The United Kingdom plays a pivotal role for Toyota in Europe, in terms of both sales and manufacturing.

The company has two manufacturing centres in the UK: a vehicle plant at Burnaston, near Derby and an engine factory at Deeside, in North Wales. Operated by Toyota Motor Manufacturing (UK) Ltd (TMUK), they represent on-going investment in excess of £1.75 billion and provide around one third of Toyota’s European manufacturing capacity.

Burnaston is the global production centre for the Toyota Avensis and also builds Toyota’s new C-segment hatchback, the Auris.
Deeside manufactures petrol engines for these models and exports engine sets for assembly in other Toyota plants in Europe and around the world.

Sales, marketing and after sales business for Toyota and Lexus vehicles in the UK are handled by Toyota (GB) PLC. The UK is one of Europe’s largest new car markets, with on average around 2.5 million registrations a year and combined sales of Toyota and Lexus models together account for more than five per cent of this total, equivalent to over 140,000 units.

**UK manufacturing**

Toyota made the decision to locate its first European production centre in the UK in the late 1980s. As well as having an historic link with the UK – money to launch Toyota’s automobile business was raised through selling the patent for an automatic loom to Platt Brothers of Lancashire in 1929 – Toyota Motor Corporation (TMC) took into account the national car manufacturing heritage, local skills base and extensive supplier network.

- Operations were launched at Burnaston and Deeside in 1992.
- TMUK directly employs around 4,800 members between the two locations.
- Production at Burnaston began with the Carina E, the first Toyota to be built in Europe.
- Today Burnaston is the exclusive production centre for all versions of the latest generation Avensis and also manufactures five-door versions of the Auris.
- TMUK has the highest production capacity and volume of all Toyota’s European production.

The UK is one of Europe’s largest new car markets, with on average around 2.5 million registrations a year and combined sales of Toyota and Lexus models together account for more than five per cent of this total, equivalent to over 140,000 units.
The success of Toyota’s UK manufacturing operations has been recognised with two Queen’s Awards for Export, in 1997 and 2005.

Toyota’s new 1.6-litre VVT-i ZR petrol engine for the Auris is the most recent addition to Deeside’s production, with full casting and machining of parts and final assembly undertaken at the plant.

The success of Toyota’s UK manufacturing operations has been recognised with two Queen’s Awards for Export, in 1997 and 2005. Between 2002 and 2006 the company doubled its overseas export value to around £2 billion by adding new markets, including Japan, and increasing sales in developing markets such as Russia and other parts of Eastern Europe.

- Around 70 per cent of production is exported to mainland Europe and around a further 15 per cent to 70 countries worldwide.
- The net contribution to the UK’s balance of payments is typically more than £500 million a year.
- TMUK spends more than £550 million annually with UK parts and component suppliers.
In 2005 Burnaston was chosen as the location for Toyota’s European Global Production Training Centre. This £11.2 million, 800m² facility provides production and maintenance skills training for members working across Toyota’s European manufacturing operations.

Member development and involvement is central to Toyota’s company philosophy, whereby members are encouraged and supported in continuous improvement of their own responsibilities and those of their team to help deliver quality and improved efficiency. In turn, TMUK is committed to providing a pleasant and safe working environment. Its efforts in health and safety have been rewarded with a Royal Society for the Prevention of Accidents’ (ROSPA) award every year for the past 11 years.
UK sales and marketing

Toyota (GB) PLC (TGB) is the National Marketing and Sales Company for Toyota and Lexus vehicles in the UK, responsible for sales, marketing, after sales and customer relations. Since 2001 the company has been based at Burgh Heath, near Epsom in Surrey, where it employs more than 400 people. Vehicle logistics centres are located at Derby and Grimsby and imports are managed through a facility at Portbury, near Bristol.

Toyota began importing vehicles to the UK in the mid-1960s when a family business, Pride & Clark, was given the first exclusive Toyota import contract. The company changed its name to Toyota (GB) Ltd in 1967 and in 1978 became part of the Inchcape Group. Toyota Motor Corporation (TMC) took a majority shareholding in the business in 1998 and assumed complete control of TGB in 2000. TGB’s operations are supported by Toyota Motor Europe, based in Brussels.

The UK is well-established as one of Toyota’s largest European markets, with record sales for 14 years in a row.

- Combined sales of Toyota and Lexus cars reached 140,000 units in 2006, more than 5.0 per cent of the total market.
- Light commercial vehicle sales grew by more than 20 per cent, totalling more than 6,500.
- Sustained strong performance in the UK is key to Toyota achieving its aim of 1.2 million annual new car sales in Europe in 2007.

