TOYOTA

TOYOTA MOTOR CORPORATION

Sustainability Data Book

Last update: October 2025

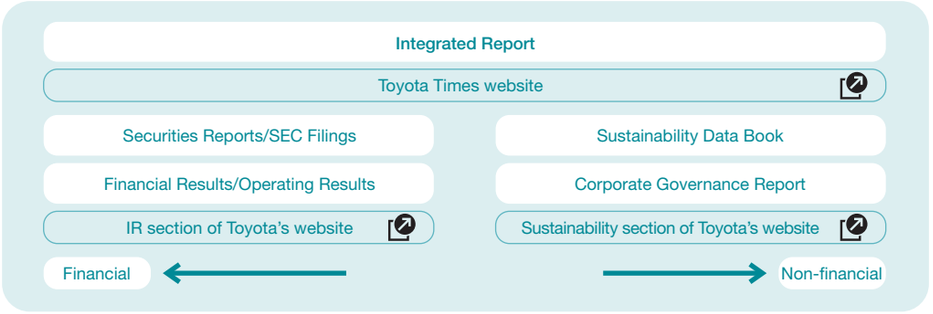
Updated in June 2025

Sustainability Data Book Overview

GRI 2-2-4

Editorial Policy

The Sustainability Data Book explains Toyota's sustainability approach and policies for ESG initiatives along with practical cases and numerical data, as a medium for specialists and those who are particularly interested in sustainability issues.



Period Covered

Focusing mainly on the results of initiatives implemented during the previous fiscal year, the contents are mainly updated twice a year, in June and October. For update history, please see the following page.

Scope of Report

This Book introduces the initiatives and activities of Toyota Motor Corporation and its consolidated subsidiaries etc. in Japan and overseas. The scope of data covered is described in each section.

Toyota References in This Document

Toyota:	Information on or initiatives of Toyota Motor Corporation and its consolidated subsidiaries
Toyota Group companies :	Information on or initiatives of the 17 companies (As of March 2025) within the Toyota Group
Toyota Motor Corporation:	Information on or initiatives of Toyota Motor Corporation

Toyota Group Company Information

Reference Guidelines

- Task Force on Climate-related Financial Disclosures (TCFD)
- Sustainability Accounting Standards Board
- (Reference code SASB TR-AU-●●● is indicated at each applicable part.)

P. 139 SASB Content Index

- GRI Standards
  (Reference code GRI ●●●-●●● is indicated at each applicable part.)

P. 140 GRI Content Index

- ISO 26000 Guidelines

Third-party Assurance

Third-party Assurance denotes data assured by an Independent Practitioner

Disclaimer

This report includes not only past and current facts pertaining to Toyota Motor Corporation and other companies within the scope of coverage of the report, but also plans and projections at the time of its publication as well as forecasts based on management policies and strategies. These forecasts are assumptions or determinations based on information available at the time they are stated, and the actual results of future business activities and events may differ from the forecasts due to changes in various conditions. In cases where information provided in prior reports is corrected or restated and in cases where material changes occur, the details thereof will be indicated in this report. The readers' understanding about this point would be appreciated.

Update History

October 2025	Promoting Sustainability	Organizational Structure
	Environment	
	Social	Diversity, Equity, and Inclusion (DE&I)
		Value Chain Collaboration
		Vehicle Safety
		Quality and Service
		Human Resource Development
		Health and Safety
		Social Contribution
		Social Data
June 2025	Promoting Sustainability	
	Environment	Climate-related Financial Disclosures Based on TCFD Recommendations
	Social	
	Governance	
	SASB/GRI/TCFD Content Index	TCFD Content Index
March 2025	Promoting Sustainability	Sustainability Issues and Initiatives (Materiality)
January 2025	Environment	Climate Change
		Third-Party Assurance
October 2024	Environment	Policy and Environmental Management
		Climate Change
		Resource Recycling
		Harmony with Nature
		Environmental Data
		FY2024 Review of the 7th Toyota Environmental Action Plan (2025 Target)
		Third-Party Assurance
	Social	Value Chain Collaboration
		Vehicle Safety
		Social Data (Supply Chain)
June 2024	Promoting Sustainability	
	Environment	Climate-related Financial Disclosures Based on TCFD Recommendations
	Social	
	Governance	
	SASB/GRI Content Index	
February 2024	Promoting Sustainability	Sustainability Issues and Initiatives (Materiality)
January 2024	Promoting Sustainability	Public Policy
	Social	Diversity,Equity, and Inclusion (DE&I)
		Value Chain Collaboration

Contents

Governance

SASB/GRI/TCFD Content Index

Updated in October 2025

Overview of Toyota Motor Corporation

GRI 2-1, 7

Company Profile

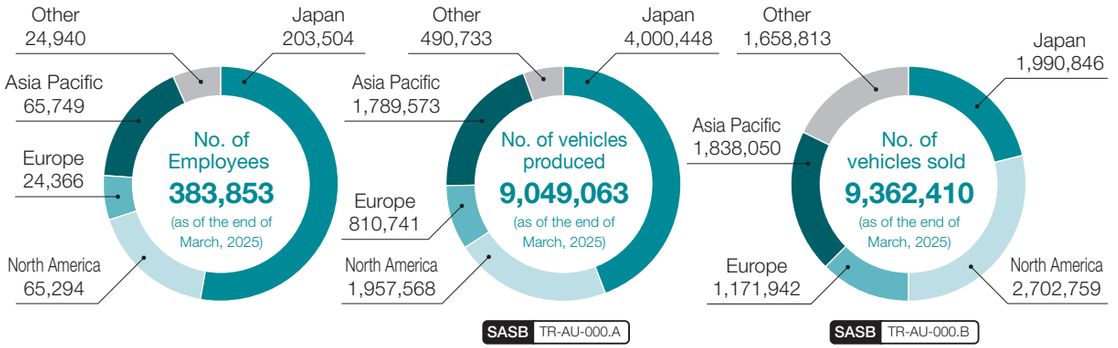
Company Name	Toyota Motor Corporation
President and Representative Director	Koji Sato
Company Address Head Office Tokyo Head Office Nagoya Office	1 Toyota-cho, Toyota City, Aichi Prefecture, Japan 1-4-18 Koraku, Bunkyo-ku, Tokyo, Japan 4-7-1 Meieki, Nakamura-ku, Nagoya City, Aichi Prefecture, Japan
Founded	August 28, 1937
Capital	635.4 billion yen (as of the end of March, 2025)
Main Business Activities	• Automotive business • Financial services (vehicle loans and leasing, etc.) • Other operations (information technology, etc.)
No. of Employees (consolidated)	383,853 (as of the end of March, 2025)
No. of Consolidated Subsidiaries	585 (as of the end of March, 2025)
No. of Associates and Joint Ventures Accounted for by the Equity Method	165 (as of the end of March, 2025)

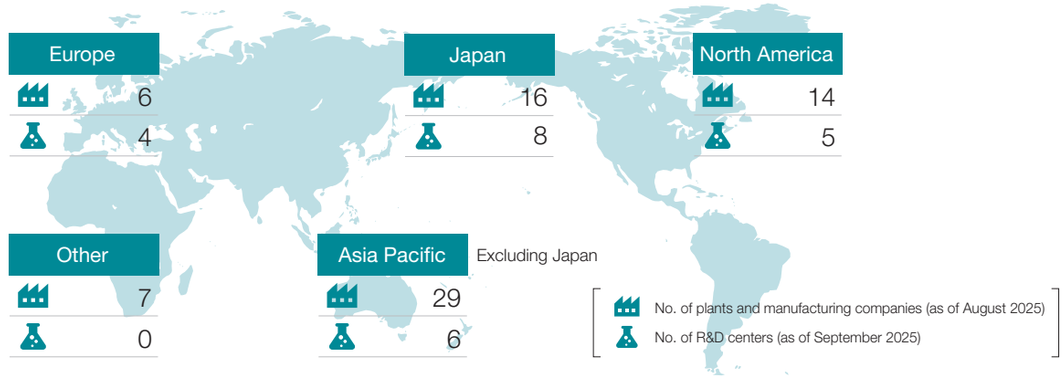
Vision & Philosophy

For details of our Vision & Philosophy, please see our official website.

Vision & Philosophy

Global/Regional Data





Financial Data

For our major financial data, please see our official website.

Financial Data

Updated in October 2025

Promoting Sustainability

GRI 2-12~14, 17, 24, 28, 29, 3-1, 2

Fundamental Approach

Aim

- Contributing to the creation of a prosperous society through our business activities based on the Guiding Principles at Toyota while continuing to uphold the spirit of the Toyoda Principles, which we have inherited since our foundation.
- Aiming to be the "best company in town" that is both loved and trusted by local people to achieve the mission of "Producing Happiness for All" under the Toyota Philosophy compiled in 2020.
  ⇒ **Contributing to the sustainable development of our society and planet** by promoting sustainability under the Toyota Philosophy.

Toyota Philosophy

Guiding Principles at Toyota

Our Commitment to Sustainable Business - Message from the President-

Initiative

- Advancing initiatives based on our **Sustainability Fundamental Policy** and individual policies and guidelines.

Sustainability-related policies

Sustainability Fundamental Policy

<Related policies>

Environment	Earth Charter	Policy on Harmony with Nature
Information	Information Security Policy	
Human rights	Human Rights Policy	
Supply chain	Basic Purchasing Policies Policies and Approaches to Responsible Mineral Sourcing Green Purchasing Guidelines	Supplier Sustainability Guidelines Policy for Sustainable Natural Rubber Procurement
Health and safety	Declaration of Health Commitment	Basic Philosophy for Safety and Health
Social contribution	Basic Principles and Policies of Social Contribution Activities	
Compliance	Toyota Code of Conduct Toyota Speak Up Policy	Toyota Global Anti-Bribery and Anti-Corruption Policy Anti-Bribery Guidelines
Taxation	Tax Policy	

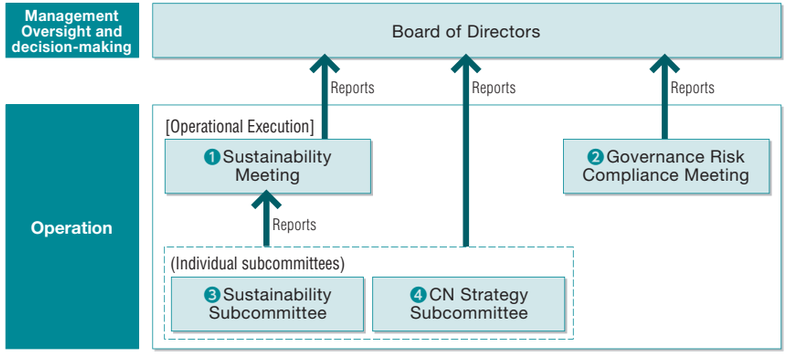
Organizational Structure

Aim

- **Addressing issues of greater importance and urgency** on a priority basis while grasping, for example, changes in the external environment and social needs.

Initiative

- Continuously promoting and improving our sustainability activities with oversight and decision-making provided by the Board of Directors. We will work in close liaison with relevant departments to carry out ESG (environmental, social, and governance)-related initiatives.
- To deliberate on important cross-cutting sustainability challenges related to management, Toyota has established a Sustainability Meeting primarily addressing themes related to environmental and social issues, with the President serving as the chair. Additionally, a Governance Risk Compliance Meeting focusing on themes related to governance, with the Chief Risk Officer serving as the chair, has been established.
- Specific issues and themes that are closely related to sustainability practices are deliberated in respective subcommittees.



(As of October 2025)

	❶Sustainability Meeting	❷Governance Risk Compliance Meeting	❸Sustainability Subcommittee	❹CN Strategy Subcommittee	❺Governance Risk Compliance Subcommittee
Chairperson	President	CRO	Sustainability Senior General Manager	President of Carbon Neutral (CN) Engineering Development Center	Governance Risk Compliance Subcommittee was integrated into Governance Risk Compliance Meeting in October 2025
Members (number of people)	Executive Vice President (2), Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (2), Operating Officer (1), and others (6)	Executive Vice President (2), Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (3), Outside Audit & Supervisory Board Member (1), CCO, and others (5)	Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (1), CRO, and others(7)	Executive Vice President (2), Operating Officer (4), and others (10)	
Number of times held in FY2025	5	3	3	2	
Frequency of reports to the Board of Directors	When an important matter arises	When an important matter arises	When an important matter arises	When an important matter arises	
Content	• To increase corporate value by deliberating, making decisions on, and promoting activities on key sustainability issues in management practices	• To report and consult of important management items related to Governance, Risk and Compliance	• To report and deliberate on key management issues related to strengthening competitiveness over the medium to long term and responding to risks associated with environment, social issues, governance and the SDGs, while monitoring internal and external developments	• To cultivate a shared understanding of significant global trends related to carbon neutrality and environmental challenges • To report and deliberate on important management policies, such as targets and KPIs related to the above	

CRO: Chief Risk Officer CCO: Chief Compliance Officer CQO: Chief Quality Officer

Sustainability Issues and Initiatives (Materiality)

Aim

- On transforming into a mobility company under the mission of "mass production of happiness", identify and continuously evaluate our materiality (key issues) in response to shifts in the societal landscape as well as feedback from our stakeholders.
- Contribute to the society and enhance our own corporate value sustainably.

Initiative

Materiality Identification Process

Step 1

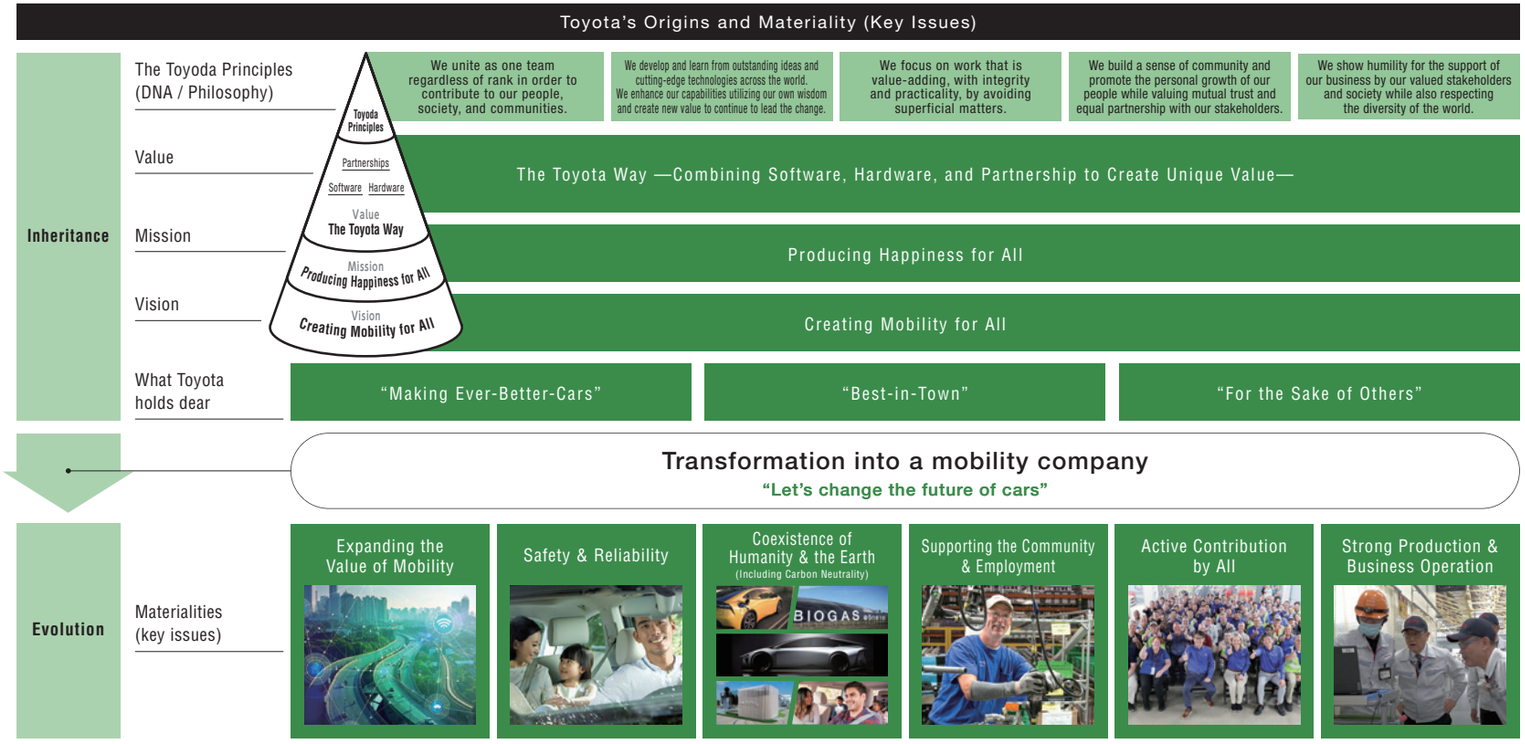
- Universal values like the Toyota Philosophy were classified as "inheritance," and issues necessary to promote our transformation into a mobility company were classified as "evolution."
- Referring to both internal and external information, we organized and identified all issues that are pertinent to Toyota in terms of the impact Toyota has on the environment and society as well as the impact the environment and society have on Toyota itself while also determining issues that must be addressed to ensure Toyota's transformation into a mobility company.
- References: the European Sustainability Reporting Standard (ESRS), the Sustainability Accounting Standards Board (SASB), and such ESG assessment indicators as MSCI and FTSE.

Step 2

- Discussions regarding the issues identified and organized in Step 1 were held with our own employees, eight NGOs and NPOs, four specialists, and 10 institutional investors.
- We then reordered the issues in response to the feedback we received.

Step 3

- Discussions on the issues identified in Step 2 were held in the Sustainability Subcommittee and the Sustainability Meeting, which is chaired by President Sato and attended by Outside Directors and executives, with six key issues identified.



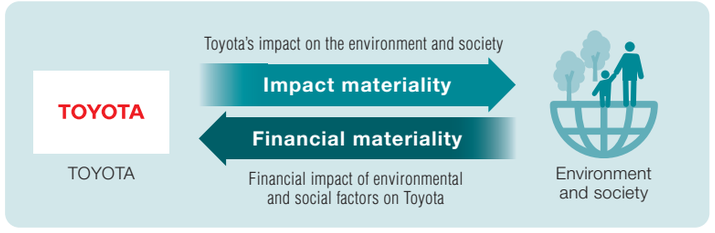
Key Remarks from Stakeholders

Employees	• Once we understand how our roles are connected to Toyota's values, we can accelerate our efforts. • I'd like to use this as a compass to get the concepts communicated by top management down to a tangible level of detail.
NGOs and NPOs	• We'd like Toyota to express its perspective on the "society and future" it wishes to create.
Experts	• "Nature Positive" will be an important initiative in the future and should be considered. • Theoretical components and management intentions are consistent and reasonable in terms of double materiality.
Institutional investors	• It is taken directly from Toyota's DNA and has a quality that is unique to this Company. • It is important to have a story that connects such KPIs as financial impact with materialities. • Toyota's stance on addressing climate change should be communicated in clear language.

Step 4

- Discussions regarding the issues identified in Step 3 were evaluated from two focal points: the impact Toyota has on the environment and society (impact materiality), and the impact the environment and society have on Toyota (financial materiality).
- Materiality was identified in dialogue with stakeholders and through discussions in the Sustainability Subcommittee and Sustainability Meeting.

Concept of Double Materiality (direction of impact: TOYOTA ⇔ environment and society)



Steps

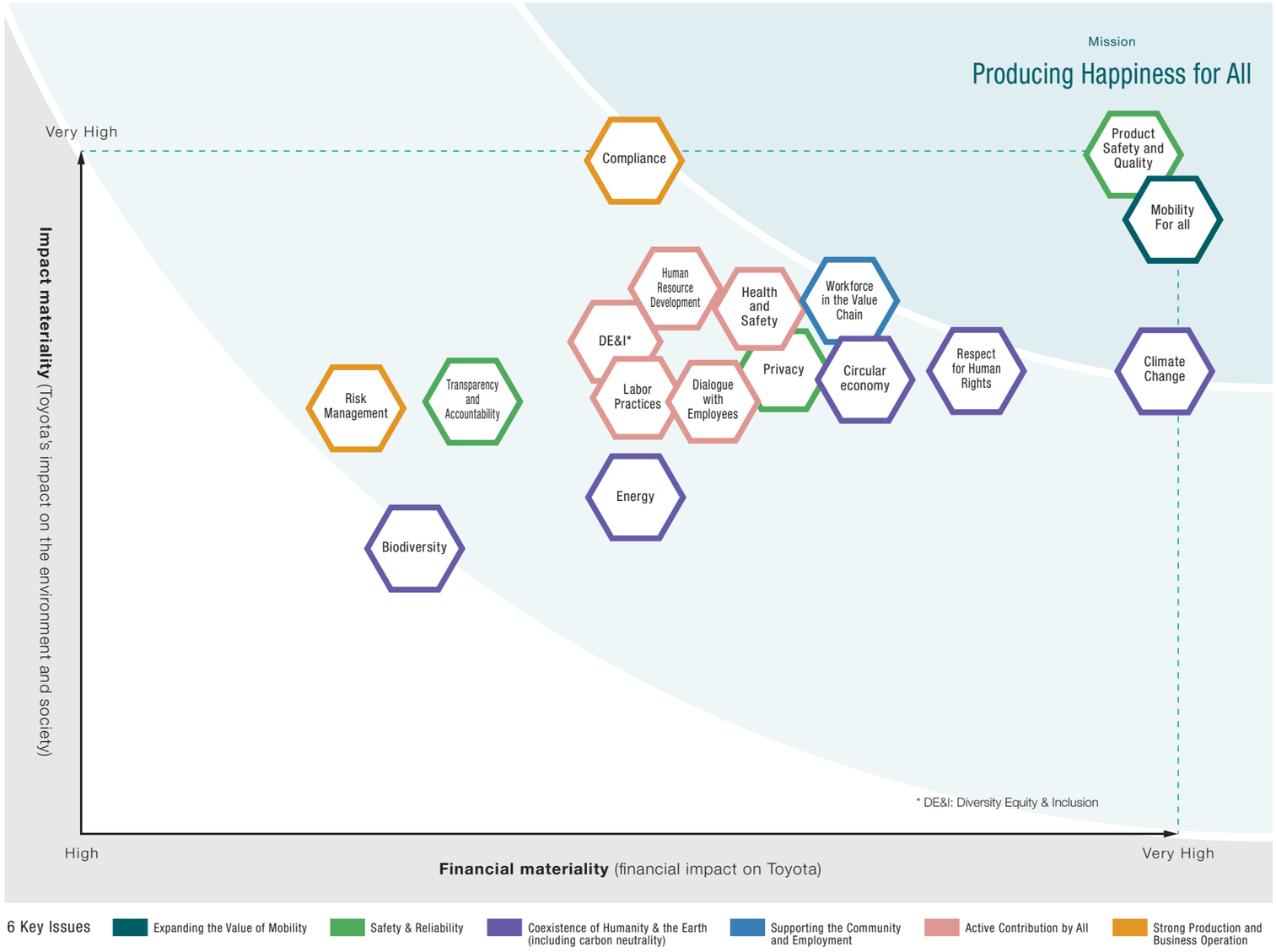
Step 1
- Identification and organization of issues
- Categorization into "inheritance" and "evolution"

Step 2
- Dialogue with stakeholders about identified and organized issues

Step 3
- Reorganization of issues
- Identification of six key issues

Step 4
- Dialogue with stakeholders
- Identification of materialities evaluated from two focal points

Materiality Map



Materiality (Key Issues)		Main Initiatives
Expanding the Value of Mobility	Mobility For all	● With the aim of realizing a mobility society where everyone can move freely, happily, and comfortably, we will provide mobility options to customers around the world that are in tune with a diverse range of energy situations and customer needs. ● BEVs offer new possibilities in such ways as serving as mobility that transports electricity, collectively acting as an energy grid, and enhancing society's energy security. Toyota will build a CO_2-free hydrogen supply chain that starts from Woven City as well as demonstrate potential uses of hydrogen in our daily lives. ● By promoting the development of Software Defined Vehicles (SDVs), we will form connections between cars, people, goods and services, and information. In this way, we will not only enhance the effectiveness and productivity of people's social activities but also offer safety and security that help people live in the manner they so choose. ● As part of our efforts to "make ever-better cars" from the starting point of motorsports, we will continue to promote the development of new technologies and work to enhance our existing ones. At the same time, we aim to broaden the foundation of motorsports culture, bringing the joy of driving to even more people.
Safety & Reliability	Product Safety and Quality Privacy Transparency and Accountability	● To achieve a safe mobility society, Toyota believes it will be important to implement an integrated three-pronged initiative involving people, vehicles, and the traffic environment as well as pursue real-world safety by learning from actual accidents and incorporating that knowledge into vehicle development. We have adopted the Integrated Safety Management Concept as the basic philosophy behind our safety technologies and are promoting technological development based on this concept. ● We will enhance safety, peace of mind, and satisfaction for customers by improving the quality of each employee's work, which underpins the quality of our products, sales activities, and services. ● The targets of cyberattacks include confidential information, information systems, and plant and vehicle control system networks, such as those for onboard devices, as well as supply chains. We strive to protect information assets against cyberattacks and thereby ensure customer safety and peace of mind.
Coexistence of Humanity & the Earth (Including Carbon Neutrality)	Climate Change Energy Circular economy Respect for human rights	● Guided by our multi-pathway strategy, we have made it our mission to work towards realization of a carbon-neutral society in which no one is left behind. ● As the first step in carefully managing valuable resources, we are working to build new ecosystems together with all of our stakeholders through development, production, sales, and recovery activities based on a circular economy. ● Guided by our Human Rights Policy and Supplier Sustainability Guidelines, we will implement human rights due diligence and appropriate educational activities on human rights.
Supporting the Community and Employment	Workforce in the Value Chain	● In collaboration with our suppliers, dealers, and other business partners, we will promote activities based on our customer first policy. We will also examine employment and workforce initiatives in response to changes in the business environment, such as electrification, by pursuing various transitions that include the entire value chain.
Active Contribution by All	Human Resource Development Diversity, Equity, and Inclusion (DE&I) Labor Practices Dialogue with Employees Health and Safety	● We place value on each employee's ambition to make the workplace better and strive to establish frameworks that allow them to discover and pursue opportunities for individual growth. By doing so, we will develop human resources who can think for themselves and continue to take action for the sake of others, while building strong connections with their peers. ● In order to promote "Active Contribution by All" by maximizing the diverse talents, strengths, and abilities of each team member to deliver better value to our customers, we are working to bolster systems and initiatives from the perspective of establishing employee-friendly and fulfilling work environments. We are also striving to enhance the awareness of all Toyota employees. ● We will strive to improve the "life well-being" and "work well-being" of all employees so that they can feel a sense of enjoyment and happiness through their involvement in car manufacturing. ● Toyota cherishes the ideals of sports, including taking on challenges, never giving up, and promoting teamwork and respect. These ideals serve as the backbone of our corporate culture. By promoting sports-related initiatives, we aim to realize an inclusive society where all people have the opportunity to challenge their own perceived limits.
Strong Production and Business Operation	Risk Management Compliance	● Drawing on the improvements we have made to existing functions, we are working to apply these improvements in our development and sales activities as well as our after-sales services. In this way, we will pursue comprehensive operational reforms together with internal and external partners. ● In an era when the business environment is undergoing massive changes and constant innovation is required, we will bolster our global risk management system to address increasing uncertainties that arise in such times. ● Based on the idea of placing the right person in the right position, we will pursue innovations in an agile and continuous manner with the aim of achieving sustainable growth and stable, long-term corporate value enhancement. By doing so, we aim to establish an optimized management structure for a Global Toyota. ● To achieve our mission of producing happiness for all, we will fulfill the corporate social responsibility expected of Toyota by not only complying with laws but also acting with integrity in accordance with the Toyota Code of Conduct.

Integrated Report 2024, p. 5, Sustainability Issues and Initiatives (Materiality)

Stakeholder Engagement

Aim

- Engaging in stakeholder-oriented management to contribute to sustainable development and striving to **maintain and develop sound relationships with stakeholders** through open and fair communication.

