

Toyota Motor Manufacturing (UK) Ltd

Code of Conduct

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Foreword

Toyota is committed to conducting business in an open and fair manner, and aims to become the most respected and trusted car manufacturer in the world. In order to achieve this objective, each of us needs to bear in mind that we are representatives of Toyota, and that we must conduct ourselves in accordance with acceptable societal norms in a work-related context. This implies that we should be honest, reliable and thorough in our conduct, and that we should exercise good judgement in decision-making. I request and expect each one of you to carefully read through this *TMUK Code of Conduct*, and to act in accordance with both its letter and spirit.

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Managing Director, Toyota Motor Manufacturing (UK) Ltd
January 2007

Background

Toyota worldwide has implemented a code of conduct to standardise business practices. Many aspects of the code of conduct can already be found in the Agreement between Toyota Motor Manufacturing (UK) Ltd and Amicus, and the dignity at work booklet. This code of conduct is applicable to all TMUK members, temporary employees, and where relevant – to contractors and consultants operating within the plants.

Guiding Principles at Toyota

The “Guiding Principles at Toyota” consists of the following seven principles:

1. Honour the language and spirit of the law of every nation and undertake open and fair corporate activities to be a good corporate citizen of the world.
2. Respect the culture and customs of every nation and contribute to economic and social development through corporate activities in the communities.
3. Dedicate ourselves to providing clean and safe products and to enhancing the quality of life everywhere through all our activities.
4. Create and develop advanced technologies and provide outstanding products and services that fulfil the needs of customers worldwide.
5. Foster a corporate culture that enhances individual creativity and teamwork value, while honouring mutual trust and respect between labour and management.
6. Pursue growth in harmony with the global community through innovative management.
7. Work with business partners in research and creation to achieve stable, long-term growth and mutual benefits, while keeping ourselves open to new partnerships.

How to use the *TMUK Code of Conduct*

Read the *TMUK Code of Conduct* to understand if your actions are in line with the company's requirements. Should you have any doubts about the meaning or implications of any part of the code, please consult your supervisor.

TMUK attaches great importance to the effective implementation of this *Code of Conduct*, and will monitor the implementation process, and periodically review the content.

We will report on our progress in implementing the *Code of Conduct* and compliance to the Corporate Social Responsibility Committee of Toyota Motor Europe.

CHAPTER I. TOYOTA AND US

Toyota is committed to enhancing its business performance in order to continue to provide employment and maintain fair and stable working conditions. At the same time, Toyota tries to create a harmonious and stimulating work environment. In exchange, we as employees strive to perform our duties with integrity. By fully utilising our talents and cooperating with others, we seek to enhance the business performance of Toyota. This chapter explains the norms and rules on which the relationship between Toyota and its employees is based.

1-1. Creating a Harmonious and Dynamic Work Environment

- Working for Toyota with integrity and in accordance with sound social norms -

Toyota will comply with the letter and spirit of the labour and employment laws and regulations of the countries in which it operates, and encourages and supports the personal growth of Toyota employees.

Based on its value of “Mutual Trust and Mutual Responsibility”, Toyota endeavours to improve its business performance, to offer equal employment opportunity, to maintain fair and stable working conditions, and strives to create a safe and harmonious work environment for its employees.

Toyota will respect and honour the rights of all employees, and will not discriminate against them or permit infringement of their rights.

As members of the Toyota family, all employees are required to comply with internal rules and to perform their work and duties for Toyota with integrity and in a socially acceptable manner in a work-related context. Members of Toyota are also expected to fully utilise their capabilities and put forth their best efforts to contribute to enhancing Toyota’s business performance globally.

(Guiding Principles 1 and 5)

(a) Respect for human rights

We respect human rights and do not discriminate on grounds of race, gender, ethnicity, age, religious or sexual orientation, physical disability, and marital or parental status. Workplace harassment or intimidation will not be tolerated. We strive for discussions based on mutual trust and respect, and aim for long term prosperity. We provide social protection and remuneration in line with the local regulations and well-balanced practices.

(b) Achieving and maintaining a safe and healthy working environment

We strive to create a safe, healthy and comfortable working environment. Toyota has systems in place to prevent accidents or disasters from occurring at work, but should a problem, accident or disaster occur, we shall cease relevant parts of operations, secure safety and try to rescue people. We shall also compile appropriate reports and investigate any causes thoroughly, in order to put measures in place to prevent reoccurrence. Using or being under the influence of drugs and/or alcohol during work time is absolutely prohibited.

