly harness their cultivated and rich experiences based on the needs of the company and the desire of the individual.

In addition, supporting the Law for the Stabilization of Employment of the Aged passed in April 2006, we respect the diverse lifestyles and work attitudes of each employee over 60 by improving the support system to help aged workers achieve these through self-reliance.

Transition in the reemployment of the aged



Outline for reviewing the reemployment system for the aged



Employment of disabled people

As of April 2006, 138 disabled people are engaged in various work. At Toyota Auto Body, we are promoting the creation of an attractive place for living through such efforts as improvements for dormitories and offices so that disabled people are able to be satisfied with their work life alongside other employees.

Smooth oral and written communication even without the use of sign language.





Employee Relations

■ ■ Invigoration of people and the work environment



Continue good labor-management relations and improvement of communication

Establishing a C(Communication) Meeting System

To achieve workplace communication, the “C (Communication) Meeting” system was introduced from 2004. These C Meetings are held for one hour every month and are well-received. All employees engage in communication themes with the aim to create an open atmosphere for discussion. In 2005, all technical workers developed an environment that allows for information to be provided by the intranet.

FY2005 main topics

- Rigid enforcement of greetings
- Security control
- Observance of safety in the workplace
- Telephone handling
- Traffic safety
- Fire prevention and energy saving activities



C (Communication) meeting at technical workplaces

Implementation of a morale survey

Beginning in 1971, every year our morale survey, the Worker Attitude Survey, allows for feedback to the workplace. In addition, company policies are enforced based on a grasp of the actual attitudes of individual employees and among the team.

Discussion about the feedback results from each division leads to improvement of relative weaknesses.

Labor and Management Efforts

Our personnel labor policy of “mutual trust between labor and management” is our basic principle. Mutual understanding is deepened through various labor and management discussions such as “workplace discussions” to debate labor and management issues at the level of each workplace in the company. There is also our “Labor and Management Conference” where we deliberate over important labor conditions such as wages and bonuses.



Labor and management discussions