The UK is well-established as one of Toyota’s largest European markets, with record sales for 14 years in a row.
Lexus GS 450h

Lexus

The Lexus brand was launched in the UK in 1990, with sales, marketing and after sales co-ordinated by Lexus (GB) Ltd, a wholly owned subsidiary of Toyota (GB) PLC. Sales and servicing are handled by a national network of around 50 centres, all of which are designed and equipped to meet Lexus's industry-leading standards.

The UK is one of Europe’s most successful markets for Lexus and its achievements are reflected in an unprecedented six successive J.D. Power and Associates Gold Awards for customer satisfaction. Not only did Lexus claim the Gold Award in 2006, it also moved even further ahead of the competition by taking the award for the “most improved” brand.

Lexus began a complete renewal of its product range in 2005, introducing new models and engines. It became the first premium brand in Europe to launch a production hybrid power model, the RX 400h luxury SUV. This was followed in 2006 by the world’s first full hybrid rear wheel drive car, the GS 450h and in 2007 Lexus will launch the LS 600h flagship limousine. The success of these models and the Toyota Prius makes the UK Europe’s largest market for hybrid power vehicles.

The arrival of the new IS sports saloon in 2006 introduced the first Lexus diesel engine, a unit which benefits from advanced features to reduce harmful exhaust emissions, far below current European standards. In 2007 the IS came joint 1st with the Toyota Prius in the JD Power and Associates UK car customer satisfaction index (CSI) study.
Fleet and business sales are handled through a dedicated network of Toyota Business Centres.

Caring for the customer

The Toyota Experience is a new retail concept designed to meet the needs and preferences of today’s customers. It has been adopted across Toyota’s national network of Centres, creating an inviting atmosphere: showroom hosts provide a welcome and direct customers to vehicles on display and information points, while sales people only come into the showroom when more information or test drives are requested.

Lexus Centres are equipped with showrooms and facilities that express the prestige of the brand, offering a luxurious, relaxing and contemporary environment.

Fleet and business sales are handled through a dedicated network of Toyota Business Centres, equipped and staffed specifically to meet the needs of business customers.
Toyota and Lexus Training Centres

To meet the continuing demand for qualified and professional staff, Toyota and Lexus continue to invest in training for its Centre management, sales and service personnel. In 2002, a £3 million facility housing the Toyota and Lexus Academies was opened at Nottingham Trent University, catering for up to 10,000 delegates a year. Both formal qualifications and professional development programmes are offered in conjunction with the university's business school and Centre for Automotive Industries Management. Further training is provided at Toyota GB's principal centre at Salfords, in Surrey.

Toyota will open a new academy in late 2007 at Highfields Science Park in Nottingham. The £10 million scheme will provide a groundbreaking mixture of specialist teaching workshops and classrooms, with a learning centre and social hub for both existing and future Toyota and Lexus technicians. The project is funded by Toyota and local, regional and national development and training partners. TMUK also plans to provide a maintenance technicians apprenticeship scheme at the academy for potential new members.

### TOYOTA (GB) PLC TIME LINE

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tbody>
<tr>
<td>1965</td>
<td>Toyota begins export of cars to the UK; Pride and Clarke secures exclusive import rights.</td>
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<tr>
<td>1967</td>
<td>Pride and Clarke changes its name to Toyota (GB) Ltd.</td>
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<tr>
<td>1978</td>
<td>Toyota (GB) Ltd becomes part of the Inchcape Group.</td>
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<tr>
<td>1990</td>
<td>Toyota introduces its Lexus prestige brand into Europe.</td>
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<tr>
<td>1998</td>
<td>The original Inchcape agreement comes to an end; Toyota Motor Corporation takes 51 per cent majority shareholding in Toyota (GB) Ltd.</td>
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<tr>
<td>1999</td>
<td>Toyota (GB) Ltd becomes a public limited company; Toyota Motor Corporation is listed on the London and New York stock exchanges.</td>
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<tr>
<td>2000</td>
<td>Toyota Motor Corporation takes complete ownership of Toyota (GB) PLC. Toyota (GB) becomes a National Marketing and Sales Company for TMC co-ordinated by Brussels-based Toyota Motor Europe.</td>
</tr>
<tr>
<td>2001</td>
<td>New Toyota (GB) PLC headquarters opened in Burgh Heath, Surrey.</td>
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<tr>
<td>2006</td>
<td>Fourteenth consecutive year of record Toyota UK sales.</td>
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Environmental strategy in action

Toyota seeks to embrace environmental protection in all areas of the product life cycle.