Initiative

- **Holding dialogues** with major stakeholders through Toyota's relevant divisions and offices around the world.
- Disseminating information about Toyota's initiatives through dialogues with external experts to examine, for example, the direction of our sustainability-related initiatives, and through speech delivery at external lecture meetings.

Customers

Based on our "Customer First" policy, we take measures to incorporate the comments and opinions of customers into better products and services.

Communication methods and frequency	Incorporation into corporate activities
● Toyota Customer Assistance Center (as needed) Responding to customer opinions by telephone and email forms	Improving customer satisfaction activities
● Official website, product websites (as needed) Disseminating company information and business details, providing FAQs, etc.	
● Information sharing through social media (as needed) Disseminating company information and business details	Disseminating information in response to customer demand

Shareholders

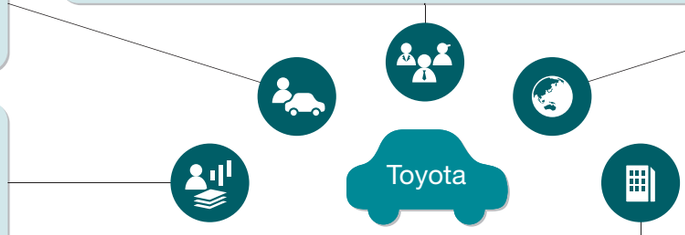
Timely and appropriate disclosure of operation and financial results to shareholders and investors, and constructive dialogues toward sustained growth and enhancement of corporate value.

Communication methods and frequency	Incorporation into corporate activities
● Shareholders' Meeting (once a year) Unconsolidated and consolidated financial statements, audit and supervisory board reports, and deliberation and decisions on resolutions	Improving management quality through constructive dialogue
● Financial results announcement (four times a year) Press and telephone conferences to explain Toyota's financial status and initiatives	
● Individual meetings (as needed) Explanation and discussion on financial status, local projects, technologies, products, etc. with institutional and private investors	
● Investor information website, etc. (as needed) Providing information on financial status, business details, etc.	

Employees

Bilateral communications to build teamwork and foster a sense of unity based on a labor-management relationship founded on mutual trust and responsibility.

Communication methods and frequency	Incorporation into corporate activities
● Joint labor-management roundtable conferences/ Labor-management meetings (several times a year) Discussions/negotiations, opinion exchanges and mutual understanding regarding labor-management issues	Strengthening labor-management relationships
● Employee satisfaction survey (once or twice every two years) Surveying employees' satisfaction regarding workplace culture and company life	Improving workplace culture and evaluating and planning various labor-management and personnel policies



Business Partners

Close communication to achieve a mutually beneficial relationship based on mutual trust.

Communication methods and frequency	Incorporation into corporate activities
[Dealers] ● Various meetings, seminars, and events (as needed) Sharing corporate policies	Building closer, mutually beneficial relationships based on mutual trust
[Suppliers] ● Supplier conventions, various meetings with supplier associations, seminars, and events (as needed) Sharing purchasing policies and strengthening mutual study and partnerships	

Local Communities/ Global Society

Dialogue with various stakeholders to build good relationships with local communities and to solve global social and environmental issues.

Communication methods and frequency	Incorporation into corporate activities
● Roundtable conferences with local residents (several times a year) Explanation and discussions with local representatives on Toyota's initiatives at each plant	Promoting mutual understanding and forming stable local communities
● Inviting local communities to Toyota's events and participating in local events (as needed) Social gatherings with local residents	
● Participating in joint projects between public and private sectors (as needed) Cooperating in progressive initiatives such as verification tests	Improving advanced technologies and recognizing/ resolving social issues
● Participating in economic and industry organizations (as needed)	Introducing policies to improve the vitality of the nation/ industries
● Participating in collaborative activities with NGOs and NPOs (as needed) Social contribution activities in each region around the world	Recognizing social needs in individual regions

- Major initiative we participate in
  - World Business Council for Sustainable Development (WBCSD)

P. 19 Stakeholder Engagement (Environment)

P. 74 Engagement with stakeholders (Human Right)

Public Policy

Aim

- Carrying out Toyota's mission **"Producing Happiness for All"** and aiming to be the No. 1 company in the community, loved and relied on by local residents.
- For example, in terms of climate change, it is very important to expand the use of electrified vehicles worldwide. In the process of achieving this objective, governments and the authorities concerned have a crucial role in developing energy policies and infrastructure. Working and learning together with stakeholders, Toyota will maximize its contribution to local communities and the development of public policies in consideration of policies, social needs, technological advancement, and various customer needs while always bearing transparency and compliance in mind.

Initiative

- Building good relationships with governments and their administrative agencies, regulators, political parties, NGO, local communities, customers, and other stakeholders.
- Participating in economic organizations and industry associations around the world and many officers and employees are involved in and contribute to formulating policy recommendations.
- **Disclosing Toyota's Views on Climate Public Policies**
  - Bringing more transparency to our activities, building and increasing trust with the public, and further strengthening cooperation with all stakeholders by compiling our views on key climate-related policies and conducting objective evaluations on the industry associations to which we belong.

Toyota's Views on Climate Public Policies

Toyota's SDGs

Aim

- Producing happiness for all individuals in the era of diversification, with a "**YOU perspective**" that sees the other side of the story.

Initiative

- Promoting initiatives based on the desire of working for the benefit of others, which has been passed on since our founding.

Examples
- **Initiatives for the global environment**
- **Initiatives for a happier society**
- **Initiatives for working people**

SDGs Initiatives

SUSTAINABLE DEVELOPMENT GOALS

Environment

Updated in October 2025

Policy and Environmental Management

SDGs Contributions

GRI 2-25, 2-27, 3-3, 305-6, 306-2, 308-1, 308-2

Fundamental Approach

Aim

- **Reduce our environmental footprint** and contribute to the sustainable development of society and the world throughout all areas of our business activities.
- Build close, cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation.

Initiative

Toyota Earth Charter

- Conducting continuous environmental initiatives since the 1960s.
- Established the Toyota Earth Charter in 1992 (revised in 2000).
- In 2015*, Toyota established **the Toyota Environmental Challenge 2050**, a long-term initiative for the global environment through 2050, and has since promoted various initiatives based on this challenge.

* 2015: The 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) was held that year

Vision & Philosophy
Toyota Earth Charter
P. 57 Toyota Environmental Challenge 2050

Environmental Management

Aim

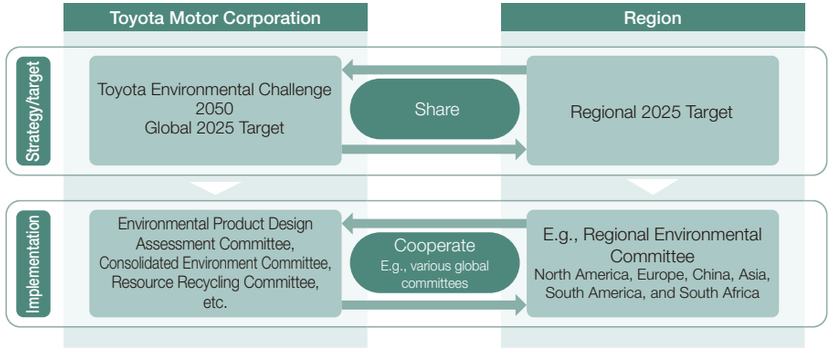
- To achieve sustainable development together with society, establish the global environmental management system with consolidated companies to ensure thorough **risk management and compliance and maximize environmental performance**.
- Continuously improve the management system and respond swiftly to changes in environmental issues including the worsening impact of climate change.

Initiative

Establish an Environmental Management System

- Establish strategies, policies, and approaches in each field under the lead of the Environmental Product Design Assessment Committee, the Consolidated Environment Committee, and the Resource Recycling Committee, which are reporting under the Carbon Neutral Strategy Subcommittee supervised by the Board of Directors.
- Share our target with the following companies and drive forward environmental management.
  - Consolidated companies on a financial accounting basis (519 companies)
  - Unconsolidated vehicle manufacturing companies (8 companies)
- Establish environmental affairs offices in the six regions (North America, Europe, China, Asia, South America, and South Africa) to promote global environmental initiatives while taking regional circumstances into consideration.

Global Environmental Management Framework



ISO*1 14001

Certification as of 2024

- ISO 14001: Production plants of Toyota Motor Corporation and our consolidated companies (126 companies).

*1 International Organization for Standardization

Risk Management and Compliance

- Take the following actions at the business sites of Toyota Motor Corporation and our consolidated companies:
  - Implement preventive measures.
  - Undertake risk management in accordance with criteria that meet laws and regulations.
  - Have systems in place, if needed, to respond to a violation or a complaint in a timely manner, and if such a situation occurs, work to prevent reoccurrence through identification of root causes.
- Conduct mutual learning for production plants by sharing practices among Toyota Group companies.

Maximize Performance

- Proceed with initiatives based on the Toyota Environmental Challenge 2050.

P. 20 Carbon Neutrality P. 33 Circular Economy P. 38 Nature Positive

- Initiatives related to compliance with regulations on chemical substances and air quality and those related to waste and logistics packaging materials will be promoted based on the 2025 targets.

[Case] Efforts to Reduce Waste Volume

Introduction of a used water-based thinner treatment system at the Takaoka Plant

- A treatment system was introduced for used water-based thinner, which was previously disposed of, enabling waste reduction by separating wastewater and sludge.
  - Problems
    In the vehicle painting process, every time the color changes, the spray nozzles require cleaning with water-based thinner, resulting in a large amount of contaminated thinner being generated as waste.
  - Countermeasures
    A biological treatment system was introduced to purify used water-based thinner, separating it into wastewater and sludge. The purified wastewater is reused or discharged, while the remaining sludge is disposed of as waste, thereby reducing the total amount of waste generated.

External Assessment for Our Commitment to Climate Change and Water Security

CDP*2 Corporate Research

- Selected for inclusion as an A list company under CDP climate change and a B list company in July 2025.

*2 An international NGO that encourages and assesses corporate disclosures on environmental initiative based on calls from global institutional investors with high levels of interest in environmental issues

Initiatives with Suppliers

Aim

- Contribute to a sustainable society by **reducing environmental footprint throughout the entire life cycle** in collaboration with suppliers, based on mutual trust and prosperity.

Initiative

Green Purchasing*1 Policy

Rollout of the Guidelines

- Toyota Motor Corporation asks all tier 1 suppliers, including new suppliers, to implement basic initiatives based on the ***TOYOTA Green Purchasing Guidelines*** (the "guidelines"), and also deploys and communicates the guidelines to all tier 2 and lower-tier suppliers so that the guidelines will take root.
- The guidelines are scheduled to be revised in line with recent social trends and company announcements. They request each company to implement initiatives that reduce environmental footprint at production sites and throughout the product life cycle and to ensure compliance with related laws and regulations.

*1 Prioritizing the purchase of parts, materials, equipment, and services with a low environmental footprint when manufacturing products

- Example of regional green purchasing policies
  - Roll out guidelines tailored to local circumstances at each regional purchasing base and request ongoing efforts.

[Case]

Toyota Motor North America, Inc. (The U.S.)

- Updated the existing guideline and issued the *Green Supplier Requirements* in April 2021 and reinforced environmental management by including compliance with requirements (for example, greenhouse gas (GHG) emission reductions) in the terms and conditions.

Green Purchasing Guidelines

Supplier Sustainability Guidelines

Policy for Sustainable Natural Rubber Procurement

- Toyota promotes the elimination of deforestation and ecosystem conversion within the natural rubber supply chain.
- Believing that protection of forests and other natural ecosystems is critical for maintaining biodiversity, combating climate change, and sustaining livelihoods, we have **formulated the *Policy for Sustainable Natural Rubber Procurement*** for natural rubber used in vehicles.
- This policy features the following:
  - Being aligned with the policy and framework that was adopted in a September 2020 resolution by **the General Assembly of the Global Platform for Sustainable Natural Rubber (GPSNR*2)**, of which Toyota is a member.
  - Respecting the UN Guiding Principles on Business and Human Rights, as well as the guidelines and conventions established by the International Labour Organization (ILO).

Fiscal Year 2025 Performance

- Toyota is working together with suppliers to gather information and give responses to questions received from GPSNR regarding the implementation status of this policy.

*2 Global Platform for Sustainable Natural Rubber

Policy for Sustainable Natural Rubber Procurement

Compliance with the Guidelines

- The guidelines state that if a supplier does not make improvements after violations of laws or guideline breaches are identified, the business relationship may be reconsidered.
- *The Supplier Sustainability Guidelines* (revised in 2021), in which the above statement is mentioned, was disseminated to primary suppliers.

Supplier Sustainability Guidelines

Monitoring

Self-assessment Sheet

- **Use a self-assessment sheet** to confirm the status of initiatives by each company and **share the results**.

Fiscal Year 2025 Performance

- Received self-assessments from 242 major companies in Japan and provided feedback on the scoring results.

CDP Supply Chain Program

- Introduced the CDP Supply Chain Program in 2015 to support continuous environmental initiatives conducted with suppliers, enabling us to determine suppliers' risks, opportunities and initiatives on climate change and water security.
- We hold information sessions and guidance meetings every year to share social trends and policies related to Toyota's initiatives and to provide feedback on the survey results, thereby creating opportunities for communication on environmental issues.

2024 Performance

- Responses were received from suppliers that account for approximately 84 percent of the total purchasing value for Toyota Motor Corporation.
- Approximately 83 percent of these suppliers reduced their GHG intensity (per unit of net revenue) compared to the previous year (results of efforts such as energy conservation activities and the use of renewable energy).

Main Results of the CDP Supply Chain Program (2024)

		Climate Change	Water Security
Number of companies that responded		185	170
Response rate		98	99
Percentage selecting "implemented"	Governance (board-level oversight, corporate policy)	99	87
	Identifying risks	96	72
	Integrating issues into business strategy	86	–*3
	Setting quantitative targets	98	86

*3 CDP questions discontinued (previously answered in W7.1)

Initiatives Toward Reducing GHG Emissions

- Shared carbon neutrality in 2050 as a common goal and studied specific GHG reduction strategies by setting emission reduction targets customized for each supplier.

2025 Targets

- Work with major suppliers in each country and region toward reducing GHG emissions.
- Applicable countries and regions: Seven regions with purchasing functions (Japan, North America, Europe, China, Asia, South America and South Africa).

2024 Performance

- Successfully achieved the targets set in each country or region.

Risk Management

Ensuring Compliance with Regulation Concerning REACH*1 and Other Global Regulations on Chemical Substances

- Comply with laws and regulations on chemical substances in various countries and regions, such as the Chemical Substances Control Law*2 in Japan, and the Directive on ELV*3 and Regulation concerning REACH of the European Union (EU).
- Improve structures and undertake operational management in cooperation with all parties involved in conveying chemical substance information.
- Continue industry collaboration and global deployment and comprehensive implementation of regulations tailored to the cultures and industrial structures of each region.

Fiscal Year 2025 Performance

- Revised regulations based on the Global Automotive Declarable Substance List (GADSL) of regulated substances reflecting the latest laws and regulations in each country (setting content rate targets for each substance in consideration of legal and regulatory requirements, etc.)
- Steadily introduced vehicles that comply with these regulations, and worked in cooperation with European affiliates to continue to fully respond to data registration regulations (WFD Directive*4/SCIP*5) launched in Europe.
- Continued supplier awareness-raising activities to ensure thorough chemical substance management and continued to engage in collaborative activities with global companies.

*1 Registration, Evaluation, Authorisation and Restriction of Chemicals: A regulation for managing chemical substances to protect human health and the environment
*2 Act on the Regulation of Manufacture and Evaluation of Chemical Substances: An act to prevent environmental pollution caused by chemical substances that pose a risk of impairing human health and interfering with the inhabitation and growth of flora and fauna
*3 Directive on End-of-Life Vehicles: A directive designed to reduce the load of end-of-life vehicles on the environment
*4 Waste Framework Directive: A European directive
*5 Substances of Concern in Products: Database of contents of substances of concern in products

Environmental Due Diligence at the Time of Purchasing

- Policies and Approaches to Responsible Mineral Sourcing
- Established the Policies and Approaches to Responsible Mineral Sourcing in accordance with OECD*6 guidance*7 to take into account the impact on local communities by the procurement of minerals that may cause social problems regarding human rights and environment.
- Due diligence policy
- Identify and assess risks in the supply chain together with suppliers, and if any risk is identified, implement appropriate measures that will lead to mitigation of the risk.

*6 Organization for Economic Co-operation and Development
*7 OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-affected and High-risk Areas

Policies and Approaches to Responsible Mineral Sourcing
P. 89 Responsible Material Sourcing
P. 40 Challenge of Establishing a Future Society in Harmony with Nature

Supplier Hotline

P. 87 Supplier Hotline

Awareness-raising Campaign (in Japan)

Training for Persons in Charge of Procurement

- Conducted group learning on sustainability, including environmental topics, for new employees in the procurement section.
- Regularly held study sessions on carbon neutrality (CN) for persons responsible for communicating directly with suppliers.

Training Sessions with Suppliers

- A variety of practical opportunities are provided by Toyota and its suppliers for joint learning about environmental issues.

Initiatives by Kyohokai*1

- Established research groups for studying environmental topics in 2019.
- In fiscal year 2025, five theme-specific groups (environmental management, circular economy, carbon neutral management, CO_2 reduction measures, and carbon footprint) were established and each group carried out independent study activities for one year.
- Outcomes were reported at the Activities Report meeting and made available to members on the Kyohokai website.

*1 Voluntary organization consisting of more than 200 suppliers delivering automotive components, bodies, etc. to Toyota Motor Corporation

A scene from the meeting for reporting fiscal year 2025 results

Dissemination of Information on Carbon Neutrality (2021 to 2025)

- Dissemination of specific emission reduction calculation methods and tools to achieve GHG reduction targets
- Presentation about items to reduce GHG emissions
- Providing study sessions on energy savings, renewable energies, and achieving resource recycling
- Organization of webinars and exhibitions to connect companies providing emission reduction solutions with supplier facing challenges in cutting emissions
- Calculation of emission reduction targets for each supplier (scope 1, 2, and 3)
- Sharing guidelines for the adoption or rejection of GHG emissions reduction items with suppliers
- Identification of products and technologies that use environmentally friendly energy sources or green materials*2 to achieve these targets and aiming for prioritizing the use of renewable energy in parts manufacturing and achieve 100 percent adoption of green aluminum
- Encouragement of the involvement of tier 2 suppliers via tier 1 suppliers and striving to ensure that the aforementioned initiatives spread throughout the entire supply chain

*2 Materials, such as recycled plastics, that have lower GHG emissions compared to existing materials

P. 88 Awareness-Raising Activities

Recognition of Suppliers' Environmental Initiatives

- We present the Environmental Activity Awards, which were established in 2017, to commend suppliers that conduct exceptional environmental initiatives every year.

Initiatives with Dealers and Distributors

Aim

- Work together with dealers and distributors toward **reducing the environmental footprint**, help them earn trust from their local communities and serve as the "best-in-town", and contribute to communities and customers.

Initiative

Implement the Environmental Global Policy in Sales and Service

- Continue to implement a strategy to reduce the environmental footprint in store operations since 2016.

Designated Countries/Regions

- Dealers in 72 major countries and regions in Japan, North America, Europe, Asia, South America, Oceania, and Africa (approximately 15,000 dealers, accounting for 91 percent of the total in terms of the number of vehicles sold)

Actions

- Formulate a framework for initiatives.
- Minimize environmental risks.
- Improve environmental performance.
- Undertake activities to make the environment better with customers and society.

Efforts to Reduce CO_2 Emissions

Fiscal Year 2026 Target

- One hundred percent introduction rate for CO_2 reduction items at newly constructed and remodeled dealers.

Fiscal Year 2025 Performance

- Achieved targets in 71 countries and regions.

Overseas Activities

Toyota Motor Asia (Singapore) Pte. Ltd. (Singapore)

- Enhancing environmental efforts through best practice sharing and collaborative engagement.
- In June 2024, environmental activity leaders from eight countries in the Asian region gathered in Thailand and held the first in-person Customer First Environmental Workshop.
  - The last year's Eco-Dealership*1 results were reviewed at this event.
  - The Best Practices Guidebook was compiled and shared by soliciting ideas from frontline staff at each dealer and distributor to reduce environmental impact.
  - Visited dealerships in Thailand to observe on-site environmental activities and facilitate knowledge sharing among members.

*1 An internal certification program that promotes environmental activities at dealerships across Asian countries

A scene from an environmental activity tour at a dealer

Stakeholder Engagement

Aim

- **Establish positive relationships** with national governments and administrative agencies, regulators, political parties, civil society organizations, local communities, customers, dealers, suppliers, and employees aiming to be the "best-in-town."
- Utilize expertise to engage in and contribute to public policymaking and other areas through participation in different activities by industry and economic associations.

Initiative

- The U.S.: Participate in the Suppliers Partnership for the Environment*2 and promote environmental initiatives where suppliers, governments, NGOs and other stakeholders collaborate.
- Europe: Address key sustainability issues in the supply chain as a member company of CSR Europe's*3 Drive Sustainability,*4 an automobile industry partnership program.
- Global: Participate in the WBCSD*5 and promote initiatives to accelerate the transition to a sustainable society.

*2 A U.S.-based public-private partnership program for automobile manufacturers and suppliers to promote sustainability
*3 A European NPO that operates a European business network to promote corporate sustainability
*4 A European partnership among automobile manufacturers to enhance sustainability in the automobile industry
*5 World Business Council for Sustainable Development: An NGO that conducts advocacy and verification projects to realize a sustainable society with the participation of major corporations worldwide

Suppliers Partnership for the Environment

Drive Sustainability

World Business Council for Sustainable Development

Japan

- Engage in public relations and present recommendations independently or through industry and economic associations regarding public policies on climate change, such as those related to the Paris Agreement, accomplishing carbon neutrality, and stable supply of low-cost renewable energy.
- Representative affiliated organizations
  - Japan Automobile Manufacturers Association, Inc. (JAMA)
  - Japan Business Federation (KEIDANREN)

[Case]

JAMA

- Reduce pollution, waste, or the use of resources.
- Comply with the End-of-Life Vehicle Recycling Law: Collection, recycling and appropriate treatment of CFCs/HFCs, airbags, and shredder residue (ASR*6).
- Proceed with the 3R efforts (reduce, rebuilt/reuse, and recycle): Reduce weight and make even better use of raw materials at the time of the design of automobiles, and control the generation of designated byproducts or recycle such items in the manufacturing phase.
- Reduce in-vehicle emissions of volatile organic compounds (VOCs).
- Prohibit or considerably reduce the use of the four heavy metals (lead, mercury, hexavalent chromium, and cadmium).

*6 Automobile Shredder Residue: Residue after end-of-life vehicles are shredded

Public Policy

Updated in October 2025

Carbon Neutrality (CN)

SDGs Contributions

GRI 201-2, 302-4, 302-5, 305-3, 305-5

Fundamental Approach

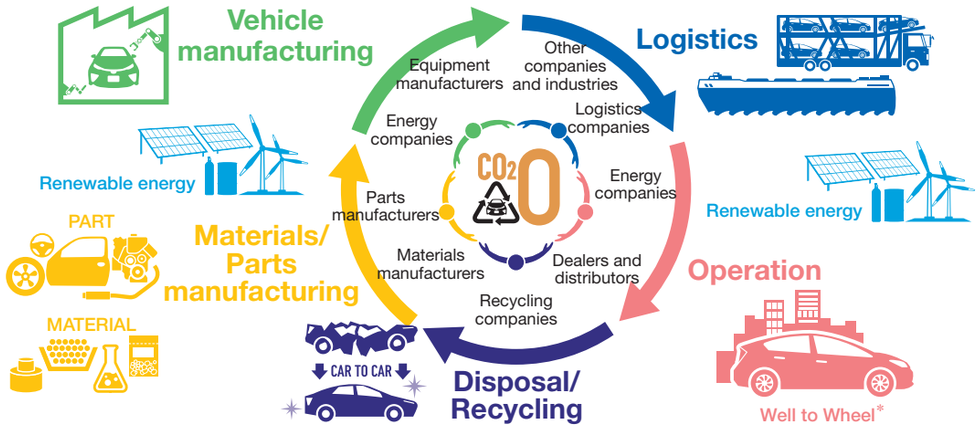
Aim

- Through **contributing to achieving carbon neutrality (CN)**, aim to establish a sustainable society in harmony with nature.

Initiative

- As part of Toyota's efforts to tackle climate change under the Toyota Environmental Challenge 2050, we established Life Cycle Zero CO_2 Emissions Challenges, New Vehicle Zero CO_2 Emissions Challenges, and Plant Zero CO_2 Emissions Challenges in 2015 and initiated actions.

Toyota Aims to Achieve CN Throughout the Vehicle Life Cycle Through Initiatives at Each Stage



* In addition to greenhouse gas (GHG) emissions during vehicle operation, GHG emissions from fuel and electricity production are also included. (The emissions of battery electric vehicles (BEVs) and fuel cell electric vehicles (FCEVs) vary depending on the power source mix and hydrogen production methods)

Life Cycle

Aim

- Achieve not only GHG emissions during vehicle operation but also carbon neutrality (CN) in all processes throughout the entire vehicle life cycle, including materials and parts manufacturing, vehicle manufacturing, logistics, energy production, and disposal and recycling.

Initiative

- Offer optimal products to minimize GHG emissions throughout the vehicle life cycle by taking into consideration the energy situations and composition ratios of power generation sources of each country/region.
- Accelerate measures for the development of technologies that contribute to GHG emissions reduction and create eco-friendly designs as we pursue “ever better cars”.
- Increase efforts to reduce GHG emissions throughout the entire vehicle life cycle while engaging in even closer communication with various stakeholders in each stage of the value chain, including suppliers and dealers.
- Aim to achieve clean vehicle manufacturing throughout the entire life cycle of a vehicle and promote environmental management to achieve reduction targets based on LCA*1.

*1 Life Cycle Assessment:
A comprehensive assessment technique to quantify a vehicle’s impact on the environment (including global warming, acidification and resource depletion) in each stage from resource extraction to disposal and recycling

Life Cycle Zero CO_2 Emissions Challenge

Aim to Achieve CN Throughout the Entire Life Cycle of a Vehicle

Medium- to Long-term Targets

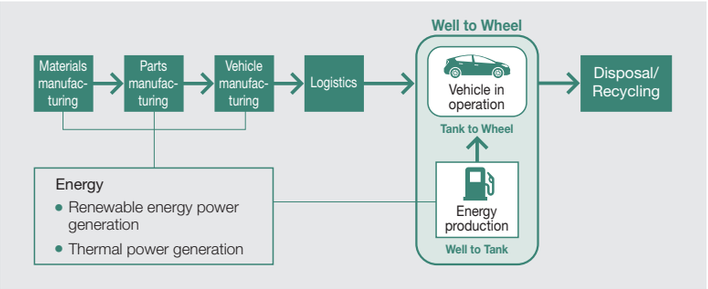
- 2050: Achieve CN for GHG emissions throughout a vehicle’s life cycle*2
- 2030: Reduce GHG emissions by 30% throughout a vehicle’s life cycle*2 (compared to 2019 levels)
  Fiscal Year 2025 Results
  - GHG emissions reduced by 9% compared to 2019 levels

*2 GHG emissions associated with energy consumption in the business activities of Toyota Motor Corporation and our consolidated companies, as well as GHG emissions associated with suppliers and customers related to Toyota Motor Corporation and our consolidated companies’ vehicle brands. (Per unit, scope 1, 2, and 3) (Toyota Motor Corporation and certain consolidated companies are the target in 2025)

Consideration of Each Stage of a Vehicle Life Cycle

- CN in LCA means to achieve CN for not only greenhouse gas (GHG) emissions during vehicle operation but all GHG generated in all processes throughout the entire vehicle life cycle, including materials and parts manufacturing, vehicle manufacturing, logistics, energy production, and disposal and recycling.
- We will employ LCA methods to assess GHG emissions and achieve CN by 2050 by collaborating with stakeholders.