(c) Outside activities

We focus on our work and duties and carry them out with integrity. We will seek to avoid conflicts of interest between our work and private life, which could negatively affect the quality of the performance of our work or the interests of Toyota, and strive for a healthy work-life balance. We commit to discuss potential conflicts of interest with a supervisor in order to gain advice on how best to proceed. We should, however, avoid acquiring any interest or participating in any activity outside Toyota that may damage the reputation and integrity of Toyota.

No one may take up outside employment without the prior approval of TMUK Human Resources.

(d) Outside remuneration

We will not accept any commission or other remuneration from others outside Toyota for negotiating, procuring, recommending or aiding any transaction with or on behalf of Toyota, nor have any direct or indirect personal financial interest in such transactions.

(e) Teamwork

We will cooperate with one another so as to achieve our tasks and objectives effectively and efficiently, and will endeavour to enhance the capabilities of individuals and the company as a whole. Those in management or supervisory positions will supervise, guide and support their subordinates and encourage teamwork, in order to enhance communication and effectiveness across the company.

(f) Improvement of work efficiency and skills

We strive towards innovative thinking and continuous improvement, and are committed to enhancing our efficiency. We also continuously pursue personal growth and enhancement of our professional capabilities, through training and all other appropriate means. Although personal growth has many dimensions and can have different meanings for different people, at Toyota, personal growth includes elements such as enhancing experience, knowledge and the ability to take on more responsibilities, as well as the efficient use of various HR management systems and processes.

CHAPTER II. OUR ACTIVITIES IN THE COMPANY

Toyota strives to provide high quality products and services that meet the demands of customers worldwide. Toyota Manufacturing UK seeks to maintain the highest standards of health, safety, quality and environmental management, and sets ambitious targets for all its activities. We should bear in mind that each function within Toyota Manufacturing UK is linked to the business activities of the company as a whole, and that Toyota prohibits illegal acts or any act in violation of the company policy and rules. This chapter discusses how we should contribute to each of the major activities of Toyota.

2-1. Compliance with Laws and Regulations

- Acting in accordance with applicable laws, regulations and acceptable societal norms in a work-related context -

Toyota will comply with all applicable laws, company policies and rules, adhere to sound societal norms in a work-related context and take appropriate action against any illegal or criminal acts or acts in violation of company policies and rules. Toyota will not deviate from this commitment regardless of whether an unlawful act serves the “interest of the company” or “interest of customers” or is requested by a superior.

Each member of the Toyota family is required to comply with applicable laws and company policies and rules, and to abide by sound social norms in all aspects of their work.

(Guiding Principles 1 and 2)

(a) Compliance with local, national and international laws and regulations

We shall comply with all relevant laws and regulations in the countries in which we operate. It is the responsibility of each of us to be familiar with the laws applicable to our job. We must ensure that our conduct is such that it cannot be interpreted against the laws and regulations governing the operations of Toyota. We should bear in mind that the perceptions of others of our actions are important and that we should act in a manner that leaves no doubt as to our intentions.

(b) Compliance with company policies and rules

We will familiarise ourselves with the policies of Toyota and commit ourselves to acting in accordance with the principles set out in the “Guiding Principles at Toyota”, the “Toyota Way”, the “Contribution towards Sustainable Development” and this *TMUK Code of Conduct*.

(c) Promoting compliance with the law

We will not tolerate illegal acts or actions that violate Toyota policies and rules from each other, nor from any Toyota business partner. We will take appropriate action against legal violations of others. We will emphasise the importance of compliance with laws and regulations within the company, as well as in our relationship with business partners.

2-2. Management and Usage of Assets and Confidential Information **- Securing asset maintenance and confidentiality management -**

Toyota possess a wide variety of tangible^{*1} and intangible^{*2} assets that are extremely valuable and vital to the successful operation of its business. In order for Toyota to use such assets effectively during the course of its business activities, Toyota manages its assets with firm control to prevent them from being lost, stolen or used illegally or wrongfully.

Toyota endeavours to protect the confidentiality of its sensitive information (e.g. trade secrets) and to use such information in an appropriate manner. At the same time, Toyota does not tolerate the illegal use of other parties' assets or the unauthorised use of confidential information of other parties.

Members of the Toyota family should adequately manage and protect Toyota's and personal assets of others.

