





Enablers of Change





Enablers of Change

Employees are our most valued assets and play a crucial role in achieving business goals. Toyota believes that a diverse workforce and an inclusive environment that respects and nurtures different people is a way to improve Toyota's business growth and performance. The strength and team spirit of employees helps the organization to perform better and develop innovative high-quality products to ensure Customer Delight. We harness the best of talent and train them to align with the association's objective and vision. Year-long training and development programs are conducted to cultivate the practice of consistent learning.



Based on the Contract type

	Apprentice Trainees (ITI, DAT, GEAT & Toyota Tantrajna)		Office Contract + Plant Contract		Total
					
Fixed term	0	0	0	0	0
Third party	0	0	91	28	119
Others, if any	0	0	0	0	0

Employee Distribution

			Total
Bidadi	5534	44	5578
Gurgaon	56	4	60
IS office	31	6	37
Japan	25	0	25
Kolkata	18	0	18
Mumbai	28	1	29
RPTC - Neemrana	8	0	8
RPTC - Kolkata	7	1	8
RPTC - Manesar	11	2	13
RPTC - Pune	18	0	18
Singapore	16	1	17
Thailand	22	2	24
UB city office	168	20	188
USA	1	0	1

Based on the Employment type

			Total
Full time employees	5943	81	6024
Part time employees	0	0	0

Based on Location and Gender



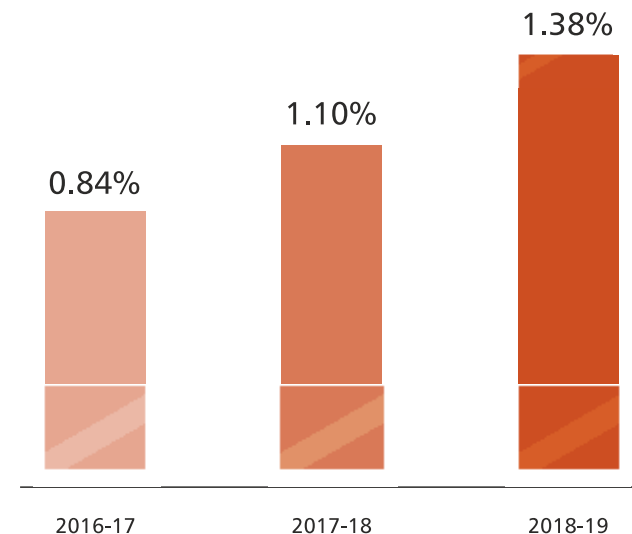
	Apprentice Trainees (ITI, DAT, GEAT & Toyota Tantrajna)		Office Contract + Plant Contract		Total
Bidadi	613	2	89	18	722
Gurgaon				1	1
IS office	1			1	2
Kolkata			1		1
Mumbai				1	1
RPTC - Pune			1		1
UB city office	1			7	8

Human Development – The Toyota Way

Our Philosophy: 'Respect for People'

For us, people are more than just a stream of assets; they are the key competitive competency of the company. Hence, Toyota views Headcount Management as an opportunity to continuously improve competitiveness of its employees. For this, we ensure most appropriate headcount size by controlled headcount management depending upon the present business situation, future business prospects and profitability. We consider controlled headcount management as an important factor to secure "Profitability" "Competiveness" & "Flexibility".

Talent Retention



Employee Welfare

We believe in fair labor practices. Gender is not a factor for recruitment, pay or retaining talent. We are an equal opportunity employer and practice equal pay for equal work, while strictly adhering to the country's minimum wage rules. Child labor or compulsory labor is strictly not encouraged in our operations or at our business partners.

Compensation

Our employees are rewarded with the most competitive compensation which is best in the industry. The factors influencing the compensation include the company's performance, market position, employee performance and other perspectives such as attrition, inflation, cost of living and the market price of labor.

Employee Benefits

We ensure the best of benefits to our employees. Apart from the mandatory and regular allowances, we support our employees with other benefit schemes such as

- Leave Encashment
- Employees Deposit Linked Insurance [EDLI] Scheme (Over & above the Act)
- Additional 51,000 insurance coverage (30 diseases)
- Personal Loan tip-up with banks (w/ low-interest rate compared to market rate)
- Toyota My Car Scheme (Car Discount Scheme)
- Interest Free Car Loan Scheme
- Company interest free loans in case of emergencies
- Happiness (Only TM's) & Sadness Allowance (TM's & family)
- Suggestion Allowance
- Long Service Award (completion of 10 years)
- Maternity Benefit Policy (Over & above the Act - 30 weeks + max. 5-month childcare leave)

Employees availing maternity leave	0	No. of employees returning after maternity leave in reporting year	7
Long absent employees after maternity leave	0	Employees availed paternity leave	629
		No. of employees returning after paternity leave	629

Our Association with Union

We believe that teamwork and transparency with employee union is crucial for our company's success. Hence, we are making efforts to strengthen our relations with the employee union through regular engagement. Our industrial relations team engages with the union daily and involves manager and successive levels on weekly, monthly, quarterly and annually.