In the UK, Toyota’s commitment to the environment is encapsulated in its “Five Rs” philosophy.

• Design Refinement
• Waste Reduction
• Material Re-use and Recycling
• Retrieval of Energy

The company works to minimise the use of resources and limit waste. Packaging is reused, materials are recycled and the condition of waste products from the manufacturing process is carefully monitored.

TMUK’s operations were designed from the outset to be environmentally friendly and the company continues to make industry-leading advances in developing cleaner and more environmentally-aware operations and business practices.
Key environmental achievements

- Toyota was the first car manufacturer in the UK to achieve the ISO 14001 certification for environmental management for all operations.
- Burnaston was the first Toyota factory outside Japan to adopt water-based paint for its vehicles.
- Continuing investment in efficiency has reduced energy use per vehicle built by more than 70 per cent since 1993.
- TMUK is the UK’s first car manufacturer to achieve zero waste to landfill.

An Environmental Steering Committee oversees green targets and objectives, but environmental awareness is also developed at grass roots level with all Toyota members trained in the importance of minimising waste, recycling where possible and taking a personal initiative to promote good practice.

In 2004, TMUK became the first car manufacturer to reduce the amount of waste sent to landfill to zero and in recognition of this was awarded Business in the Community’s Big Tick Award. TMUK set the target as a five-year ‘dream’ goal, but achieved it two years ahead of schedule.

It has also made significant strides in the reduction of energy usage, water usage and the emissions of Volatile Organic Compounds (VOCs). Recent plant investment led to significant savings in solvent usage and VOC emission and the introduction of robots has significantly reduced the energy used in the welding process.
Under the EU Emissions Trading Scheme, TMUK has worked hard and invested heavily to substantially reduce its carbon usage. Since production began in 1993, energy use per vehicle has been cut by more than 70 per cent.

The green profile extends further to the field of marketing, sales and after sales, with Toyota (GB) PLC developing its own environmental strategy. Internally this raises environmental awareness among staff, while externally the company supports best practice across its Centre network through the Toyota Environmental Service, offering practical guidance on tackling waste and pollution issues.

TGB also complies with recycling requirements under the End of Life Vehicle (ELV) Directive. It has established a take-back agreement with specialist company Autogreen, ensuring that all Toyota and Lexus vehicles it disposes of are recovered and recycled to 85 per cent by weight.

To further support the take up and understanding of low carbon cars Toyota is supporting a Cars of the Future display at London’s Transport Museum.

**Low Carbon Vehicle Partnership**

Toyota takes a leading role in the UK’s drive towards cleaner vehicles and fuels through its membership of the Low Carbon Vehicle Partnership. Formed in 2003, the Government-backed organisation provides a forum and network for businesses, academic institutions, organisations and agencies, through which they can plan future products and technologies, provide input to government and policy makers and establish a central access point for information on regulatory issues.
**Corporate citizenship**

Toyota operations all over the world value the quality of their local environment and in the UK this is demonstrated in on-going involvement in and support for a number of good causes.

**Conkers:** TMUK has an environmental partnership with Conkers, an environmental discovery centre contributing displays and activities that illustrate its work to safeguard the environment and develop sustainability in its operations.

**Toyota Technology Challenge:** A national initiative for secondary school students to promote careers in manufacturing and engineering with an annual competition to design and build an environmentally-friendly model vehicle.

**NSPCC:** In 2006, TMUK raised more than £500,000 for the NSPCC’s FULL STOP campaign. To date TMUK has donated more than £2 million to local charities and good causes.

**British Red Cross:** TGB supports the Don’t Be A Bystander campaign, which provides roadside first aid training and nationwide roadshows, aimed at young people.

**Aylesbury Young Offenders Institution:** In a ground-breaking scheme, Toyota has joined forces with the Government and the Prison Service to enable young offenders to study for a level three National Vocational Qualification in vehicle maintenance. Toyota has invested £350,000 to help set up a workshop and provide classroom training.

**The Children’s Trust:** TGB is a long-term supporter of The Children’s Trust, which is based close to its headquarters in Surrey.

**BEN:** TGB supports BEN, the occupational benevolent fund for employees past and present from the motor engineering industries and associated trades, organisations and industries.