

TOYOTA UGANDA LIMITED
CODE OF CONDUCT

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Message from the Managing Director

Toyota Uganda is the sole distributor of Toyota Vehicles in Uganda with branches in Kampala, Gulu and Mbale and over 170 employees from diverse backgrounds and professions. We are also distributors of Yamaha motorcycles (non-exclusive) Hino Trucks and Case IH tractors.

We are a growing company and a result our long-term viability and sustainability is dependent on all of us embracing the values and principles that motivate and govern our daily transactions.

Based on the Toyota Way & philosophy, our emphasis lies in our people and processes as we believe these are the key drivers of our business.

As stated in our Code of Conduct, these values and principals are vital to our success and our ethical commitment is based on three core values that is;

- Customer Delight
- Respect and Valued People
- Exciting Challenge

Trust and honesty is a cornerstone of our ethical values and these form the foundation on which we as Toyota Uganda do business. We promote a culture of trust & honesty with each other so as to achieve transparency and openness within our organisation and with all our stakeholders.

Safety First (Anzen) is vital in our business and is everyone's responsibility to ensure our vision of a safe work environment is attained. Hence, we request all employees, stakeholders together with their employees and agents to adhere to our safety requirements which are in place to mitigate any risks that may be prevalent in the nature of our operation.

In every business unit, the Senior Management is responsible for ensuring our ethical values and principles are applied and adhered to.

You are welcome to consult the Human Resources office and the Managing Director's office for any issue related to the application of the Code of Conduct especially to assist you make any sensitive decisions that may arise.

Through these fundamental values & principles we will reach viable and sustainable growth that benefits everyone and I trust I can rely on each one to apply the Code of Conduct appropriately in your areas of operation.

MAHMOOD OMAR
MANAGING DIRECTOR

Business Principles

Toyota Uganda Limited maintains high ethical standards in carrying out our business activities. We not only deliver high quality products but we do so in a way that reflects the company's commitment to conduct its business activities in full compliance with applicable laws and are guided by integrity and honesty. Earning, establishing and maintaining trust and confidence are intrinsic to our business, so we use the core values in our Code of Conduct (the Code) to guide and direct all our decisions and every action that affects;

- Shareholders
- Customers
- Suppliers & Service Providers
- Business Partners
- Employees
- Environment
- Government & Regulators.

This Code specifies and promotes the continued implementation of the Corporate Business Principles by establishing certain non-negotiable minimum standards that we ask our employees, suppliers & business partners, their employees, agents and subcontractors to respect and to adhere to when conducting business with Toyota Uganda.

By acceptance of this Code, all stakeholders commit, that all existing & future agreements and business relationships with Toyota Uganda will be subject to the provisions contained herein.

As a General Principle, Toyota Uganda:

Does comply with all applicable laws and regulations of the Republic of Uganda especially concerning employment, competition, health, safety and the environment.

Rejects bribery and corruption in all forms that is; public or private, active or passive. We will not resort to bribery or corruption in order to obtain or retain business.

Observes the rules of free and fair competition.

Uphold Safety First (Anzen) in all our operations to safeguard the health & wellbeing of all our stakeholders.

Our shareholders:

Toyota Uganda strives to earn their confidence and our mandate is to provide them with a profitable investment with full compliance to all principles and financial reporting requirements

We communicate with utmost honest business policies, achievement and strategy.

We provide accurate and transparent information to our shareholders in full compliance with the IFRS.

We act responsibly in trade and investment within our mandate.

Customers:

We at Toyota Uganda will provide our customers' with high quality products, service and solutions striving to offer them excellent service and the best value for money.

We continuously pay attention to our customers' needs and listen to their voice while improving our processes & procedures to deliver high quality, safe and innovative products and services.

Employees:

Toyota Uganda expects its employees to adhere to the highest standards of integrity and avoid any conflict of interest in the course of their employment.

We value our people and offer them equal opportunities with no discrimination at all in the areas of development, career & professional growth.

We value our employees' welfare particularly; working conditions respect and recognise the efforts of the individual in helping create success of the Company.

We provide a healthy and safe working environment. We have a duty to take every reasonable and practical precaution to avoid injury to ourselves, colleagues, customers, suppliers and members of the public.

We are an equal opportunity employer and recruitment is strictly on the basis of business need and specific competencies and capabilities of individual applicants.

Employees don't engage in any outside business interest or additional employment that could in anyway a conflict with the proper performance of our duties. This applies to any real or perceived situation where a private interest (or those of a family member or other person close to an individual) might interfere with the Company's interest.

All employees have bi-annual performance reviews with management to set objectives, assess performance and discuss career & competence development. Appropriate training is then identified to address development concerns.

We respect the rights of freedom of association.

We do not tolerate forced labour or child labour.