The Memorandum of Settlement between the Company and union members is

renewed every two years. The expectations from the management and the union are also put forth making the negotiations transparent and fair. In the previous reporting year, we negotiated and entered the settlement for FY 2018-20. It covers the aspects of safety, code of conduct, productivity and quality in operations. In case of significant changes, a minimum notice period of two weeks is provided to the employees as per law.

To build a positive working environment in the shop floor, we have 7 employee relations officers, who act as ear and eye of HR management. They help us to understand the concerns of TMs at the shop floor and convey the same to the stakeholders to develop counter measures.

100% of our workmen exercise freedom of association and collective bargaining.

Appraisal

The performance planning, midyear and year-end evaluation of our permanent employees and trainees, are carried out through the HR Management System whereas the bi-annual performance review is conducted through online Performance Management System.They also receive their performance feedback from their respective supervisor on competency development, career planning, job rotation and learning and development programs. To strengthen our HR management system, we conduct Morale Survey once in two years. The 360-peer review is conducted to review senior management functioning. It involves an external consultant to maintain confidentiality in feedback collection.

In this reporting period, about 100% of our permanent employees received performance appraisals.

Creating a Vibrant Culture

Since 1999, we have established the structured employee engagement platforms which help in expanding human interaction. The activities are revisited based on the business contexts to strengthen our employee engagement activities over the years.

Overview of Activities

Employee Communication Activities



Employee Engagement Activities



Ekiden



Employee Talent show



Women's Day Celebration



Karnataka Rajyotsava

Ensuring Safety at Workplace

Safety is our top priority. We accord the same importance to safety of all our team members while working inside or outside the company premises. As safety leaders, we emphasize to create and strengthen the safety culture always and continuously strives to bring the safety consciousness in all our process/work carried out by TMs.

Safety and Health Committee

Safety and Health Committee meetings are undertaken at various levels to discuss means to improve health and fitness of the employees, reduce absenteeism and illness.

Manufacturing Safety Committee Meeting (MSCM) is conducted every month and is chaired by the occupier and manager of the industry and attended by the all top management along with representatives of Employees union.

Shop safety Committee Meeting (Shop Level) is conducted once every month and is attended by safety committee members (50% workers) along with shop heads.

Safety Month

Theme "Enhance Safety management to prevent accidents by strengthening safety culture among TM by involving at all level"

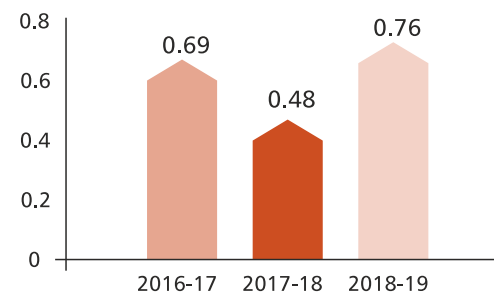
Initiatives and activities

- Demonstration of safety rules for supervisors and the office staff
- Rotation of the Safety team members to enhance safety mindset
- Enhancing people's ability to identify hazards
- Identification of critical activities that are high risk and ensuring safety countermeasures
- Shortlisting the difficulties in the working environment to follow safety rules and safety enhancements
- Safety improvements in shop floor to higher levels, to ensure a safety culture

Apart from the indoor safety enhancement, our safety team conducts indoor safety pre-holiday safety promotional activities pertaining to traffic safety

awareness, the importance of wearing a seatbelt, helmet etc. considering the traffic hazards in society

Safety Statistics (Accident frequency rate)



Commutation Safety

Some initiatives by commutation team are taken to ensure commutation safety. Strategies and achievement KPIs are designed to ensure commutation safety. Commutation Safety day on 4th of every month is organized. Discussions on various awareness topics are held. Seat Belt initiatives are designed to ensure safety of employees. 7 Golden Rules, driver recruitment process, and initiatives to reduce the CO2 emissions in the commutation activities are introduced.

Occupational Health and Safety

We at Toyota ensure our stakeholders well-being. Examinations, background checks and activities are conducted, and their outcomes are analysed to understand the gaps.

Pre-employment Medical Examination (PME) is provided to all employees, apprentice and contractors, to assess the health status and ensure fitness. Parameters included in the examination are as follows PEM- BMI, ECG, X-ray chest, Vision, Blood tests - Complete Blood Count, ESR, RBS, RFT, LFT, Lipid profile and Urine Analysis.