Each Stage of a Vehicle Life Cycle



- GHG emissions during vehicle operation are considered in two stages: during energy production (WtT*3) and during operation (TtW)*4.
- While vehicles with engines emit GHG during energy production (WtT) and operation (TtW), BEVs do not emit GHG during operation (TtW) but CO_2 is generated during production of electricity (WtT) and production of batteries if fossil fuel power is used.
- To reduce GHG emissions of BEVs, conversion to renewable energy is crucial. But the progress in conversion varies among countries and regions, making it difficult to achieve complete conversion.
- Therefore, it is also important to enhance the use of CN fuels and hydrogen in ICE vehicles and hybrid vehicles (HEVs).

*3 Well to Tank (WtT): From fuel extraction/production to a tank, or from power generation to filling a battery
*4 Tank to Wheel (TtW): From start of an engine or motor to driving wheels

P. 28 Aiming at Carbon Neutrality through Product Development

Efforts to Reduce GHG Emissions in the Energy Production Stage

Consideration of Energy Policies

- In order to achieve CN, it is important to consider the various factors that influence the energy policies of each country and region, as shown below:
- Individual countries/regions are promoting various initiatives appropriate for their energy situations, which vary among countries/regions depending on their progress of development of social infrastructure and industry and the presence of resources.
- Meanwhile, recent tight power supply and soaring energy prices are influencing energy policies of various countries.

Consideration of Characteristics of Each Power Generation Method

- In working toward achieving CN, we consider distinctive characteristics of each power generation method as indicated below:
- **Renewable electricity generation**
  - No GHG emissions during power generation
  - Increasing worldwide thanks to governmental support
  - Although the amount of variable power (solar and wind power) generated can be negatively affected by the weather making stable supply difficult, solutions such as reinforcement of power systems and combined use of stationary batteries are being considered.
  - Backup power supply from other sources is required.
- **Thermal power generation**
  - As a power source with the ability to adjust output fluctuations and maintain grid stability, it is still widely used in many countries and regions.
  - In order to reduce GHG emissions during power generation, research on technology for co-combustion of hydrogen and ammonia is also underway.

Efforts to Reduce GHG Emissions in Material Manufacturing and Parts Manufacturing Stages

Challenges in Material Manufacturing and Parts Manufacturing

- GHG emissions from material manufacturing and parts manufacturing in the LCA of automobiles (scope 3 category 1) must be reduced not only from in-house manufacturing but also from purchased products and services.

Steel-related Efforts in Material Manufacturing

- As part of our initiatives toward decarbonization in the material manufacturing phase, we began to use Kobe Steel, Ltd.'s *Kobenable Steel*, JFE Steel Corporation's *JGreeX*, Nippon Steel Corporation's *NSCarbolex Neutral*, and POSCO Holdings Inc.'s carbon reduction allocated steel in 2025. These are the products recommended by the Japanese government under the Green Steel for Green Transformation (GX)* initiative.
- Additionally, Tokyo Steel Manufacturing Co., Ltd.'s low CFP steel* which uses steel scrap as the main raw material, is planned to be adopted in 2025.

* Green Steel for GX and low CFP steel are definitions established by the Study Group on Green Steel for GX, organized by the Ministry of Economy, Trade and Industry of Japan

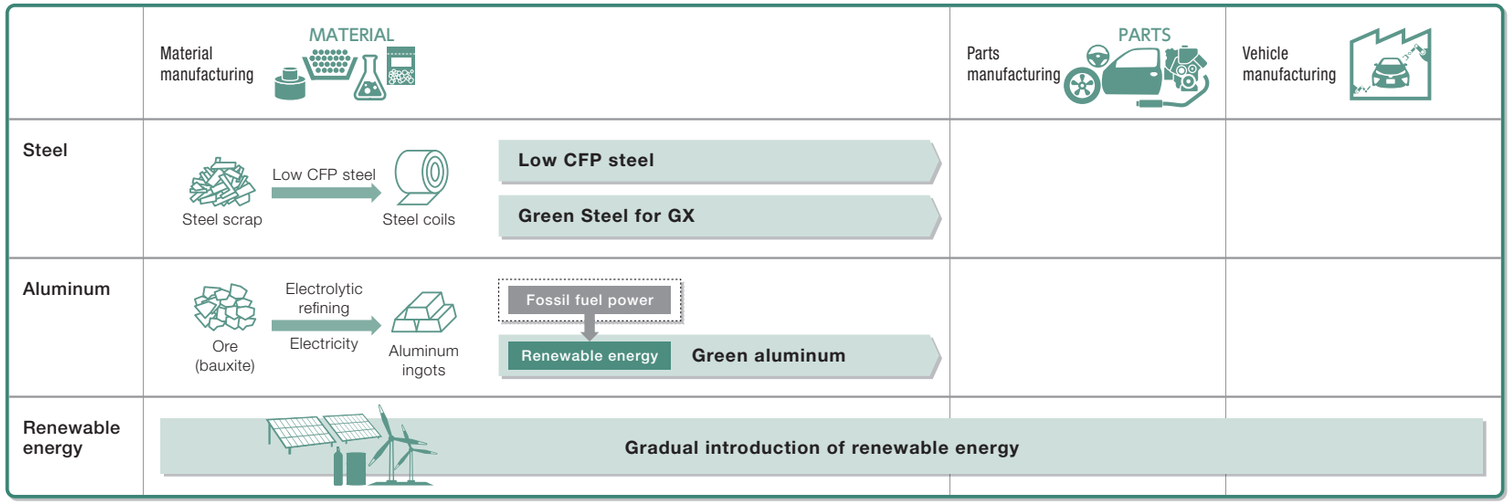
Aluminum-related Challenges in Material Manufacturing

- Aluminum requires a significant amount of electricity during the smelting process from ore (bauxite) using electrolysis.
- We plan to begin adopting aluminum produced through smelting using renewable electricity instead of coal-fired power generation, which emits large amounts of GHG, starting in late 2025.

Adoption of Electricity Derived from Renewable Electricity in Parts Manufacturing

- We have initiated activities with suppliers we have direct dealings in Japan, aiming at a one hundred percent usage of electricity derived from renewable energy rate for every supplier by 2030.

Strategies Aimed at Achieving CN in Collaboration with Suppliers



Corporate Activities and Production

Aim

Corporate activities

- Achieve carbon neutrality (CN) for GHG emissions from corporate activities including not only from vehicle manufacturing, but also logistics, offices, and R&D sites, etc.

Production

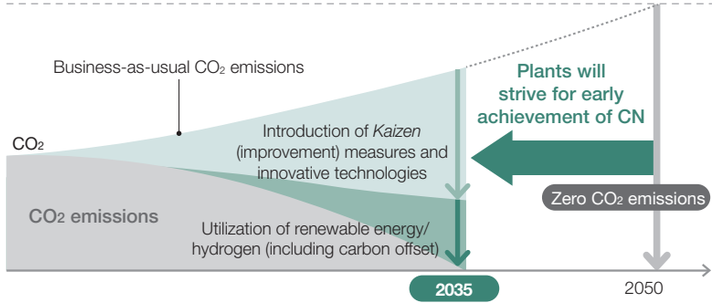
- Achieve CN for CO_2 emissions at all global manufacturing plants by 2035.

Initiative

- Promote energy reduction activities such as ***Kaizen*** **(improvement) measures, introduction of innovative technologies, introduction of renewable energy, and utilization of hydrogen** at all locations operated by Toyota Motor Corporation and our consolidated companies, and all Toyota brand vehicles' production sites.
  - *Kaizen* (improvement) measures and the introduction of innovative technologies: As the growth in the use of electrified vehicles*1 causes an increase in the number of parts with high CO_2 emissions during manufacturing of materials, parts, and vehicles, we aim to reduce energy consumption per unit by more than one percent annually by optimizing production equipment and improving energy efficiency.
  - Introduction of renewable energy and utilization of hydrogen: Collaborate extensively with stakeholders to develop social systems necessary for in-house use and widespread adoption.

*1 HEVs, plug-in hybrid vehicles (PHEVs), BEVs and FCEVs

Striving for CN at Plants by 2035



Corporate Activities

Aiming for CN in GHG Emissions from Business Activities

Medium- to Long-term Targets

- 2050: Achieve CN in GHG emissions from corporate activities*2

P. 60 Refer to Environmental Data [B] for actual performance

- 2035: Reduce GHG emissions from business activities*2 by 68% (compared to 2019 levels)

P. 62 Refer to Environmental Data [G] for actual performance

*2 Applies to GHG emissions from energy consumption associated with Toyota Motor Corporation and our consolidated companies' business activities, and GHG emissions from production processes of Toyota brand vehicles by unconsolidated companies (scope 1 and 2 and voluntary actions)

Production (Plant Zero CO_2 Challenge)

Aiming for Zero CO_2 Emissions from Plants on a Global Basis

Medium- to Long-term Targets

- 2050: Achieve zero CO_2 emissions from production at plants*3
- 2035: Achieve CN for CO_2 emissions from production at plants*3

P. 66 Refer to Fiscal Year 2025 Performance Review of the 7th Toyota Environmental Action Plan (2025 Target) for the progress

*3 Applies to CO_2 emissions from energy consumption in Toyota Motor Corporation and our consolidated companies' plants, and CO_2 emissions from production processes of Toyota brand vehicles by unconsolidated companies (scope 1 and 2 and voluntary actions)

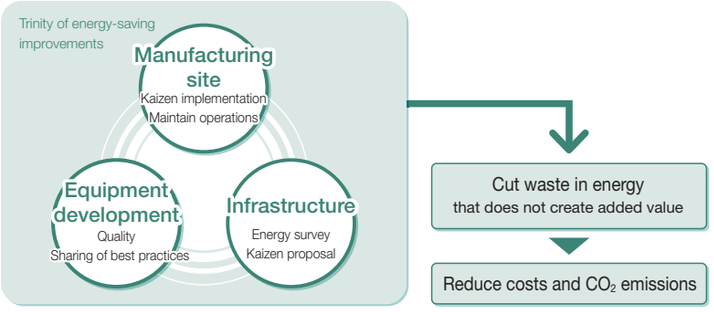
Kaizen (Improvement) and the Introduction of Innovative Technologies

Reducing CO_2 Emissions in Production Activities

- Divisions/departments for production, production engineering, and facility work together to conduct energy assessments, *Kaizen* (improvement) proposals, and take countermeasures for production site.
- Continued energy-saving activities (internal ESCO*4 activities) and sharing of best practices internally.
- Expanded the introduction of innovative technologies with a focus on painting processes and promoted energy-saving by adopting steamless and airless processes and shifting to LED lighting.
- Hold learning sessions with group companies and suppliers to share energy conservation know-how and reflect improvement activities in each company, and continue to visit other industries to discover new improvement items.

*4 Energy reduction Support & Cooperation

Concept of Internal ESCO Activities (Trinity of Energy-saving Improvements)



Efforts to Reduce GHG Emissions from Activities Other Than Production to Attain Carbon Neutrality (CN)

[Case] Construction of an Environmentally Conscious Sports Center

- In the renovation of the Toyota Sports Center Gymnasium 1, we considered a building design realizing ZEB Ready* and further energy savings while taking into account achieving CN.
- Designed it incorporating energy-saving measures such as geothermal heat utilization and waste heat recovery.
- Installed solar panels as an energy creation measure.
- To mitigate environmental impact, we optimized the arena layout plan and adopted high insulation building materials.
- Construction commenced in August 2024, with building completion scheduled for 2026.

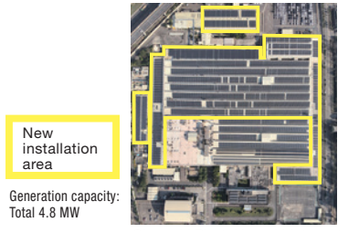
* As an advanced building designed with ZEB (Zero Energy Building, a building with net primary energy consumption of zero or less) in mind, this building includes well-insulated exterior walls and incorporates energy-efficient equipment

Completion image of the Toyota Sports Center Gymnasium 1

Introduction of Renewable Energy and Hydrogen Utilization

Expanding the Adoption of Renewable Energy

- Advancing the introduction of renewable energy while considering the characteristics of each region.
- Actively introducing power generation equipment using renewable electricity.
- Installation of solar panels (4.8 MW) in Chung-Li Plant, Kuozui Motors Ltd



Chung-Li Plant, Kuozui Motors Ltd.

2024 Result

- Renewable electricity power introduction rate (including overseas plants): 36%

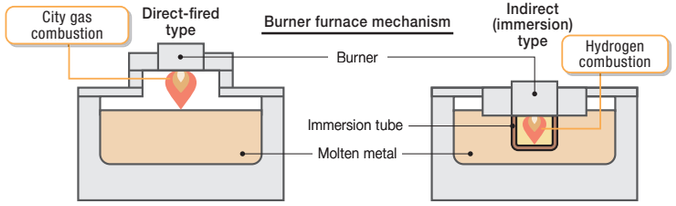
[Case] Solar Panel-equipped Carports Installed at the Tahara Plant Parking Lot

- Considered the introduction of solar-powered self-generation at the Tahara Plant parking lot.
- A carport structure that balances ease of parking and structural strengths, such as wind resistance, was selected.
- Installed solar panels with high-efficiency design, including the use of bifacial panels.
- Expected power generation capacity is 1.17 MW.

Tahara Plant's carport

[Case] Hydrogen Utilization in Casting Process in Tahara Plant

- Aiming to achieve CN by the fiscal year 2026, hydrogen utilization has begun in the casting process at the Tahara Plant.
- Replacing direct-fired city gas burners used in holding furnaces (for temporarily storing molten metal) in the die-casting process with indirect (immersion) hydrogen burners to simultaneously reduce CO_2 emissions and improve energy efficiency.
- Achieving low NOx emissions by switching the combustion method according to the temperature inside the immersion tube, where NOx tends to increase during hydrogen combustion. The safety specifications for the equipment during combustion are practical, balancing maintainability and space efficiency.
- CO_2 emissions reduction during combustion: Approximately 70 tons per year



[Case] ESCO Leaders Activities in China Human Resource Development Toward Daily Improvement

- A program targeting 13 affiliates and approximately 360 people in China to cultivate ESCO talent and promote CO_2 reduction at each workplace through human resource development.
- Individuals who have completed the prescribed education (lectures and practical training) and completed the assigned tasks (practice of daily improvement and human resource development) are certified as ESCO Leaders (daily improvement promoters for their respective processes).
- As of June 2025, there are 115 ESCO leaders who are playing active roles in their respective workplaces.

Cumulative Result for 2023-2024

- CO_2 emissions reduction: 6,700 tons

Practical training session

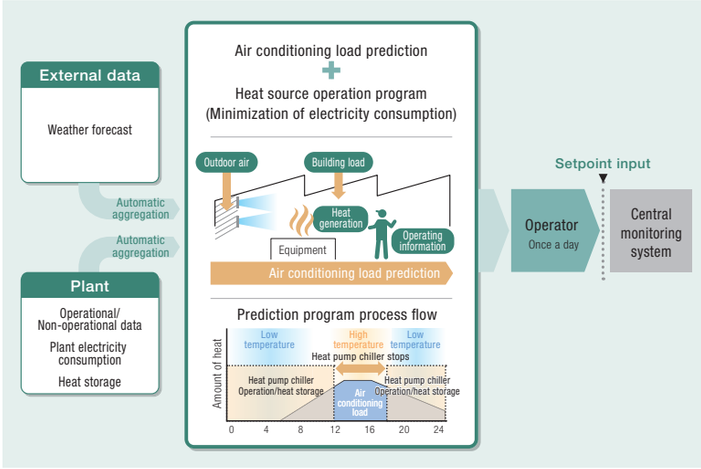
Task presentation session

[Case] Weather Forecast-based Optimization of HVAC Heat Source Operation at the Shimoyama Plant

- Using weather and plant operation records, we predicted the plant's heat load through machine learning and improved the operation of the heat storage tank (a pool that stores heat) efficiency.
- Problem
  In winter, the heat pump chiller runs at full capacity in the early morning when efficiency is low, leading to high energy consumption.
- Countermeasures
  Implemented thermal load prediction using machine learning. Created an overall operation program for the thermal storage system and proposed optimal operation patterns.

  2024 Result
  - CO_2 emissions reduction: 37 tons

Diagram Illustrating the Prediction Program's Workflow

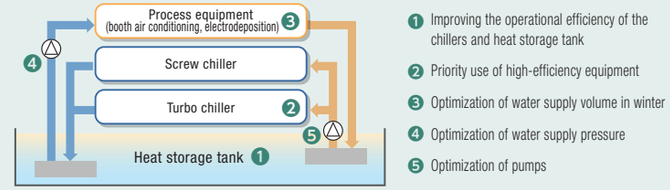


[Case] Efficiency Improvement of Chillers and Pumps and Visualization of Energy Consumption Abnormality of Thermal Storage Tank at the Motomachi Plant

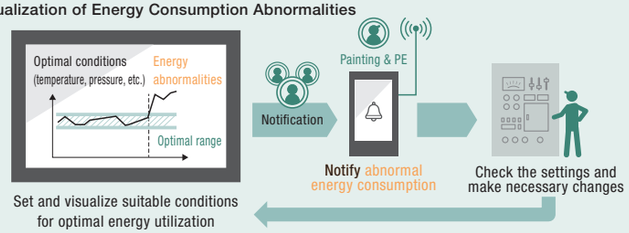
- Reducing waste by improving energy efficiency of chillers and pumps
- Implementing visualization of energy consumption abnormality of heat storage tank to enable anyone to easily detect abnormality
- Problem
  While it is possible to identify failures in the heat storage tank and surrounding equipment, it is difficult to detect abnormal energy consumption.
- Countermeasures
  Energy conservation experts were deployed on-site to optimize the efficiency of chillers and pumps. The optimal conditions for energy use were set and visualized to enable anyone to easily identify abnormalities.

  2024 Result
  - CO_2 emissions reduction: 518 tons

Operational Efficiency Improvement of Chillers and Pumps



Visualization of Energy Consumption Abnormalities



Initiatives in Logistics

- Toward achieving carbon neutrality (CN) across the entire lifecycle, we are implementing measures to improve transportation efficiency (reducing workload) and utilize low-carbon technologies such as hydrogen and CN fuels (GHG emissions intensity reduction) within our global transportation scope for the transportation of production parts, completed vehicles, and service parts.

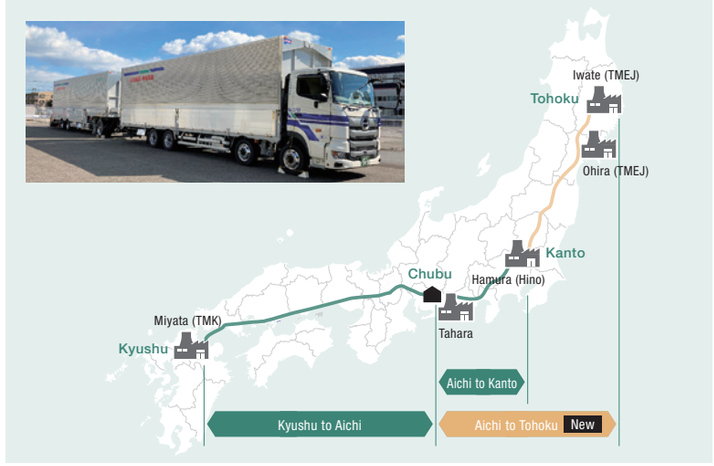
2024 Results

- Logistics CO_2 emissions in Japan: 11% reduction compared to 2018 level
- GHG emissions in logistics overseas: Working on GHG reduction activities tailored to regional characteristics

[Case] Utilization of Low-carbon Technologies (Reduction of GHG Emissions Per Unit)

Expansion of the Introduction of 25m Full Trailers to Deliver Products to Toyota Motor East Japan, Inc.

- As part of efforts to reduce GHG emissions through the use of low-carbon technologies and address driver shortages, 25m full trailers have been utilized since 2022, primarily for transportation to remote areas.
- Following the Aichi to Kyushu route and Aichi to Kanto route, the use of full trailers was expanded to the Aichi to Tohoku route (to deliver Toyota Motor East Japan, Inc.) in July 2025.
- Particularly on the Aichi to Tohoku route, we optimally utilize three different transportation modes—rail, sea, and road.
- We will continue to address social issues one by one through our efforts in the logistics field.



[Reference] Response to White Logistics* (Sound Work Environment)

Improvements Through Streamlined Logistics Processes

- We are gradually changing from conventional delivery logistics where delivery is arranged by individual suppliers, to pickup logistics implemented through arrangements made by Toyota.
- By considering the entire logistics process from start to finish, we are promoting improvements that contribute to enhancing the work environment and reducing the workload not only for our own operations but also for suppliers and workers.

* Logistics aimed at improving truck transportation productivity, streamlining logistics, and creating a more comfortable working environment (a more sound working environment)

Shipping Area Operation Improvement: Time Reduction and Workload Reduction Through Process Review

- Through reviews of layout and operation, we are transitioning loading operations from manual to using lifts.

Before improvement (manual loading)

After improvement (loading using a lift)

Installation of Roofs over Loading Areas at Vehicle Yards

- The work environment was extremely harsh due to intense summer heat, rain, and snow, posing significant physical strain on workers.
- To enhance working conditions, we have been installing roofs over the loading areas at vehicle yards since mid-2010s.
- We will continue to explore ways to create a more comfortable working environment.

Vehicle yard

Installation of a roof over the loading area

Vehicles

Aim

- Toward achieving carbon neutrality (CN), offer optimal **products according to the situation of each country/region**.
- With “sustainable & practical” as our keyword, offer products that are easy to use and are desired and appreciated by customers.

Initiative

- Based on the idea that **eco-friendly vehicles contribute to the environment only when they come into widespread use**, enhance the lineups of electrified vehicles and flex-fuel vehicles (FFVs*1) and promote their spread.
- Strive to reduce average GHG emissions per unit when running with the aim of achieving CN by 2050.

*1 Vehicles that run on fuel mixed with plant-derived bioethanol

New Vehicle Zero CO_2 Emissions Challenge SASB TR-AU-410a.3.

Aim to Achieve CN by Reducing Average GHG Emissions from New Vehicles

Medium- to Long-term Targets

- 2050: Achieve CN for average GHG emissions*2 from new vehicles*3.
- 2035: Reduce average GHG emissions*2 by more than 50% from new vehicles*3 (compared to 2019 levels).
- 2030: Reduce average GHG emissions*2 from new vehicles*3 (compared to 2019 levels).
  - Passenger cars and light commercial vehicles: 33.3% reduction
  - Medium- and heavy-freight trucks: 11.6% reduction

P. 62 Refer to Environmental Data [G] for actual figures

*2 Per unit, g-CO2e/km, Well to Wheel: Includes GHG emissions from the production of fuel and electricity, as well as GHG emissions during vehicle operation

*3 Applies to completed vehicles under Toyota Motor Corporation and our consolidated companies’ brands (scope 3 category 11) (Targets for 2035 and 2050 include only Toyota Motor Corporation brand)

Promoting Widespread Use of Electrified Vehicles*4

SASB TR-AU-410a.2 | Third-party assurance 2024 data

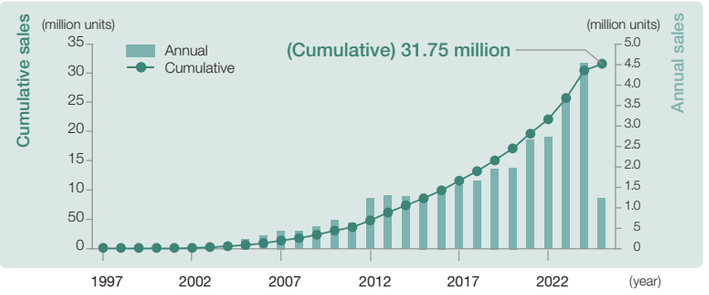
- Cumulative sales: 31.75 million units (as of March 31, 2025)◆

*4 Applicable to Toyota brand and Lexus brand electrified vehicles

<Third-Party Assurance>

◆: Values verified through third-party assurance

Cumulative Sales of Electrified Vehicles



Aiming at Carbon Neutrality (CN) Through Product Development

Diverse Solutions for Diverse Situations

- Vehicles are used in many ways, from passenger cars and commercial vehicles to everyday transport and luxury cars, not only in cities but also in countries and areas without good infrastructure, especially in harsh places like deserts and mines.
- Toyota has a variety of lineups of powertrains for electrified vehicles that convert electricity into mobility, such as HEVs, PHEVs, BEVs, and FCEVs.
- Due to the diverse circumstances in each country and region, there is no one-size-fits-all solution. We provide mobility options tailored to energy conditions and customer needs.

Supply of Automotive Batteries

- Started operation of a vehicle battery plant in North Carolina, the U.S.
  - Toyota Battery Manufacturing, North Carolina (TBMNC) is Toyota's first in-house battery manufacturing plant in the U.S. for producing batteries for HEVs, PHEVs, and BEVs.
  - Commenced shipments to North America in April 2025.

Automotive battery plant in North Carolina, the U.S.

Expanding the Lineup to Meet Diverse Customer Needs

- Expansion of the BEV lineup
  - Plan to launch the bZ4x and Toyota C-HR+ in the second half of 2025.
  - Plan to launch the Lexus RZ in the fall of 2025 or later.
    Completely redesign the BEV system to extend the cruising range and reduce charging time.

New BEV “bZ4x”

New BEV “Toyota C-HR+”

New BEV Lexus “RZ”

- Expansion of the PHEV lineup
  - In January 2025, the Alphard PHEV and the Vellfire PHEV were launched.
  - Achieves an EV driving range of 73 km[*1] on a single full charge.
  - In addition to standard charging, rapid charging is available. Charging time is approximately 38 minutes (approximately 80% of full charge)[*2], significantly shorter than when using a 200V charging cable.

*1 WLTC mode, driving distance when using charged power only. Ministry of Land, Infrastructure, Transport and Tourism (MLIT) of Japan certified value

*2 In-house measurement values. May vary depending on battery charge level and temperature of battery, ambient temperature, condition of connected power source, and specifications of the charger (charging station)

New PHEV “Alphard PHEV”

Charging port

- Expansion of the HEV lineup
  - In March 2025, the LX700h, the first electrified model in the history of the Lexus LX series, was launched.
  - While preserving the reliability, durability, and roadability of the LX series, reducing GHG emissions during driving more than ever before.

New HEV Lexus "LX700h"

Unit Development Supporting a Diverse Powertrain Lineup

- Expansion of fuel cell systems
  - In February 2025, we introduced the next-generation fuel cell system (the third generation).
  - Expanding the lineup for passenger vehicles, general-purpose applications, and large commercial vehicles
  - Scheduled for launch in Japan, North America, Europe, China, and other regions after 2026.
  - Cruising range: Approximately 20% improvement

For passenger vehicles

General-purpose applications

For large commercial vehicles

Initiatives to Promote Widespread Adoption of Lower Carbon and Carbon Neutral (CN) Fuels

CN Fuels

- Fuel that achieves net-zero CO_2 emissions throughout the entire process from manufacturing to use (in some cases, this is currently limited to lower carbon fuels that emit low CO_2 emissions)
- Synthetic fuels:
  Fuels produced by combining CO_2 and hydrogen
  - e-fuels:
    Fuels produced by synthesizing CO_2 captured from the air and other sources with hydrogen produced by water electrolysis*

* Using electricity derived from renewable energy

- Bio-fuels:
  Biomass-based products such as bioethanol and biodiesel

Synthetic Fuels: A Promising Option for Decarbonizing Engines

Consideration of Utilization of Lower Carbon and CN Fuels

- Measures Related to Vehicles Owned
- To realize CN throughout the product life cycle as soon as possible, it is necessary to reduce CO_2 emissions from not only new cars but also vehicles owned. It is important to reduce the carbon emissions of the fuel used.
- Responses to regional needs
- Due to differences in natural factors such as sunshine hours and wind conditions, as well as equipment installation costs, the spread of electricity from renewable sources differs from region to region.
- CN can be promoted by producing synthetic fuels in regions where renewable energy-derived electricity is available at lower costs and by utilizing them around the world.
- Approach for practical use
- Collaboration with various partners across industry boundaries is essential throughout the process, from raw material procurement to manufacturing.

