

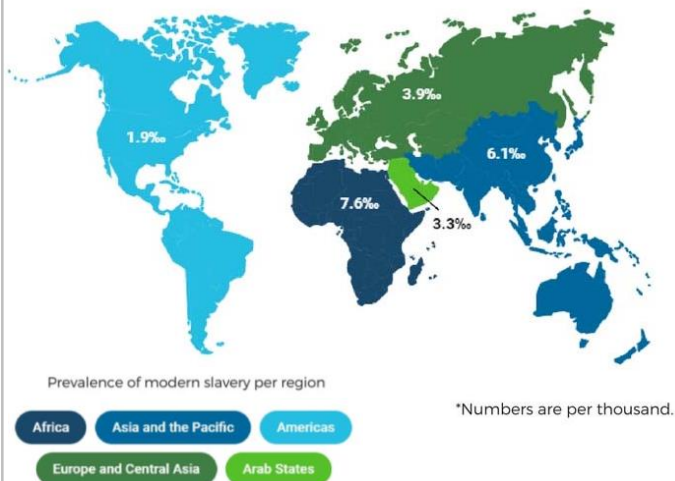
# Toyota Motor Manufacturing UK's Approach To Preventing Modern Slavery & Human Trafficking For Financial Year Ending 31<sup>st</sup> March 2019

## Introduction

- This is Toyota Motor Manufacturing UK's (TMUK) fourth 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 and communicate as well as inform 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 engine plant is located at Deeside in North Wales, employing approximately 3,200 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.

## Definition of Modern Slavery & 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 as the map below illustrates.



Source: International Labour Organisation, Walk Free Foundation, International Organisation For Migration 2017

## Key Signs To Look For

- Individuals who have a lack of personal belongings, including clean and warm clothes.
- Work excessively long hours and receive little or no pay.
- Appear frightened, withdrawn, or show signs of physical or psychological abuse.
- Allow others to speak for them.
- Have limited contact with others outside their immediate environment.

## Welfare Checklist ~ Modern Slavery

Checklist to be utilised by: Recruitment, Supervisors, Purchasing, Toyota Contractor Representatives (TCRs), Toyota Security

Follow 5 Simple Steps:

- 1 Know what to look for
- 2 Have checks in place (auditing)
- 3 Be vigilant at all times
- 4 STOP, CALL & WAIT
- 5 If you spot it, report it

7 red flags:

**Rumours from others**  
Listens to chat or information from members / workers – they will divulge valuable information when in a comfortable work environment with colleagues.

**One person providing food for others**  
Look out for an individual member / worker bringing in bulk sandwiches / meals to provide for others they are working with.

**Transporting of workers together**  
Look out for large groups arriving in a minibus / estate car that you don't recognise – usually all one nationality.

**Physical appearance**  
Member / worker might show signs of injury, malnourishment and their general appearance may be unkempt with inappropriate clothing (no PPE) or wearing same clothes day in day out.

**Multiple housing occupancy**  
Look out for too many members / workers giving one address at their residence. Numbers registering one address is a sign of possible exploitation.

**A rise of non-English speakers**  
There might be a sudden rise of a certain nationality where they are organised by a particular supervisor / contractor.

**Multiple application forms & bank accounts**  
All application forms should be completed individually by each applicant only and bank cards should be shown.

Overview

Human trafficking & modern slavery is the fastest growing criminal industry in the world, second in profitability only to drugs. Severe exploitation is growing.

In 2017, 5,145 potential victims of labour exploitation were identified and given support to remove them from danger.

Reporting Methods

- Your supervisor in the first instance or
- Corporate Planning on telephone 01332 283615 (extension 3615) / email [Michelle.Holmes@ToyotaUK.com](mailto:Michelle.Holmes@ToyotaUK.com) or
- TMUK's Compliance Officer on telephone 01332 283602 / email [TMUK.ComplianceOfficer@toyotauk.com](mailto:TMUK.ComplianceOfficer@toyotauk.com)

## Example: a TMUK training document

# Toyota Guiding Principles & TMUK's Operating Principles

- 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 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.