Suppliers and Service Providers

We believe that integrity in our dealings with our suppliers and service providers is a prerequisite for a successful, long-term business relationship. Our policy towards suppliers and service providers is to:

- Respect each other's interests, with transparent and fairly negotiated contractual terms.
- In accepting business or entering contracts we expect them to observe a high standard of integrity, act in the best interests of Toyota Uganda and adhere to principles equivalent to those in the code of conduct as a bare minimum.

Business Partners

We expect all our business partners to apply principles that are compatible with our Code of Conduct. Toyota Uganda reserves the right to cancel any partnership once the principles are not adhered to.

Environment

We are concerned with the conservation of the environment and pledge to responsibly utilise finite resources.

Government & Regulators

We respect the sovereignty of the Republic of Uganda and refrain from intervening in or funding the political process.

We will not evade tax obligations; we will record and report all reportable transactions.

We however, reserve the right to express to government our position concerning our business operations, employees' and shareholders and our belief in the importance of respecting human rights.

We pledge to contribute to the social and economic development in the Republic of Uganda in the course of our operations through our Corporate Social Responsibility Initiatives.

The employees, suppliers, service providers and Business parties together with their employees/agents shall comply with all the above business principles

Expected Behaviour

I. Business Integrity

Compliance with Applicable Laws and Regulations

The Employees, Suppliers, Service providers and Business partners together with their employees must comply with all applicable laws, statutory regulations and legal requirements of the Republic of Uganda.

Ethical Business Practices

Toyota Uganda aspires to the highest standards of ethics, integrity and transparency and expects our Employees, Suppliers, Service providers and Business partners together with their employees to aspire to these same standards in their business practices and daily interactions and to ensure all employees; agents and subcontractors adhere to these standards.

The Employees, Suppliers, Service providers and Business partners together with their employees shall fulfil their obligations under the Agreement in an orderly and business-like manner and comply, and procure, in accordance with Toyota Uganda's standard Code of Conduct, Anti-Corruption Act 2000 and Illicit Trade policies of the Republic of Uganda and all laws, licences, consents and regulations applicable to such Agreement. (Agreement referring to any Contract, LPO etc. entered with other Toyota Uganda)

Improper Advantage

In all its activities, the Employees, Suppliers, Service providers and Business partners together with their employees must never, directly or through intermediaries, offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third Party, whether public or private. Nor must the Supplier accept any such advantage in return for any preferential treatment of a third Party.

Confidentiality, Intellectual & Industrial Property

Employees, Suppliers, Service providers and Business partners together with their employees must conform to the Toyota Uganda Confidentiality Agreement as part of the standard agreement in conducting any work or supply to Toyota Uganda.

Any information acquired in the course of employment or doing business with Toyota Uganda must be protected. No one shall disclose confidential information whether verbally, in writing or electronically unless expressly authorised to do so by management.

This duty remains in effect even after working for/with Toyota Uganda.

II. Gifts and other business courtesies

Suppliers shall ensure that any expenditure incurred in relation to any particular TUGA employee is in the ordinary and proper course of business and cannot reasonably be construed as a bribe so as to secure unfair preferential treatment. A general guideline for evaluating whether a business courtesy is appropriate is when public disclosure would be embarrassing to the supplier and TUGA.

A supplier may give unsolicited gifts to TUGA employees provided that:

- The gifts are small, occasional, customary and usual e.g. advertising and promotional materials having a wide distribution such as calendars, t-shirts
- The gifts have a monetary value of not more than Ushs. 30,000
- The gifts are moderate in terms of frequency and quantity
- Acceptance of the gift does not violate any applicable law Gifts should never be given in cash or cash equivalents.

III. Sustainability

Toyota supports and encourages operating practices, and production systems that are sustainable. This is an integral part of Toyota's and supplier development. Toyota Uganda expects the Employees, Suppliers, Service providers and Business partners together with their employees to continuously strive towards improving the efficiency and sustainability of their operations, which will include environmental conservation (anti-contamination) programs.

IV. Labour Standard

Prison and Forced Labour

The Suppliers, Service providers and Business partners must under no circumstances use or in any other way benefit from forced or compulsory (forced) labour. Likewise, the use of labour under any form of indentured servitude is prohibited, as is the use of physical punishment, confinement, threats of violence or other forms of harassment or abuse as a method of discipline or control. The Suppliers, Service providers and Business partners shall not utilize factories or production facilities that force work to be performed by unpaid or indentured labourers, nor shall they contract for the manufacture of products with subcontractors that engage in such practices or utilize such facilities. Where they are using labourers who participate in an official prison rehabilitation scheme, such an arrangement is not considered a breach of the Code.

Child Labour

The use of child labour by Toyota Uganda, its suppliers, service providers and business partners is strictly prohibited. Child labour refers to work that is mentally, physically, socially, morally dangerous or harmful for children, or improperly interferes with their schooling needs.