[Case] Activities for the Early Adoption of Lower Carbon and CN Fuels

Collaboration with Fuel Companies in and Outside of Japan

- Enhance collaboration with fuel manufacturers including oil companies in and outside of Japan, and work together to raise awareness of CN fuels and promote their adoption in society.
- Conducted demonstration runs using liquid hydrogen and ENEOS Corporation's low-carbon gasoline (E20) that was produced in Japan in the Super Taikyu (Japanese Endurance Race) series. Fuel and automobile manufacturers are working together as one under "KYOCHO (joint challenges)" toward the realization of a CN society.

2025 Super Taikyu Fuji 24 Hours, Car No. 28 "GR86"

- During the 2025 Japan International Exposition (Expo 2025 Osaka, Kansai, Japan), we provide passenger vehicles with fuel blended with synthetic fuel for the transportation of guests and workers within the venue.

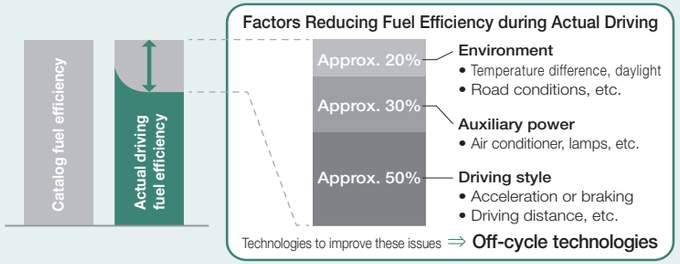
Taking a Multi-Pathway Approach at Super Taikyu Fuji 24 Hours Race
Collaboration to Make Engine-Equipped Vehicles Carbon Neutral Using Synthetic Fuel

Items to Reduce GHGs

Updated in October 2025

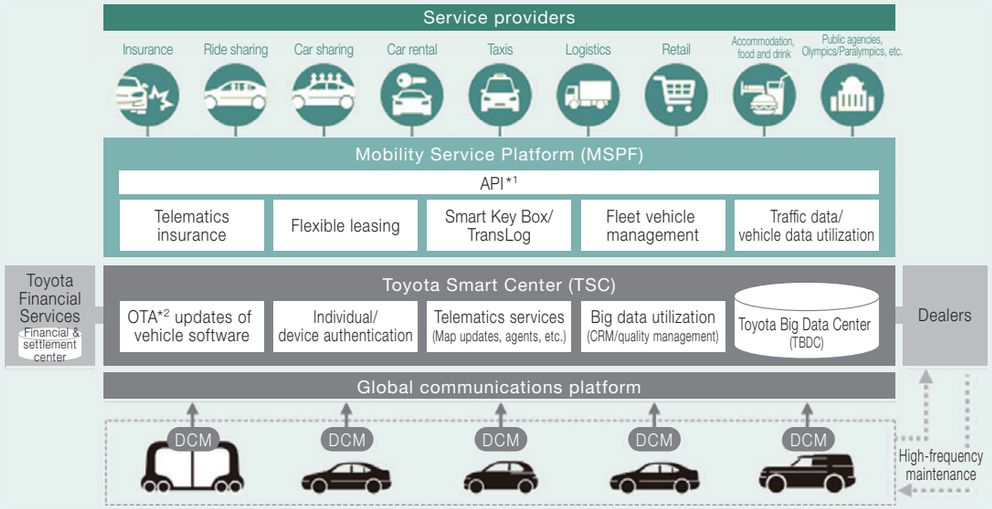
Off-cycle Technologies Development

- Toyota is increasing the number of electrified vehicle models as well as promoting off-cycle technology development (reducing energy for heating and cooling, reducing energy consumption, etc.) to effectively reduce GHG emissions under actual driving conditions—information that is not usually reflected in catalog fuel efficiency.
- To achieve carbon neutrality, we aim to expand off-cycle technologies globally.



Understanding GHG Reduction Effects Through Connected Data

- Toyota is accumulating driving data obtained from the Data Communication Module (DCM) as big data, which is used to design better vehicles and to implement appropriate maintenance



*1 Application Programming Interface: A set of defined rules and specifications that enable software and different applications to communicate and share each other's functions and data

*2 Over The Air: Technology for updating and maintaining devices and software via wireless network

- Utilizing big data, analyze how cars are used in the market to quantitatively assess the GHG reduction effects.

	2024 reduction figures*3	Calculated scope of impact	Eco-friendly options for customers	Evaluation of reduction effects using big data
Global expansion of off-cycle technologies	10.0 million t-CO_2e	Japan, the U.S., Europe, China, Saudi Arabia		
Understanding GHG reduction effects through connected data				
Energy-saving route guide	0.141 million t-CO_2e	Japan	○	○
A/C recirculation control (Recirculation two-layer flow air conditioning system)	0.831 million t-CO_2e	Japan	○	○
Eco-SW (Drive mode switch)	0.450 million t-CO_2e	Japan	○	○
S-FLOW (A/C airflow control with occupant detection)	0.042 million t-CO_2e	Japan	○	○
Adaptive cruise control (ACC)	0.009 million t-CO_2e	Japan	○	○
Tire pressure monitoring system	0.002 million t-CO_2e	Japan	○	○
Predictive SOC control (pre-parking charge/discharge control)	0.003 million t-CO_2e	Japan		○

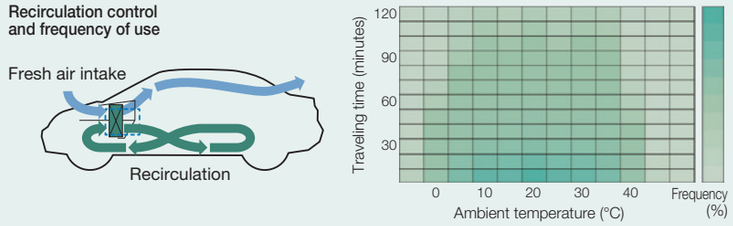
*3 Calculation method for 2024 reduction

[Technology example] Energy-Saving Route Guide

- Navigation suggests routes where fuel consumption is taken into account based on road gradient, vehicle weight, speed, and other factors in addition to traffic information.
- Available on Toyota genuine in-car navigation systems for Japan (vehicles after 2017 model year) from July 2022.
- Introduction to other regions is under consideration.

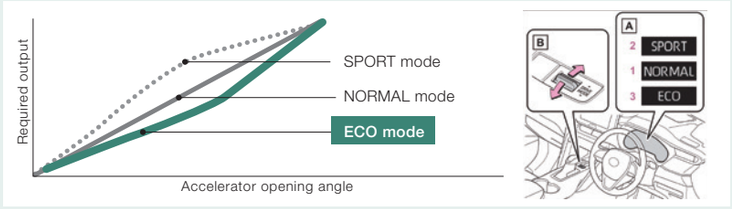
[Technology example] A/C Recirculation Control (Recirculation Two-Layer Flow Air Conditioning System)

- Air conditioning control switching from outside air mode to recirculation mode
- In cases where a significant energy-saving effect is expected, for example, when the ignition is on, the AUTO mode of the air-conditioning control switch is selected, or the outside temperature is high, the system automatically switches to recirculation mode. This contributes to improved fuel efficiency by reducing the air conditioning load.
- Compile the distribution of air conditioner usage by outside temperature and driving time. Based on this data, we calculate the GHG emission reduction effect in the market when in recirculation mode.



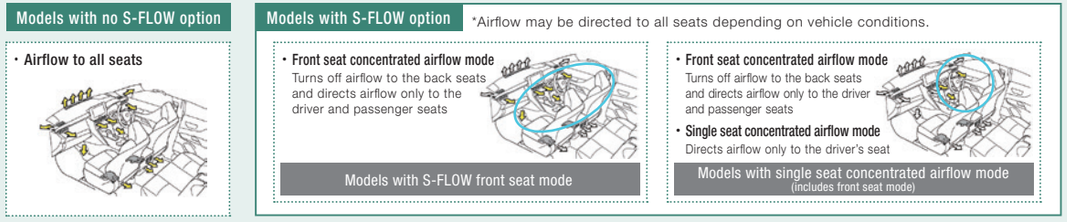
[Technology example] ECO-SW (Drive Mode Switch)

- One of the drive modes that can be selected with the drive mode select switch
- When Eco-Drive mode is selected, the accelerator's response is delivered more smoothly, helping to promote fuel-efficient driving.
- The air conditioner's operation is automatically controlled, which enhances fuel efficiency.



[Technology example] S-FLOW (A/C Airflow Control with Occupant Detection)

- Automatically controls airflow from the air conditioner to prioritize the front seats.
- Minimizing excessive heating and cooling helps improve fuel efficiency.



[Technology example] Adaptive Cruise Control (ACC)

- Detects whether there is a vehicle ahead and determines the distance between vehicles to ensure an appropriate following distance.
- When driving on highways, turning on the cruise control reduces the number of times the driver needs to press the accelerator and brake pedal, contributing to improved fuel efficiency.

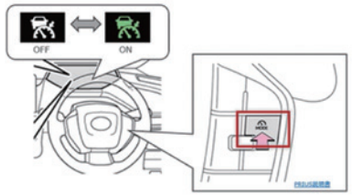
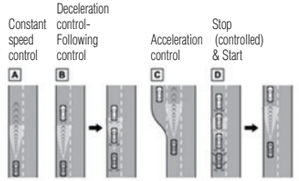


Illustration of ACC switch (Prius HEV)



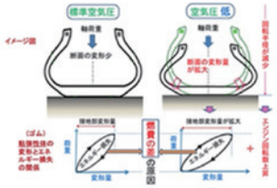
Basic ACC functions

[Technology example] Tire Pressure Monitoring System

- Alerts for low air pressure at an early stage
- Recommended air pressure for each vehicle model is specified (on a label located on the driver's side door frame).
- Maintaining tire pressure above the recommended level reduces rolling resistance compared to when tire pressure is low, contributing to improved fuel economy.


Confirmation of the recommended tire pressure

The tire pressure display function of the Tire Pressure Monitoring System



Fuel consumption differences due to air pressure differences (Cited from JATA*1 HP)

*1 Japan Automobile Transport Technology Association

[Technology example] Predictive SOC Control (Pre-parking Charge/Discharge Control)

- Estimates the long-term parking location (destination) based on GPS data.
- When the vehicle comes near the destination, it switches automatically to EV mode to discharge electricity.
- At the next engine startup, the drive battery is charged while warming up the engine, and a shorter warm-up time enables more efficient control of the hybrid system, which contributes to improved fuel efficiency.

*2 Reflect the learned results in control system

Updated in October 2025

Circular Economy (CE)

SDGs Contributions

GRI 203-1, 301-3, 306-2

Fundamental Approach

Aim

- Contribute to achieving a circular economy; reduce the use of resources from the Earth and use them efficiently and use valuable things in a valuable state for as long as possible and restoring them to a valuable state after use.

Initiative

- As part of Toyota's efforts toward resource recycling under the Toyota Environmental Challenge 2050, we established the Challenge of Establishing a Recycling based Society and Systems in 2015 and initiated these activities.
- The three core concepts of Toyota's circular economy were made public and put into practice in 2024.

Integrated Report 2024, p. 73, Circular Economy

Activities to Achieve Resource Recycling

Aim

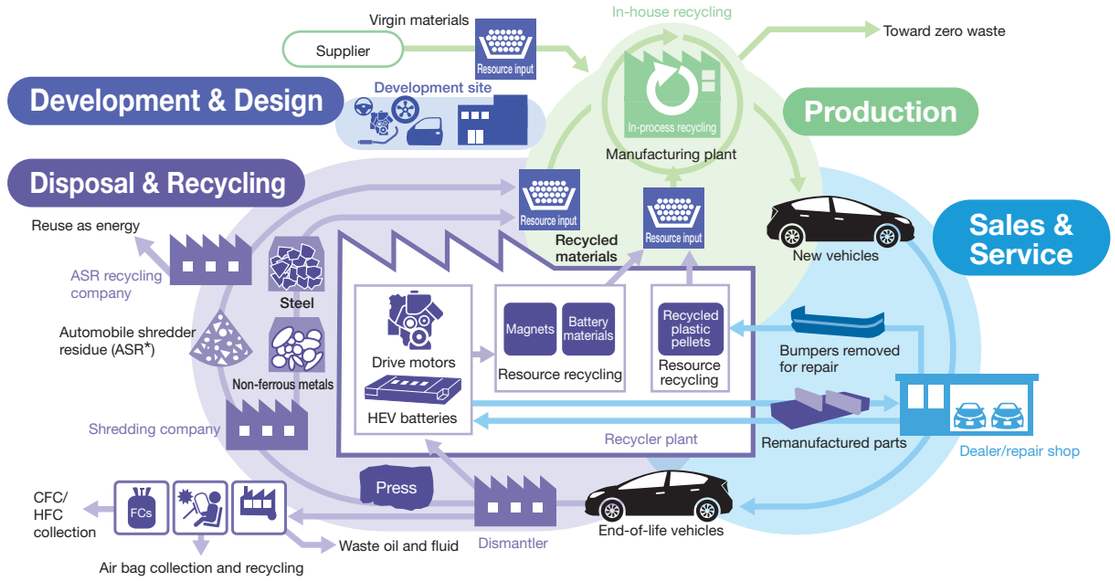
- **Aiming to realize a recycling-based society** by addressing issues such as resource depletion and waste increase caused by population growth and accelerated resource consumption through measures taken throughout the entire vehicle life cycle.

Initiative

- **In the challenge of establishing a recycling-based society and systems**, we are focusing on promoting the following projects:
  - **Toyota Global 100 Dismantlers Project**: Establishment of social systems for appropriate treatment and recycling of end-of-life vehicles with reduced environmental impact
  - **Toyota Global Car-to-Car Recycle Project**: A resource recycling initiative throughout the entire vehicle life cycle

Challenge of Establishing a Recycling-based Society and Systems

Aim for Global Rollout of Appropriate Treatment of End-of-life Vehicles, Resource Recycling Technologies, and Systems Developed in Japan



* Automobile Shredder Residue: Residue after end-of-life vehicles are shredded

Toyota Global 100 Dismantlers Project
Establishment of Social Systems for Appropriate Treatment and Recycling of End-of-life Vehicles

- Improper abandonment and inappropriate dismantling of end-of-life vehicles may affect the local environment and pose concerns for the health and safety of local residents.
- Toyota leverages its accumulated technologies and expertise to help create a system for appropriate treatment of end-of-life vehicles that does not harm the environment.

Establishment of Model Facilities for Appropriate Treatment and Recycling of End-of-life Vehicles

- In fiscal year 2025, we expanded our collaboration network for end-of-life vehicle appropriate treatment in additional regions of the Philippines and China.

Fiscal Year 2025 Performance

[Case] Operation of the First Pilot Plant for End-of-life Vehicle Recycling in the Philippines

- The first pilot plant for end-of-life vehicle recycling in the Philippines has commenced operations at En Tsumugi ELV Dismantler Corporation (Province of Pampanga).
- The project is led by Tsuruoka Co., Ltd., a Japanese automobile dismantling company and has been adopted as the Overseas Expansion Support Program of the Japan International Cooperation Agency (JICA), with business support from Mitsui & Co. (Asia Pacific) Pte. Ltd. Manila Branch, and Toyota Motor Philippines Corporation, Toyota Metal Co., Ltd., and Toyota Motor Corporation provided technical guidance on appropriate treatment to support the start of plant operation.
- In the Philippines, where laws governing automobile recycling are not yet fully established, the project aims to contribute to the promotion of a circular economy through appropriate treatment of end-of-life vehicles.

The opening ceremony of En Tsumugi ELV Dismantler Corporation in the Philippines

[Case] Agreement on Cooperation for the Promotion of Appropriate Treatment of End-of-Life Vehicles, Including Next-Generation Vehicles Such as Fuel Cell Vehicles (FCEVs) and Battery Electric Vehicles (BEVs) in China

- Cooperation in efforts to promote the appropriate treatment of end-of-life vehicles, including next-generation vehicles such as FCEVs and BEVs has been agreed with Youpai Energy Technology (Guangzhou) Co., Ltd. a Chinese automobile dismantling company.
- We conducted dismantling training sessions for Chinese dismantlers, including the aforementioned company, on FCEV-related tasks such as hydrogen gas removal and battery removal, and encourage the dissemination of understanding regarding the appropriate dismantling of FCEVs.
- We will collaborate with the aforementioned company to advance efforts to promote the appropriate treatment of FCEVs within China.

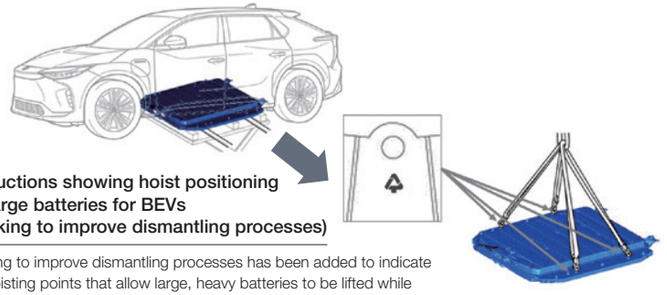

Youpai Energy Technology (Guangzhou) Co., Ltd. in China

Realization of Industry-leading Ease of Dismantling for Safety, Security, and Easy Resource Recovery

SASB TR-AU-440b.3

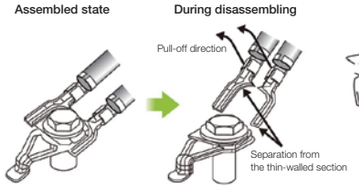
- Toyota continues to use easy-to-recycle materials to promote resource recycling of end-of-life vehicles.
- Having visited and surveyed dismantlers around the world since the launch of the Raum in 2003, Toyota actively adopts vehicle structures for new vehicles that make it easy to dismantle and separate parts to ensure safe and speedy dismantling operations.
- Vehicle models adopting easy-to-dismantle design launched in 2024; Land Cruiser 250, Lexus GX550, and Lexus LBX MORIZO RR
- Toyota's recyclability rate based on vehicle design values is 85% or more, and the recoverability rate including energy recovery is 95% or more.

Examples of Easy-to-dismantle Design



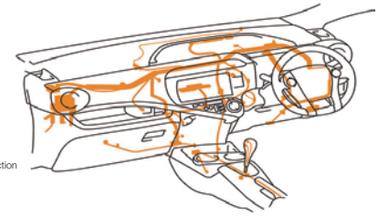
Instructions showing hoist positioning for large batteries for BEVs (Marking to improve dismantling processes)

Marking to improve dismantling processes has been added to indicate the hoisting points that allow large, heavy batteries to be lifted while maintaining the correct balance.
(bZ4X, Lexus RZ450e)



Wiring Harness: Use of Pull-tab Type Ground Terminal

It is designed to be easily dismantled by simply pulling it like the lid of a can.



Wiring Harness Layout Innovation

Wiring harness can be separated with minimal interference to other parts.

Toyota Global Car-to-Car Recycle Project
A Resource Recycling Initiative that Considers the Entire Vehicle Life Cycle

- Under the Challenge of Establishing a Recycling-based Society and Systems, Toyota Motor Corporation regards the **end-of-life stage** as the beginning of the vehicle life cycle and carries out initiatives **in each stage of development and design, production, and sales and services**. At each stage, Toyota strives to minimize waste generation and to promote reuse of waste and recycling of end-of-life vehicles in order to improve resource efficiency.

Recycling of End-of-life Vehicles

Recycled Materials

2030 Target

Aim to use 30% or more recycled materials on average*1 to facilitate the creation of a society that maximizes resource circulation by 2050
(Scope: New models introduced after 2030)

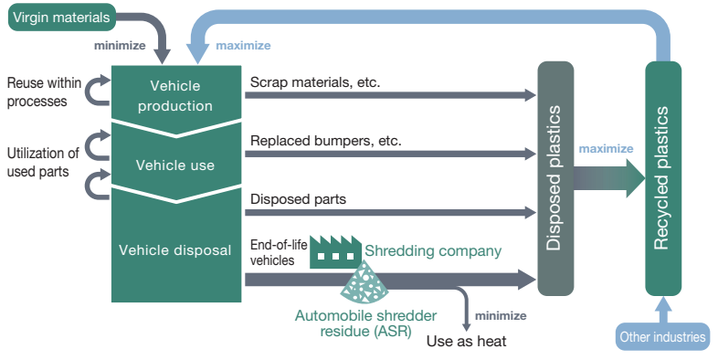
*1 On a vehicle weight basis

Utilization of Recycled Plastics

End-of-life Vehicles | Development & Design | Sales & Services

- In the lead up to 2050, Toyota aims to build a society that maximizes plastic recycling on a global scale.

Maximization of Utilization of Recycled Plastics in Toyota vehicles



- Toyota collects and recycles bumpers replaced at dealerships.
- We have been phasing in recycled plastics into new models sold from 2022 onwards, and plan to further increase its use with the aim of more than tripling the use of recycled plastics by 2030.

2024 Performances

- Gradual expansion of recycled plastic use, starting from the Prius in December 2022 (vehicles produced in Japan)
- Index for recycled plastic use in vehicles manufactured in Japan*2 remained at 1.2 times and will further expand the range of vehicles and parts recycled plastics are applied.
- Index for recycled plastic use in vehicles manufactured in Europe*2 increased by 1.6 times.

- To reuse shredder residue (ASR) from end-of-life vehicles, which has previously been used for thermal recycling as a raw material, we initiated adoption of recycled plastics derived from ASR, which is made through the crushing and sorting technology developed by Toyota Metal Co., Ltd. for the Crown Sport in July 2025, and we plan to expand its use to other models and parts in the future.

*2 Applies to Toyota and Lexus branded vehicles

Considerations for Improving Recyclability

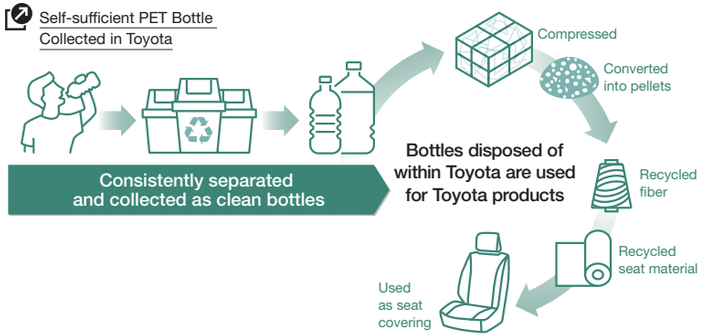
Development & Design

- Eliminate or replace materials that hinder recycling.
- Optimize material standards to facilitate the use of recycled materials.

[Case] Application of In-house Collected PET Bottles in Products

- PET bottles disposed of within the company are separated, washed, and collected as clean bottles. The bottles are then recycled into high-quality materials in cooperation with companies involved. The material is used for the seat covering of the Land Cruiser 250 and 4Runner. We also plan to use them in the seat covers of some models made in Japan to be launched in the future.

Self-sufficient PET Bottle Collected in Toyota



[Case] Use of Marine Litter in Products

- In order to reduce the amount of marine plastic waste that is becoming a global issue, we are considering collecting PET bottles that have washed ashore on beautiful islands in Japan, cleaning and crushing them, and utilizing them as raw materials for automobiles.

Sheet covering made from 100% marine litter washed ashore on Tsushima Island

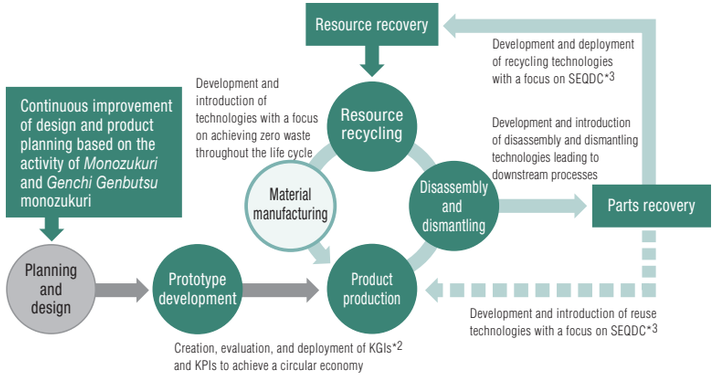
Use of marine litter in seat upholstery

Established CE_Studio (Circular Economy Studio) Within the Company

End-of-life Vehicles | Development & Design

- From the perspective of *Monozukuri* (manufacturing), we focus on how to make products (creation, development, production) and how they are used, and even consider ease of dismantling at the end of a product's life cycle, aiming to contribute to both the manufacturing and recycling industries.
- Continuing and expanding activities where suppliers and designers are collaborating on verifying KPIs*1 for dismantlability and structural modification through *Genchi Genbutsu* (onsite hands-on experience).

Aim of the CE_Studio (Circular Economy Studio)



*1 Key Performance Indicator
*2 Key Goal Indicator
*3 S: Safety, E: Environment, Q: Quality, D: Delivery, C: Cost

Rare Metals and Rare Earths

End-of-life Vehicles

- With an aim to curb the use of natural resources and increase recycled content efficiency, we enhance the recovery of rare resources used in electrified vehicles such as hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEVs) and fuel cell electric vehicles (FCEVs) and the use of recycled materials, aiming to achieve a resource recycling society.
- In collaboration with partner companies, we will continue to collect and recycle HEV batteries, HEV motor magnets, FC stacks, carbide tools used in production, and other materials.
- By feeding activity results back into development and design, we are promoting mobility development that considers recycling.


Recovered end-of-life HEV motors


Recovered end-of-life FC stacks

- Advancing the study on the evaluation method of mineral resources, including its environmental impact using TMR*4.
- Presenting research findings in Toyota Technical Review and at the Institute of Life Cycle Assessment, Japan.

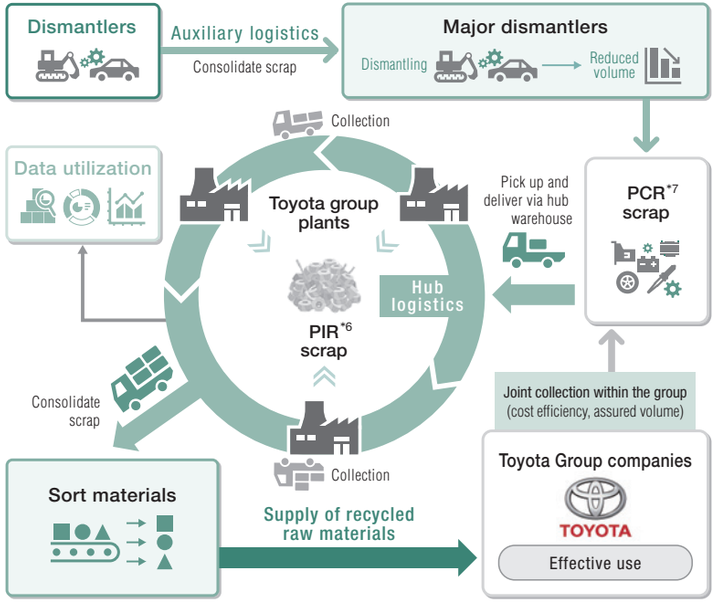
*4 Total Material Requirement: An indicator that measures the total mass of all materials

Toyota Technical Review

Innovative Logistics

End-of-life Vehicles | Production

- Circular Core*5 was launched in August 2024 and is working on the aim of creating new values through the sound development of a circular economy by enhancing collaboration across the entire supply chain for automotive materials and parts and promoting environmentally friendly and sustainable *Monozukuri* (manufacturing) practices.
- Circular Core promotes market research on the circular economy, investigates, develops hypotheses and validates the latest technology trends and businesses, and interacts and collaborates with relevant organizations both within and outside of the industry.



