

AGREEMENT TO ESTABLISH THE TOYOTA EUROPEAN FORUM

10 July 1996

1. Introduction and Guiding Principles

In signing this Agreement we affirm that in establishing the Toyota European Forum we wish to promote productive and harmonious relationships to support the achievement of strong and effective Toyota European operations.

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We recognise that employees' job security, prosperity and development depend upon the Toyota European companies continuing to grow and be successful and that the objective is to achieve not only short-term success but long term prosperity.

We also recognise:

The substantial areas of common interest between the companies and employees and the need for all employees to be fully informed of the companies growth and success.

The first and most important channel for communications stems from the existing day to day direct and open relationships within each local individual company (e.g. Union relationship(s), Company Councils etc.). The Forum will not duplicate or substitute the normal discussions at the individual company level, in this respect locally agreed arrangements will take precedence.

2. Objectives and Principles of Operation

The objective is for Senior European Management and nominated Employee Representatives to share appropriate information on the various businesses in Europe through holding an annual European level meeting (the Toyota European Forum). Through this meeting we wish to provide improved information for employees on manufacturing, distribution, sales and after-sales activities. This meeting should also facilitate opportunity to exchange views, in order to create a wider perspective on issues that are broader than one individual country, thus strengthening European Operations through improved understanding. These principles are also in compliance with the European Union Council Directive 94/45/EC, more specifically by applying article 13 of this Directive, and with article 4 of the Collective Agreement number 62 of February 6, 1996.

In the operation of the Forum the Forum Members fully recognise the independence of the individual companies and their unique employee representation systems/practices (e.g. Union, Employee and company Council relationships) and the prevailing expectations and needs of employees based upon the normal practice within the individual companies in their own country.

The Forum accepts its responsibility to respect the individual companies need to effectively pursue their activities which will achieve the common objectives of commercial success and employees' well-being; in particular to respect the individual companies initiatives for

promoting continuous improvements in quality and productivity aimed at these common objectives. The Forum also accepts its responsibilities to respect each individual company's arrangement and practices to achieve the full involvement of employees in the company's activities.

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3. Scope

As determined under section 2, the Forum will share information on the various businesses (manufacturing, distribution and sales activities) and human resources in Europe to create a wider perspective on issues that are broader than one individual country, thus strengthening european operations through improved understanding on the following subjects:

- Structure of the european operations: trend of employment, business result (incl. sales), trend of investment and research & development.
- Substantial cross border projects: transfers of production, mergers and substantial reorganisations, vocational training, health and safety.

Recognising the need to respect already agreed procedures at company or country level, issues relating to salaries, terms and conditions of employment, including arrangements and national rules for employee involvement (including arrangements for employee representation) will continue to be handled at local country/company level.

4. Companies involved in the Forum

The Forum will comprise companies which meet the following criteria (i.e. for the purpose of this Agreement the definition of the Toyota European Forum):

- I. Companies which are dominantly controlled by Toyota Motor Corporation. This means more specifically:
 - a. more than half of the members of the board of directors, management board or the supervisory board are appointed, directly or indirectly, by Toyota Motor corporation;
 - b. more than half of the votes attached to the issued share capital are held, directly or indirectly, by Toyota Motor Corporation;
 - c. or, more than half of the subscribed capital is held, directly or indirectly, by Toyota Motor Corporation.
- II. Companies located in a Member state of the European Union or the European Economic Area.

The companies included are indicated in Attachment A.

A "Substitute" may be assigned per effective representative where officially appointed according to national/local law and/or customs and practices.

6. Administrative Sub-Committee

In order to facilitate the preparation of the meeting and the communication afterwards, an Administrative Sub-Committee may be established, consisting of one employee representative from the Representative Agent and one each from two other larger companies within Toyota's european organisation, together with an equal number of representatives of Human Resources.

The activities of such an Administrative Sub-Committee are specified under Sections 7, 8 and 9. In order to start up the Toyota European Forum, the Forum Coordinator (see below) will conduct the necessary activities for the first meeting.

Practical arrangement of the meeting will be coordinated by the General Manager of Human Resources of the Representative Agent, named Forum Coordinator, who, being a member of the Administrative Sub-Committee, will ensure the timely invitation to the meeting, the preparation of the agenda, the objective reporting of the meeting, including the timely issuing of a summary report and minutes. Each company covered by this agreement will nominate the Head of Human Resources as support staff in order to coordinate local arrangements.

7. Meetings

The Forum will meet once a year. A member of Senior Management of the Representative Agent, named President, will set the date and place of the meeting, and will preside in the meeting.