Working Hours

Toyota Uganda employees, Suppliers, Service providers and Business partners together with their employees must ensure that they work in compliance with all applicable laws and mandatory industry standards of the Republic of Uganda pertaining to the number of hours and days worked. In the event of conflict between a statute and a mandatory industry standard, they must comply with the one taking precedence under national law.

Compensation

The employees both of Toyota Uganda and its suppliers, service providers and business partners must be provided with wages and benefits that comply with applicable laws and binding collective agreements, including those pertaining to overtime work and other premium pay arrangements.

Conflict of Interest

Suppliers, Service providers and Business partners together with their employees with financial interest & shareholding by an employee (spouse or dependants) of Toyota Uganda may constitute a conflict of interest and as such they are required to disclose such relations / interests in advance of entering into a supplier relationship with Toyota Uganda.

Disclosure of Family Interests

Potential employees, Suppliers, Service providers and Business partners together with their employees must disclose if any members of their organization who are family members of any Toyota Uganda employees. The same will be given due consideration in the interview and assessment process.

Respect

Toyota Uganda supports a professional and courteous manner in all dealings with colleagues, customers, suppliers and stakeholders and by virtue of this; employees, suppliers, service providers and business partners together with their employees must respect the same principles.

Non-Discrimination

Toyota Uganda, its suppliers, service providers and business partners shall not discriminate in hiring and employment practices on the grounds of criteria such race, colour, religion, sex, age, physical ability, national origin, or sexual orientation.

Appearance and Identity

Toyota Uganda requires its employees and those of its suppliers, service providers and business partners to be appropriately dressed and carry identification at all times while on Toyota Uganda premises. Where they are required to enter Toyota Uganda non-public areas, they will sign the relevant register and wear the necessary PPE apparel.

IV. Safety and Health

IV. Safety & Health

Workplace Environment

Toyota Uganda, its suppliers, service provider and business partners shall provide their respective employees with a safe and healthy working environment and where provided, safe housing conditions. As a minimum, potable drinking water, adequate sanitation, fire exits and essential safety equipment, applicable PPE apparel, access to emergency medical care, appropriately lit and equipped work stations must be provided. In addition, facilities must be constructed and maintained in accordance with the standards set by applicable codes and ordinances.

Product Quality and Safety

All products and services delivered by the Toyota Uganda, its suppliers, service providers and business partners must meet the quality and safety standards required by applicable law and also in conformity with Toyota Tsusho's Anzen Policy. When conducting business with or on behalf of Toyota Uganda, the Supplier, Service provider and business partners together with their employees must comply with the Toyota Quality & Safety requirements.

V. Information Technology & Communication Resources

Toyota Uganda's IT and communication resources are intended for professional use. Reasonable personal use may be tolerated in line with the applicable laws and regulations.

VI. Environment

Toyota Uganda, its suppliers, service provider and business partners must operate with care for the environment and ensure compliance with all applicable laws and regulations in the country where products or services are manufactured or delivered. They must minimize all harmful impact to the environment while maximizing recycling efforts.

VII. Audit and Termination of the Supply Agreement

Toyota Uganda reserves the right to verify the compliance with the Code of Conduct.

In case Toyota Uganda becomes aware of any actions or conditions not in compliance with the Code, Toyota Uganda reserves the right to demand corrective measures. Toyota Uganda further reserves the right to terminate an agreement with any employee, supplier, service provider and business partner together with their employees who do not comply with the Code of Conduct.

VIII. Whistle Blowing

Toyota Uganda endeavours to address any irregularities relating to fraud, corruption, misconduct and malpractice within the company. This can only be done if we are made aware of any of the irregularities so that proper controls are in place to prevent and detect these fraudulent activities. We encourage all our Employees, Suppliers, Service providers and Business partners together with their employees to raise any concern relating to; theft, recovery of stolen assets, violations of company rules & regulations, any internal fraud, corruption & misconduct, non-compliance with legal obligations, actions that may result into danger to the health, safety, damage of people/image/environment, attempts to conceal any of information and any other violation of business interests.

We shall protect the confidentiality and anonymity of the complainant to the fullest extent possible in conformance with the Whistle Blowers Protection Act 2010.

IX. Duty to report

It is the duty of our suppliers, contractors and employees to report dishonesty, corruption, fraud, labour and human rights concerns, environmental damage or any other unethical behavior. All pertinent details should be reported in confidence to the Managing Director of TUGA.

Contact	Details
Report to the Managing Director of TUGA	Managing Director Toyota Uganda Limited 668 First Street, KIBP, Namanve, P.O. Box 31732, Kampala, Uganda Phone No:+256 312 301600 Email: managingdirector@toyota.co.ug or Email: hrmanager@toyota.co.ug

For more details, please contact the Toyota Uganda Human Resources Department.

X. Variation

TUGA reserves the right to vary this Code at any time.