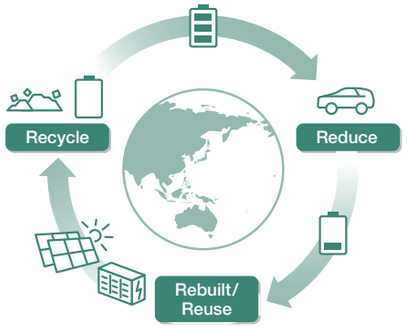
*5 Established with 11 companies, including Toyota Tsusho Corporation, Aisin Corporation, and Denso Corporation
*6 Post-industrial recycle
*7 Post-consumer recycle

Battery 3R* End-of-life Vehicles | Development & Design | Production | Sales & Services

- 3R approaches to achieving a circular economy
- Reduce: Reduce waste generation, including extending battery life
- Rebuilt/Reuse:
  Second life as automotive batteries or reuse the batteries in non-automotive applications (e.g., stationary, energy management)
- Recycle: Recycle as a resource for reuse

* Reduce, rebuilt/reuse, recycle

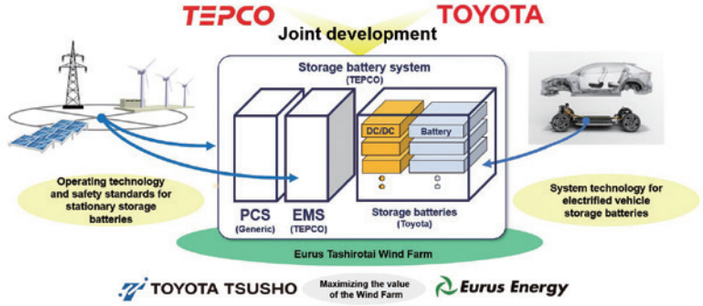
Conceptual Diagram of Battery 3R



Battery Reuse End-of-life Vehicles

Development and Verification of Stationary Storage Battery Systems

- Tokyo Electric Power Company Holdings, Inc. (TEPCO HD) and Toyota developed a stationary storage battery system (1 MW output, 3 MWh capacity) that combines TEPCO's operating technology and safety standards for stationary storage batteries and Toyota's technology for storage battery systems for electrified vehicles.
- Toyota Tsusho Corporation and Eurus Energy Holdings Corporation installed this system at the Eurus Tashirohira Wind Farm, with a demonstration test now underway.



Battery Recycling End-of-life Vehicles

Battery Recycling Initiatives in Japan

Aiming to achieve carbon neutrality and a circular economy, research and development are underway in Japan to recover rare metals from used batteries. Efforts to advance battery recycling are progressing worldwide, including in North America.

[Case] Development and Verification of Battery Recycling Without Incineration

- Toyota Tsusho Corporation and Toyota Chemical Engineering Co., Ltd. have started a joint verification.
- Lithium-ion batteries contain flammable electrolytes, so they have been disposed of in incinerators.
- The new recycling method can reduce CO_2 emissions and improves resource recovery rates by feeding waste directly into recycling equipment for crushing, rather than incinerating it.
- This enables not only the recovery of valuable materials containing rare metals but also the separation and recovery of extracted electrolytes, thereby promoting resource circulation.

Materials recovered from recycled batteries

Updated in October 2025

Nature Positive (NP)

SDGs Contributions

GRI 303-1, 303-2

Fundamental Approach

Aim

- Aim to create a society in harmony with nature by promoting biodiversity conservation activities through collaboration with a wide range of stakeholders.

Initiative

- As part of Toyota's efforts to address biodiversity and water issues under the Toyota Environmental Challenge 2050, we established **the Challenge of Establishing a Future Society in Harmony with Nature and the Challenge of Minimizing and Optimizing Water Usage** in 2015 and launched initiatives.
- We have been a member of the TNFD* Forum since 2024.

* Taskforce on Nature-related Financial Disclosures

Toyota Policy on Harmony with Nature

- We renewed the *Biodiversity Guidelines* formulated in 2008 as *the Toyota Policy on Harmony with Nature* in January 2021.
- This policy is a guideline for promoting harmony with nature and will serve as the basis for future activities.
- We will expand the reach of activities promoting harmony with nature, including the conservation of biodiversity, from communities to the world in collaboration with various people throughout society.

Toyota Policy on Harmony with Nature

Humans enjoy prosperous and fulfilling lives by harmonizing various elements of nature such as water and air as well as conserving biodiversity. However, as environmental issues such as climate change and water shortages interact and become more severe, this harmony of natural elements is disrupted, and biodiversity is being lost. To improve the current situation, Toyota seeks to realize a sustainable society in harmony with nature by fully utilizing the technology and know-how it has developed through various businesses.

1. Recognizing that nature underlies our life and economy through resource supply and climate stabilization, we will promote activities that harmonize various elements of nature and conserve biodiversity.
2. We will expand the reach of activities among communities and connect them with the world by not only acting spontaneously, but also collaborating strongly with society.
3. We will promote environmental education to change the awareness of employees and generations based on the recognition that the biodiversity that forms the foundation of our prosperous life is facing a critical situation. At the same time, we will offer related information to society through both in-house and outside activities.

Toyota Policy on Harmony with Nature

Initiatives Addressing Nature-related Issues

Aim

- Aiming to build a society in harmony with nature, we identify nature-related issues throughout the entire value chain and implement measures to address them.
- We appropriately disclose efforts addressing nature-related issues and continuously advance and improve these initiatives through dialogue with stakeholders.

Initiative

- Understand nature-related issues in Toyota's business activities centered on production and R&D sites and prioritize items and sites requiring immediate attention.
- Refer to methods recommended by TNFD and the WEF*1 report, *Nature Positive: Role of the Automotive Sector* (hereinafter referred to as the WEF Report) issued by the WEF in 2024, to understand nature-related issues.
- Reflect measures to address the issues identified in the 8th Toyota Environmental Action Plan.

*1 World Economic Forum

STEP 1 Identification of Nature-related Issues and Selection of Priority Actions

- Using the WEF Report, ENCORE*2, and TN LEAD*3, understand dependencies and impacts on our automotive business.
- Select priority actions to mitigate dependencies and impacts.

Dependencies	Dependence on ecosystem services such as water and other resource use and disaster mitigation
Impacts	Wastewater discharge, waste disposal, and land use through our business activities may be changing the natural state of the environment

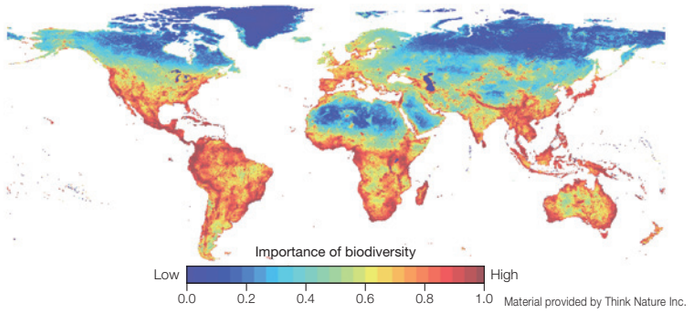
- To avoid or mitigate dependence and impacts on nature, we selected four priority actions to be implemented at our production and R&D sites.
  1. Biodiversity assessment: Maintaining biodiversity and ecosystems around business locations
  2. Water management: Control of water usage and wastewater discharge
  3. GHG emissions reduction: Reduction of GHG emissions from manufacturing processes
  4. Pollution prevention: Control of air pollutant emissions and waste disposal from manufacturing processes

*2 Exploring Natural Capital Opportunities, Risks, and Exposure: A tool to understand the dependencies and impacts of business activities on nature
*3 Analysis services based on the LEAP approach provided by Think Nature Inc. recommended by TNFD

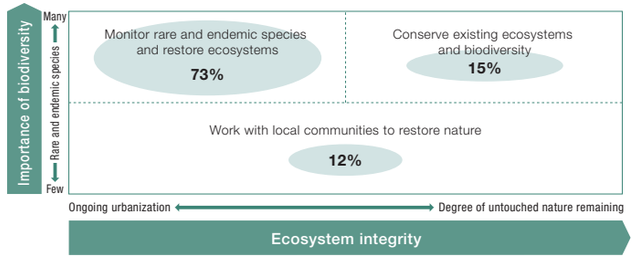
STEP 2 Site Analysis of Priority Actions

1. Biodiversity assessment
- Assessed the importance of biodiversity (whether the site is located in an area that is important for biodiversity) and ecosystem integrity (how much untouched nature remains) for major production and R&D sites.
- Used the assessment results to study the direction of harmony with nature activities to be implemented at each site.
- Confirmed that more than 70% of our sites are located in areas classified as high biodiversity importance, but urbanization is progressing.

Importance of Biodiversity



Direction of Activities Promoting Harmony with Nature Based on Assessment



2. Water management
- Conducted risk assessments at production sites on water quantity and quality using Aqueduct*4.
- Water quantity: Sites with extremely high risks are selected as priority sites. Water quality: Priority sites are selected based on risk assessments, taking into account the discharge of effluent into rivers.

*4 A water risk assessment tool developed by the World Resources Institute

3. GHG emissions reduction
- Implemented activities aimed at achieving carbon neutrality across all plants.

P. 23 Corporate Activities and Production

4. Pollution prevention
- Established environmental management systems and obtained ISO 14001 certification, and enforced the strict control of chemicals, air pollution, and waste at all plants.

P. 14 Environmental Management

P. 17 Ensuring Compliance with Regulation Concerning REACH and Other Global Regulations on Chemical Substances

STEP 3 Target Setting

- Set targets for priority initiatives in the 8th Toyota Environmental Action Plan.
  1. Expand Harmony with Nature activities beyond production sites.
  2. Set individual management targets for water quantity and quality at priority sites.
  3. Reduce GHG emissions in scope 1 and 2 by 47% compared to 2019 levels.
  4. Manage thoroughly in line with regulatory trends in each country.

P. 69 The 8th Toyota Environmental Action Plan

Future Actions

- Conduct a review of progress under the 8th Toyota Environmental Action Plan.
- Conduct analysis of risks and opportunities related to our production and R&D sites.
- Expand these activities to the value chain.

Biodiversity

Aim

- Promote biodiversity conservation activities and contribute to the prevention and reversal of biodiversity loss based on the *Toyota Policy on Harmony with Nature* and the *Policy for Sustainable Natural Rubber Procurement* toward the building of a sustainable society in harmony with nature.

Initiative

Challenge of Establishing a Future Society in Harmony with Nature

Connect the Reach of Nature Conservation Activities Among Communities, with the World, to the Future

- Toyota Green Wave Project
  Plant in Harmony with Nature ⇒ "Connecting Communities" activities
- Toyota ESD*1 Project
  Environmental education for the next generation ⇒ "Connecting to the Future" activities

*1 Education for Sustainable Development

—Toyota Green Wave Project—
Plant in Harmony with Nature ⇒ "Connecting Communities" Activities

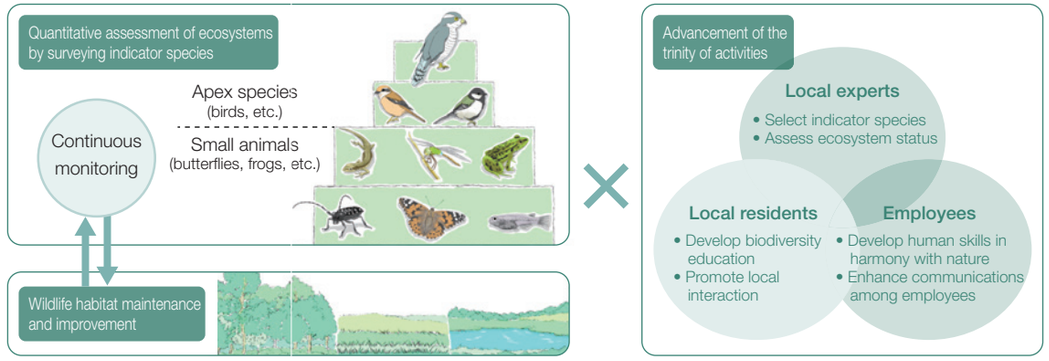
2025 Target

- Realize "Plant in Harmony with Nature"—six in Japan and four in other regions.
- Promote activities to connect with local communities in collaboration with affiliated companies.
- Start activities promoting harmony with nature in collaboration with local communities and companies toward biodiversity conservation.

2024 Results

- Realized six plants in Japan and four plants overseas.
- Promoted activities in collaboration with 22 Toyota Group companies and global affiliates (the number of activities: 1,187).

Overview of the "Plant in Harmony with Nature"



Registration as Nationally Certified Sustainably Managed Natural Sites

- The Japanese government initiated the certification of Nationally Certified Sustainably Managed Natural Sites*3 to achieve the 30by30*2 target set under the Kunming-Montreal Biodiversity Framework (2022).
- Toyota Motor Corporation has joined the 30by30 Alliance for Biodiversity led by the Ministry of the Environment of Japan and obtained certification for five areas (as of July 2025).
- These sites are also registered in the international database of OECM*4 and contribute to the achievement of 30by30.

*2 30by30: A global target to conserve and protect 30% of land and marine areas by 2030
*3 Nationally Certified Sustainably Managed Natural Sites: Sites certified by the Japanese government as areas where conservation of biodiversity is being promoted through private sector initiatives, etc.
*4 Other Effective area-based Conservation Measures

自然共生サイト認定 30by30

Site name	Location	Area	Overview of main activities	Date of certification
Toyota Technical Center Shimoyama	Toyota City and Okazaki City, Aichi Prefecture	385 ha	Conduct forest thinning, paddy field cultivation, and grass cutting to maintain the Satoyama environment adjacent to the R&D center	October 2023
Biotope Tsutsumi	Toyota City, Aichi Prefecture	0.74 ha	Establish a biotope within the production site to contribute to the conservation of the local native ecosystem	
The Forest of Toyota	Toyota City, Aichi Prefecture	45 ha	Conserve the Satoyama environment and utilize it as a place for maintenance, research, and community-oriented education	
Toyota Mie Miyagawa Forest	Taki County, Mie Prefecture	1689.53 ha	Promote sound forest management based on forest resource information and establish a healthy forest that can fulfill public functions	
Toyota Technical Center Shibetsu	Shibetsu, Hokkaido	832 ha	Conserve key species, eradicate invasive species, and promote environmental education to preserve the rugged and rich natural environment in the northern part of Japan at the country's largest test course	October 2024

[Case] Obtaining WHC Certification*1

Toyota Motor North America, Inc. (TMNA) (North America)

- Since 1999, in collaboration with Tandem Global*2, TMNA has been promoting activities to conserve the habitats of pollinators and protect indicator species and native species at its plants and business locations in North America.
- Currently, 17 sites have obtained WHC certification.

*1 Wildlife Habitat Council Certification: A certification program administered by Tandem Global recognizing efforts to enhance biodiversity and education activities
*2 An international NPO engaging in biodiversity conservation and related activities in 19 countries

WHC-certified sites in North America

Toyota Site Name	Certification Level
Production and Engineering Manufacturing Center, Kentucky	Gold
Toyota Motor Manufacturing Canada, Cambridge	
Toyota Motor Manufacturing Canada, Woodstock	
Toyota Motor Manufacturing, Kentucky	
Toyota Motor Manufacturing, Mississippi	
Toyota Motor Manufacturing, Texas	
Toyota Motor Manufacturing, West Virginia	
Toyota Technical Center, Ann Arbor, Michigan	Silver
Toyota Technical Center, York Township, Michigan	
Toyota Auto Body, California	Certified
Toyota Motor Manufacturing, Alabama	
Toyota Motor Manufacturing, Guanajuato	
Toyota Motor Manufacturing, Indiana	
Toyota Motor Manufacturing, Missouri	
Toyota Motor Manufacturing, Tennessee	
Toyota Motor North America Headquarters in Plano, Texas	
Toyota Logistics Services in Portland, Oregon	

[Case of Plant in Harmony with Nature 1]

Toyota Motor Manufacturing, West Virginia, Inc. (TMMWV) (The U.S.)

- TMMWV promotes the preservation of habitats for pollinators through the cultivation of native plants and beekeeping in the Toyota West Virginia Biodiversity Park located within the plant premises and received the WHC Ibis Award*3 in 2022 for these efforts.
- The Biodiversity Park is open to the public and utilized for environmental education for kids and students, as well as recreational activities for local residents.

*3 An award given to projects that have continued to carry out biodiversity conservation activities even under difficult situations

2024 Performance

- TMMWV has received the Gold Certification from the WHC for nine consecutive years.
- By 2024, approximately 90% of the factory's green space was successfully transformed into habitats for pollinators through 17 projects.


Weeding solar power generation areas through grazing


Beekeeping


Environmental education

[Case of Plant in Harmony with Nature 2]

Toyota Motor Thailand Co., Ltd. (TMT) Ban Pho Plant (Thailand)

- The Harmony with Nature facility within the TMT premises, "Cheewa Panavet," has received government certification as Thailand's first OECM pilot site.
- Conduct sustainable biodiversity conservation activities by private companies and promote environmental education and awareness campaigns in collaboration with local residents and students.

2024 Performance

- Through a joint biological survey with local NGOs, 119 plant species and 528 animal species (including 149 bird species and 307 insect and spider species) were identified.
- Since its establishment in 2016, more than 62,000 people have participated in TMT's environmental education programs (as of May 2025).


Group photo with the Thai government at the exhibition booth during the acceptance ceremony


Common tiger butterfly


Black giant squirrel

Toyota ESD Project
Transforming “Environmental Education for the Next Generation” to “Connect to the Future”

2025 Targets

- Implementing global unified measures for the development of eco-friendly human resources who bear the future
- Provide opportunities for environmental learning using biotopes and other resources in collaboration with “Plants in Harmony with Nature”.
- Utilizing tools to learn harmony with nature for the next generation and advancing the development of eco-friendly human resources at both internal (e.g., plant) and external business facilities (e.g., The Forest of Toyota).

Fiscal Year 2025 Performance

- Implemented environmental education programs worldwide.
- Examples from Toyota Motor Corporation
  - Conducted environmental learning sessions
    - Plant in Harmony with Nature: 50 sessions
    - The Forest of Toyota: 268 sessions

Global Development of Environmental Education for the Next Generation

- Building good relationships with local communities through environmental learning has a positive impact on Toyota's business in the medium to long term.
- Promoting the Toyota ESD Project in regions around the world and hosting a number of environmental learning sessions and events provide opportunities for local communities and employees to learn and take action together.

[Case] Activities Connecting to the Future

Tsutsumi Plant, Toyota Motor Corporation (Japan)

- Since 2020, we have been collaborating with local elementary schools to promote environmental education activities led by employees.
- We implement programs to promote greater understanding of biodiversity and ecosystems by raising the southern medaka (a kind of Japanese rice fish) and creating biotopes.

Total number of children participating since the start of activities

- Fiscal year 2025: 306
- Fiscal year 2021–2025: 1,196


Southern medaka release event


Our environmental learning session in school


Activities connecting local biotopes and children

Water Environment

Aim

- Minimize the global impact on water environments under conditions that vary from region to region.
- Aim to be the best plant in the region that can contribute to the prosperity of society as a whole through the effective use of water resources.

Initiative

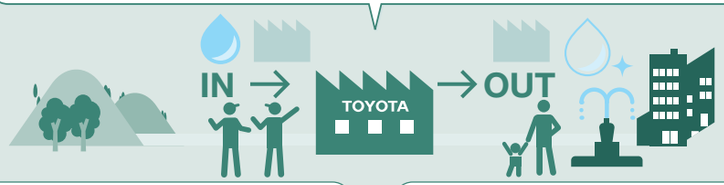
Toyota Water Environment Policy

- Aim to be the best plant in the region that contributes to the overall prosperity of society.
- Minimize impacts on the water environment through a dual approach: drastic reductions in water use (IN) and returning clean water to the environment (OUT).

Toyota Water Environment Policy

Striving to consider the importance of water sustainability,
Toyota will aim for realizing prosperous societies that will share a sound water environment with the future.

Become the **BEST PLANT IN THE REGION** leading to prosperity throughout the entire society.



Thoroughly reduce the amount of water usage

Minimize the impact on local water resources by minimizing water withdrawal and utilizing rainwater

Purify wastewater thoroughly and return

Have a net positive impact on the environment by returning clean water in the local water environment

Challenge to Minimizing and Optimizing Water Usage

Minimize water usage and manage wastewater discharge according to individual local conditions

- Water quantity (IN): Activities to reduce water use
- Water quality (OUT): Comprehensive management of wastewater, and activities to clean water before it is returned to the environment

Example of Water Usage Reduction

[Case] Activities to Reduce Water Usage in Cooling Towers

Toyota South Africa Motors (Pty) Ltd. (South Africa)

- Toyota South Africa Motors reuses wastewater from HVAC systems as circulating water in cooling towers.
- Monitoring circulating water in cooling towers in real time to improve water quality helps prevent corrosion and other issues while also reducing water usage.

  2024 Result
  - Water usage: 2,764 m^3 reduced annually

Team members

Water quality monitoring system

P. 63 Environmental Data [I]

Reporting period: Fiscal year 2025
Period covered in this chapter: April 1, 2024 to March 31, 2025
Note that important information relevant to subsequent periods will also be included

Updated in June 2025

Climate-related Financial Disclosures Based on TCFD* Recommendations

* TCFD (Task Force on Climate-related Financial Disclosures)

GRI 2-13, 2-16, 2-22, 201-2

Governance

Board's Oversight of Climate-related Risks and Opportunities

- In order to effectively plan and execute strategies in response to social trends, Toyota raises important climate-related issues to the Board of Directors Meeting as they arise.
- The Board of Directors conducts the following duties:
  - Deliberate and Supervise strategies, major action plans, and business plans.
  - The CN Strategy Subcommittee monitors the progress toward qualitative and quantitative targets for addressing climate-related issues under the supervision of the Board of Directors.
- Monitoring is conducted considering the financial impact of the following items that may become climate-related issues:
  - Risks and opportunities related to products, such as fuel efficiency and emission regulations
  - Risks and opportunities related to low-carbon technology development
- Utilize governance mechanisms to formulate long-term strategies, including the Toyota Environmental Challenge 2050, and to develop and review medium- to long-term targets and action plans.
- Decisions made at the Board of Directors Meeting in 2024:
  - Approved the signing of a non-legally binding memorandum of understanding (MOU) with the state government regarding the acquisition of land for a new plant in India, with the aim of helping India achieve carbon neutrality by providing customers with a variety of mobility options.
  - Approved investment in IONNA, a joint venture working on the development of a rapid-charging network for battery electric vehicles (BEVs) in North America, with the aim of contributing to expanding the charging infrastructure needed for the widespread adoption of BEVs to achieve carbon neutrality.
  - Approved the signing of a comprehensive partnership agreement with the municipal government of Shanghai and the establishment of a company for the development and production of BEVs and batteries, with the aim of contributing to achieving carbon neutrality in China. The new company will develop Lexus-brand BEVs, with mass production to launch in 2027 or later.

Roles of the Management in Assessing and Managing Climate-related Risks and Opportunities

- **The Board of Directors Meeting is Toyota's ultimate decision-making and supervisory authority for climate-related issues.**
- The meetings shown below are the major bodies engaged in assessing and managing climate-related risks and opportunities (once a year or more often).

Meeting Bodies to Discuss Measures to Address Climate-related Issues (As of June 2025)

	Sustainability Meeting	Sustainability Subcommittee	CN Strategy Subcommittee	Governance, Risk, Compliance Subcommittee
Chairperson	President	Sustainability Senior General Manager and CCO	President of Carbon Neutral (CN) Engineering Development Center	Sustainability Senior General Manager and CCO
Members (number of people)	Executive Vice President (2), Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (2), Operating Officer (1), CPO, CSO, CRO and CHRO, CCO, and others (5)	Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (1), CRO and CHRO, CSO, CISO, and others (5)	Executive Vice President (2), Operating Officer (3), CPO, CSO, CISO, and others (10)	Outside member of the Board of Director (1), Outside Audit and Supervisory Committee Member (1), Operating Officer (1), CRO and CHRO, CSO, CISO, GCQO, and others (9)
Number of deliberations held in FY2025	5	3	2	5
Frequency of reports to the Board of Directors	When an important issue arises	When an important issue arises	When an important issue arises	When an important matter arises
Description	• To increase corporate value by deliberating, making decisions on, and promoting activities on key sustainability issues	• To report and deliberate on key management issues related to strengthening competitiveness over the medium to long term and responding to risks associated with the environment, social issues, governance and the SDGs, while monitoring internal and external developments	• To cultivate a shared understanding of key global trends related to carbon neutrality and environmental issues • To report and deliberate on important management policies, such as targets and KPIs related to the above	• To deliberate, decide and promote activities on important issues and responses related to governance, internal control, corporate ethics, compliance, incidents, and general risk management in business and product strategies

CPO : Chief Production Officer
CSO : Chief Sustainability Officer
CHRO : Chief Human Resources Officer
CRO : Chief Risk Officer
CCO : Chief Compliance Officer
CISO : Chief Information & Security Officer
GCQO : Global Chief Quality Officer

P. 7 Organizational Structure

Links between Company-wide Risk Management and Processes for Managing Climate-related Risks

- Toyota approved and signed the TCFD recommendations in April 2019 and joined the TCFD Consortium, a platform for promoting collective action by companies, financial institutions and other entities in Japan.
- Recognizing that the risks and opportunities present in climate change are key management concerns, we conduct scenario analyses based on the TCFD recommendations to identify risks and opportunities and verify the resilience of our business activities.
- The Toyota Global Risk Management Standard (TGRS), designed by Toyota based on ISO*1 standards and the COSO*2 framework, is being implemented company-wide as a risk management system.
- We use the TGRS and a variety of standards to identify all risks associated with global business operations. We also establish company-wide task forces as needed to promote risk management and monitor progress through the Governance, Risk, and Compliance Subcommittee and other bodies.
- Risks are assessed based on the magnitude of impact and vulnerabilities. By forecasting specific timing when a risk may occur, the actual financial and strategic impact on the business can be clarified.
  - Magnitude of impact:
    Rated on a five-grade scale for each of the following factors: finance, reputation, violation of laws and regulations, and business continuity (finance is indexed as a percentage of financial impact to sales).
  - Vulnerability:
    Assessed on the two elements of the current status of countermeasures and probability of occurrence.
- Risk owners are assigned for the key risks assessed by region, function (such as production and sales) and product based on the above perspectives. Chief Officers of divisions, and in-house company presidents oversee initiatives, while at the working level, relevant measures are implemented under the instructions of and monitored with the divisional General Managers of their own divisions.
- Climate-related risks and opportunities are also assessed by the CN Strategy Subcommittee and Sustainability Subcommittee. In addition to the aforementioned TGRS from the following perspectives, the response status is monitored and reviewed by the divisions and departments in charge and relevant executives in each committee and division in charge. Toyota actively works to identify a wide range of risks and opportunities stemming from environmental issues, regularly reviews the validity of strategies such as the Toyota Environmental Challenge 2050 and promotes activities to boost competitiveness.
  - Sustainability Subcommittee:
    Deliberate the validity of initiatives in consideration of challenges related to promoting sustainability and the viewpoints of external stakeholders.
  - CN Strategy Subcommittee:
    Deliberate on fuel economy regulations, CO_2 emission regulations applicable to plants, logistics, and other non-production locations, and the validity of efforts directly related to operations, such as regarding procurement and water risks.
- Meetings of the above committees are held with the participation of Executives and General Managers of the technology, environment, finance, purchasing, production, sales, and other relevant divisions and departments.
- Current and future greenhouse gas (GHG) emissions from vehicles, production and sales operations, and supply chains are calculated and assessed in line with relevant science-based emission reduction pathways.
- Important risks and opportunities that require prompt response are reported to the Board of Directors Meeting to determine the course of action.

*1 International Organization for Standardization: Non-governmental body that sets internationally accepted standards
*2 Committee of Sponsoring Organizations of the Treadway Commission: Body responsible for developing guidelines to evaluate internal controls

P. 48 Process of Identifying and Assessing Climate-related Risks and Opportunities
P. 130 Risk Management

Strategy

SASB TR-AU-410a.3.