Annual Medical Examination (AME) is also conducted for all employees. Parameters included in AME examination are as follows BMI, BP, Vision, Audiometry, Pulmonary Function Test, Blood tests - Complete Blood Count, ESR, RBS, RFT, LFT, Total Cholesterol and Urine Analysis.

Learning and Development

Toyota Learning & Development India (TLDI)

Because people make
our automobiles,
nothing gets started
until we train and
educate our people

Eiji Toyoda



Create a learning
organization by
developing competitive
human resources
among all stakeholders
and thereby contribute
towards business
sustainability

VISION

Empower stakeholders
to develop
Human Resources
in their workplaces

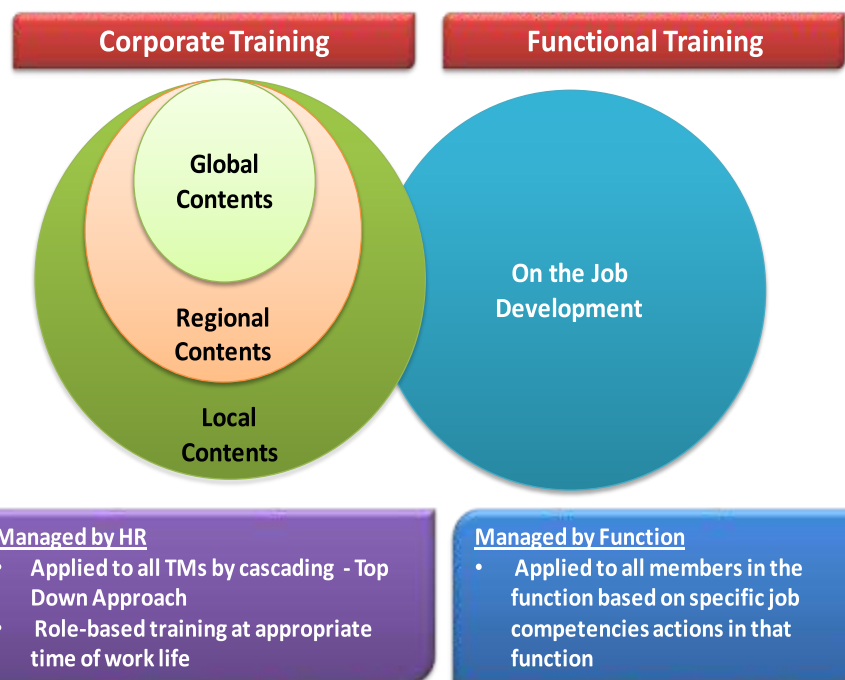
MISSION

Overview

Through Toyota Learning & Development India (TLDI) (TII), we accord equal learning opportunities to all our people. Skill Enhancement Plan (life-long learning) is designed which provides a plethora of training and development opportunities to employees to enhance the knowledge, skills and attitude throughout their career.

To develop Toyota Way competencies, employees are trained in global contents, regional contents and need-based local contents. Further, functional trainings are imparted to enhance their functional competencies.

Further, role-based and skill-based trainings are imparted as part of post-promotion programs. Employees are trained on policies and procedures (Service Policy Guidelines and Code of Ethics) including human rights. We train our security personnel in the organization's policies and procedures which includes safety, health, code of conduct and aspects related to human rights relevant to their operations during induction. We also provide periodic fire-fighting training to our security personnel.



Training need analysis

- Mid-to-long-term business plan
- Reflections from previous year
- Benchmarking
- Feedback from stakeholders
- Performance Management feedback

Employees' Training

To enhance problem solving skills, new program on Toyota Business Practice (TBP) Reinforcement Development was introduced for Deputy Managers and Managers. Based on the need shared from the manufacturing team, training to supervisors on soft skills was developed and imparted during the year.



TBP by Job Grade (New Program)



Post Promotion Training for Newly Promoted Deputy Managers

In line with changing times, TLDI also introduced e-learning modules on "HiyariHatto and KYT" and "Corporate Governance". All (100%) office staff completed these e-learning course.

Post-training Analysis

We focus on translating classroom learning into action by assigning Business Project / Theme report - out. For example, after attending (TBP) Reinforcement Development training, participants took a business theme and solved the workplace problem. Further, after post-promotion trainings, employees took up a developmental theme and applied the learnings in their workplace.

Stakeholder Engagement

We believe in putting our efforts to develop the entire stakeholder value chain by providing specific training programs to our Suppliers, Dealers, Corporates and Communities.