We encourage employees, suppliers and the public to 'speak up'. Facts or suspicions regarding serious wrongdoings should be reported to Toyota through the supervisory chain (preferred route) or directly to the Toyota Motor Manufacturing UK Compliance Officer on telephone number 01332 283602 (with anonymous option) or via email [TMUK.Compliance.Officer@ToyotaUK.com](mailto:TMUK.Compliance.Officer@ToyotaUK.com)

## Our Business

### TMUK's Size

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



3,200 employees



### Consumables & services

1,631 supplier companies



60 indirect commodities



18 countries in which suppliers are located

### Parts

13 countries in which suppliers are located



183 TME managed suppliers



102 TMC managed suppliers



## Our Policies

### Code of Conduct

incorporating:  
whistleblowing,  
child labour &  
discrimination



### TMUK's Modern Slavery & Human Trafficking Policy

### Supply Chain Responsibilities

### 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


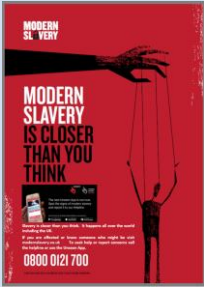

Figures updated  
September 2019

# 2019 Annual Update

## Steps We Have Taken at Toyota Motor Manufacturing UK (TMUK) & What We Plan To Do

	Steps We Have Taken	What We Plan To Do FY 2019 - 2020
<b>In Summary</b> 	<ul style="list-style-type: none"> <li>• 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.</li> <li>• We have briefed 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.</li> <li>• We audited our operation and continue to make checks across the business.</li> <li>• We continue to work closely with experts to continuously improve our activity, and to support spread of best practice.</li> <li>• Since 2018 we have worked with the East Midlands Regional Modern Slavery Working Group, which comprises of the East Midlands Police, De Montfort University Leicester, GLAA and local organisations &amp; businesses. We continue to support the Working Group by producing an informative newsletter detailing best practice and information resources for organisations and businesses in the East Midlands and our suppliers. During 2019 we supported the development of an information Podcast, which is available to all on YouTube ( <a href="https://www.youtube.com/watch?v=MElhfcivqk8&amp;feature=youtu.be">https://www.youtube.com/watch?v=MElhfcivqk8&amp;feature=youtu.be</a> )</li> </ul>	<ul style="list-style-type: none"> <li>• To continue to support the East Midlands Regional Modern Slavery Working Group with the production of newsletters and support the group's activities.</li> </ul>
<b>Training</b> 	<ul style="list-style-type: none"> <li>• 2017: We briefed TMUK and TME UK-based suppliers and contractors during a one-hour training session about modern slavery.</li> <li>• 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• 2019: We offered external Transparency Statement Training to some of our suppliers with support from De Montfort University.</li> </ul>	<ul style="list-style-type: none"> <li>• To remind all members of the need to remain vigilant and to consider the welfare of those around them (both in work and out).</li> </ul>

# 2019 Annual Update (Continued)

	Steps We Have Taken	What We Plan To Do FY 2019 - 2020
<b>Informing</b> 	<ul style="list-style-type: none"><li>• 2018: We published our Modern Slavery &amp; Human Trafficking Policy.</li><li>• TMUK recognised Anti-Slavery Day 18<sup>th</sup> October 2018.</li><li>• We set-up an email mailbox for TMUK's Compliance Officer <a href="mailto:TMUK.Compliance.Officer@ToyotaUK.com">TMUK.Compliance.Officer@ToyotaUK.com</a>, so email communication can now be received, which allows for 24 hour, 7 day per week reporting.</li><li>• We provide contact details for the Police and The Gangmasters Labour Abuse Authority (GLAA).</li><li>• We have displayed signs on all TMUK company noticeboards, which provide details of the Unseen App and Helpline number 0800 0121 700.</li></ul> 	<ul style="list-style-type: none"><li>• To continue to mark Anti-Slavery Day with all our members on an annual basis.</li><li>• To produce a Modern Slavery Information Booklet for suppliers.</li></ul>
<b>Due Diligence</b> 	<ul style="list-style-type: none"><li>• We continue to undertake audits and conduct relevant checks.</li><li>• We have shared with all our members, 'How to identify modern slavery' checklist.</li><li>• 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.</li></ul>	<ul style="list-style-type: none"><li>• To continue to audit and conduct relevant checks for the business.</li><li>• To continue to work with the authorities and to report concerns when necessary.</li><li>• To investigate an externally hosted compliance hotline &amp; an internal Welfare &amp; Modern Slavery Steering Group.</li></ul>

## Summary 2019: Mapping Locations Of Our Consumable & Service Suppliers





## Summary 2019: Mapping Locations Of Our Tier 1 Direct Commodity Suppliers

