



TOYOTA CODE OF CONDUCT

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TOYOTA MOTOR CORPORATION

Guiding Principles at Toyota

1. Honor 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 fulfill the needs of customers worldwide.
5. Foster a corporate culture that enhances individual creativity and teamwork value, while honoring mutual trust and respect between labor 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.

Foreword

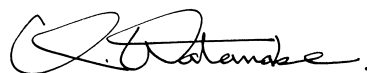
Ever since the company was founded in 1937, we, TOYOTA MOTOR CORPORATION and our subsidiaries (“**TOYOTA**”), have continuously strived to contribute to the sustainable development of society and the earth through the manufacturing and provision of high-quality and innovative products and services. Through these continuous efforts, we have established a corporate philosophy that has been passed down from generation to generation throughout the company and which has come to be known as the “**Guiding Principles at Toyota**” (originally issued in 1992, revised in 1997; the “**Guiding Principles**”). We have also put TOYOTA’s values and methods in written form, in the “**Toyota Way**” (issued in 2001). Such values and methods must be shared globally among us to realize the “Guiding Principles”, and we are seeking to pass these on to future generations. Through these efforts and by passing down our corporate philosophy and our values and methods, we are steadfastly striving to realize the “creation of a prosperous society by making things”.

TOYOTA has long-demonstrated its dedication to contributing to sustainable development. As our business operations have become increasingly global, we need to reconfirm our corporate philosophy and have issued an explanatory paper in January 2005 entitled “**Contribution towards Sustainable Development**”. This paper interprets the Guiding Principles from the standpoint of how TOYOTA can work toward sustainable development in its interactions with its stakeholders.

We believe that by **implementing the Guiding Principles in our operation, TOYOTA will successfully fulfill its expected contribution towards sustainable development.** Therefore, as stated in the Guiding Principles and explanatory paper, **we must comply with local, national and international laws and regulations, including the spirit thereof, and act with humility, honesty and integrity.** Compared to when the “Code of Conduct for Toyota Employees” was first issued in 1998, TOYOTA’s presence in society has greatly increased and also new laws and regulations have been established, such as for the protection of personal data. With this background in mind, we have revised the existing code of conduct and created the “**Toyota Code of Conduct**” in order to **communicate the fundamental approach necessary to inspire continued confidence in TOYOTA, to respect and comply with the laws, and to maintain our honesty and integrity.**

I would particularly like to ask each one of you, as a person working for TOYOTA, to **be aware that you are an essential contributor to the success of TOYOTA.** In this era of global competition, borderless trade, and diversification, TOYOTA wishes to conduct business in an open and fair way. TOYOTA aims to become the most valued, respected and trusted company in the world by its customers and society. Accomplishing this goal requires that each one of us is aware of TOYOTA’s respected reputation and standing in the community, the gratitude we owe to our customers and society, and the necessary respect of laws and regulations. Therefore, we must each act in a “**steadfast, sure-footed, and thorough**” way, and in accordance with common sense and good judgment. I expect and ask you to carefully read this “**Toyota Code of Conduct**” and to implement the spirit within.