Based on the need shared by Toyota Excellence Center Sales and Service, "Dealer Management Development Program" (DMDP) was imparted. Meanwhile, supplier plant heads were trained in "Supplier Management Development Program" Level 2 based on the need analysis shared by Purchase Engineering team.



Training to Dealer Partners - Dealer Management Development Program

TPS Training to Toyota Financial Services Success Story

Toyota Financial Services (TFS) India approached TKM to develop their leadership team in Toyota Production System (TPS). Three-phase program was designed wherein cross-functional leaders from across grades were handpicked for the project. In phase one, fundamentals of TPS was taught. In the second phase, TFS members worked in the line to get hands-on-experience of TPS. In the third phase,



Training to Toyota Financial Services Team

they attended TPS Standard Work and Kaizen training. Each phase of the program was followed with action learning project. In summary, 53 Muda were eliminated, job standards were developed and Turn-around-Time (TAT) of Bangalore operations reduced by one-hour!

Trainings imparted to stakeholders

Training	Duration (In Days)	Employees	Dealers	Suppliers	Corporates
Toyota Way Foundation	1	●	●	●	●
Plan Do Check Act	1	●	●	●	
A-3 Reports	1	●	●	●	●
Toyota Business Practices	2	●	●	●	●
Toyota Job Instruction	2	●	●	●	
Toyota Communication Skills	1	●	●	●	
Toyota Production System	3	●	●	●	●
Problem Solving Training	2	●		●	
Role of Supervisor	1	●		●	
Abnormality Management	1	●		●	

Skill Development

Skill contest is conducted every year to identify employees with best skills. It is conducted at three levels viz. Company Level, Asia Pacific Level and Global Level.

Company-wide Skill Contest

- 93% participation of shop floor members
- Selection of top 3 contestants in 9 skills
- Contest conducted in Team Member, Team Leader and Group Leader categories



TKM team at Asia Pacific Skill Contest held at Thailand

Asia Pacific Skill Contest

- 13 Asia Pacific Toyota Affiliates contest against each other
- Training at Asia Pacific Global Production Center
- TKM bagged 2 Gold, 4 Silver and 8 Bronze (2nd position in Asia Pacific)
- Gold Medalists represent Region at Global Skill Contest

Global Skill Contest

- Toyota affiliates contest globally at Japan

Toyota Technical Training Institute

Vision

Develop good corporate citizens equipped with Toyota specific methodologies, create learning opportunities for the deserving individuals and meet the future indigenous and social expectations.

Students are trained in Automobile Weld, Automobile Assembly, Automobile Paint and Mechatronics trades. Till now, TTTI has trained 540 industry-ready technicians who have been placed in Toyota Group Companies and supplier partner companies.

We are proud to note that Government of India and Japan Institute of Manufacturing(JIM) have identified TTTI as a benchmark training institute.



Dr. KP Krishnan, Secretary, Ministry of Skill Development and Entrepreneurship, Government of India delivered the Convocation Address



Toyota Team at India Skills 2018



World Skills Contest

TKM has bagged winner and runner-up position in Mechatronics and Prototype Modelling category in national level contest. Winners will be participating in the World Skills Contest which will be held at Russia

Getting ready for World Skills Contest

Toyota Apprenticeship Scheme

- Since 2002, TKM has trained over 11,000 Apprentice members
- ITI, Diploma and Engineers are also trained across Karnataka.

	Total Members Trained	Total Man Days Trained
Employees		
Executives (Grade 7 and Above)	1707	7094
Non-Executives (Grade 8)	4329	19568
Others (Apprentice and Contract)	2657	7971
	8693	34633
Suppliers		
Suppliers	304	1792
Dealers		
Dealers	258	1772
Community		
Community	324	12547
	9579	50744

World Skills Contest: Success Story of Kiran



Kiran hails from Udupi District in Karnataka. Having lost his father at the age of 10 years, his mother had to work as a daily wage worker to eke out their living. Due to difficult conditions, Kiran's elder brother and sister had to discontinue their education, who started working as daily wage laborers.

After his 10th standard, Kiran's brother-in-law motivated him to apply to Toyota Technical Training Institute (TTTI). He got selected in Mechatronics stream. He put efforts to learn every day. As a result, he secured fellowship in five

semesters. During his final semester, Kiran got shortlisted to the World Skills Contest. Rigorous training was imparted to him in India as well as from the TMC Japan. In the World Skills Competition, which was held at Abu Dhabi in 2017, he won the Bronze Medal for India in Prototype Modelling. "With continuous coaching from my trainers, I was able to hone my skills and give my best in the competition", says Kiran. Presently, he is working in Toyota Kirloskar Motor inhouse tool manufacturing team.