

Modern Slavery Statement 2020

For the financial year ending 31 March 2020

Modern slavery encompasses various exploitative acts such as slavery, servitude, forced or compulsory labour for the purpose of personal or commercial gain. Toyota (GB) PLC (“TGB”) and Toyota Financial Services (UK) PLC (“TFS”) together (“we”), (“us”) continue to implement and endorse responsible business practices to ensure compliance with applicable modern slavery law and to uphold the integrity of our brands, ‘Toyota’ and ‘Lexus’. This is our fifth joint statement under s.54 of the Modern Slavery Act 2015 (“the Act”) and it sets out the actions we have taken to prevent modern slavery and human trafficking within our businesses and supply chain since our last statement was published in September 2019 (“2019 Statement”).

We also work closely with our UK manufacturing operations, Toyota Motor Manufacturing (UK) Limited (“TMUK”), to share best practice and experience. This year we are publishing TMUK’s statement alongside our own to ensure customers, suppliers and other stakeholders have transparency in understanding our approach in this area.

This statement applies for the financial year ending 31st March 2020.

Supplier Audits

TGB continues to place greater responsibility on its suppliers to be transparent about their business operations. Through its auditing procedures, TGB monitors and assesses supplier’s compliance with the Act and recommends appropriate remedial and best-practice actions if needed. This allows us to strengthen the working relationships TGB has with its supply chain and to promote the welfare and wellbeing of their workers.

Over the last financial year, TGB has continued to conduct audits on higher-risk suppliers. Despite the outbreak of COVID-19, TGB has continued its audit activity, utilising technology to conduct audits where in-person audits have not been possible. The approach to audit continues to evolve, with TGB’s internal audit and procurement teams continually shaping the methodology matrix and audit checklist by which we select and assess key suppliers based on risk profile.

Provisions in Standard Terms and Conditions

TGB aims to ensure that high standards of ethical conduct are reflected within its supply chain by placing contractual obligations on all suppliers to comply with the Act. Specifically, these obligations include complying with all anti-slavery and human trafficking laws, maintaining their own policies and procedures and reporting any incidents or suspected incidents to TGB.

Whilst TFS’s business is the provision of financial services and it does not actively source or distribute physical goods as part of its primary activities, it is aware of its responsibilities towards modern slavery within its business and operating model. TFS considers and assesses any risks in its services supply chain and its appointed distributors responsibilities and obligations toward modern slavery are reflected clearly in their contracts of appointment.

TFS includes the ability of a potential supplier to comply with modern slavery requirements as part of its due diligence criteria in its vendor management policy.

Mandatory e-Learning Training

Anti-slavery training forms an integral part of TGB's compliance programme. TGB requires all staff to complete mandatory e-learning training on an annual basis to enhance knowledge on this important topic and to promote ethical business practice. This training equips all staff and contractors with the necessary skills to be able to identify and report any acts of modern slavery both within and outside of the workplace.

TGB shall be expanding its resources beyond online training modules in the next financial year, by publishing regular articles on its intranet and delivering presentations on the topic of modern slavery. Unfortunately, plans to run compliance activities in-person during March 2020 were required to be postponed due to the pandemic.

Modern Slavery Policy

In line with its organisation's stance on eliminating modern slavery, TGB's Modern Slavery Policy provides a clear and robust framework for all staff and contractors to observe and adhere to. This sets a high standard for our key stakeholders to maintain and allows us to conduct business in an open and honest way. TGB expect all staff and its supply chain to abide by its policies and act responsibly in their commercial dealings to enable its organisation to foster an ethical corporate culture.

In addition, TGB has a whistleblowing policy in place which provides all staff and contractors with a simple process for reporting any concerns they may have in relation to modern slavery.

TFS's modern slavery policy is freely and easily available for its employees to access. Its review and understanding is supported and encouraged. As well as reflecting legislative requirements, the policy also acknowledges TFS's corporate approach to being a good corporate citizen and to acting ethically and with integrity. The same standards are expected of our suppliers and partners. Reporting processes for any suspected instances of modern slavery infringements are clearly stated.

Our Ongoing Commitment for Financial Year 2020/21

TGB and TFS are proud of the measures we take to eradicate modern slavery and continue to develop our procedures to identify and mitigate any actual or potential risks within our businesses and supply chains. We implement a zero-tolerance approach to modern slavery and strive to maintain a high-level of ethical conduct to uphold the integrity of our brands.

Over the next financial year, TGB shall continue to promote transparency in its commercial dealings by undertaking regular supplier audits and setting its expectations and standards through corporate policies and annual compliance activities.

As stated within the 2019 statement, TGB shall be exploring and embedding new initiatives to further heighten awareness of modern slavery within its business such as promoting the

use of the Unseen App (<https://www.unseenuk.org/>) which provides key information for spotting signs of modern slavery both inside and outside of the workplace.

This statement is approved on behalf of Toyota (GB) PLC and Toyota Financial Services (UK) PLC with signed versions being held and stored securely.

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Date: 15th September 2020