March, 2006



PRESIDENT
TOYOTA MOTOR CORPORATION

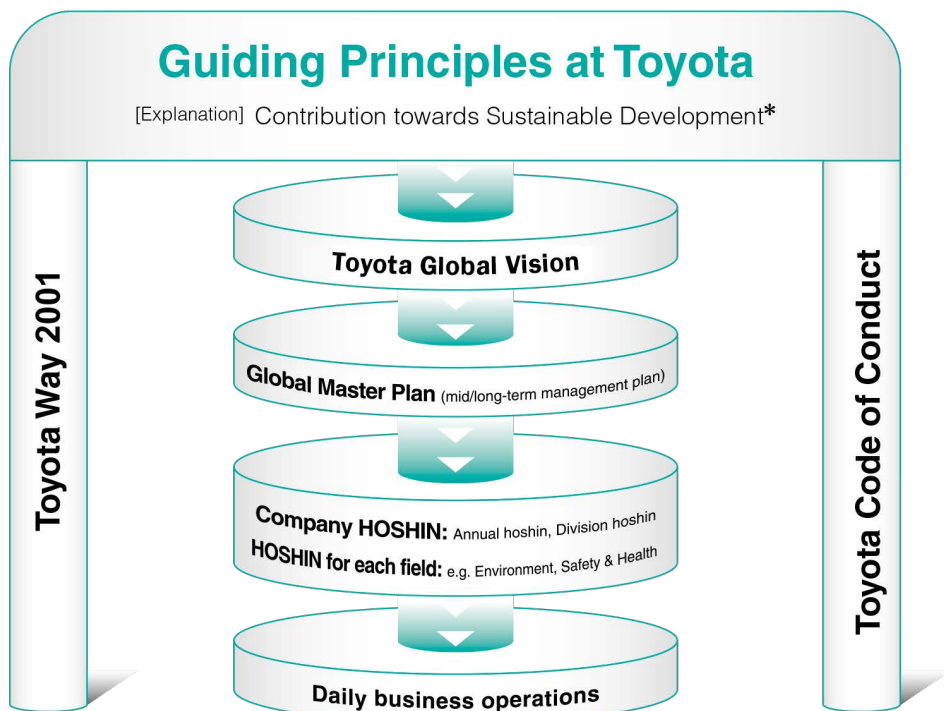
What is the “Toyota Code of Conduct”?

Our daily business operations are built on and supported by the corporate philosophy and its values and methods that have developed through years of diligent effort and passed down from generation to generation throughout TOYOTA MOTOR CORPORATION and its subsidiaries (“TOYOTA”).

The “Guiding Principles at Toyota” (originally issued in 1992, revised in 1997) summarize the corporate philosophy and reflects TOYOTA’s vision of what kind of company TOYOTA would like to be. The “Guiding Principles at Toyota” were created with the expectation that we would understand and share our fundamental management principles, and that we would contribute to society by referring to these principles.

The “Toyota Way” and the “Toyota Code of Conduct” serve as important guiding tools when implementing our daily business operations to realize the “Guiding Principles at Toyota”. “Toyota Way” (issued in 2001) describes the values and methods to be shared for the people of the global TOYOTA organization.

The present “Toyota Code of Conduct” (originally issued in 1998, revised in 2006) seeks to provide a basic code of conduct and to serve as a model and compass. It also provides detailed explanations and examples of the actions and issues that we must be aware of when carrying out actual business activities (including in our jobs and daily business operations) and living in our global society.



*Interprets the “Guiding Principles at Toyota” from the standpoint of how TOYOTA can work towards sustainable development in its interactions with its stakeholders (Issued in January 2005).

Toyota Code of Conduct

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CHAPTER I

TOYOTA AND US

Through our communication and dialogue with the company, we (people working for TOYOTA) strive to build and share fundamental value of “Mutual Trust and Mutual Responsibility”. TOYOTA (TOYOTA MOTOR CORPORATION and its subsidiaries) endeavors to improve its business achievements so that TOYOTA can continue to provide employment and fair and stable working conditions for each of us. Simultaneously, TOYOTA promotes a work environment in which each of us can work in harmonious and dynamic manner.

In return, **each of us implement the “Toyota Code of Conduct” and endeavor to fulfill our duties with integrity. By fully utilizing our ability and capabilities and cooperating with others working for TOYOTA, we continue to improve the business performance of TOYOTA.**

This Chapter I explains the values and principles that are the foundation of our relationship with TOYOTA.

1 —1. **Creating a Harmonious and Lively Work Environment** *- Acting with integrity and in line with sound social norms -*

TOYOTA will use its best efforts to comply with all labor and employment laws and regulations of the countries where it is active, as well as the spirit thereof. TOYOTA encourages and supports the personal growth of all people working for TOYOTA.

Based on “Mutual Trust and Mutual Responsibility”, TOYOTA endeavors to improve its business performance in order to make it possible to provide equal employment opportunities and to maintain fair and stable working conditions. TOYOTA strives to create a safe and harmonious work environment for its employees.

TOYOTA respects and honors the rights of all people working for it and will not discriminate against them or permit the infringement of their rights.