(Guiding Principle 1)

^{*1}Tangible assets include land, buildings, facilities, equipment, products, merchandise, materials, office automation equipment, networks, office supplies, cash and deposits, securities and bonds, and corporate credit cards.

^{*2}Intangible assets include intellectual property rights, such as patent rights, trademarks, copyrights, design rights, know-how, etc; corporate confidential matters, such as information on technology and products and information on procurement and sales, personnel and accounting information, and software (e.g. programmes, data).

(a) Protection of tangible assets

We will not use the company's tangible assets for any reason other than those specifically authorised by the company. Also, in order to prevent loss or theft, we will follow the rules with regard to the treatment of tangible assets (e.g. rules relating to the removal of assets from the company premises). We will not allow tangible assets of other companies or individuals inside the company unless the action has been approved in accordance with company rules and procedures.

(b) Protection of Toyota's intellectual property and other intangible assets

We will continually protect all intellectual property of the company against any infringements. This includes all intellectual property rights and other intangible assets that are created or developed, directly or indirectly, through our work with the company belong to the company, or which are assignable to the company.

(c) Protection of personal information

We will treat all personal information, including our own, with due care. We shall obtain personal information about our customers and our business partners only by legitimate means, strictly manage and protect such information, and use the information for its intended purposes only. We shall ensure that proper procedures for processing, maintaining and storing personal data are followed. No personal information about employees may be disclosed by any person or third party unless - and until - proper authorisation for such disclosure has been obtained in accordance with applicable regulations. All personal data will be processed, stored and maintained in an appropriate manner and used only to legitimate ends.

(d) Respect for the intellectual property of others

We will not infringe upon the intellectual property rights of others or use such property (such as patents, utility, designs and trademarks) illegally, or make illegal copies of software or publications in accordance with data protection rules and legislation.

(e) Protection of company trade secrets

Much of Toyota's information and data are of a confidential nature and may not be disclosed except to those authorised to use it. We shall therefore abide by the Toyota rules for the usage of confidential and sensitive information and do our utmost to avoid leakages of trade secrets. Even after termination of our employment (for whatever cause) within Toyota, we will not reveal or disclose any confidential information and data we may have acquired knowledge of during our employment at Toyota.

(f) Protection of other companies' secrets

In the event that we seek to acquire information about another company, we shall employ legitimate means, obtain it from legitimate sources and keep appropriate records of this. We shall verify the permitted scope of usage and other conditions that may apply and use any acquired information accordingly.

(g) Use of business communication facilities

Telephone, e-mail, Internet and other communication facilities provided by Toyota are to be used for business purposes and with care.

2-3. Insider Trading

- *Responsible engagement with privileged and confidential information* -

Toyota is in possession of a large amount of valuable confidential information. All employees are strictly prohibited from using such non-public information in trading stocks and securities.

All members of the Toyota family should understand that insider trading is a crime in most countries and destroys the mutual trust between companies, investors and business partners.

(Guiding Principle 1)

(a) Maintenance of confidentiality of internal information

We will not disclose any confidential or sensitive information about Toyota, its business partners and affiliated companies to anyone inside or outside the company, except when required for legitimate business purposes. Examples of confidential or sensitive information include internal information on mergers, alliances, business partnerships or joint-ventures, development of new technologies or products, any fluctuation in sales or profit figures or dividends about which the company has not yet made an official public announcement.

(b) Prohibition of insider trading

We understand that any kind of trading in securities of any company including Toyota while in possession of material, non-public information about those securities and/or the company – known as insider trading – is prohibited, whether or not such an investment ultimately returns a profit or an intermediary is involved. Examples of insider trading include initiating the sale or acquisition of stocks, debentures or bonds of a company on the basis of confidential information that has been acquired in the course of working for Toyota.

We shall take sufficient precautions in our investment activities to steer clear of any involvement in insider trading. We shall also not suggest or recommend that anyone sell, purchase or retain the securities of any company while we have material non-public information about the company and/or its securities, even if we do not communicate or disclose the information.

(c) Special rules regarding Toyota securities for executives

Because TMUK executives are likely to have access to material, non-public information about Toyota (such as financial information), additional requirements are applicable to help prevent insider trading violations. It is prohibited for all executives to trade in Toyota's securities during the period commencing with the end of a financial term (including half-year and quarter) and ending on the date on which Toyota's financial results become public. Furthermore, engaging in short-term trading in the company one is working for is often perceived by enforcement authorities dealing with securities law as involving insider trading. Toyota executives, therefore, will refrain from conducting the purchase and sale, or sale and purchase, of Toyota securities within six months.