Eight weeks before the meeting, a tentative Agenda will be sent out by the Forum Coordinator to be jointly reviewed at the individual company level.

Four weeks before the meeting, the Forum Coordinator will confirm the Final Agenda within the Administrative Sub-Committee, and will distribute it to Forum Representatives and their substitutes.

One week before the Forum preparatory documentation will be distributed to each Management / Employee Representative attending.

On the day before the Forum meeting a pre-meeting among Employee Representatives may take place.

Relevant information and documentation will be submitted to each Representative in a language he/she can understand.

In very exceptional circumstances and understanding Section 3, the Toyota European Forum may be convened for an extraordinary meeting either upon request of the President or upon request of half of the members at an Administrative Sub-Committee meeting.

Note: 1) The representative agent of the central management of Toyota will be Toyota Motor Europe Marketing & Engineering (TMME).

2) Requests for involvement in the Forum may also be considered from companies, which are inside Toyota's European operations, but which are in countries that are not part of the European Union or the European Economic Area (Subject to the company satisfying the condition in 4.1 above). In these circumstances the Forum may propose that a company may join the Forum, deciding by consensus upon their inclusion after hearing the opinions of the Management and Employee Representatives (at a Forum meeting). Such companies may be either full Members or tentative Members.

see more information on EWC's under www.euro-br.eu

5. Composition

In order to provide the opportunity for an appropriate level of involvement recognising the Toyota structure and level of employee presence within each country, the Toyota European Forum will comprise the following:

- I. One Employee Representative per country in which Toyota has a sufficiently significant presence (around 50 employees), subject to each company with more than 150 employees being permitted one representative.
- II. Two Employee Representatives per country in which Toyota has a major presence (around 450 employees), subject to each company with more than 1,500 employees being permitted two representatives, and one additional representative for each further 1,500 employees.
- III. The number of Management Representatives will be defined by the same method as outlined above and will comprise the Managing Director / President of the companies and /or their deputies (from senior management). Managers working for Toyota may attend the Forum to provide specific information/ support, upon request of the President of the Forum.

The number of Representatives per country and per company is outlined in Attachment A. (Company criteria will take precedence over country criteria and are not additional.)

Employee Representatives shall be chosen from among those employees who are performing the official role of employee representative in their own company. The period of mandate and the method of selection to be in accordance with national/local law and/or customs and practices. The existing employee representatives will normally select the Representative(s) to attend the Forum.

In the companies where no official representatives are defined, management will facilitate a procedure to elect an employee (or employees) to participate as Employee Representatives of the Forum.

8. Communications following the Meeting

The summary report (in English) will be confirmed by the Administrative Sub-Committee. The summary report will be distributed to each company within 2 working days after the Meeting (Heads of Human Resources will arrange translation or translate the summary report when appropriate).

The summary report will be used for communication to all employees.

The minutes of the meeting (in English) will be confirmed by the Administrative Sub-Committee within two weeks of the meeting and forwarded to each company represented at the Forum meeting via Heads of Human Resources. They will translate the minutes (if necessary) and distribute them to the Forum members within four weeks of the meeting.

see more information on EWC's under www.euro-br.eu

9. Advisor

When requested by the Employee Representatives at an Administrative Sub-Committee meeting, the European Metalworkers' Federation (EMF) will assign one Advisor who supports them during the pre-meeting. Additionally, when requested by a majority of Employee Representatives at the pre-meeting, the assigned advisor may also attend as an observer at the Forum meeting immediately following. The Advisor will be assigned from those national, regional or other Union Officials who have knowledge of Toyota through their contact with a company which is a member of the Forum.

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Resources Made Available

Travel and accommodation costs for the Representatives to attend the Administrative Sub-Committee, the Forum meeting and its pre-meeting are met by each participating company.

As appropriate, travel and accommodation costs for one Advisor to attend the pre-meeting and Forum meeting are met by the Representative Agent.

Payment for Representatives attending the Forum will follow the participants' own company local arrangements.

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11. Language

The working language of the Forum is English. It is agreed that the texts written in the English language will serve as a basic reference in the event of any problem with interpretation, or dispute.

Should Representatives be unable to read or express themselves in English, when necessary the Forum Coordinator will organise, during the Forum, interpreting facilities (in a limited number of European languages).

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12. Confidentiality

To protect the business interests of the Toyota's european operations, the attendees of the Toyota European Forum, and the Advisor who may be assigned by the EMF will be bound by secrecy on information specifically presented as confidential. This obligation will continue even after expiry of the Membership mandate for as long as the information remains confidential.