Therefore, all of us must recognize our essential roles in contributing to the success of TOYOTA and should make a commitment to comply with internal rules, as well as conduct our duties/work with integrity and in a socially acceptable manner. As valuable contributors to TOYOTA, we should each also endeavor to fully utilize our capabilities and to put forth our best efforts in all matters in order to strengthen and build TOYOTA’s business performance globally.

[Guiding Principles 1 and 5]

CHAPTER II

OUR ACTIVITIES IN THE COMPANY

Based on a philosophy of “Customer First”, TOYOTA strives to provide attractive products and services that meet the needs of customers worldwide. TOYOTA also seeks to achieve the top-level world standard in environmental protection and safety measures. In these regard, TOYOTA is unfolding daring plans both domestically and abroad concerning environment and safety, and in relation to research, development, procurement, production, distribution, sales and services.

When carrying out our work, each of us should all be aware that our work is linked to all of the business activities of the company. In this regard, TOYOTA does not tolerate illegal or criminal acts or acts in violation of the company policy and rules, regardless of whether such acts were motivated “in the interests of the company” or “in the interests of the customer”. We should comply with the law and should always act with awareness and responsibility. We should rise to the challenge of solving the many issues that arise, as customer needs diversify and as progress is made in TOYOTA’s globalization, such as mastering of the world’s most advanced technologies, establishing the world’s most suitable procurement and supply networks, meeting environmental and safety standards, and improving customer satisfaction.

This Chapter II explains how we should contribute to each of the major business activities of TOYOTA and provides the points that we should all be aware of.

2 –1. Compliance with Laws and Regulations - *With sound social norms in mind* -

TOYOTA will comply with applicable laws, internal company policies and rules, abide by sound social norms, and take appropriate action against any illegal or criminal acts or acts in violation of the company's policies and rules. TOYOTA will not make any exceptions to this commitment, regardless of whether an unlawful act is motivated "in the interests of the company" or "in the interests of the customer", or carried out under the instructions of one's superior.

We should implement the "Toyota Code of Conduct" and make a commitment to comply with applicable laws, as well as internal company policies and rules, and to abide by sound social norms in all aspects of our work.

[Guiding Principles 1 and 2]

2 –2. Use and Management of Assets and Confidential Matters - *Ensuring asset maintenance and confidentiality management* -

TOYOTA possesses a wide variety of tangible*¹ and intangible*² assets that are indispensable and invaluable to its successful business operations. In order for TOYOTA to use such assets effectively and at any time during the course of its business activities, TOYOTA manages such assets with a firm hand in order to prevent such assets from being lost, stolen or used illegally or wrongfully.

TOYOTA endeavors to manage and protect confidential information (e.g., its trade secrets) and to use such information in an appropriate manner. At the same time, TOYOTA does not tolerate the illegal use of another party's assets or intellectual property or the unauthorized use of another party's confidential information.

We must manage and protect TOYOTA's assets, intellectual property, company secrets (such as trade secrets etc.) and personal information, as well as respect the assets, intellectual property and confidential information of others.

[Guiding Principles 1]

* 1 Examples of tangible assets: Land, buildings, facilities, equipment; products, merchandise, materials; office equipment; networks; office supplies; cash and deposits, securities and bonds; corporate credit card, etc.

* 2 Examples of intangible assets: Intellectual property rights such as patent rights, trademarks, copyrights, design rights, know-how etc.; Confidential corporate matters such as product and technology information, procurement and sales information, personnel and accounting information, software (e.g. program, data), etc.

2

—3. Insider Trading *- Act as an investor with sound common sense -*

TOYOTA possesses a large amount of valuable internal (confidential) information and does not allow people working for it to engage in insider trading, such as using confidential information to buy and/or sell stocks.

We must understand that insider trading is clearly not permitted. Not only is it illegal in many countries, but it also destroys the mutual trust that TOYOTA has built with its investors, affiliated companies and business partners. Therefore, we shall not engage in or permit any insider trading.