Toyota's Strategies (Fundamental Approach of Toyota's Multi-pathway Strategy)

- Achieving carbon neutrality (CN) is the urgent task we face to ensure that cars continue to be an essential part of society.
- The core idea of Toyota's multi-pathway strategy is to **offer a diverse range of mobility options that align with the future of energy and the needs and expectations of local communities and customers**, while achieving carbon neutrality in Toyota's manufacturing activities and supply chains.
- From the perspective of the global environment and sustainability, it is fundamental to move away from fossil fuels.
- Over the medium- to long-term, renewable energy is expected to become more widespread, with electricity and hydrogen emerging as key energy sources that will support society.
- In the short-term, however, it is critical to acknowledge the global situation and implement practical changes while ensuring energy availability.
- With a view to a future in which electricity and hydrogen play a central role, we aim to realize CN by providing mobility solutions that support a variety of energy sources, including electricity derived from renewable energy, hydrogen or synthetic fuels produced by using that electricity, and biofuels.
- Existing infrastructure and assets must be used to practically and effectively reduce GHG emissions.
- In order to achieve CN in the automotive industry, it is necessary to implement energy policies that promote renewable energy and develop charging infrastructure, as well as industrial policies that include purchase subsidies, supplier support, and the development of battery recycling systems. At the same time, uncertainties related to each country's energy and industrial policies and customer choices must be addressed.
- A multi-pathway strategy that offers diverse mobility options is our strategy that **can address uncertainties by ensuring that some option will be available regardless of the future society**.
- Actively engage in building partnerships with the involvement of multiple industries and promote efforts to realize an environment in which electricity and hydrogen contribute to society at an earliest possible stage.
- **The strategic resilience of the multi-pathway approach is verified through scenario analysis.**

P. 48 Scenario Analysis Overview

Wide Range of Options (Multi-pathway Solutions)

Battery electric vehicle (BEV)
- Next-generation BEVs to be launched in 2026
- Projections for base unit sales are 3.5 million units for 2030*1

Plug-in hybrid vehicle (PHEV)
- Development of PHEVs with an EV range of over 200 km as practical BEVs

Hybrid electric vehicle (HEV)
- Effective means of immediately reducing GHG emissions

Biofuels and e-fuel
- Contribution to reduce GHG emissions from owned vehicles*2

H2
- Development of hydrogen engines using internal combustion engine technology

Fuel cell electric vehicle (FCEV)
- Mass production and commercialization, with a focus on commercial vehicles
- Offer to Toyota of 100,000 fuel cell units annually by 2030

*1 These figures are shaped by customer demand and represent the base unit amount based on which supply systems will be prepared together with suppliers and dealers. However, we will adopt a flexible approach toward sales in recognition of the fact that it is customers who will ultimately decide our products

*2 New vehicles and vehicle-owned already on the market

P. 46 Descriptions of Strategies and Initiatives

Descriptions of Strategies and Initiatives

HEV and PHEV

- Expand sales of HEVs with particular focus on emerging nations, in order to meet the diverse needs of our customers.
- Redefine PHEV as practical BEV by extending the EV cruising range to 200 km or more, and strengthening development to increase the number of options available.
- Encourage the advancement of engines that will lower greenhouse gas emissions through improved combustion technology.

Integrated Report 2024, p. 56, Developing a New Concept Engine Based on Electrification

BEV

- In May 2023, we announced plans to invest around five trillion Japanese yen in BEVs (including batteries) by 2030.
- With the base unit sales projections of 3.5 million BEVs globally by 2030, we set a pace*1 (1.7 million next-generation BEVs as of 2030).
- Challenges in vehicle manufacturing innovation
  - On the next-generation BEV production line, we aim to decrease the person-hours required for processes, plant investment, and lead times for production readiness by half compared with conventional durations by working on development of new module structure, self-propelled production, and digital twin technologies.
- Develop a diverse range of next-generation battery technologies.
  - Primearth EV Energy Co., Ltd. was rebranded as Toyota Battery Co., Ltd. in October 2024, where it will remain at the forefront of the Toyota Group's battery business as an in-vehicle battery manufacturer. The company has mass-produced batteries for approximately 25 million vehicles since its establishment in 1996.
  - The Ministry of Economy, Trade and Industry of Japan has certified development and production plans for next-generation batteries ("Performance" battery) and all-solid-state batteries as part of its Storage Battery Supply Security Plan.

■ Development of Liquid Lithium-ion Batteries

Performance	• Cruising range of 1,000 km, 20% reduction in cost compared to conventional batteries, quick charge time of 20 minutes or less • Scheduled for introduction in 2026
Popularisation	• Cruising range increase of 20%, 40% reduction in cost compared to conventional batteries, quick charge time of 30 minutes or less • Engaged in the challenge of putting this option into practical use between 2026 and 2027 using lithium iron phosphate (LFP)
High Performance	• Cruising range increase of 10%, 10% reduction in cost, and quick charge time of 20 minutes or less compared to the “Performance” battery • Combines the advantages of both the “Performance” and “Popularisation” batteries • Scheduled for practical use in 2027 or 2028

Integrated Report 2024, p. 57, Battery Electric Vehicle Strategies

■ Development of all-solid-state batteries

- With solid electrolytes that allow ions to move rapidly and offer resistance to high voltage and heat, all-solid-state batteries show promise for higher output, extended cruising ranges, and shorter charging times.
- Toyota is engaged in work on product development and establishing mass production methods with a target for practical use in 2027 or 2028.
- We announced a collaboration with Idemitsu Kosan Co., Ltd. in October 2023 with the aim of moving towards mass production.

Integrated Report 2024, p. 61, All-Solid-State Battery Development

Hydrogen

■ Set up a dedicated organization (Hydrogen Factory) in July 2023 to boost the development and production of fuel cells and hydrogen-related products and promote the creation of a foundation for commercialization on three key concepts as follows:

- Local development and mass production in countries with hydrogen markets (Europe, China)
  - Established a production and development base with SinoHytec in China. Fuel cell manufacturing started in August 2024.
- Strengthening collaboration with key partners (standardization)
  - Announced the development of stronger collaboration with the BMW Group in hydrogen technologies in September 2024, focusing on the development of standardized fuel cell systems and building infrastructure.
- Innovative evolution of next-generation fuel cell (FC) technologies

■ Toyota has developed the following technologies to create a hydrogen economy through accelerated hydrogen use.

- We offer next-generation FC systems for a diverse range of applications, including trains, ships and power generators.
- Focus on the production and storage of hydrogen and take up the challenge of standardizing large commercial tanks to reduce cost and increase the demand for hydrogen.

■ Development and introduction of hydrogen mobility solutions in the commercial sector.

- Toyota is increasing the range of options tailored to customer usage to promote the adoption of electrified vehicles.
- Aiming to reduce logistics costs and GHG emissions through optimization of transportation by applying the Toyota Production System (TPS) principles, improve on-site efficiency, and using connected technologies.
- Commercial Japan Partnership Technologies (CJPT), which includes Isuzu Motors Limited, Hino Motors, Ltd., Suzuki Motor Corporation, Daihatsu Motor Co., Ltd., and Toyota Motor Corporation, is intensifying efforts in Japan and Thailand to address logistics issues.

■ Collaboration with strong partners as opportunities to fast-track the commercialization of hydrogen.

- We create development, production, and sales bases close to customers, build mass production systems, and offer products at affordable prices in countries with hydrogen markets.

Integrated Report 2024, p. 65, Hydrogen Business Strategies

Lower-Carbon and Carbon-Neutral (CN) Fuels

■ Toyota offers a range of energy options to reduce GHG emissions from vehicles owned and meet the diverse needs of vehicles, regions, and customers in a future where electricity and hydrogen are primary energy sources.

■ Advance the development of next-generation engines with a focus on the use of liquid fuels such as e-fuels and biofuels, and promote collaboration with partners in other industries.

- We conducted low-carbon fuel fueling demonstrations for new vehicles with Chevron Corporation in April 2024.
- Exxon Mobil Corporation and we conducted a public road test of research fuels in May 2024.
- In May 2024, Idemitsu Kosan Co., Ltd., ENEOS Corporation, Mitsubishi Heavy Industries, Ltd., and Toyota Motor Corporation have started to explore the adoption and expansion of CN fuels for automobiles.

■ Toyota is verifying the effectiveness of hydrogen use based on total cost by using hydrogen directly with fuel cells in areas where hydrogen costs are low and locally produced, and producing e-fuel in areas where production costs are low and transporting it to areas where hydrogen is costly.

■ Introduce the right vehicles at the right time and in the right place. For example, in emerging countries where the use of biofuels is expanding, introduce biofuel-compatible vehicles.

■ Conduct studies to improve production technologies for second-generation bioethanol fuel.

- In July 2022, seven private companies, including Toyota Motor Corporation, established the Research Association of Biomass Innovation for Next Generation Automobile Fuels.
- A completion ceremony was held for a bioethanol production research facility in the Okuma Nishi Industrial Park, located in Okuma, Fukushima in November 2024.

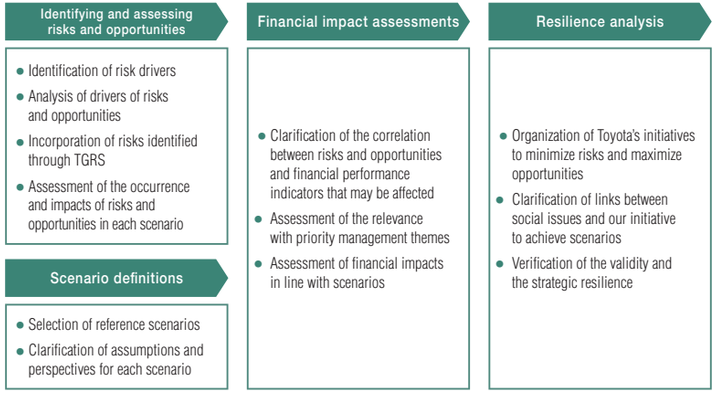
Integrated Report 2024, p. 71, Carbon-Neutral Fuel Initiatives

Process of Identifying and Assessing Climate-related Risks and Opportunities

■ Toyota identifies and assesses climate-related risks and opportunities through scenario analysis based on assumptions of future social conditions together with in-house and external climate teams and experts to verify corporate strategic resilience

Scenario Analysis Overview

■ Scenario analysis is conducted in accordance with the processes outlined in guidance provided by the TCFD and Ministry of the Environment of Japan.



Toyota Motor Corporation organized this chart based on the guidance provided by the TCFD and Ministry of the Environment of Japan

■ The scope, timeline, and impact assessment period for scenario analysis are defined as follows:

- Analysis targets
  - Transition risks: Automotive business and supply chains in Toyota Motor Corporation and our consolidated companies
  - Physical risks: Toyota brand vehicle production sites of Toyota Motor Corporation and our consolidated and unconsolidated companies
- Timeline definitions
  - The periods which risks may occur are specified as follows:

	Period	Basis for determination
Long-term	By 2050	Target year for Toyota Environmental Challenge 2050
Medium-term	By 2030	2030 Milestone, validation and approval by SBTi*
Short-term	Until 2025	The 7th Toyota Environmental Action Plan

* Science Based Targets Initiative: It uses scientifically based criteria to certify that a company's scope 1 and 2 reduction targets are consistent with the goal of limiting the rise in the global average temperature to below 1.5°C compared to pre-industrial levels. With regard to automobile manufacturers, SBTi also approves the reduction targets for scope 3 category 11 emissions (g-CO_2e/km) as being in line with the criterion of "limiting the global average temperature rise to well below 2°C above pre-industrial levels."

- Impact assessment periods
  - Transition risks: 2030-2035
  - Physical risks: 2050, 2090

Identification and Assessment of Risks and Opportunities

■ Identify primary factors (risk drivers) for climate-related risks and opportunities based on anticipated future social conditions from the perspectives of transition risks (policies/legislation, markets, technology, reputation) and physical risks (acute, chronic).
■ Set risk drivers as the starting point, identify risks and opportunities by analyzing factors that lead to them.
■ Incorporate climate change risks identified through the TGRS into the risks and opportunities identified through the analysis of risk drivers.
■ Investigate and assess how the occurrence and impacts of risks and opportunities vary in different scenarios, which include those risk drivers.

Selection of Scenarios

■ Select the following stated scenarios as reference scenarios

- 1.5˚C scenario: Several scenarios published by the IEA,*1 IPCC*2 AR6 WG3 and other organizations
- 4˚C scenario: IPCC AR6 WG1 SSP5-8.5

Basis for selecting scenarios

- Toyota envisions the future energy landscape supporting society as converging on electricity and hydrogen with the widespread adoption of renewable energy, and recognizes that energy situations and transition speed vary by country and region.
- A slowdown in renewable energy investment due to international inflation and sluggish sales of BEVs in Western countries have been observed amid recent global trends and emerging debates on balancing environmental concerns with economic security.
- Discussions continue to be held at international negotiation forums, such as the Conference of the Parties (COP) to the UN Framework Convention on Climate Change, on transitional responses for the future, as well as the introduction of various decarbonization approaches and mitigation strategies that reflect the specific situations of different countries and regions.
- In recognition of this background, our multi-pathway strategy offers options that address actual energy situations in each country/region and the diverse needs of customers through a practical transition in the short term with a focus on a future of electricity and hydrogen in the long term.
- In light of the above, the 1.5ºC scenario analysis for passenger vehicles considers both IEA's NZE scenario, which highlights the introduction of BEVs and PHEVs as key decarbonization measures, and other 1.5ºC scenarios that incorporate regional characteristics and an increased range of mitigation measures (CO_2 removal (CDR), carbon capture and storage (CCS), carbon-neutral fuels, etc.) to verify the validity of Toyota's strategies.

*1 International Energy Agency
*2 Intergovernmental Panel on Climate Change

■ Clarify the assumptions and global perspectives of each scenario. Issues related to achieving each scenario are as follows:

- IEA NZE scenario
  - The use of renewable energy is anticipated to increase globally, with the widespread use of BEVs driving rapid reductions in GHG emissions in the automotive industry. However, the actual progress of these measures will likely differ depending on local energy contexts and policy developments.
- Other 1.5˚C scenarios
  - Regional disparities in biofuel types and adoption levels may arise due to supply variations caused by the food versus fuel dilemma and limitations on land use to conserve the natural environment.
  - Significant investment is needed in the early phases of introducing decarbonization technologies to market, and progress may differ depending on investment conditions.

Financial Impact Assessments

■ Analyze causal links using identified risks and opportunities and their financial impacts, and clarify the correlation between financial indicators that may be impacted and these risks and opportunities.

■ Assess relationships with management themes such as mobility concepts related to identified risks and opportunities and priority sustainability initiatives to confirm the materiality of these risks and opportunities.

■ Assess the financial impacts of identified risks and opportunities in light of the assumptions of each scenario.

Integrated Report 2024, p. 6, Mobility Concept

Identified Risks and Opportunities and Financial Impact

Transition Risks: 1.5°C Scenario

Category	Risk driver	Risk/Opportunity	Risk	Opportunity	Period of occurrence*1	Financial impact assessment (qualitative)*2
Policy/Legislation	• Tighter fuel efficiency, greenhouse gases, and ZEV regulations	• Fines or other penalties imposed for non-compliance with fuel efficiency regulations	○		Short-term, medium-term, long-term	High
		• Ramp-down of production and decrease in sold units caused by sudden product changes to comply with regulations	○		Short-term, medium-term, long-term	High
Technology/Market (product)	• Development of low-carbon technologies • Increase in electrification and the adoption of renewable energy • Alternative fuels • Energy diversification and decarbonization • Fluctuations in fossil fuel demand	• Fluctuations in sales resulting from electrification		○	Short-term, medium-term, long-term	High
		• Increased R&D costs associated with the development of powertrain technology	○		Medium-term, long-term	Medium
		• Creation of new value in mobility, acquisition of new customers and cultivation of new demand through collaboration with other companies in product development		○	Medium-term, long-term	Slight
		• Creation of new value chains, acquisition of new customers and cultivation of new demand through cooperation with other companies in low-carbon fuel development		○	Medium-term, long-term	Medium
	• Resource constraints and rising costs • Introduction of regulations for end-of-life vehicles and batteries	• Rising demand for BEV-related feedstocks causing supply constraints and increased procurement costs	○		Medium-term, long-term	High
		• Improved stability in resource supply and manufacturing through the promotion of the Battery 3R initiatives by the development of a battery ecosystem		○		
		• Acquiring new customers and cultivating new demand through battery and energy management related businesses		○		
Technology/Market (manufacturing)	• Increased adoption of renewable energy	• Rising manufacturing costs caused by prolonged high prices for renewable energy accompanied by growing demand	○		Long-term	Slight
	• Accelerated energy savings • Development of low-carbon technologies	• Increased manufacturing costs due to the purchase of low-carbon equipment and upgrading existing equipment	○		Long-term	Slight
		• Lower costs due to improved energy efficiency and stable production due to a diversified energy mix		○		
	• Fuel conversion/electrification • Diversification of energy and low-carbon emissions	• Higher manufacturing costs due to capital investment related to the use of low-carbon fuels, such as hydrogen and biofuels, and rising fuel prices	○		Long-term	Slight

Physical Risks: 4°C Scenario

Category	Risk driver	Risk/Opportunity	Risk	Opportunity	Period of occurrence*1	Financial impact assessment (qualitative)*2
Acute/Chronic	• Increased severity of natural disasters, water stress, others	• Costs of repairing buildings and equipment at production sites damaged by extreme weather events like flooding and high tides	○		Short-term, medium-term, long-term	Slight
		• Suspension of production due to a slowdown in parts supply caused by breakdowns in supply chains	○			
		• Provision of solutions for natural disasters (emergency power supply, supplier location map, etc.)		○		

*1 Period of occurrence: Short-term (to 2025), Medium-term (to 2030), Long-term (to 2050)
*2 Definitions of financial impacts
High: Significant global impact
Medium: Impact on regional businesses
Slight: Minor impact on regional businesses

Resilience Analysis

Resilience Analysis Overview

- Toyota's multi-pathway strategy focuses on a practical transition to achieving carbon neutrality by offering a range of options tailored to local needs, such as fuel and infrastructure, with an eye on the future landscape of energy.
- Guided by the TCFD framework, scenario analysis identifies risks and opportunities and assesses financial impacts using the 1.5°C scenario for transition risks and the 4°C scenario for physical risks.
- Toyota is comparing and examining other 1.5°C scenarios in addition to the IEA's NZE scenario in light of recent global developments and international climate change discussions.
- All scenario assumptions may carry certain limitations. In recognition of this, Toyota organizes its initiatives to minimize identified risks and take advantage of opportunities as well as clarifies relationships among its efforts that can contribute to addressing social issues linked to achieving scenarios in order to ascertain the effectiveness and resilience of Toyota's strategies in its business activities.

P. 48 Scenario Analysis Overview

1.5°C Scenario Analysis

Study on the IEA NZE scenario

- The IEA reports that the following challenges must be addressed to accomplish the NZE scenario.
  - The shift to BEVs of passenger vehicles will progress as electricity is decarbonized with the active introduction of renewable energy, leading to a sharp reduction in GHG emissions after 2030 and the achievement of net zero emissions by 2050.
  - To achieve this goal, governments around the world will introduce ambitious climate policies such as carbon pricing, tighter fuel efficiency standards, and bans on the sale of internal-combustion-engine vehicles, along with expanded incentives to support the growth of BEVs.
  - Wider acceptance of BEVs will occur in the market with growing consumer awareness of the environment and stronger policies, along with technological advancements in vehicle electrification, development of innovative batteries, and energy management systems powered by renewable power. The societal shift towards electrification and renewable energy will reduce energy consumption with improvements in efficiency.
- Transition risks associated with this scenario
  - Fines or other penalties imposed for non-compliance with fuel efficiency, greenhouse gas, or ZEV regulations
  - Ramp-down of production and decrease in sold units caused by sudden product changes to comply with regulations
  - Increase in R&D costs in response to developments in powertrain technology
  - Growing demand for feedstocks for BEVs leading to supply shortages and higher procurement costs as a result of rapid advancements in vehicle electrification
  - Rising manufacturing costs caused by prolonged high prices for renewable energy accompanied by growing demand
- Toyota's initiatives to minimize risk

Worldwide	• Collaborating with regional headquarters to monitor regulatory trends in each region and quickly incorporate into product planning • Developing technologies that promote electrification with the efficient utilization of battery feedstocks (practical BEVs) • Cooperating with key stakeholders to develop technologies using renewable electricity and hydrogen, such as solar cells, water electrolysis systems, and hydrogen

P. 50 Identified Risks and Opportunities and Financial Impact

- The following social challenges must be addressed to achieve the IEA's NZE scenario.
  - Formulation of government policies and active investment to promote the adoption of renewable energy
  - Creation of social systems to secure the supply of battery feedstocks and development of recycling technologies
  - Innovating and reducing the costs of decarbonization technologies that use electricity and hydrogen
  - Development of charging infrastructure accompanying the widespread adoption of electric vehicles
- Toyota's initiatives to address social issues

Japan and North America	• Contributions to build social infrastructure to support the widespread use of electric vehicles
Worldwide	• Cooperating with key stakeholders to develop technologies that use renewable electricity and hydrogen, such as solar cells, water electrolysis systems, and hydrogen • Developing resource-efficient and long-life batteries • Building a battery ecosystem that values the thoughtful use of limited resources through the Battery 3R (reduce, rebuilt/reuse, recycle) approach, which focuses on rebuilding and reusing batteries and recycling rare metals with minimal GHG emissions

Studies on Other 1.5°C Scenarios

- In 2024, in addition to the IEA's NZE scenario mentioned earlier, Toyota conducted a comparative study of several 1.5°C scenarios released by the IPCC and various research institutions to gain deeper insight into regional values and differences.
- Pathway for our contribution to accomplishing the 1.5ºC scenario stated in the Paris Agreement
  - Energy sector
    - Introduce a range of technologies, such as carbon capture and storage (CCS), in addition to the use of renewable energy.
  - Transport sector
    - Expand the widespread adoption of fuel-efficient vehicles and low-carbon and carbon-neutral (CN) fuels, such as biofuels and synthetic fuels, in addition to vehicle electrification.
  - Emerging countries
    - Aim to achieve a balance between economic development and carbon neutrality with the use of local renewable energy, such as biomass, while exploring the use of fossil fuels in combination with Carbon dioxide Capture, Utilization and Storage (CCUS) during transition periods.
    - Expecting customers to choose from a variety of energy and powertrain options based on lifestyles and convenience with the development of a wide range of energy infrastructure, such as for low-carbon and CN fuels.
- Compared to the IEA's NZE scenario, the social issues involved in achieving the above set of scenarios are more diverse.
  - Technology development for low-carbon and CN fuels, such as hydrogen, biofuels, and synthetic fuels, adapted to each country and region, and support in the early stage of introduction
  - Solving challenges related to biofuels such as the food versus fuel dilemma and reducing costs
  - Collaboration with other sectors on low-carbon and CN fuels, and actual fuel supply
  - Technology development and aid policies to ensure a stable supply of energy
- Transition risks associated with the set of scenarios previously mentioned
  - The transition risks associated with the promotion of BEVs are similar to those stated in the IEA's NZE scenario; however, their impact on Toyota's strategy and finances will be relatively small, considering the current track record of BEV adoption in each country and region and reviewing of their policies.
  - Research and development costs will increase as automobile fuels diversify.
  - Energy procurement costs will increase due to the decarbonization of energy sources such as gas and liquid fuels, in addition to electricity.
- Toyota's initiatives to minimize risk

Worldwide	• Stimulating the introduction of HEVs and other fuel-efficient vehicles to achieve a stable energy supply and more effective use of existing resources, in addition to reducing GHG emissions • Developing technologies and building social systems in response to various scenarios that include CN fuels like biofuels and synthetic fuels and CO_2 capture • Contributing to the development of low-carbon societies and improving competitiveness through the introduction of a range of low-carbon-oriented powertrains adapted to the specific needs of each country and region

- Collaborating with partners across industries to encourage the use of CN fuels

Japan	• Idemitsu Kosan Co., Ltd., ENEOS Corporation, Mitsubishi Heavy Industries, Ltd., and Toyota Motor Corporation have started to explore the adoption and expansion of CN fuels for automobiles
The U.S.	• Toyota conducted public road tests of research fuels with Exxon Mobil Corporation and low-carbon fuel fueling demonstrations for new vehicles with Chevron Corporation
Worldwide	• Toyota expanded efforts to increase the use of CN fuels in line with local energy conditions as it is necessary to reduce GHG emissions from vehicles owned to achieve lifecycle CN by 2050

Summary

- Scenario analysis has revealed a variety of pathways to achieve the 1.5°C target aligned with the Paris Agreement, each accompanied by specific conditions and social challenges.
- With our global reach, we have reaffirmed the validity of focusing on multiple approaches and technologies capable of addressing uncertainties (multi-pathway strategy) to respond to different markets in each country and region and stakeholder demands, rather than specializing in or adhering to a single policy or technology.

4°C Scenario Analysis

Studies on the 4°C Scenario

- The IPCC SSP5-8.5 is a very high GHG emissions scenario based on the assumption of continued economic development dependent on fossil fuels without climate measures used to assess physical risks.
- Major physical risks under this scenario
  - Production and sales suspensions resulting from supply chain disruptions caused by more frequent and severe natural disasters
  - Impacts on plant operations caused by water shortage and increasing water costs
- Screening high-risk sites reflecting the current situation of recent natural disasters
  - Screening of high-risk sites for flooding hazards, such as river overflow, inland flooding, and storm surges using geographical coordinates for 137 business locations in Japan and 73 locations overseas
  - Assessment of risks based on screening results for sites in Japan and overseas that were rated as Grade B or higher, where future changes from climate change were predicted and risks should be noted

Number of Sites Showing Future Changes due to Climate Change*1

Hazard assessment target	Hazard assessment target site	Present day to the latter half of the 21st century
		RCP*2 8.5
River flooding risk	137 sites (Japan)	0 sites
	73 sites (overseas)	0 sites
Inland flooding risk	73 sites (overseas)	3 sites
Storm surge risk	73 sites (overseas)	8 sites

*1 Limited to sites assessed as being at risk (grade B or above)
*2 Representative Concentration Pathways

Hazard Grade Legend

Assessment conditions
Assessment of changes in hazard grades from the present day to the latter half of the 21st century under the 4°C scenario based on the following conditions:

Sites (Japan):	Logic:	MS&AD InterRisk Research & Consulting, Inc. (e.g., Flood Risk Finder)
	Assessment item:	Inundation hazards due to river flooding
Sites (overseas):	Logic:	Tokio Marine dR Co., Ltd. (e.g., Fathom Global Flood Map)
	Assessment item:	Inundation hazards due to river flooding, inland flooding, and storm surges

Toyota's Initiatives to Minimize Risk

Worldwide	• Selection of locations for new plants, taking water risk into account • Taking measures based on the results of water risk assessments • Continuous revisions of BCP*3 based on experience from past disasters

*3 Business Continuity Plan: A business plan to minimize damage and ensure business continuity and recovery in the event of a disaster or other emergency

Summary

- Scenario analysis has proven that some domestic and worldwide sites are at risk for river flooding, inland flooding, and storm surges, but the impact on our business is minor.
- Disaster exercises and other means for improvements through PDCA cycles have proven to enhance the effectiveness of BCP and accelerate the speed of recovery after a disaster.
- Positioned as BCM*4 this initiative is promoted as a trinity framework between employees and their families, the Toyota Group, supplier, and dealers, and us, Toyota Motor Corporation. Activities will continue in the future.

*4 Business Continuity Management: Operational framework designed to ensure the feasibility and implementation of measures specified in the BCP

Results from Resilience Analysis

- Guided by the philosophy of being the "best-in-town", we develop a lineup of vehicles that are well-received by customers and adaptable to different economic and energy situations in order to contribute to the development of each country and region.
- Toyota's multi-pathway strategy has proven to be highly resilient in all of the scenarios presented.
- As indicated in the IPCC assessment reports and other publications, there are multiple paths available to achieve the 1.5ºC target as set out in the Paris Agreement. These paths can vary depending on local energy conditions and government policy, requiring the involvement of various industries and making collaborations with partners, including encouraging the use of carbon-neutral fuels, crucial.
- We stand for the Paris Agreement and take action to achieve its goals. We prioritize alignment with the Paris Agreement and work with our partners to promote the development of vehicles and social infrastructure based on our mobility concept to achieve carbon neutrality by 2050.
- As the landscape changes at home and abroad, we will continue to conduct scenario analysis to reassess risks and opportunities, and reflect the responses to them into our strategies to further strengthen our resilience.