2-4. Promoting Safety

- *Manufacturing safe vehicles*

As a car manufacturer, the quest for safer vehicles is one of the main challenges and responsibilities of Toyota. In cooperation with suppliers and retailers, Toyota endeavours to research and develop, design and manufacture Toyota and Lexus vehicles that have been subjected to strict quality controls for the comfort and safety of our customers. Toyota is proud to offer outstanding after-sales service and safety education to customers and the general public. Toyota will also be actively involved with "People Education" (i.e. driver education) and with improving the "Traffic Environment".

The needs of customers should always enjoy the highest priority. As members of the Toyota family, we must continually strive to make vehicles safer, in order to secure customer loyalty and trust.

(Guiding Principle 3)

(a) Manufacturing safe vehicles

We shall pay close attention to safety in the manufacturing of our vehicles through planning, production and inspection. After considering safety from a broader perspective, endeavour to manufacture vehicles to the appropriate safety standards. To support the safe functioning of vehicles we offer training to all production members.

2-5. Environmental Preservation

- *Manufacturing people-friendly and environment-friendly vehicles* -

Toyota is keenly aware of the importance of global environmental conservation. Therefore, Toyota is dedicated to providing clean and safe products and to enhance quality of life through all our activities. Furthermore, Toyota has developed a proactive environmental policy and plan, the “*Toyota Earth Charter*” and its “*Toyota Environmental Action Plan*”, to ensure continual improvement in environmental performance.

Toyota regards sound environmental management as one of its major responsibilities, and considers the environmental impacts of its vehicles throughout their entire life cycles, from production to disposal. Toyota is committed to compliance with international environmental standards and conducting environmental impact assessments; and is working towards designing and “building environmentally friendly vehicles” in cooperation with its suppliers, retailers, etc.

Members of the Toyota family should strive to maintain the highest environmental management standards in all countries in which they operate.

(Guiding Principle 3)

(a) Consideration for the environment

Each one of us will endeavour to take potential environmental impacts into consideration and to realise the “zero emission” target we have set for all of our business operations.

(b) As a member of society

We shall, as members of a recycling-based society, strive to conserve natural resources and energy. To demonstrate our commitment to the environment, we actively participate in environmental initiatives.

(c) Providing information on environmental performance

We will disclose adequate and timely information on our environmental performance to relevant organisations and authorities and via public reports and via our website.

2-6. Procurement

- *Honest and fair transactions* -

Toyota engages in open and fair procurement activities, based on the following three principles:

(a) Fair competition based on performance

Regardless of nationality or the size of the transaction, Toyota offers fair opportunities to candidates, and evaluates candidates based on their overall capability, including quality, technology, price, volume and reliability of delivery as well as the stability of their business management and technological development capabilities.

(b) Mutual growth based on mutual trust

Toyota strives towards establishing mutually beneficial relationships with its suppliers based on close cooperation and open communication.

(c) Promoting localisation to become a good corporate citizen

Toyota actively supports local procurement and production, so as to contribute to the economic development of the countries and communities in which it operates.

Toyota members engage in procurement activities with fairness and integrity, with the above three basic principles in mind and in accordance with applicable laws.

(Guiding Principles 1 and 7)

(a) Innovation and efficiency

We strive to acquire specialised knowledge in areas such as procurement, raw materials and production processes, cost management etc. We will work with our suppliers to identify ways to reduce costs. We respect the confidentiality of information and intellectual property rights of our suppliers and protect these as we do our own.

(b) Personal relationships with suppliers

Personal relationships with suppliers, contractors, consultants may give rise to situations where a conflict of interest – real or perceived – may arise. We should therefore ensure that we remain independent (and are seen to be independent) from any company that has a contractual relationship with Toyota. Investing in or acquiring any direct or indirect financial interest in companies that Toyota has business relations with should be avoided. Business transactions with family members in other companies are also prohibited.

(c) Receiving gifts, hospitality or other favours

A conflict of interest may arise when we are offered gifts, hospitality or other favours that could influence our judgement in relation to business transactions such as the placing of orders and contracts. No personal favours or other preferential treatment may be accepted if they are a result of our work positions in Toyota. Special care needs to be taken to steer clear of offers that may (appear to) place us under an obligation.

Our relationships with suppliers should be established on a clear and fair footing, with suppliers viewed as an equal partner. To this end, all commercial transactions must be conducted with the highest moral and business standards. In particular, we should be careful:

- to prevent personal and business conflict arising from the receipt of any form of convenience from suppliers which may be construed as abusing the status of our buying position;
- business entertainment, dinners or meals and other such initiatives are permissible, but should have a sound business context and have management approval;
- Offered overnight accommodation should be declined; and
- In all instances, sound common sense should prevail, with disclosure being the necessary safety and judgement mechanisms.

(d) Promoting good corporate citizenship

We will encourage our suppliers to adopt and implement socially responsible corporate policies.

(e) Observing and honouring the terms and conditions of contracts

We shall take note of and honour the terms and conditions of all contracts that we enter into with our suppliers.

(f) Use of bargaining position

We will not abuse Toyota's bargaining position or influence in order to force suppliers to accept unfair terms or to disclose technical know-how, nor will we intentionally try to unfairly sideline suppliers.

2-7. Manufacturing

- *Manufacturing vehicles and products which secure customer trust and faith* -

Toyota will endeavour to manufacture high-quality Toyota and Lexus vehicles and parts in order to meet customer needs. In addition, Toyota will establish optimal distribution networks for vehicles and parts to support the above objectives.

In order to ensure the efficient production and supply of high-quality Toyota and Lexus vehicles and parts, Toyota endeavours to build the “world’s optimum production network and global vehicle distribution network”.

In order to enhance the global competitiveness of Toyota and Lexus vehicles, Toyota has developed the Toyota Production System in accordance with the characteristics of each region of the world, and aims to establish plants that are worker- and environment-friendly.

As Toyota members, we endeavour to ensure product safety and quality, and comply with the laws that apply to manufacturing and distribution.

(Guiding Principle 4)

(a) Accuracy in work and securing safety and quality of products

Through standardisation of work, we aim to eliminate *Muri* (beyond capacity), *Mura* (unevenness) and *Muda* (waste). We strive to create products of consistently high quality in order to increase customer satisfaction. Should defective products be produced or work errors occur, we will suspend production so as to determine the cause and take appropriate measures to prevent reoccurrences.

(b) Skilled work

We are committed to the continuous improvement of our capabilities, technical skills and overall efficiency. We therefore strive to continuously improve our work methods, procedures and processes.

2-8. International Business Activities

- Being a globally operating company that is trusted by society -

Toyota operates worldwide, and many of its business activities – not only manufacturing, but also research and development – are conducted outside Japan. Toyota operates in diverse environments and in a world that is constantly changing. Not only does each country have its own laws, regulations and customs, but the international political and economic climate can also change rapidly. Toyota abides by national, regional and international laws and regulations, while at the same time respecting the culture, customs and history of the countries and communities in which it operates. Toyota contributes to the development of local economies by combining a “global and local” outlook.

(Guiding Principles 1 and 2)

(a) Respect for the culture, customs and history of each country

We shall respect the culture, customs and history of each country in which we operate, and take into account the interests of local communities and local residents.

(b) Observation of the terms and conditions of contracts

We shall be familiar with the terms of agreements related to our international business. We believe that abiding by our agreements is a first step toward open and fair business practices, and that such integrity forms the foundation for a relationship based on mutual trust with our international business partners.

2-9. Profitability Enhancement

- Building a robust profit base -

To meet the expectations of investors and society, Toyota is committed to taking the measures required to improve management efficiency, achieve a sustainable increase in profits and strengthen the foundation of management and profit.

Toyota conducts detailed feasibility studies prior to financing or investing in domestic or international projects. In regard to fund management, Toyota places the highest priority on security and certainty.

Based on the appropriate financial index, Toyota evaluates its management efficiency and profit make-up both on an individual and a consolidated basis and does its best to continuously improve its performance. Toyota will disclose accurate financial results in a timely matter to relevant persons and groups.

(Guiding Principle 6)

(a) Profit enhancement and cost-cutting

We undertake to enhance profitability in collaboration with our business partners through innovation, determination and precision. We endeavour to reduce costs through thorough cost-consciousness and individual creativity in order to provide our customers with products and services that are attractive in quality and price.