[Guiding Principles 1]

2

—4. Activities Promoting Safety *- Enhancing vehicle safety -*

For an automotive manufacturing company such as TOYOTA, the pursuit of safer vehicles is always one of its main challenges and mission. TOYOTA endeavors as a group, in cooperation with our suppliers and dealers, to engage in research and development, design, production, quality control and after-sales services in order to deliver its customers Toyota and/or Lexus vehicles that display sophisticated safety levels under various conditions and that provide a comfortable experience for drivers. TOYOTA will also be actively involved with “People Education” (i.e., Driver Education) and with improving the “Traffic Environment.”

We should endeavor to think from the standpoint of our customers and pursue ways to make vehicles safer and offer our customers safety and trust.

[Guiding Principles 3]

2

—5. Environmental Preservation Activities *- Building environmentally and people friendly vehicles -*

TOYOTA has a deep understanding of the necessity of environmental conservation on a global scale. Therefore, TOYOTA has decided to “dedicate ourselves to providing clean and safe products and to enhancing the quality of life everywhere through all our activities” (Guiding Principles 3). Furthermore, TOYOTA has developed a proactive policy and plans to assure continual improvements in environmental performance in the “Toyota Earth Charter” and “Toyota Environmental Action Plan”.

TOYOTA regards environmental issues as one of the company’s major challenges and takes environmental impact into consideration at all life-cycle stages of its vehicles, including development, production, usage and disposal. TOYOTA promotes compliance with international environmental standards, implementation of enhanced environmental assessments, and realizing the principle of “building people and environmentally friendly vehicles” in cooperation with its suppliers, dealers, etc.

We must endeavor to attain the highest level of environmental stewardship in each country and area.

[Guiding Principles 3]

2 —6. Research and Development Activities - *Developing vehicles from the standpoint of our customers* -

In order to provide innovative, safe and outstanding high-quality products and services that meet the needs of customers through “research and innovation”, TOYOTA has established research and development centers around the world. These centers are well-staffed with leading innovators and actively cooperate with other TOYOTA group companies, as well as universities and research institutes, in order to strongly promote research and development of advanced technologies in various fields.

TOYOTA does not tolerate research and development that violates any applicable laws or breaches of its agreements with its research and development partners. TOYOTA also does not tolerate the illegal or unauthorized use of another party’s intellectual property.

Our goal is to develop vehicles from the customers’ perspective and to promote research and development.

We respect the views of our research and development partners and seek to cultivate and maintain mutual trust. In addition, we use our best efforts to build a relationship of mutual trust by satisfying our obligations to our partners.

We shall be mindful of respecting the intellectual property rights of others when conducting research and development and when realizing production.

[Guiding Principles 4]

2 —7. Procurement Activities - *Reasonable and sincere transactions* -

Based on following three basic policies, TOYOTA engages in fair and open procurement activities:

(a) Fair competition based on an open-door policy

Regardless of nationality or size of transaction, TOYOTA offers fair opportunities to all candidates. TOYOTA evaluates candidates based on their overall strengths, including quality, technology, price, volume and reliability of delivery, as well as the stability of their business management and technological development capabilities.

(b) Mutual growth based on mutual trust

In order to build relationships that result in mutual growth, TOYOTA and its suppliers strive for mutual collaboration and close communications as equal partners.

(c) Promoting localization in view of good corporate citizenship

In order to contribute to its local communities, TOYOTA globally promotes local production of Toyota and/or Lexus vehicles and endeavors to actively promote local procurement of parts and materials.

We engage in procurement activities with fairness and integrity, in consideration of the above three basic policies and compliance with the law.

[Guiding Principles 1 and 7]

—8. **Production and Distribution Activities** *- Building vehicles that win customer trust and faith -*

TOYOTA endeavors to produce high-quality Toyota and Lexus vehicles and parts and deliver them in an efficient manner in order to meet customers' expectations. In order to realize such production and supply goals, TOYOTA endeavors to build the "world's optimum production network" and a "global distribution network".

In addition, in order to enhance the global competitiveness of Toyota and Lexus vehicles, TOYOTA developed the Toyota Production System, which continues to evolve according to the characteristics of particular regions of the world and aims to achieve worker and environmentally friendly plants.

We endeavor to maintain the safety and quality of products and to comply with laws related to production and distribution.

[Guiding Principles 4]

—9. **Sales Activities** *- Winning the trust of customers and dealers -*

Based on the following three ideas, TOYOTA strives to build a sales and service structure that meets various customer needs in a timely manner. In order to achieve such structure, TOYOTA endeavors to build relationships with dealers based on mutual trust, and to bring mutual growth and support for fair competition and transactions.

(a) Philosophy of "Customer First"

Based on a "Customer First" philosophy, TOYOTA strives to create a sale and service structure that promptly responds to the various needs of customers worldwide. To achieve this, TOYOTA develops products that meet customer expectations and implements a marketing strategy and sales style that matches the product profiles and various customer needs.

(b) Mutual growth based on mutual trust

TOYOTA develops and provides attractive product lineups, various styles of dealer showrooms and sales styles, and a meticulous customer and revenue management system. TOYOTA does this to contribute to the improvement of sales efficiency and profitability of its dedicated dealers, to build mutual trust and to bring mutual growth.

(c) Importance of fair market competition

TOYOTA respects free trade and market competition, implements ambitious sales strategies in order to obtain customer satisfaction and support in various areas of the world, and endeavors to engage in fair competition and transactions.

We conduct our sales activities with the above ideas in mind.

[Guiding Principles 1 and 4]

2 –10. Overseas Business Activities - *To become a global company trusted worldwide -*

TOYOTA engages in business worldwide and many of its activities are conducted outside Japan, including not only manufacturing activities, but also research and development. TOYOTA recognizes the ever-changing environment surrounding its business operations, global diversity, the specificity of each local area in terms of its own rules and customs, etc., and the rapid changes in world political and economic climate. TOYOTA respects international rules and laws, as well as the culture, customs and history of local societies. Thus, TOYOTA promotes its business activities from “both a global and local” standpoint so as to contribute to the development of local economies and society.

We contribute to expansion of TOYOTA’s business overseas by respecting the culture, customs and history of each country, as well as national, regional and international laws and rules.

[Guiding Principles 1 and 2]

2 –11. Profitability Enhancement Activities - *Building a stronger profit foundation -*

In order to respond to the expectations of investors and society, TOYOTA endeavors to perform various measures to improve business management efficiency, achieve sustainable increases in profit and strengthen the foundation of its management and profit.

When determining investments or financing for various domestic and overseas projects, TOYOTA’s decisions are made after conducting thorough pre-studies, including anticipated profitability. As for fund management, TOYOTA places the highest priority on safety and certainty.

Based on the appropriate financial performance indices, TOYOTA assesses business management efficiency and profit make-up on both an individual and consolidated basis. TOYOTA does its best to continuously improve these, and to timely and fair disclosure of its financial condition and to make appropriate payment of taxes. In order to realize such disclosure, TOYOTA strives to appropriately oversee the financial condition of its subsidiaries and affiliates.

[Guiding Principles 6]

CHAPTER III

SOCIETY AND US

Through its business, TOYOTA creates close relationships with society and its stakeholders (customers, shareholders, local communities, etc.). Based on the basic understanding that “as a member of society, the company engages in business that contributes to society”, TOYOTA operates its business in an open and fair manner. Through active public relations activities, investor relations and philanthropy, TOYOTA aims to be a “good corporate citizen” that is trusted by the international community. TOYOTA’s business is expanding rapidly worldwide. TOYOTA feels that the support and trust of stakeholders in TOYOTA has helped the company realize such expansion, and TOYOTA should not forget gratitude towards its stakeholders.

Thus, TOYOTA will respond strictly with respect to illegal or criminal acts and acts that are not socially acceptable, regardless of whether job-related or whether in private situation. TOYOTA also strongly desires that the people working for TOYOTA, a company engaged in automotive business, are aware of traffic safety and lead safe and pleasant lives.

We support TOYOTA’s aim “to become ‘a good corporate citizen’ that is trusted by the international community”. We strive to communicate openly and fairly with stakeholders, to gain more “Toyota fans”, as well as to engage in activities that contribute to society’s sustainable development. We must also act, at all times, including when carrying out our works, in a manner that does not provoke unnecessary misunderstanding or misapprehensions, and to act with humility, honesty, and integrity.

Regardless of whether at work or in a private situation, **we should pay careful attention to traffic safety, obtain basic legal knowledge, and be aware of common social protocol.** We need to do this so that we can be sensitive to illegal or criminal acts or acts that are against society’s common morals, **and take swift and forceful actions against such acts.**

This Chapter III introduces examples of TOYOTA’s engagement with society and provides issues that we should be aware of, and what TOYOTA expects of us when engaging in social activities.

3 –1. **Corporate Communication Activities** *- Communicating facts in an accurate and timely fashion - - Being Open and Fair -*

In order to become an “open company” and win the trust of society, TOYOTA strives to communicate accurate and timely information to its stakeholders through active public relations and public dialogue, so as to enhance its corporate image and transparency. TOYOTA listens to and respects its stakeholders’ criticisms and suggestions, and incorporates these as appropriate into its business.

We endeavor to build positive relationships with stakeholders through open and fair communication.

[Guiding Principles 2 and 6]

3 –2. **Philanthropy and Community Relations** *- Becoming a corporate citizen trusted by international society -*

Towards attaining an enriched society and sustainable development, TOYOTA, in cooperation with society, strives to effectively use its resources and to engage in activities contributing to society. Such activities are aimed at alleviating societal problems or issues and include initiatives with respect to the “nurturing of personnel”, the “environment”, and “traffic safety”.

As a global company, TOYOTA contributes to creating a sustainable society from the broad perspective of the future of the earth and humanity. As a good corporate citizen, TOYOTA also focuses on local communities and focuses on social issues that each local community faces and endeavors to resolve such social issues.

As members of the local community, we will take an interest in and gain awareness of local social issues. Based on such awareness, we will actively take part in philanthropic initiatives such as volunteer activities.

[Guiding Principles 1, 2 and 6]

3 —3. **Shareholder Relations** *- Respect for shareholders' benefit -*

In order to respond to the expectations of shareholders and investors worldwide, TOYOTA strives to operate its business globally and to enhance corporate value, while achieving stable and long-term growth. TOYOTA considers relationships with investors to be important, and through timely and fair investor relationship activities, endeavors to promote understanding of its corporate management and business activities. As for corporate governance, TOYOTA strives to enhance the transparency of its management and actively incorporates management -checks conducted by independent parties.

We endeavor to contribute, through our work, to TOYOTA's efforts to meet the expectations of its shareholders and investors worldwide.

[Guiding Principles 6]

3 —4. **Government Relations** *- Maintaining proper and transparent relations -*

TOYOTA strives to build transparent and fair relationships with political parties or administrative bodies (government agencies and public officials) and takes appropriate actions to comply with applicable laws and regulations.

We maintain healthy and transparent relationships with political and administrative bodies and public officials.

[Guiding Principles 1]

3 —5. **Political and Religious Activities** *- Moderate participation -*

In the absence of any circumstances of concern (e.g., such as the possibility that the activity will hinder the conduct of business), TOYOTA respects participation in politics by people working for TOYOTA and does not, in any way, interfere with individuals' religious activities. However, these are private activities and, in principle, they cannot be conducted on company premises or in company time.

We respect the rights of other people working for TOYOTA to participate in political and religious activities in a moderate manner.

[Guiding Principles 1]

3 —6. **Traffic Safety Education Activities** *- Improve traffic safety awareness of society as a whole -*

In order to help create a safe and comfortable society, in addition to pursuit of safer vehicles, TOYOTA actively promotes traffic safety education activities designed for today's realities. TOYOTA strives to enhance traffic safety awareness not only among people working for TOYOTA, but within society as a whole.

Recognizing the responsibilities of a company engaged in the automobile industry, we abide by traffic rules, and endeavor to be a role models by safe driving and actively promoting traffic safety.

[Guiding Principles 1]

3 —7. **Disaster Prevention and Crime Prevention Activities** *- Creation of a safe society -*

TOYOTA, in cooperation with the local community, engages in disaster prevention activities and contributes to the recovery of local communities in the event of an actual disaster. TOYOTA actively engages in crime prevention activities and the promotion of a safe society.

Each one of us will maintain high moral standards and actively participate in the creation of a safe society.

[Guiding Principles 1]

Toyota Code of Conduct

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TOYOTA



Name