Initiatives Designed to Minimize Risk

Transition Risks: 1.5°C Scenario

Category	Risk	Measures designed to minimize risk
Policy/Legislation	• Fines or other penalties imposed for non-compliance with fuel efficiency regulations • Ramp-down of production and decrease in sold units caused by sudden product changes to comply with regulations	• Collaborating with regional headquarters to monitor regulatory trends in each region and quickly incorporate into product planning • Installing a range of powertrains adapted to the specific needs of each country and region • Developing technologies and building social systems with key stakeholders in response to various scenarios involving CN fuels like biofuels and synthetic fuels and CO_2 capture
Technology/Market (product)	• Increased R&D costs associated with the development of powertrain technology • Rising demand for BEV-related feedstocks causing supply constraints and increased procurement costs	• Collaborating with regional headquarters to monitor regulatory trends in each region and quickly incorporate into product planning • Developing technologies that promote electrification with the efficient utilization of battery feedstocks (practical BEVs) • Developing resource-efficient and long-life batteries • Building a battery ecosystem that values the thoughtful use of limited resources through the “Battery 3R” approach, which focuses on rebuilding and reusing batteries and recycling rare metals with minimal GHG emissions • Stimulating the introduction of HEVs and other fuel-efficient vehicles to achieve a stable energy supply and more effective use of existing resources, in addition to reducing GHG emissions • Developing technologies and building social systems with key stakeholders in response to various scenarios involving CN fuels like biofuels and synthetic fuels and CO_2 capture
Technology/Market (manufacturing)	• Rising manufacturing costs caused by prolonged high prices for renewable energy accompanied by growing demand • Increased manufacturing costs due to the purchase of low-carbon equipment and upgrading existing equipment	• Developing technologies that promote electrification with the efficient utilization of battery feedstocks (practical BEVs) • Developing resource-efficient and long-life batteries • Building a battery ecosystem that values the thoughtful use of limited resources through the “Battery 3R” approach, which focuses on rebuilding and reusing batteries and recycling rare metals with minimal GHG emissions • Cooperating with key stakeholders to develop technologies that use renewable electricity and hydrogen, such as solar cells, water electrolysis systems, and hydrogen

Physical Risks: 4°C Scenario

Category	Risk	Measures designed to minimize risk
Acute/Chronic	• Costs of repairing buildings and equipment at production sites damaged by extreme weather events like flooding and high tides • Suspension of production due to a slowdown in parts supply caused by breakdowns in supply chains	• Selection of locations for new plants, taking water risk into account • Taking measures based on the results of water risk assessments • Continuous revisions of BCP based on experience from past disasters

Transition Plan

- Toyota sets GHG emission reduction targets and promotes a range of actions in response to the above-mentioned risks and opportunities.
- Multiple scenarios are used to validate the feasibility of Toyota's transition plan.
- Risks and opportunities are incorporated into project-related financial planning to solidify transition plans under Toyota's multi-pathway strategy.
- Project investments that exceed a specified amount must be approved by the Board of Directors.

Transition Plan (GHG Emission Reduction Targets)

Scope 1 and 2	Scope 3
2035: 68% reduction (from 2019 levels)*1	2030: Passenger cars/light commercial vehicles: 33.3% reduction (from 2019 levels)*1 Medium-/heavy-freight trucks: 11.6% reduction (from 2019 levels)*1
2035: Carbon neutrality (CN) at plants	2035: 50% reduction or more (from 2019 levels)

*1 Science Based Targets Initiative: It uses scientifically based criteria to certify that a company's scope 1 and 2 reduction targets are consistent with the goal of limiting the rise in the global average temperature to below 1.5°C compared to pre-industrial levels. With regard to automobile manufacturers, SBTi also approves the reduction targets for scope 3 category 11 emissions (g-CO_2e/km) as being in line with the criterion of "limiting the global average temperature rise to well below 2°C above pre-industrial levels."

Pp. 56-57 Metrics and Targets

Activities to Achieve Carbon Neutrality (Specific Items in the Transition Plan)

Overall Strategy

April 2021
- Declared a global challenge to achieve CN by 2050

April 2023
- Announced commitment to achieve CN as a key theme under the company's new management team

BEV

April 2022
- Announced Lexus RZ

May 2022
- Launched bZ4X

May 2023
- Announced a 5 trillion JPY investment in BEVs and batteries by 2030
- Established BEV Factory

June 2023
- The U.S.: Additional investment in BEV production and battery plants

October 2023
- Next-generation BEV concept announced at Japan Mobility Show 2023

April 2024
- The U.S.: Additional investment of $1.4 billion in production of new BEV models

February 2025
- China: Signed a comprehensive partnership agreement with the city of Shanghai on carbon neutrality and set up a BEV and battery development and manufacturing company in the city

Batteries

August 2022
- Announced up to 730 billion yen investment in batteries for BEVs in Japan and the U.S.

May 2023
- Started development and verification with Toyota Tsusho and TEPCO HD for a stationary storage battery system

June 2023
Announced next-generation technologies at Technical Workshop
- Next-generation BEV strategy
- Three types of next-generation batteries, solid-state batteries
- Aerodynamic technologies using rocket technology
- Multi-pathway platform
- Hydrogen business strategy
- Next-generation FC system
- Standardization of large commercial tanks

September 2023
Announced manufacturing that shapes advanced technologies through Toyota Monozukuri Workshop
- Halved production processes (Gigacasting, next-generation BEV lines, next-generation plant designs)
- Mixed model production lines
- Digital twins

October 2023
- The U.S.: Approximately $8 billion in additional investment in EV battery production
- Announced collaboration with Idemitsu Kosan on the mass production of solid-state batteries for BEVs
- The U.S.: Long-term supply contract for EV batteries with LG Energy Solution

March 2024
- Primearth EV Energy Co., Ltd. become a wholly owned subsidiary, strengthening the mass production system for EV batteries. (The company changed its name to "TOYOTA BATTERY Co., Ltd." in October 2024)

September 2024
- Toyota's "Supply Assurance Plan for Batteries" certified by the Ministry of Economy, Trade and Industry of Japan for the development and production of batteries for next-generation BEVs and all-solid-state batteries

Hydrogen and CN Fuels

March 2022
- A collaboration with ENEOS Corporation to promote the production and use of CO_2 free hydrogen starting in Woven City was announced

December 2022
- Hydrogen-powered Corolla participated in Thailand 25-hour Endurance Race

March 2023
- Started operation of the electrolysis system

June 2023
- North America: Conducted public road tests of low-carbon fuels with new vehicles in collaboration with Chevron Corporation

July 2023
- Established Hydrogen Factory

September 2023
- The U.S.: Completed Tri-Gen system producing hydrogen, electricity, and water with FuelCell Energy

February 2024
- Developed a large-scale water electrolysis system jointly with Chiyoda Corporation

April 2024
- North America: Conducted fueling demonstrations of low-carbon fuels with new vehicles in collaboration with Chevron Corporation

May 2024
- North America: Conducted public road tests of research fuels with Exxon Mobil Corporation
- Initiated discussions with Idemitsu Kosan Co., Ltd., ENEOS Corporation, and Mitsubishi Heavy Industries, Ltd. on the introduction and widespread adoption of CN fuels for vehicles

September 2024
- Reinforced the partnership between the BMW Group and Toyota to achieve the creation of a hydrogen economy

November 2024
- Construction of a bioethanol production research center completed in Okuma Town, Fukushima Prefecture by the Research Association of Biomass Innovation for Next Generation Automobile Fuels

Commercial Sector

July 2022
- Established the Research Association of Biomass Innovation for Next Generation Automobile Fuels by seven Japanese companies, including Toyota

December 2022
- Thailand: Collaborated with Charoen Pokphand Group (CP)

April 2023
- Thailand: Collaborated with Siam Cement Group (SCG)

May 2023
- Collaborated with Daimler Truck, Mitsubishi Fuso and Hino on the development of hydrogen and CASE*2 technologies

October 2023
- Thailand: Announced with CJPT on strengthening initiatives to realize CN and address logistics issues

December 2023
- Thailand: Concluded basic agreement on collaboration for CN

HEV and PHEV

July 2022
- Announced new Crown

November 2022
- Announced new Prius

Others

September 2022
- Organized the first meeting of the Keidanren Committee on Mobility
- Validated and approved by SBTi

November 2023
- Announced efforts to step up Battery 3R initiatives to realize a circular economy

*2 CASE: Connected, Autonomous/Automated, Shared, Electric

Metrics and Targets

Metrics and Targets Used by the Organization to Assess Climate-related Risks and Opportunities in Line with Its Strategy and Risk Management Process

- Toyota constantly monitors societal trends and customer feedback to determine where to focus its efforts, thereby quickly identifying future challenges and promoting their resolution through innovative ideas and technologies.
- Meanwhile, global environmental problems such as climate change, water stress, scarcity of resources, and biodiversity damage are intensifying daily.
- We believe that setting multiple metrics to comprehensively manage climate-related risks and opportunities is important as a measure for adaptation to and mitigation of climate change.
- We set targets based on indicators deeply related to climate change, such as energy, water, resource recycling, and biodiversity, as well as GHG emissions, and systematically promote initiatives in six fields called the “Six Challenges.”
  - **Long-term strategy (2050 Target): Toyota Environmental Challenge 2050**
  - **Medium-term strategy (2030 Target): 2030 Milestone, validation and approval by SBTi**
  - **Short-term strategy (2025 Target): The 7th Toyota Environmental Action Plan**
- Aim to achieve scope 1, 2 and 3 to achieve carbon neutrality by 2050 by promoting the following initiatives from the list of “Six Challenges”.

Initiative	Relationship between the target scope and scopes 1, 2, and 3
Life Cycle Zero CO_2 Emissions Challenge	Scope 1, 2, and 3
New Vehicle Zero CO_2 Emissions Challenge	Average GHG emissions from new vehicles (scope 3 category 11)*1
Corporate activities	Scope 1 and 2 as well as voluntary actions*2
Plant Zero CO_2 Emissions Challenge	Scope 1 and 2 in production processes as well as voluntary actions*2

*1 Per unit, g-CO_2e/km, Well to Wheel: Includes GHG emissions from the production of fuel and electricity, as well as GHG emissions during vehicle operation

*2 Production processes of Toyota Motor branded vehicles by unconsolidated companies

- Our reduction targets for scope 1 and 2, and scope 3 category 11 were validated and approved by SBTi*3 in September 2022, and we updated our medium-term targets in line with this.
- Taking carbon pricing into consideration facilitates reviewing carbon-intensive operations. Therefore, a certain carbon price is used as an indicator to study capital investment in the company.

P. 57 Targets

Validation and Approval for Toyota’s Emissions Reduction Targets by the Science Based Targets initiative (SBTi)

Emissions		Target year	Base year	Reduction rate	Validation/ Approval class
Scope 1 and 2		2035	2019	68%	1.5°C
Scope 3 category 11 (emission intensity)	Passenger cars and light commercial vehicles	2030		33.3%	Well below 2°C
	Medium- and heavy-freight trucks			11.6%	

*3 Science Based Targets Initiative: It uses scientifically based criteria to certify that a company's scope 1 and 2 reduction targets are consistent with the goal of limiting the rise in the global average temperature to below 1.5°C compared to pre-industrial levels. With regard to automobile manufacturers, SBTi also approves the reduction targets for scope 3 category 11 emissions (g-CO_2e/km) as being in line with the criterion of “limiting the global average temperature rise to well below 2°C above pre-industrial levels.”

Setting Compensation for Executives to Boost Corporate Value

- Toyota considers the ability to address climate change and other environmental issues and resolve social issues related to Toyota’s vehicles and value chain a necessary skill for directors, and appoints them accordingly.
- For improved corporate value, Toyota aims to improve its environmental initiatives by aligning executive compensation with financial and non-financial metrics.

P. 128 Executive Compensation

CO_2 Emissions in Scope 1 and Scope 2

- The demand for disclosing non-financial information, such as climate change-related data, is growing worldwide, and legislation is progressing.
- Toyota has long been committed to broadly disclosing environmental information and will continue to review and update its disclosures as needed to comply with regulations in various regions.
- Emissions from scope 1 and 2 increased temporarily due to an increase in production volume and a review of the scope of disclosure in accordance with statutory requirements, but we will continue to promote efforts to reduce emissions.

Trends in CO_2 Emissions Third-party assurance 2024 data (million t-CO_2)

	2022	2023	**2024**
Scope 1	2.37	2.56	**2.45◆**
Scope 2	2.87	2.87	**2.52◆**

<Calculation Method>
- Calculated market-based emissions in accordance with the GHG Protocol

<Scope>
- Toyota Motor Corporation and our consolidated companies
- Energy-related CO_2 emissions

<Period covered>
- Fiscal period

<Third-Party Assurance>
◆: Values verified through third-party assurance

P. 60 Environmental Data (Greenhouse Gases (GHG))

Targets

- Toyota has systematically formulated and shared our vision and targets for the environmental issues to realize our mission of coexistence of humanity and the earth and mass production of happiness.
- Specifically, we share and collaboratively promote Toyota Environmental Challenge 2050 as our long-term vision, 2030 milestone as our mid-term target, and the 7th Toyota Environmental Action Plan as our short-term goal, with carbon neutrality (CN), circular economy (CE), and nature positive (NP) prioritized as major pillars.

	Carbon Neutrality (CN)				Circular Economy (CE)	Nature Positive (NP)	
	Challenge Life Cycle Zero CO_2 Emissions Challenge	Challenge New Vehicle Zero CO_2 Emissions Challenge	Corporate Activities	Challenge Plant Zero CO_2 Emissions Challenge	Challenge Challenge of Establishing a Recycling-based Society and Systems	Challenge Challenge of Minimizing and Optimizing Water Usage	Challenge Challenge of Establishing a Future Society in Harmony with Nature
Long-term	**Toyota Environmental Challenge 2050**						
	Achieve CN for GHG emissions throughout the life cycle by 2050	Achieve CN for average GHG emissions from new vehicles by 2050	Achieve CN for GHG emissions from corporate activities by 2050	Achieve zero CO_2 emissions from production at plants by 2050	Aim to globally expand the technologies and systems for appropriate treatment and recycling developed in Japan	Minimize water usage and manage wastewater discharge according to the specific local conditions	Connect nature conservation activities across regions and around the world, and passing them on to future generations
Medium-term		Reduce average GHG emissions during operation of new vehicles by 50% or more by 2035 (compared to 2019 levels)	Reduce GHG emissions from corporate activities by 68% by 2035 (compared to 2019 levels) SBT	Achieve CN* for CO_2 emitted from production activities in plants by 2035			
	2030 Milestone						
	● Reduce GHG emissions by 30% throughout the life cycle by 2030 (compared to 2019 levels)	● Reduce average GHG emissions from new vehicles by 2030 • Passenger cars and light commercial vehicles: 33.3% reduction (compared to 2019 levels) • Medium-/heavy-freight trucks: 11.6% reduction (compared to 2019 levels) SBT			● Complete establishment of systems from battery collection to recycling globally ● Complete setup of 30 model facilities for appropriate treatment and recycling of end-of-life vehicles	● Priority implementation of measures in areas considered to have a significant impact on the water environment Water quantity: Complete measures at 4 challenge-focused plants in North America, Asia, and South Africa Water quality: Complete impact assessments and measures at all of the 22 plants where used water is discharged directly to rivers in North America, Asia, and Europe ● Disclose information appropriately and communicate actively with local communities and suppliers	● Realize "Plant in Harmony with Nature"—12 in Japan and 7 in other regions—as well as implement activities promoting harmony with nature in all regions in collaboration with local communities and companies ● Contribute to biodiversity conservation activities in collaboration with NGOs and others ● Expand measures to nurture friendlily human resources who will lead the future, both inside and outside the company
Short-term	**The 7th Toyota Environmental Action Plan (2025 Target)**						

* For more information on the fundamental approach to achieving CN, refer to "Striving for CN at Plants by 2035" on p. 23

Reference Information on Long-term and Medium-term Targets

●: Full scope ○: Limited scope

Relationship Between Scope 1, 2, 3 and Environmental Challenges

	Scope		Notes
	1, 2	3	
Challenge CO_2 0 Life Cycle Zero CO_2 Emissions Challenge	●	●	
Challenge CO_2 0 New Vehicle Zero CO_2 Emissions Challenge	–	○	Applies only to scope 3 category 11
Corporate Activities	●	–	
Challenge CO_2 0 Plant Zero CO_2 Emissions Challenge	○	–	Targeted at production processes only

Scope of Targets for Scope 1, 2 and 3 (All Categories)

		Scope of coverage	Toyota Motor Corporation	Consolidated companies
Medium-term	Reduce lifecycle GHG emissions by 30% by 2030 (from 2019 levels)	Scopes 1 and 2	●	●
		Scope 3	●	●
Long-term	Achieve carbon neutrality (CN) from lifecycle GHG emissions by 2050	Scopes 1 and 2	●	●
		Scope 3	●	○

Scope of Targets for Scope 3

Category 11 (Use of Sold Products)

		Completed vehicles of the Toyota Motor Corporation brand	Completed vehicles of financially consolidated companies brands
Medium-term	Reduce average GHG emissions during operation of new vehicles by 2030 (from 2019 levels) [SBTi] • Passenger cars and light commercial vehicles: 33.3% reduction • Medium-/heavy-freight trucks: 11.6% reduction	●	●
	Reduce average GHG emissions by 50% or more from the use of new vehicles by 2035	●	–
Long-term	Achieve CN in average GHG emissions from the operation of new vehicles by 2050	●	–

Scope of Targets for Scope 1 and 2

		Toyota Motor Corporation		Consolidated companies		Production processes of Toyota Motor Corporation brand vehicles by unconsolidated companies
		Production processes	Non-production processes	Production processes	Non-production processes	
Medium-term	Reduce GHG emissions from business activities by 68% by 2035 (from 2019 levels) [SBTi]	●	●	●	●	○
	Achieve CN in CO_2 emissions from plant production by 2035	●	–	●	–	○
Long-term	Achieve CN in GHG emissions from business activities by 2050	●	●	●	●	○
	Achieve zero CO_2 emissions from plant production by 2050	●	–	●	–	○

Short-term Target—the 7th Toyota Environmental Action Plan (2025 Target)

Challenge CO_2 0 Life Cycle Zero CO_2 Emissions Challenge	**Life cycle CO_2 emissions**	• Reduce CO_2 emissions by 18% or more throughout the life cycle compared to 2013 levels
	Logistics	• Japan: Reduce CO_2 emissions by 7% by improving transport efficiency compared to 2018 level (1% reduction per year on average) • Japan ⇔ Other regions: Reduce CO_2 emissions by means of ocean-going vessels (Switch two car carriers to liquid natural gas (LNG)-powered vessels)
	Suppliers	• Promote CO_2 emissions reduction activities among major suppliers
	Dealers and distributors	• Achieve 100% introduction rate for CO_2 emissions reduction items at newly constructed and remodeled dealer shops
Challenge CO_2 0 New Vehicle Zero CO_2 Emissions Challenge	**Average CO_2 emissions from new vehicles**	• Reduce global*1 average CO_2 emissions*2 (TtW) from new vehicles by 30% or more compared to 2010 level *1 Countries and regions: Japan, U.S., Europe, China, Canada, Brazil, Saudi Arabia, India, Australia, Taiwan, Thailand, and Indonesia *2 Per unit, g-CO_2e/km, Tank to Wheel: CO_2 emissions while vehicle is in operation
	Electrified vehicles	• Make cumulative sales of 30 million electrified vehicles or more
Challenge CO_2 0 Plant Zero CO_2 Emissions Challenge	**CO_2 emissions from plants**	• Reduce CO_2 emissions by implementing innovative technologies and improvement measures and introducing renewable energy • Reduce CO_2 emissions from global plants by 30% compared to 2013 level • Achieve a 25% introduction rate for renewable electricity • Promote proactive development of hydrogen utilization technologies

Challenge Challenge of Minimizing and Optimizing Water Usage	**Water quantity**	• Reduce water usage taking the water environment in each country and region into consideration • Promote wastewater recycling, rainwater use, and various activities including improvement measures • Reduce global water usage by 3% per vehicle produced compared to 2013 level (reduce by 34% compared to 2001 level) • Complete measures at 2 challenge-focused plants where our impact on the water environment is considered significant
	Water quality	• Thoroughly manage wastewater discharge based on voluntary standards that are stricter than regulations • Continuously assess the impact of drainage at all sites that discharge into rivers
Challenge Challenge of Establishing a Recycling-based Society and Systems	**Toyota Global 100 Dismantlers Project**	• Complete setup of 15 model facilities for appropriate treatment and recycling of end-of-life vehicles • Continuously accelerate easy-to-dismantle designs*3 • Integrate easy-to-dismantle designs to ensure appropriate treatment and recycling of end-of-life vehicles and respond to resource issues, and provide appropriate information *3 Large batteries, fuel cell (FC) hydrogen tank
	Toyota Global Car-to-Car Recycle Project	• Establish a safe and efficient system for Battery 3R*4, eyeing the widespread use of electrified vehicles • Aim to maximize collection and detoxification of end-of-life batteries globally • Start operating Battery 3R throughout 5 regions—Japan, the U.S., Europe, China, and Asia *4 Reduce, rebuilt/reuse, and recycle • Develop technologies to utilize recycled materials (especially plastics) in accordance with the circumstances in each country and region • Promote utilization by technological development to optimally exploit recycled materials in Europe and to increase the supply of recycled materials in Japan
Challenge Challenge of Establishing a Future Society in Harmony with Nature	**Toyota Green Wave Project**	• Realize "Plant in Harmony with Nature"—6 in Japan and 4 in other regions • Promote activities to connect with local communities in collaboration with affiliated companies • Start activities promoting harmony with nature in collaboration with local communities and companies toward biodiversity conservation
	Toyota Today for Tomorrow Project	• Globally strengthening conservation efforts for endangered species—a symbol of biodiversity—in collaboration with NGOs and other organizations
	Toyota ESD*5 Project	• Implement globally unified initiatives to foster environmentally conscious persons responsible for the future • Offer environmental education opportunities by utilizing biotopes and others in collaboration with the Plant in Harmony with Nature • Effectively utilize next-generation nature coexistence educational tools to promote the development of eco-friendlily persons at internal and external facilities such as plants and The Forest of Toyota *5 Education for Sustainable Development

Environmental Management	Chemical substances	• Implement thorough management based on legal trends in each country and region
	Air quality	• Product: Introduce steadily low-emission vehicles and contribute to further improvement by introducing and increasing ZEVs*6 • Production: Continue volatile organic compound (VOC) emissions mitigation activities and maintain industry-leading levels *6 Zero Emission Vehicle: Vehicles like BEVs and FCEVs that emit no CO_2 or nitrogen oxides (NOx) while in operation
	Waste	• Promote activities to thoroughly reduce waste globally and aim to minimize the volume of resource input and waste, with the environment and economy in balance
	Logistics packaging	• Implement initiatives to reduce plastics used in packaging and recycle them
	Risk management	• Thoroughly comply with environmental laws and regulations and strengthen proactive prevention activities for environmental risks in each country and region

Note: The scope of the period of this chapter is April 1, 2024, to March 31, 2025, excluding section D and other specific data.

Updated in October 2025

Environmental Data

Greenhouse Gases (GHG)

A GHG Emissions
Scope 1 (Direct Emissions), Scope 2 (Indirect Emissions Generated from Purchased Energy), Scope 3 (Other Indirect Emissions): Global

(million t-CO_2e)*

	2022	2023	**2024**
Scope 1, 2 and 3 total	594.08	600.32	**589.57**

* Calculated based on GHG (10,000 tons-CO_2e) from 2024

Refer to **pp. 60-61**, Environmental Data [B], [C], and [D] for details
P. 65 Environmental Data (Reference Factors)

B CO_2 Emissions & CO_2 Emissions Intensity
Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global

GRI 305-1, 305-2, 305-4 | Third-party assurance 2024 data

(million t-CO_2)

	2022	2023	**2024**
Scope 1 (Direct emissions)	2.37	2.56	**2.45◆**
Toyota Motor Corporation	0.30	0.32	**0.30**
Japan (excluding Toyota Motor Corporation)	0.87	0.83	**0.83**
North America	0.46	0.46	**0.44**
Europe	0.11	0.09	**0.08**
Asia	0.21	0.24	**0.23**
Others (South America, Oceania, Africa, Middle East)	0.43	0.61	**0.56**
Scope 2 (Indirect emissions generated from purchased energy)	2.87	2.87	**2.52◆**
Toyota Motor Corporation	0.43	0.45	**0.40**
Japan (excluding Toyota Motor Corporation)	0.79	0.77	**0.63**
North America	0.71	0.78	**0.65**
Europe	0.01	0.02	**0.01**
Asia	0.82	0.74	**0.67**
Others (South America, Oceania, Africa, Middle East)	0.11	0.11	**0.15**
Total	5.24	5.43	**4.97**

(t-CO_2/unit)

	2022	2023	**2024**
Per unit produced	0.62	0.61	**0.57**

<Calculation Method>
- Market-based accounting in accordance with the GHG Protocol

<Scope>
- Toyota Motor Corporation and our consolidated companies
- Energy-related CO_2 emissions

<Third-Party Assurance>
◆: Values verified through third-party assurance

P. 65 Environmental Data (Reference Factors)

C Greenhouse Gases Emissions from Sources Other Than Energy-related CO_2
Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global GRI 305-1

(million t-CO_2e)

By type	2022	2023	**2024**
Non-energy-related CO_2	0.007	0.013	**0.039**
CH_4	0.013	0.004	**0.007**
N_2O	0.008	0.006	**0.015**
HFCs	0.041	0.035	**0.020**
PFCs	0	0	**0**
SF_6	0.002	0.006	**0.002**
NF_3	0	0	**0**
Total	0.071	0.063	**0.084**

<Calculation Method>
- Calculated in accordance with the Japanese Act on Promotion of Global Warming Countermeasures

<Scope>
- Toyota Motor Corporation and our consolidated companies

P. 65 Environmental Data (Reference Factors)

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

D GHG Emissions

Scope 3 (Other Indirect Emissions): Global

GRI 305-3 | Third-party assurance 2024 data

(million t-CO_2e)[*7]

	2022	2023	**2024**	Target business	Key calculation items	Main activity volume	Key emission factors (emission intensity)
1 Purchased goods and services[*1]	122.47	129.88	**126.33**	Automobiles	Manufacture of new vehicles, prototype models, and service parts	Calculate GHG emissions per unit of standard model to determine the correlation between the weight of the vehicle and GHG emissions. Based on the result, calculate the total GHG emissions from the total number of vehicles produced/sold and their weights	P. 65 Environmental Data (Reference Factors)
					Manufacture of indirect materials	Purchase price (by item)	
2 Capital goods	5.05	6.09	**4.32**	All business segments		Amount of capital investment	
3 Fuel- and energy-related activities (not included in scope 1 or 2)	1.20	1.00	**1.04**	All business segments		Energy consumption (by type)	
4 Upstream transportation and distribution	4.33	4.57	**5.30**	Automobiles	Transportation of completed vehicles, production parts, and service parts	Fuel consumption, transport weight, transport distance	
5 Waste generated in operations	0.10	0.10	**0.11**	All business segments		Waste volume (by type)	
6 Business travel[*2]	0.06	0.09	**0.11**	All business segments		Travel records (destination/number of trips)	
7 Employee commuting[*2]	0.61	0.59	**0.06**	All business segments		Commuting costs (by type)	
8 Upstream leased assets[*3]	–	–	–	–			
9 Downstream transportation and distribution	0.06	0.10	**0.20**	Automobiles	Transportation of completed vehicles and service parts	Fuel consumption, transport weight, transport distance	
10 Processing of sold products[*4]	0.01	0.01	**0.01**	Automobiles	Body building of trucks and buses	Calculate GHG emissions per unit of standard model vehicle with a cargo bed (light-duty, mid-sized, large). Calculate the total GHG emissions based on the number of customized vehicles sold by size	
11 Use of sold products[*5]	439.45	436.28	**432.16◆**	Automobiles	Lifetime mileage of new cars sold in that year (WtW[*6])	Number of vehicles sold, CO_2, lifetime mileage	
12 End-of-life treatment of sold products[*4]	11.23	12.14	**12.09**	Automobiles		Calculate GHG emissions per unit of standard model to determine the correlation between the weight of the vehicle and GHG emissions. Based on the result, calculate the total GHG emissions from the total number of vehicles produced/sold and their weights	
13 Downstream leased assets[*2]	–	0.02	**0.15**	All business segments		Number of leased vehicles, production capacity, total floor area	
14 Franchises[*2]	4.07	3.85	**2.64**	Automobiles	Distributor and dealership operations	Energy consumption (by type)	
15 Investments	0.13	0.12	**0.02**	All business segments	Toyota Motor Corporation deemed held shares	Divide scope 1 and 2 emissions for Toyota's stock holdings according to the proportion of shares held by the company	
Total	588.76	594.83	**584.52◆**				

<Scope>
- Mainly covers automotive business of Toyota Motor Corporation and our consolidated companies

<Calculation Method>
- Emissions from consolidated companies and customers that are linked to the business activities of consolidated subsidiaries are covered. However, this year's calculation scope is limited to the automotive sector, which represents the majority of sales. The scope covers all business areas for categories where it is difficult to separate data for each business.
- The main calculation method used is "activity volume × emission factor". The main calculation targets, activity volume, and emission factors are described as follows.