(b) Appropriate utilisation of funds and expense processing

As for project, budget investments or financing of projects, we strive to utilise funds effectively by carrying out reviews on internal control by more than one person in order to prevent inappropriate or wrongful usage of financial resources.

(c) Ensuring accuracy

Based on appropriate accounting processing standards, we ensure accuracy of accounting and financial data, and strive to maintain its confidentiality. We strive to prevent processing errors and leakage, alteration and loss of confidential information.

CHAPTER III. SOCIETY AND US

Toyota maintains close ties with the communities in which it operates. Toyota aims to become a good corporate citizen that is trusted internationally, as well as by local communities. We strive to communicate openly and honestly with stakeholders, and we engage in activities that contribute to the sustainable development of local communities and society as a whole. This chapter sets out guidelines for (and examples of) Toyota's engagement with society. In addition, it illustrates issues about which we should be aware.

3-1. Corporate Communication
- Being open and fair -

Toyota strives to be an open company that is trusted by society. We disclose accurate and timely information to stakeholders via its public relations activities and public hearings, in order to enhance transparency. Toyota appreciates and respects constructive criticism from stakeholders and will incorporate suggestions into its business practices if deemed necessary.

We endeavour to disclose information to society in an accurate and timely manner.

(Guiding Principles 1,2 and 6)

(a) Providing accurate information

With awareness that, as employees of Toyota, each one of us has a public relations role to fulfil, we shall conduct ourselves in a manner that supports society's trust in Toyota by providing accurate information. As for constructive criticism and realistic requests directed to Toyota, we strive to give adequate and prompt feedback.

(b) Promotion of good relations with local communities

Toyota strives to enhance its reputation and gain the trust of local communities through participation in local community events and hosting factory tours, special events and programmes. Toyota also organises sessions with stakeholders during which they are invited to offer constructive criticism, share issues, and exchange ideas on solving them.

(c) Awareness of use of language and terminology

We realise that we may unthinkingly use terms in our everyday language that could be considered as inappropriate by others. We therefore strive not to use slanderous, defamatory or discriminatory language that may cause offence to others.

(d) Relations with the media

We will not make public statements on behalf of Toyota about any business matter unless we are certain that the views we express are those of Toyota – and that it is Toyota's desire that such views be made public by us. If approached by the media, we will immediately contact communications & External Affairs. As a general rule, Toyota's views on public policy or industry issues will be dealt with by senior management. Articles for publication, public speeches and addresses concerning Toyota and its business should be reviewed by Communications & External Affairs in advance of any public disclosure.

3-2. Philanthropy and Community Relations

- Being a good corporate citizen trusted by the international and local community -

Toyota strives to use its resources efficiently and to participate in activities that aim to resolve societal problems or issues, so as to contribute to the realisation of a prosperous society and sustainable development. Such activities are aimed at alleviating societal problems or issues and include initiatives relating to the nurturing of personnel, the environment and road safety.

As a global company, Toyota contributes to creating a sustainable society. Toyota strives to be a good corporate citizen in the communities in which it operates, and is committed to contribute to resolving the social issues that various communities face.

As a member of a local community, Toyota will take an interest in and gain awareness of local social issues and also actively pursue philanthropic activities and encourage volunteering by its employees.

(Guiding Principles 1, 2 and 6)

(a) Understanding and participating in Toyota's community relations and philanthropic activities

We understand and support Toyota's policy on community relations and philanthropic activities, seek to address various social issues and to actively participate. Our focus areas are environment, education, children & health.

(b) Active participation in community relations

As a member of society, Toyota believes that active involvement in the community through philanthropy and volunteering is not only beneficial to society but also enhances our reputation. Toyota therefore aims to contribute to creating a better society by facilitating and stimulating employee participation in philanthropic and volunteer activities that best suit each individual.

3-3. Shareholder Relationship **- Enhancing shareholder benefits -**

In order to meet the interests of shareholders and investors worldwide, Toyota strives to enhance corporate value and achieve stable, long-term economic growth. Toyota acknowledges the importance of maintaining good investor relations. Therefore, the company is committed to communicating with investors in a timely manner and promoting understanding of its management strategies and business activities. With regard to corporate governance, Toyota is committed to enhancing transparency regarding its management activities, including internal controls by independent auditors.

Through our work, each of us endeavours to act in accordance with Toyota's commitment to meet the expectations of its shareholders and investors worldwide.

(Guiding Principle 6)

(a) Enhancing profitability

We endeavour to add value for shareholders and investors by stimulating creativity, pursuing technological innovation and managing business risks.

(b) Carrying out Investor Relations activities

We disclose timely and accurate information on company performance, our fundamental principles and policies and plans to enhance profitability. We are receptive to shareholder and investor opinions or criticism of company performance, principles, policies and plans, and strive to give adequate feedback.

(c) High ethical standards

Engagement in any act that constitutes a serious violation of the law, breach of trust, serious wrongdoing, embezzlement or fraudulent accounting practices will not only lead to legal, but also to disciplinary sanctions. Toyota's reputation is a valuable asset that has taken years to build. Therefore, we shall maintain high ethical standards, observe the letter and spirit of the law, and exercise prudence in decision-making.

(d) Financial records

Accurate and reliable records of many types need to be maintained to meet Toyota's legal and financial obligations and to manage its businesses. Toyota's books and records must give an accurate account of business transactions. Failure to disclose or record revenues, expenses, assets or liabilities is not permissible, and all of us who fulfil accounting and record-keeping functions are expected to be diligent in following proper procedures.

(e) Disclosure

We are committed to disclosing accurate and timely financial data to our shareholders and investors.

3-4. Government Relations

- Maintaining healthy and transparent relations with public authorities -

Toyota strives to build and to maintain transparent and fair relationships with public authorities and at all times to follow proper procedures in complying with the laws or professional codes of conduct in relation to these matters.

(Guiding Principle 1)

(a) Gifts, hospitality and favours

We do not tolerate or commit bribery of representatives of public authorities.

(b) Lobbying

We shall not compromise the integrity or reputation of Toyota or any other individual, business, or public authority in our dealings with anyone outside Toyota. When lobbying public authorities, we shall ensure that our requests are reasonable.

(c) Political contributions

We shall refrain from offering special benefits to or making donations to representatives of political parties.

3-5. Politics and Religion

- Tolerance -

Provided that it does not prevent employees from fulfilling their work-related responsibilities, Toyota respects the freedom of employees to engage in political activities and does not, in any way, interfere with individuals' religious activities.

We will not engage in political and/or religious activities that interfere with our work or that of other Toyota employees.

(Guiding Principle 1)

(a) Separation of work with political and religious activities

Political participation and religious practice are private activities that each individual is free to engage in. In addition, due to the personal nature of religious and political views, individuals who express their opinions publicly will it make clear that such views are those of the individual, and not those of Toyota (unless such an announcement of a view has been specifically authorised in advance by Toyota).

3-6. Road safety

- Improve road safety awareness in society as whole -

Toyota strives to contribute to the creation of a safe and secure society, not only through the manufacturing of safe cars, but also by actively promoting road safety education and raising road safety awareness.

As a car manufacturing company, we view it as our responsibility to set an example in road safety by complying with traffic rules, driving carefully and actively promoting road safety.

(Guiding Principle 1)

(a) Abiding by traffic rules and regulations

As representatives of a car manufacturing company, we strive to set an excellent example on the road when driving a car. We shall always abide by traffic rules and regulations.

(b) Driving with care

We strive to be courteous and careful drivers.

Dealing with serious violations of the *TMUK Code of Conduct*

Certain wrongdoings (behaviours or practices) committed by a member of TMUK may constitute serious violations of the *TMUK Code of Conduct*. Such serious wrongdoings include:

- any fraud or misconduct relating to accounting, internal accounting controls, auditing matters and reporting, bribery, financial crime, insider trading; or
- any wilful act or serious negligence that:
 - puts or is likely to put Toyota's financial assets or financial situation at risk;
 - constitutes a criminal offence;
 - endangers or is likely to endanger members' safety and/or physical or moral integrity;
 - damages or is likely to damage significantly any material or intangible property of Toyota; or
 - puts or is likely to put in danger Toyota's confidential or business-sensitive information.

Members working with or for TMUK are expected to actively contribute to achieving the objectives of the *TMUK Code of Conduct*, not only by acting in accordance with its provisions, but also by reporting actual or suspected serious wrongdoings committed by other members. Such reporting will allow Toyota to initiate timely corrective and/or preventive action.

How to report a serious wrongdoing to TMUK

Facts or suspicions regarding serious wrongdoings should be reported to TMUK through the supervisory chain (preferred route) or directly to the TMUK Compliance Officer on ext 3602 (with anonymous option)

False or malicious reporting

Any malicious or false allegation reported by any member will be regarded as a serious disciplinary offence.

Investigation and decision-making by TMUK

Reported facts or suspicions of a serious wrongdoing will always be taken seriously by TMUK. They will be investigated thoroughly and will be dealt with as appropriate, which could result in corrective action.

Prevention of penalisation or victimisation of the reporting member

In some cases, members may be inclined to ignore serious wrongdoings they have witnessed, or may be deterred from reporting such wrongdoings by fear (e.g. of being seen as disloyal, or being victimised or penalised). Toyota understands such apprehensions, and therefore:

- TMUK will not undertake any penalising action against any member who has reported serious and genuine concerns or suspicions regarding a serious wrongdoing.
- TMUK will not tolerate any attempt on the part of any supervisor/member to harass, discriminate, disadvantage or in any other way victimise any other member who has reported a serious and genuine concern.

Confidentiality of the reported information and the identity of the reporting member

TMUK will treat any report, its content and the identity of the reporting member as confidential, and only disclose it to those members of Toyota who are involved in the reporting, investigation and decision-making process on a need-to-know basis – and then only to the extent necessary to implement all the stages of the process.

Contribution towards Sustainable Development

We, TOYOTA MOTOR CORPORATION and our subsidiaries, take initiative to contribute to harmonious and sustainable development of society and the earth, based on our Guiding Principles. We comply with local, national and international laws and regulations as well as the spirit thereof and we conduct our business operations with honesty and integrity. In order to contribute to sustainable development, we believe that management interacting with its stakeholders as described below is of considerable importance, and we will endeavour to build and maintain sound relationships with our stakeholders through open and fair communication.

Customers

- Based on our philosophy of “Customer First”, we develop and provide innovative, safe and outstanding high quality products and services that meet a wide variety of customers’ demands to enrich the lives of people around the world. (Guiding Principles 3 and 4)
- We will endeavour to protect the personal information of customers in accordance with the letter and spirit of each country’s privacy laws. (Guiding Principle 1)

Employees

- We respect our employees and believe that the success of our business is led by each individual’s creativity and good teamwork. We stimulate personal growth for our employees. (Guiding Principle 5)
- We support equal employment opportunities, diversity and inclusion for our employees and do not discriminate against them. (Guiding Principle 5)
- We strive to provide fair working conditions and to maintain a safe and healthy working environment for all our employees. (Guiding Principle 5)
- We respect and honour the human rights of people involved in our business and, in particular, do not use or tolerate any form of forced or child labour. (Guiding Principle 5)
- Through communication and dialogue with our employees, we build and share the value “Mutual Trust and Mutual Responsibility” and work together for the success of our employees and the company. (Guiding Principle 5)
- Management of each company takes leadership in fostering a corporate culture, and implementing policies, that promote ethical behaviour. (Guiding Principles 1 and 5)

Business Partners

- We respect our business partners such as suppliers and dealers and work with them through long-term relationships to realize mutual growth based on mutual trust. (Guiding Principle 7)
- Whenever we seek a new business partner, we are open to any and all candidates, regardless of nationality or size, and evaluate them based on their overall strengths. (Guiding Principle 7)
- We maintain fair and free competition in accordance with the letter and spirit of each country’s competition laws. (Guiding Principles 1 and 7)

Shareholders

- We strive to enhance corporate value while achieving a stable and long-term growth for the benefit of our shareholders. (Guiding Principle 6)
- We provide our shareholders and investors with timely and fair disclosure on our operating results and financial condition. (Guiding Principles 1 and 6)

Environment

- We aim for growth that is in harmony with the environment throughout all areas of business activities. We strive to develop, establish and promote technologies enabling the environment and economy to coexist harmoniously and to build close and cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation. (Guiding Principle 3)

Community

- We implement our philosophy of “respect for people” by honouring the culture, customs, history and laws of each country. (Guiding Principle 2)
- We constantly search for safer, cleaner and superior technology to develop products that satisfy the evolving needs of society for sustainable mobility. (Guiding Principles 3 and 4)
- We do not tolerate bribery of or by any business partner, government agency or public authority and maintain honest and fair relationships with government agency and public authority. (Guiding Principle 1)

Philanthropy

- Wherever we do business, we actively promote and engage, both individually and with partners, in philanthropic activities that help strengthen communities and contribute to the enrichment of society. (Guiding Principle 2)