The obligation to observe confidentiality conforms with the National Law on Works Councils applicable in the country where the Representative Agent is located.

see more information on EWC's under www.euro-br.eu

13. Legislation

In the case of dispute, the legislation of the country, where the Representative Agent is located will be applied to the operations of the Forum.

To increase stability with the application of this Voluntary Agreement, should a European or National regulation come into force governing European Employee Bodies of all kinds after the signature of this Agreement the continued existence of this Agreement shall be protected.

Employee Representatives, in carrying out the Forum duties, have the protection as defined by the local legislation and the local agreements of each individual country/company.

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14. Duration of the Agreement

This Agreement will apply for a period of at least six years (from the date of its signing), and after that will be automatically extended to apply indefinitely. After the first six years, variations to the agreement may be considered at Forum meetings and will come into effect after confirmation by the signatories to this Agreement. However, improvements to the practical operation of the Forum may be considered upon consensus of all Forum members as the need arises. Discontinuation of the agreement can be requested by one of the undersigned by a registered letter after the first six years period with a termination period of one year.

15. Start-up

The first meeting of the Forum will be held in September 1996.

The undersigned agree on the above and commit themselves to make the parties they represent, to act accordingly.

alp.
[Signature]
[Signature]
[Signature]

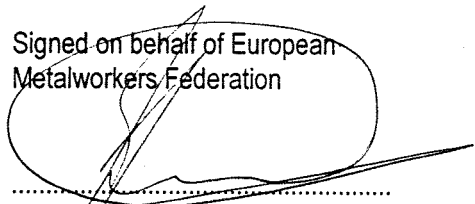
Signed in Brussels on July 10, 1996.

Signed on behalf of the
Representative Agent (TMME)



T.TAKAHASHI, Managing Director

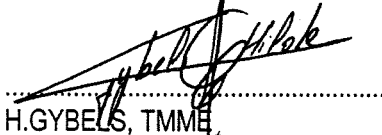
Signed on behalf of European
Metalworkers Federation



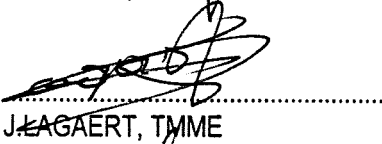
T.JANSSEN, President

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Signed on behalf of employees



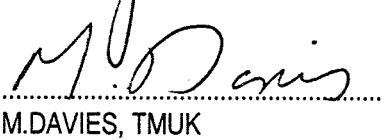
H.GYBELS, TMME



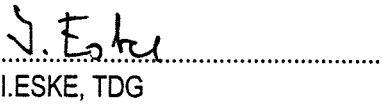
J.LAGAERT, TMME



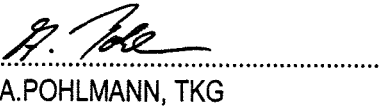
A.GIRVAN, TMUK



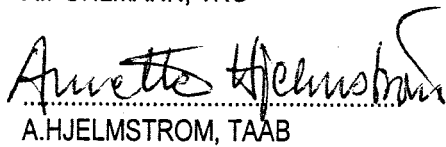
M.DAVIES, TMUK



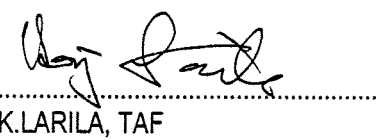
I.ESKE, TDG



A.POHLMANN, TKG



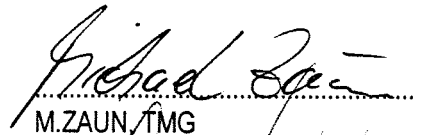
A.HJELMSTROM, TAAB



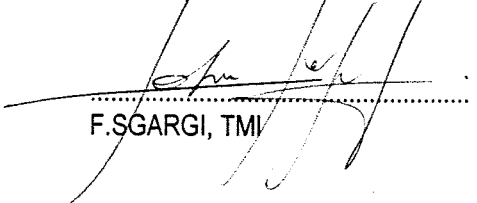
K.LARILA, TAF



S.-L.KAIKKONEN, TAO



M.ZAUN, TMG



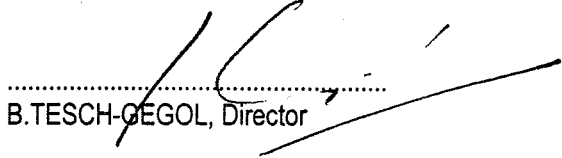
F.SGARGI, TMI

Signed on behalf of EURO-FIET



C.McKENZIE, Project Manager

Signed on behalf of EURO-FIET



B.TESCH-GE GOL, Director