*1 The calculation conditions and emission factors for emissions from newly purchased vehicles and prototype vehicles have been changed based on the Japan Automobile Manufacturers Association (JAMA) guidelines
*2 Some emissions are recorded under category 11 in scope 3
*3 Recorded under scope 1 and 2
*4 Calculation conditions changed based on JAMA guidelines

*5
- Calculated based on SBTi guidance
- CO_2 is calculated based on the values standardized by the Worldwide harmonized Light Vehicles Test Procedure (WLTP), plus 10% (taking actual fuel consumption into account)
- Annual mileage refers to SBTi guidance, and lifespan refers to the IEA Mobility Model

*6 Well to Wheel: In addition to GHG emissions from vehicles in operation, GHG emissions from fuel and electricity production are also included

*7 Calculated based on GHG (10,000 tons-CO_2e) from 2024
- Category 3, 4, 6, 7, 9, 13 and 14: Calculated based on CO_2 (10,000 tons of CO_2) for the years 2022 and 2023

<Third-Party Assurance>
◆: Values verified through third-party assurance

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

E Average CO_2 Emissions from New Vehicles: Global

SASB TR-AU-410a.1 GRI 302-5, 305-5

(g-CO_2/km)

By country & region	2022	2023	**2024**
The U.S.	141.4	142.8	**133.3**
Canada	131.7	120.4	**115.9**
Brazil	100.1	98.5	**98.7**
Europe	109.9	107.1	**103.0**
Japan	120.3	114.0	**115.1**
China	133.4	128.7	**123.5**
Taiwan	140.9	140.1	**134.7**
India	137.6	126.0	**120.6**
Thailand	155.8	148.0	**141.5**
Indonesia	150.3	142.9	**143.4**
Saudi Arabia	149.7	141.8	**140.2**
Australia	170.2	164.4	**158.0**
South Africa	180.9	184.9	**171.8**

<Scope>
- Toyota brand and Lexus brand vehicles
- TtW (Tank to Wheel) values in the international test mode (NEDC is used for vehicles for Thailand, Indonesia, and South Africa)
- Excluding small commercial vehicles and heavy vehicles defined in CAFE regulation

F Electrified Vehicles Sales: Global

SASB TR-AU-410a.2 Third-party assurance 2024 data

(thousand units)

By type	2022	2023	**2024**
Hybrid electric vehicles (HEVs)	2,720	3,594	**4,441**
Plug-in hybrid electric vehicles (PHEVs)	88	141	**161**
Battery electric vehicles (BEVs)	38	117	**145**
Fuel cell electric vehicles (FCEVs)	3	4	**1**
Total	2,849	3,855	**4,748◆**

(%)

	2022	2023	**2024**
Ratio of electrified vehicles sold	29.6	37.4	**46.2**

<Scope>
- Toyota brand and Lexus brand electrified vehicles

<Third-Party Assurance>
◆: Values verified through third-party assurance

G Progress in Reduction Target Validated and Approved by Science Based Targets Initiative (SBTi)*

1) Emissions reduction targets

SBTi validated Toyota's emissions reduction target for scope 1 and 2 as in line with its 1.5°C criteria in September 2022. In conjunction with this validation, SBTi also approved Toyota's emission intensity targets for scope 3 category 11 as in line with its well below 2°C criteria.

* SBTi: An initiative established by the CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF) (calculation period is the calendar year from January to December)

2) Progress in reducing scope 1 and 2 emissions

	2024 Result	**2035 Target**
Reduce GHG emissions from corporate activities (compared to 2019 levels)	24% reduction	**68% reduction**

<Scope>
- Production processes of Toyota brand vehicles at Toyota Motor Corporation and our consolidated and unconsolidated companies

3) Progress in reducing scope 3 category 11

		2024 Result	**2030 Target**
Average GHG emissions from new vehicles (compared to 2019 levels)	Passenger cars and light commercial vehicles	9.9% reduction	**Reduction of 33.3%**
	Medium- and heavy-freight trucks	8.7% reduction	**Reduction of 11.6%**

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

Energy

H Energy Used & Energy Intensity: Global

GRI 302-1, 302-3, 302-4 | Third-party assurance 2024 data

(PJ*1)

By region	2022	2023	2024
Toyota Motor Corporation	11.3	12.1	**11.8**
Japan (excluding Toyota Motor Corporation)	23.2	22.8	**23.0**
North America	15.4	16.0	**16.2**
Europe	3.7	3.5	**3.4**
Asia	9.1	10.0	**9.7**
Others (South America, Oceania, Africa, Middle East)	7.3	9.5	**8.9**
Total	70.1	73.9	**73.0◆**

(PJ*1)

By type	2022	2023	2024
Electricity	23.5	22.4	**20.2**
City gas	12.8	12.7	**12.5**
Natural gas	12.9	12.8	**12.3**
LPG	1.7	1.6	**1.6**
LNG	0.03	0.04	**0.07**
Coke	0.3	0.2	**0.2**
Heavy oil	6.2	8.7	**8.2**
Diesel oil	2.2	2.2	**2.3**
Kerosene	0.3	0.2	**0.2**
Steam	0.003	0.02	**0.02**
Hot water	0.1	0.14	**0.1**
Renewable energy	8.0	10.7	**13.2**
Others	2.1	2.3	**2.2**
Total	70.1	73.9	**73.0◆**

(GJ*2/unit)

	2022	2023	2024
Per unit produced	8.36	8.28	**8.38**

<Calculation Method>
Calculated based on final energy consumption

<Scope>
• Toyota Motor Corporation and our consolidated companies

<Third-Party Assurance>
◆: Values verified through third-party assurance

P. 65 Environmental Data (Reference Factors)

*1 Petajoule: Peta represents 10^{15} and a joule is a unit of energy
*2 Gigajoule: Giga represents 10^{9} and a joule is a unit of energy

Water

I Water Withdrawal: Global

GRI 303-3 | Third-party assurance 2024 data

(million m³)

By region	2022	2023	2024
Toyota Motor Corporation	5.7	5.9	**6.3**
Japan (excluding Toyota Motor Corporation)	12.0	12.7	**14.0**
North America	6.5	6.9	**6.7**
Europe	1.3	1.3	**1.2**
Asia	6.2	6.2	**6.0**
Others (South America, Oceania, Africa, Middle East)	1.3	1.5	**1.4**
Total	33.0	34.5	**35.6◆**

(million m³)

By water source	2022	2023	2024
Surface water	0.2	0.3	**0.4**
Groundwater	6.9	6.9	**7.3**
Seawater	0	0	**0**
Produced water	0	0	**0**
Third-party water	25.8	27.2	**27.9**
Total	33.0	34.5	**35.6◆**

(m³/unit)

	2022	2023	2024
Per unit produced	3.93	3.86	**4.08**

<Scope>
• Production sites of Toyota Motor Corporation and our consolidated companies

<Third-Party Assurance>
◆: Values verified through third-party assurance

J Water Discharge: Global

GRI 303-4

(million m³)

By water discharge destination	2022	2023	2024
Surface water	18.8	19.0	**18.8**
Groundwater	0	0	**0**
Seawater	1.9	2.2	**2.9**
Third-party water	11.0	11.2	**10.8**
Total	31.7	32.5	**32.5**

<Quality Management of Water Discharge>
• Indicators*3 specified in the regulations of each country (BOD, COD, nitrogen, phosphorus, pH, etc.) are strictly managed by each plant by setting its own control standards that are stricter than the standard values specified by the regulations of each country
*3 Biological oxygen demand (BOD), chemical oxygen demand (COD), nitrogen, phosphorus, pH, etc.

<Scope>
• Production sites of Toyota Motor Corporation and our consolidated companies

K Water Consumption: Global

GRI 303-5

(million m³)

	2022	2023	2024
Water Consumption	1.2	1.9	**3.0**

<Calculation Method>
• Calculated using the formula below in accordance with GRI 303
• Water consumption = (Water withdrawal) - (Water discharge)

<Scope>
• Production sites of Toyota Motor Corporation and our consolidated companies

L Recycled Water: Global

(million m³)

	2022	2023	2024
Recycled Water	1.4	1.4	**2.2**

<Scope>
• Production sites of Toyota Motor Corporation and our consolidated companies

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

Recycling

M Raw Material Content and Recycled Content[*1]: Global

GRI 301-1, 301-2, 306-4

(million tons)

Raw material content	2022	2023	**2024**
All materials	14.52	16.06	**16.75**
Steel	8.81	9.74	**10.14**
Aluminum	1.50	1.67	**1.76**
Others	4.21	4.65	**4.85**

(%)

Recycled content	2022	2023	**2024**
Recycled content in raw materials	21	21	**21**

*1 Expanded the scope of raw material usage and recycled content estimates to global vehicle production based on figures for representative vehicle models. Calculation conditions are changed based on JAMA guidelines from FY 2025

N Vehicles Recycled in Accordance with the End-of-life Vehicle Recycling Law: Toyota Motor Corporation

GRI 301-3

(thousand units)

	2022	2023	**2024**
Units of appropriate end-of-life vehicle treatment and recycling processed	503	476	**433**

(%)

Recycling rate	2022	2023	**2024**
Vehicle recovery rate[*2] (converted into a per-vehicle value)	99	99	**99**
ASR[*3] recycling rate[*4]	97	96	**97**

(thousand tons)

	2022	2023	**2024**
ASR processing volume	118	112	**105**

*2 Calculated by combining the percentage recycled through the dismantling and shredding processes, approximately 83% (quoted from the report by the council of the End-of-Life Vehicle Recycling Law), with the remaining ASR rate of 17% and the ASR recycling rate of 97%
*3 Automobile Shredder Residue: Residue after end-of-life vehicles are shredded
*4 Amount recycled/amount collected

O Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation

GRI 301-1, 301-2, 301-3, 306-4

(units)

		2022		2023		**2024**	
		Remanufactured/ used parts	Reference: Replacement with new parts	Remanufactured/ used parts	Reference: Replacement with new parts	Remanufactured/ used parts	Reference: Replacement with new parts
Remanufactured parts	Automatic transmission	640	107	624	101	**614**	**147**
	Continuously Variable Transmission (CVT)	7,280	–	6,864	–	**6,209**	–
	Power steering gear	3,867	2,128	3,452	2,522	**4,016**	**6,859**
	Torque converter	613	2,655	652	2,518	**564**	**2,322**
Used parts		18,195	–	16,512	–	**15,126**	–

P Parts Recycled: Toyota Motor Corporation

GRI 301-3

(units)

	2022	2023	**2024**
Drive battery	45,547	44,694	**43,138**

(units)

	2022	2023	**2024**
FC stack	41	13	**37**

(tons)

	2022	2023	**2024**
Magnet[*5]	6.5	6.5	**7.0**

(million pieces)

	2022	2023	**2024**
Bumper	53.2	50.4	**46.7**

*5 Magnets used in drive motors

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

Waste

Q Waste: Global

SASB TR-AU-440b.1 GRI 306-3
Third-party assurance 2024 data

(thousand tons)

By region	2022	2023	2024
Toyota Motor Corporation	23	29	**23**
Japan (excluding Toyota Motor Corporation)	111	107	**103**
North America	47	48	**65**
Europe	11	11	**10**
Asia	30	35	**38**
Others (Oceania, South America, Africa, Middle East)	10	10	**10**
Total	233	239	**249◆**

(thousand tons)

By disposal operations	2022	2023	2024
Recycling for a fee*1	162	171	**180**
Incineration	51	46	**47**
Landfilling	20	22	**22**
Total	233	239	**249◆**

(thousand tons)

By type	2022	2023	2024
Non-hazardous waste	199	207	**212**
Hazardous waste	34	33	**37**
Total	233	239	**249◆**

(kg/unit)

	2022	2023	2024
Per unit produced	27.8	26.8	**28.6**

<Scope>
- Production sites of Toyota Motor Corporation and our consolidated companies

*1 Costs incurred for recycling items. Excludes valuable materials

<Third-Party Assurance>
◆: Values verified through third-party assurance

VOC*2, NOx*3 & SOx*4

R VOC Emissions: Global

GRI 305-7

(thousand tons)

	2022	2023	2024
VOC	22.7	24.2	**23.5**

<Scope>
- Production sites of Toyota Motor Corporation and our consolidated companies

*2 Volatile organic compound

S NOx & SOx Emissions: Global

GRI 305-7

(tons)

	2022	2023	2024
NOx	2,103	2,508	**2,479**
SOx	730	1,024	**964**

<Scope>
- Toyota Motor Corporation and our consolidated companies

<Calculation Method>
- NOx emissions volume = ∑ (Fuel consumption × Emissions factor for each fuel)
  SOx emissions volume = ∑ (Fuel consumption × Density × Sulfur content)

*3 Nitrogen oxides
*4 Sulfur oxides

P. 65 Environmental Data (Reference Factors)

Reference Factors (For Fiscal Year 2025 Calculations)

B CO_2 Emissions & CO_2 Emissions Intensity

Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global

Electricity:
- Japan: Supplier-specific emission factors (basic emission factors) applied for specified emitters' greenhouse gas emissions reporting in 2025, published by the Ministry of the Environment of Japan
- Outside of Japan: Supplier-specific emission factors (for sites where these are unavailable, the emission factors for 2022 from the *Emissions Factors 2024* published by the IEA are used.)

Other Than Electricity:
- *Explanation of the Standard Calorific Value and Carbon Emissions Factors by Energy Source (Fiscal Year 2019 revised edition)* by the Agency for Natural Resources and Energy of Japan
- *Greenhouse Gas Emissions Accounting and Reporting Manual* by the Ministry of the Environment of Japan
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 2 Energy

C Greenhouse Gases Emissions from Sources Other Than Energy-related CO_2

Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global

Electricity:
- The emission factors for 2022 from the *Emissions Factors 2024* by IEA

Other Than Electricity:
- *Greenhouse Gas Emissions Accounting and Reporting Manual* by the Ministry of the Environment of Japan
- 2006 IPCC Guidelines for National Greenhouse Gas Inventories Volume 2 Energy

D GHG Emissions

Scope 3 (Other Indirect Emissions): Global

Source: Database name	Category 1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Emissions Units Database for Accounting for Organizations' Greenhouse Gas Emissions, etc. Throughout the Supply Chain (The Ministry of the Environment of Japan)	●	●	●	●	●		●		●				●	●	
LCI Database IDEA version 3.2.0 (15 April, 2022) IDEA Laboratory, Research Institute of Science for Safety and Sustainability, National Institute of Advanced Industrial Science and Technology (AIST)	●		●	●		●	●		●		●			●	
Calculated based on the 2021 actual figures of IEA's *Emissions Factors 2024*, *World Energy Outlook 2024*, "Data & Statistics," and LCA for Experts Databases	●		●	●			●		●	●				●	
Japanese Act on Promotion of Global Warming Countermeasures *Greenhouse Gas Emissions Accounting and Reporting Manual* (Ministry of the Environment of Japan)							●								
Emissions Factors 2024 (IEA)											●				
Automobile fuel efficiency list of the MLIT of Japan	●									●	●				
Explanation of the Standard Calorific Value and Carbon Emissions Factors by Energy Source (Fiscal Year 2019 revised edition) (The Agency for Natural Resources and Energy of Japan)	●			●					●	●				●	
Carbon footprint guidelines for automobile products 2024 (JAMA)	●									●		●			
Joint Guidelines on Methods for Calculating Carbon Dioxide Emissions in the Logistics Sector (METI of Japan and MLIT of Japan)				●					●						
The MoE website of waste treatment technology information					●										
2006 IPCC Draft Guidelines for National Greenhouse Gas Inventories, Volume 2: Energy	●			●			●		●	●	●			●	

H Energy Used & Energy Intensity: Global

Electricity:
- 3.6 GJ/MWh

Other Than Electricity:
- *Explanation of the Standard Calorific Value and Carbon Emissions Factors by Energy Source (Fiscal Year 2019 revised edition)* (The Agency for Natural Resources and Energy of Japan)

S NOx & SOx Emissions: Global

- *Environmental Activity Evaluation Program* (Ministry of the Environment of Japan)

In principle, fractions are rounded down to the nearest unit. For this reason, the total and the breakdown totals do not always match.

Updated in October 2025

Fiscal Year 2025 Performance Review of the 7th Toyota Environmental Action Plan (2025 Target)

GRI 413-1

■ Toyota Promoted the 7th Toyota Environmental Action Plan (2025 Target), a five-year action plan to achieve the Toyota Environmental Challenge 2050
■ Throughout fiscal year 2025, we made consistent progress by addressing all 23 items

Evaluation legend
✓✓: Progressed smoothly
✓: Target expected to be achieved by Fiscal year 2026 although there are some issues
—: Target not achieved

Six Challenges	No.	Action Items	Specific Actions and Targets	Progress Results for Fiscal Year 2025	Evaluation
New Vehicle Zero CO_2 Emissions Challenge Third-party Assurance 2024 data	1	Average CO_2 emissions from new vehicles	• Reduce global*1 average CO_2 emissions (TtW*2, g/km) from new vehicles at least 30% compared to 2010 level *1. Global values are calculated for the following countries and regions: Japan, the U.S., Europe, China, Canada, Brazil, Saudi Arabia, India, Australia, Taiwan, Thailand and Indonesia *2. TtW (Tank to Wheel): CO_2 emissions during vehicle operation	• Reduced by 32% compared to 2010 level◆ • Achieved the target one year ahead of the schedule	✓✓
	2	Electrified vehicles	• Make cumulative sales reaching more than 30 million units	• Achieved cumulative sales reaching 31.75 million units◆ • Achieved the target one year ahead of the schedule	✓✓
Plant Zero CO_2 Emissions Challenge	3	CO_2 emissions from plants	• Reduce CO_2 emissions through innovative technology, improvement measures, and introduction of renewable energy • Reduce CO_2 emissions from global plants by 30% compared to 2013 level	• Accelerated CO_2 emissions reduction activities by developing and introducing low-CO_2 production technologies and globally sharing of daily improvement practices through shop-oriented environmental activities • Reduced CO_2 emissions from global plants by 34% compared to 2013 level	✓✓
			• Achieve a 25% adoption rate for renewable electricity	• Purchased renewable energy, taking into consideration the characteristics of each country and region ◦ Achieved a 36% global adoption rate of renewable electricity ◦ Maintained 100% adoption of electricity from renewable sources at all plants in Europe and South America	✓✓
			• Promote the development of hydrogen utilization technologies actively	• Implemented some demonstration projects for hydrogen utilization at the Honsha Plant, the Motomachi Plant and the Tahara Plant	✓✓
Life Cycle Zero CO_2 Emissions Challenge	4	Life cycle CO_2 emissions	• Reduce life cycle CO_2 emissions by more than 18% compared to 2013 level	• Reduced life cycle CO_2 emissions by 19% compared to 2013 level	✓✓
	5	Logistics	• Japan ◦ Reduce CO_2 emissions by 7% compared to 2018 level by improvements in transportation efficiency (an average annual reduction of 1%) • Japan ⇔ Other regions ◦ Reduce CO_2 emissions by ocean-going vessels (Replace two car carrier ships with liquefied natural gas (LNG) vessels)	• Japan ◦ Reduced CO_2 emissions by 11% compared to 2018 level by improving transportation efficiency (average annual reduction of 1%) ◦ Implemented transport efficiency improvements including loading efficiency improvements, joint transport, modal shifts*3 and use of tandem trailers *3 Shifted freight transportation from automobiles to more environmentally friendly methods such as rail and shipping • Japan ⇔ Other regions ◦ Replaced three car carrier ships with liquefied natural gas (LNG) vessels in the fiscal year 2025 (Total of 8 vessels in operation as of March 2025)	✓✓
	6	Suppliers	• Promote CO_2 emissions reduction activities among major suppliers	• Engaged in communication with suppliers in each region and promoted activities in accordance with local situation	✓✓
	7	Dealers and distributors	• Achieve a 100% implementation rate of CO_2 reduction measures in newly constructed and remodeled dealers	• Achieved a 100% implementation rate of CO_2 reduction measures in newly constructed and remodeled dealers in 71 countries and regions Scope: 72 major countries and regions, including Japan, North America, Europe, Asia, South America and Oceania, and Africa	✓

<Third-Party Assurance>
◆: Values certified through third-party assurance

Evaluation legend
✓✓: Progressed smoothly
✓: Target expected to be achieved by Fiscal year 2026 although there are some issues
—: Target not achieved

Six Challenges	No.	Action Items	Specific Actions and Targets	Progress Results for Fiscal Year 2025	Evaluation
Challenge of Minimizing and Optimizing Water Usage	8	Water quantity	• Reduce water usage, taking into consideration the water environment of each country and region • Engage in various activities such as daily improvements, wastewater recycling, and rainwater utilization • Reduce water usage per global production unit by 3% compared to 2013 level (34% reduction compared to 2001 level) • Complete measures at two priority challenge plants with significant water environmental impact	• Introduced or implemented the improvement measures tailored to each country and region to reduce water usage • Engaged in various activities such as daily improvements, wastewater recycling, and rainwater utilization to achieve the target • Reduced water usage per global production unit by 11% compared to 2013 level • Promoted measures at priority challenge plants	✓✓
	9	Water quality	• Implement thorough wastewater management based on voluntary standards stricter than regulations • Continuously assess the impact of wastewater discharge at all plants that discharge into rivers	• Continued wastewater management based on voluntary standards stricter than regulations • Conducted assessment at all production plants that discharge into rivers	✓✓
Challenge of Establishing a Recycling-based Society and Systems	10	Toyota Global 100 Dismantlers Project	• Complete setup of 15 model facilities for appropriate treatment and recycling of end-of-life vehicles	• Completed setup of 20 model facilities for the appropriate treatment and recycling of end-of-life vehicles	✓✓
			• Continuously accelerate easy-to-dismantle designs*1 • Integrate easy-to-dismantle designs to respond to appropriate treatment and recycling of end-of-life vehicles and resource issues, and provide suitable information *1 Large batteries, fuel cell (FC), hydrogen tank	• Continued to integrate easy-to-dismantle designs into new models and provided suitable information through appropriate treatment manuals	✓✓

	11	Toyota Global Car-to-Car Recycle Project	• Establish a safe and efficient system for Battery 3R*2, eyeing the widespread use of electrified vehicles
			  • Aim to maximize collection and detoxification of end-of-life batteries globally
			  • Start operating Battery 3R throughout 5 regions—Japan, the U.S., Europe, China, and Asia
			*2 Reduce, rebuilt/reuse, recycle
				• Japan
				  • Collaborative verification of stationary storage battery systems using drive storage batteries for BEVs are ongoing
				  • Verification of battery recycling to sort and recover rare metals without incinerating the batteries is ongoing
					✓✓

			• Develop technologies to utilize recycled materials (especially plastics) in accordance with the conditions in each region
			  • Promote utilization by technological development to optimally exploit recycled materials in Europe and to increase the supply of recycled materials in Japan
				• Began concrete studies to expand the utilization of recycled materials in response to the circular economy
				  • Step-by-step application of the use of recycled plastics starting with the Prius in December 2022 and expanding to the 4Runner and Crown Sport in the fiscal year 2025 with the aim of achieving the target to expand use of recycled plastics by 2030 (Refer to p. 35 for details of the initiative)
					✓✓

Evaluation legend
✓✓: Progressed smoothly
✓: Target expected to be achieved by Fiscal year 2026 although there are some issues
–: Target not achieved

Six Challenges	No.	Action Items	Specific Actions and Targets	Progress Results for Fiscal Year 2025	Evaluation
Challenge of Establishing a Future Society in Harmony with Nature	12	Toyota Green Wave Project	• Realize "Plant in Harmony with Nature"—6 in Japan and 4 in other regions • Promote activities to connect with local communities in collaboration with affiliated companies • Put into practice harmony-with-nature activities in collaboration with local communities and companies toward biodiversity conservation	• Established 6 plants in Japan and 4 model plants overseas and continued to promote initiatives by sharing know-how with other plants (One plant in Japan has been certified as one of the Nationally Certified Sustainably Managed Natural Sites by the Ministry of the Environment of Japan and has been added to the WD-OECM (an international database)) • Conducted activities in collaboration with 22 Toyota Group companies and global affiliates (Number of activities: 1,187)	✓✓
	13	Toyota Today for Tomorrow Project	• Globally strengthen conservation of endangered species, which symbolize biodiversity, in collaboration with NGOs and others	• In fiscal year 2021, completed a support agreement and other memorandums of cooperation with the IUCN for the assessment of endangered species and the selection of projects to be supported by the Toyota Environmental Activities Grant Program	–

	14	Toyota ESD* Project	• Implement globally unified initiatives to foster environmentally conscious persons responsible for the future
			  • Offer environmental education opportunities by utilizing biotopes and others in collaboration with the Plant in Harmony with Nature
			  • Foster environmentally conscious persons at both in-house and outside facilities, such as plants and the Forest of Toyota, by effectively utilizing educational tools in harmony with nature for the next generation
			* Education for Sustainable Development
				• Conducted environmental education programs around the world
				[Case in Japan]
				  • Environmental learning session: Plant in Harmony with Nature (50 sessions), The Forest of Toyota (268 sessions)
					✓✓

Environmental Management	15	Chemical substances	• Implement thorough management by carefully considering legal trends in each country and region	• Steadily introduced vehicles that comply with the latest regulations and restricted substances • Promoted continued evaluation of and improvements to the chemical substance management system together with affiliates and suppliers in each region	✓✓

	16	Air quality	• Product
			Steadily introduce low-emission vehicles and boost further improvement by introducing and increasing ZEVs
			• Production
			Continue volatile organic compound (VOC) emissions reduction activities and maintain industry-leading level
				• Product
				  • In response to stricter exhaust gas regulations in various countries and regions, introduced vehicles that satisfy those regulations
				• Production
				  • Promoted a switch to water-based paint for painting bumpers
				  • Implemented initiatives to completely eliminate the use of ozone-depleting substances (ODS) with no significant emissions of these substances
					✓✓

	17	Waste	• Promote activities to thoroughly reduce waste globally and aim to minimize the volume of resource input and waste, with the environment and economy in balance	• Promoted activities to reduce waste through development and introduction of waste reduction-oriented production technologies and daily improvement	✓✓
	18	Logistics packaging	• Implement initiatives to reduce and recycle plastics used in packaging and recycle them	• Continued to promote the reduction of plastics used in packaging by reviewing packaging specifications and active use of recycled materials	✓✓
	19	Risk management	• Thoroughly comply with environmental laws and regulations and strengthen proactive prevention activities for environmental risks in each country and region	• There were 8 environmental non-compliance issues in the production area (5 in Japan and 3 in other regions) and 1 non-compliance/complaint in the non-production area (1 in Japan and none in other regions), for which countermeasures were completed No major breaches of environmental laws or regulations, nor any issues of environmental non-compliance, have occurred	✓✓

Updated in October 2025

The 8th Toyota Environmental Action Plan (2030 Target)

- Toward the realization of Toyota Environmental Challenge 2050, we have formulated the 8th Toyota Environmental Action Plan (2030 target), a new five-year action plan, and plan to begin implementation in April 2026.
- Based on the three pillars that Toyota has long prioritized—Carbon Neutrality (CN), Circular Economy (CE), and Nature Positive (NP)—we have developed specific targets for 17 categories.
- In 10 overseas countries and regions (North America, Europe, China, Asia, India, South America, South Africa, