

TOYOTA

MANUFACTURING UK

Toyota Motor Manufacturing UK's Approach To Preventing Modern Slavery & Human Trafficking 2022

For Financial Year Ending 31st March 2022



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1. Introduction to Toyota Motor Manufacturing UK (“TMUK”)

Introduction

- This is Toyota Motor Manufacturing UK’s (TMUK) seventh Modern Slavery & Human Trafficking Statement in line with Section 54 of the Modern Slavery Act 2015. We have continued to deepen our understanding of the risks, as well as inform and communicate to our members (employees) and supply chain. Toyota as a whole continues to be committed to conducting business in an open and fair manner, and aims to become the most respected and trusted car manufacturer in the world.
- TMUK’s vehicle manufacturing plant is located at Burnaston in Derby and the engine plant is located at Deeside in North Wales, employing approximately 3,111 members and engaging with a number of contractors across both plants.
- Whilst the automotive sector is complex due to the nature of the manufacturing process involving many tiers of suppliers across a large number of countries, Toyota works with suppliers so that they understand the requirements and the expectations for them to operate in an ethical manner.
- TMUK has continued to support collaborations, which are helping businesses to do more together to eradicate modern slavery and to act both responsibly and ethically.
- TMUK continues to work closely with Toyota (GB) and Toyota Financial Services (TFS) in the UK. We are continuing to publish Toyota (GB) and TFS’s statement on the TMUK website alongside our own to ensure customers, suppliers and other stakeholders have transparency in understanding our approach.



2. Defining Modern Slavery and Human Trafficking

- Modern slavery is a complex crime which captures a range of exploitation types, many of which occur together where vulnerable human beings are bought and sold as commodities.
- Modern slavery refers to the deprivation of fundamental human rights and is unfortunately a growing crime in the UK and globally.
- Key signs of modern slavery and human trafficking can include:
 - Individuals who have a lack of personal belongings, including food, clean and warm clothes.
 - The working of excessively long hours for little or no pay.
 - Appearing to be frightened, withdrawn, or show signs of physical or psychological abuse.
 - Allowing others to speak for them.
 - Having limited contact with others outside their immediate environment.

3. Toyota's Guiding & Operating Principals

- Toyota believes it is paramount to operate within a set of key values, which are referred to as the Company's Guiding Principles.

Toyota Guiding Principles

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.

Toyota Motor Manufacturing UK's Operating Principles

- We strive to create a safe, healthy, harmonious and dynamic working environment. We respect human rights and do not discriminate. We comply with all relevant laws and regulations.
- 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.
- We respect human rights and therefore provide a workplace free from harassment and intimidation. Our members are not forced to work against their will and they work without threat of punishment. We do not endorse child labour practices, everyone working at Toyota is doing so voluntarily and free from threat of penalty or coercion.
- We strive for a healthy work-life balance.
- We require our suppliers and contractors to operate in accordance with Toyota's Code of Conduct and to be compliant with all applicable laws and regulations in the countries in which they operate.
- Toyota believes in developing mutually beneficial long-term relationships based on mutual trust with all suppliers. To foster that trust, we pursue close and wide-ranging communication to share our knowledge to enhance our business relationship.

4. TMUK's Business Overview

Our Business

TMUK's Size

2 sites:
Vehicles - Burnaston in Derby, England
Engines - Deeside in Deeside, Wales



3,111 employees



Consumables & services

2,478 supplier companies



60 indirect commodities



22 countries in which suppliers are located

Parts

16 countries in which suppliers are located



196 TME managed suppliers



85 TMC managed suppliers



Our Policies

Code of Conduct

incorporating:
whistleblowing,
child labour &
discrimination



TMUK's Modern Slavery & Human Trafficking Policy

Supply Chain Responsibilities

TMC's Human Rights Policy

TMUK's Purchasing Policy



TME's Sustainable Purchasing Guidelines



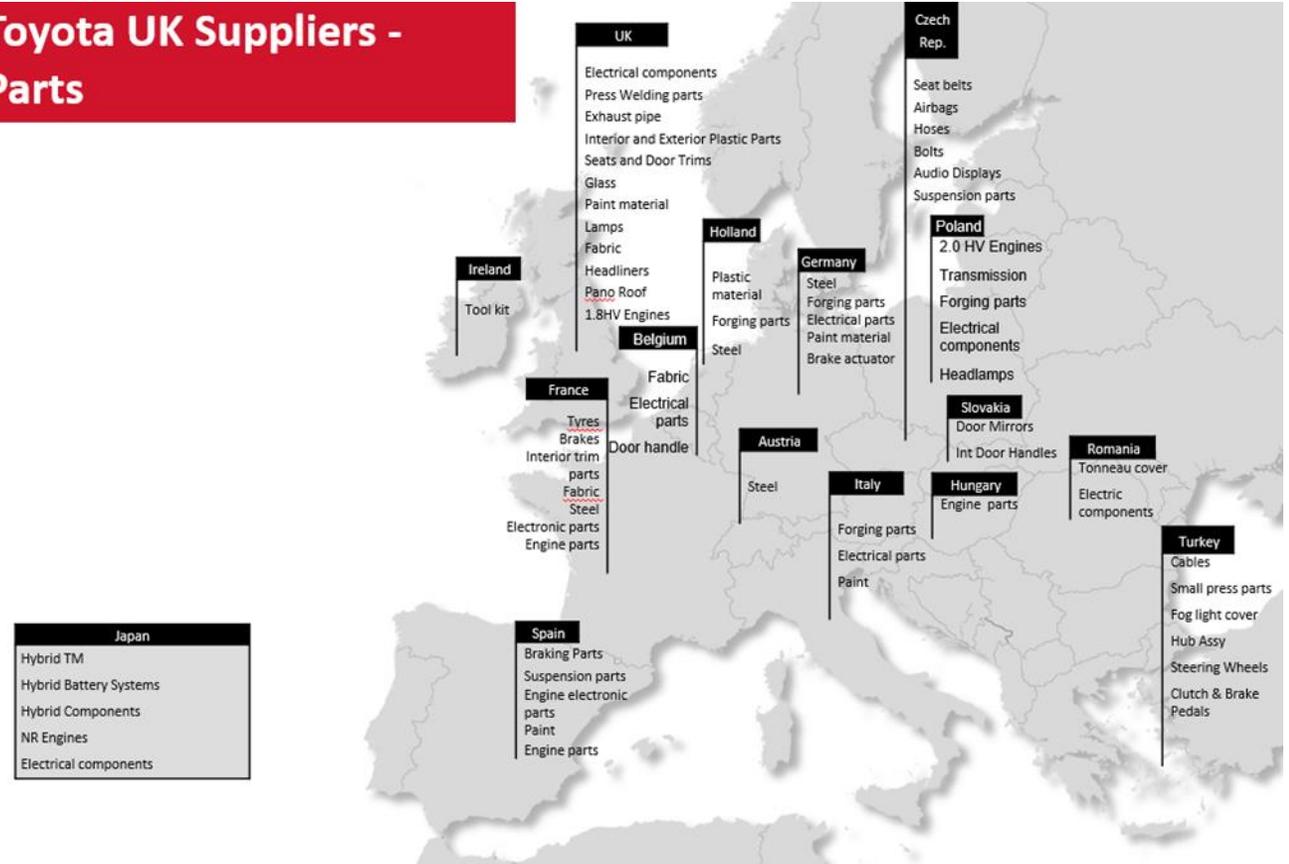
Toyota Way



Abbreviations:
TMUK = Toyota Motor Manufacturing (UK) Limited
TME = Toyota Motor Europe
TMC = Toyota Motor Corporation

Supply Mapping

Toyota UK Suppliers - Parts



5. Toyota Motor Corporation's Human Right's Policy & Due Diligence

TMUK's approach and policies & procedures, closely align with Toyota Motor Europe (TME) and Toyota Motor Corporation (TMC) as the Company's vision and operating principles cascade down from Japan, to the European Region, and to the UK. The regions are in regular contact and a committee for Human Rights meet on a regular basis to share approach, best practice and knowledge.

Toyota Motor Corporation's (TMC) approach is to "produce happiness for all". Their request to global entities in every country and every region in which Toyota operates, is to aim to be the best company in town that is both loved and trusted by the people. Toyota's approach is to continue to protect and improve the human rights of our employees, customers, and all people involved in our business activities in order to be beneficial towards society.

Toyota's Human Right Policy includes the following commitments:

1. Commitment for the "respect for human rights";
2. Scope of responsibility;
3. Human rights due diligence;
4. Remedy;
5. Education & training;
6. Monitoring and disclosure;
7. Consultation with stakeholders.

Additional detail →

<p style="text-align: center;">Toyota's Human Rights Policy</p> <p>We as Toyota refer to and respect the "United Nations Guiding Principles on Business and Human Rights" (UNGPR) and promote activities related to human rights based on the UNGPR.</p> <p>Seeking "the happiness of someone other than ourselves" has always been a part of Toyota's Founding Principles and this was a driving force that led to the invention of the automatic loom which can be considered as the beginning of Toyota.</p> <p>This spirit and pursuit is still within us today, although our mission has now grown to "producing happiness for all".</p> <p>Within every country and every region in which we operate, we aim to be the best company in town that is both loved and trusted by the people.</p> <p>The automotive industry is supported by numerous people, including local communities, suppliers, business partners such as dealers, customers, etc.</p> <p>We will continue to protect and improve the human rights of our employees, customers, and all people involved in our business activities in order to be beneficial towards society.</p> <p>This policy stands as the highest level policy related to human rights within Toyota and shall be adhered to by everyone employed by Toyota.</p> <p>1. Commitment for the "respect for human rights"</p> <p>We recognize that our business operations could be at risk to potential and actual human rights impacts.</p> <p>We seek to uphold the human rights of others, and shall address any human rights infringements that may arise from our business operations by taking responsibility for them.</p> <p>We expect our business partners and other parties to also respect and not infringe upon human rights, however if they do, then we will respond appropriately based on this policy.</p> <p>We respect and refer to international norms such as the Universal Declaration of Human Rights. Toyota is guided by the United Nations Guiding Principles on Business and Human Rights and therefore we have a</p>	<p>corporate responsibility to respect human rights. This policy ensures compliance with international human rights obligations together with the laws and regulations of the countries in which we operate within.</p> <p>In operations where there is a difference between the national and international standard for human rights, we will adopt the higher standard of the two. If there is conflict between the standards, then we will strive to the utmost to respect internationally recognized human rights to the greatest extent possible.</p> <p>2. Scope of responsibility</p> <p>This policy applies to all executives and employees in Toyota and its subsidiaries. We also expect our business partners, including our suppliers, to understand and agree with this policy and to work with us to ensure that their business operations respect this policy.</p> <p>3. Human Rights Due Diligence</p> <p>In order to fulfill the responsibility to respect human rights, we will establish and continuously implement a Human Rights Due Diligence* system. (*The process which is implemented for the identification, prevention, and mitigation of negative human rights impacts)</p> <p>4. Remedy</p> <p>If it is certain that we have caused or contributed to an adverse impact on human rights, we shall immediately implement corrective measures.</p> <p>In addition to this, we will continue to develop and operate a practical remediation mechanism by expanding the function of our existing grievance mechanism which has been established in Japan and also in other regions.</p> <p>5. Education and Training</p> <p>In order to ensure that this policy is embedded within our internal operations and communicated to our external stakeholders, we provide appropriate education and training to all our executives and employees,</p>	<p>and we concurrently encourage our business partners such as suppliers and retailers to understand our expectations.</p> <p>We also ensure that this policy is incorporated within the necessary processes, such as each function's policies and guidelines, so as to become institutionalized across all of our corporate activities.</p> <p>6. Monitoring and disclosure</p> <p>We will ensure the complete implementation of this policy by continually tracking its progress, while at the same time, allowing for revisions to the policy if needed.</p> <p>We will disclose our actions for respecting human rights, together with the appropriate measures, within our official website and other communication platforms.</p> <p>7. Consultation with stakeholders</p> <p>In the event that a human rights violation occurs, Toyota will consult with external stakeholders to address the issue and ensure continual communication.</p> <p>This policy was approved by the Board of Directors of Toyota Motor Corporation on September 29, 2021.</p> <p style="text-align: right;">September 29, 2021 Toyota Motor Corporation President and Representative Director, Akio Toyoda</p> 
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6. Annual Update: Steps we have taken and plans for the year ahead

	Steps We Have Taken To Date	What We Did FY 2021 - 2022	What We Plan To Do FY 2022 - 2023
In Summary 	<ul style="list-style-type: none"> We acknowledge that as a business we are operating in a complex environment and as individuals we are making progress to eliminate modern slavery. Our message has been that everyone is the 'eyes and ears' for identifying and reporting modern slavery. We must be vigilant and aim to continuously improve in this area. We continue to regularly brief all members about the nature and impact of modern slavery, and how they can contribute to stopping it. We provided in-depth training to members in higher risk areas. We continue to make checks across the business and undertake wellbeing audits. We continue to work closely with experts to continuously improve our activity, and to support spread of best practice. Since 2018 we have worked with regional modern slavery working groups and continue to do so. 	<ul style="list-style-type: none"> Continued to support the regional modern slavery working groups. 	<ul style="list-style-type: none"> Continue to support local & UK initiatives
Training 	<ul style="list-style-type: none"> 2017: We briefed TMUK and TME UK-based suppliers and contractors during a one-hour training session about modern slavery. 2018: We briefed approximately 3,200 members (employees) about what modern slavery is, the key signs to spot, sharing key information, video resources, and reporting methods. We have shared Unseen's reporting app via noticeboards. 2018: TMUK's Modern Slavery Lead attended a training event hosted by <i>Stronger Together</i>. The event included learning to aid future planning and strategy. 2019: TMUK's Modern Slavery Lead and members of the Purchasing team undertook further externally recognised modern slavery and purchasing practices training with <i>Stronger Together</i> to understand current best practice, in order to maintain up-to-date knowledge and methods. 2019: We offered external Transparency Statement Training to some of our suppliers with support from De Montfort University. 2020 & 2021: Despite Covid-19, we have continued to embed preventative good practice across the business by undertaking CSR checks and briefing all members on the importance of their input and in looking out for key signs. 2021: We have collaborated with a modern slavery expert to provide a training video for our supply chain to provide an essential tool kit offering help and guidance for how to comply with the Modern Slavery Act 2015 and a practical approach for best practical implementation. 	<ul style="list-style-type: none"> Continued to provide induction training to new members and annual updates to all members. Launched a training video & information booklet to TMUK's suppliers via TMUK's website and available free of charge to the public. 	<ul style="list-style-type: none"> To continue to remind all members of the need to remain vigilant and to consider the welfare of those around them (both in work and out) via induction training and annual updates. To provide specific updated training to members.

	Steps We Have Taken	What We Did FY 2021 - 2022	What We Plan To Do FY 2022 - 2023
<p>Informing</p> 	<ul style="list-style-type: none"> • 2018: We published our Modern Slavery & Human Trafficking Policy. • 2018 onwards: TMUK recognises Anti-Slavery Day each October and briefs all members. • We set-up an email mailbox for TMUK's Compliance Officer TMUK.Compliance.Officer@ToyotaUK.com, so email communication can now be received, which allows for 24 hour, 7 day per week reporting. • We provide contact details for the Police and The Gangmasters Labour Abuse Authority (GLAA). • We have displayed signs on all TMUK company noticeboards, which provide details of the Unseen App and Helpline number 0800 0121 700. 	<ul style="list-style-type: none"> • We re-briefed all members and on-site contractors in October 2021 about Anti-Slavery Day. 	<ul style="list-style-type: none"> • To continue to mark Anti-Slavery Day each October with all our members and on-site contractors on an annual basis.
<p>Due Diligence</p> 	<ul style="list-style-type: none"> • We continue to undertake audits and conduct relevant checks. • We have shared with all our members, 'How to identify modern slavery' checklist. • 2019: We made the authorities aware of a recruitment scam, which was providing TMUK's name but asking for money to be paid in advance of interviews. Toyota has a clear policy that candidates will never be asked for money. We continue to support local authorities when requested. 	<ul style="list-style-type: none"> • We continued to audit and conduct relevant checks. • We continued to monitor & act upon UK labour and economic trends, which could detrimentally impact upon modern slavery & human trafficking. 	<ul style="list-style-type: none"> • To continue to audit and conduct relevant checks for the business. • To continue to work with the authorities and to report concerns when necessary. • To continue to monitor & act upon UK labour and economic trends, which could detrimentally impact upon modern slavery & human trafficking.
<p>Collaboration</p> 	<ul style="list-style-type: none"> • 2020: We continued to prioritise our suppliers during the Covid-19 pandemic, by ensuring prompt payment. This was in order to ensure our suppliers could continue to pay their employees and workers, and for further cascading of payment through the automotive supplier tiers. Our teams collaborated with suppliers during the pandemic in order to share learning and support the introduction of Covid-secure working environments. The wellbeing of people remains a key focus for Toyota as a responsible company. • 2020: We continue to work closely with our UK Sales operations, Toyota (GB) PLC ("TGB"), to share best practice and experience. This year we are publishing TGB's Statement on our website, alongside our own to ensure customers, suppliers and other stakeholders have transparency in understanding our approach in this area. • 2020 & 2021: We have quarterly collaboration meetings with Toyota Motor Corporation to share best practice and global trends. 	<ul style="list-style-type: none"> • We continued to meet regularly with Toyota Motor Corporation and UK Toyota entities. 	<ul style="list-style-type: none"> • To continue to share knowledge and approaches with Toyota Motor Corporation, Toyota Motor Europe and UK Toyota entities.

7. Speak-Up / Whistleblower Compliance: Contact details for reporting concerns

TMUK operates a confidential Speak-Up / Whistleblower telephone and email account.

Facts or suspicions regarding serious wrongdoings should be reported to TMUK through the supervisory chain or directly to the TMUK Speak-Up / Whistleblower compliance service via telephone 01332 283602 or email: TMUK.Compliance.Officer@ToyotaUK.com

Reported facts or suspicions of wrongdoing will always be taken seriously by TMUK. They will be investigated thoroughly and will be dealt with as appropriate.

8. UK Government's Home Office Registry

UK Government Registry

The UK Government requires all businesses to upload their annual Modern Slavery & Human Trafficking Statement to the Government's Registry. TMUK's Statement continues to be published on the Registry.

This statement was approved by TMUK's UK Board.



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Toyota Motor Manufacturing (UK) Limited



Tim Freeman
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Toyota Motor Manufacturing (UK) Limited