

Compliance

Fundamental Approach The Guiding Principles at Toyota state that Toyota shall “honor the language and spirit of the law of every nation and undertake open and fair business activities to be a good corporate citizen of the world.” Toyota believes that adhering to this principle is to fulfill corporate social responsibility and ensure compliance. In accordance with its basic internal control policies, Toyota promotes creating a framework to adopt and enforce the code of conduct as well as other means of human resource development including training. Toyota has also established consultation hotlines; any concerns that are reported are carefully responded to ensure that no potential problem is missed.

The Toyota Code of Conduct (adopted in 1998 and revised in March 2006) outlines the basic frame of mind that all members of Toyota should adopt. It shows concrete guidelines for the Guiding Principles at Toyota to carry out social responsibilities. A booklet containing the Toyota Code of Conduct is distributed to all employees to put the code into practice at work and in the community.

Toyota Code of Conduct [Web https://www.toyota-global.com/company/vision_philosophy/toyota_code_of_conduct.html](https://www.toyota-global.com/company/vision_philosophy/toyota_code_of_conduct.html)

Organization and Structure

Toyota holds Sustainability Meetings to discuss expectations from our stakeholders and our responses to various social issues as well as corporate governance and compliance.

Organization



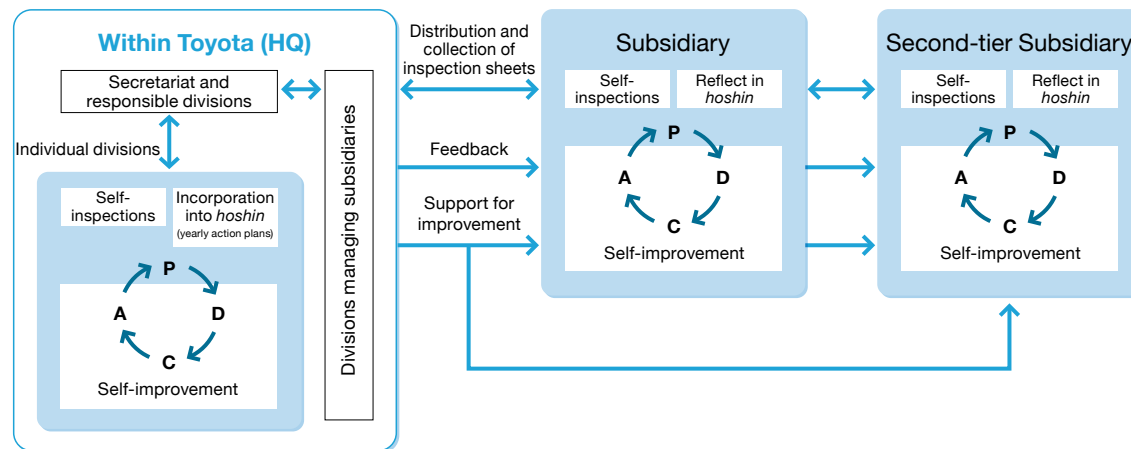
Checks to Enhance Compliance

In FY2009, Toyota began implementing internal checks to enhance its compliance structure. In FY2010 these checks were extended to subsidiaries in and outside Japan. Since then, these checks have been carried out and improved every year.

Results are reported to Sustainability Meeting and used as a basis for further improvement. By incorporating improvement points into each year's action plans, we ensure that these checks lead to continuous improvement.

We also have discussions with subsidiaries to understand their compliance efforts and provide support when needed.

Activity



Ensuring Compliance

To ensure that awareness of compliance extends throughout the company, Toyota conducts training programs for directors, managers and newly recruited employees together with company-wide e-learning programs.

In addition to standard legal areas including labor law, antimonopoly law and subcontracting law, we conduct seminars on bribery prevention, personal information protection, product liability law, and other topics. Around 1,000 employees attended these seminars in FY2018.

The Legal Division also conducts seminars at individual divisions on a wide range of topics based on their specific needs.

Main Training Themes in the Past

- Contracts
- Act against Unjustifiable Premiums and Misleading Representations
- Intellectual Property (trademarks)
- Confidentiality Management
- Labor
- Antimonopoly Law
- Insider Trading Regulations
- Product Liability Act
- Bribery Prevention
- Export Operations Management
- Subcontracting Law
- Copyright
- Act on the Protection of Personal Information
- Taxation
- Safety and Health, etc.

Corruption Prevention Measures

In response to the global expansion of our business and social demands, Toyota adopted the Anti-bribery Guidelines in 2012 to eliminate corruption. Toyota is strengthening its preventive measures and working to prevent corruption by raising awareness through internal training and by informing business partners as well.

Furthermore, Toyota has been incorporating bribery prevention into self inspection check sheets since 2013 and has been promoting improvement including in our subsidiaries.

Anti-bribery Guidelines (For Business Partners)

[Web https://www.toyota-global.com/sustainability/society/partners/pdf/anti-bribery_en.pdf](https://www.toyota-global.com/sustainability/society/partners/pdf/anti-bribery_en.pdf)

The Compliance Hotline

Toyota has established hotlines for quick and appropriate responses to concerns, complaints, or questions that employees may have.

The Compliance Hotline allows employees to have consultations concerning compliance-related issues and is run by an outside law firm (subcontractor). Upon request, the content of consultations may be made anonymously. The consultations are passed to the responsible division and the details are investigated carefully to ensure that the employee who made the consultation is not identified. If the results of the investigation indicate an issue, a response is immediately implemented. For cases where we confirmed that there actually was an issue, we confirmed the facts and took appropriate measures in accordance with company regulations such as Work Regulations.

Content and Number of Consultations to the Compliance Hotline (Japan)

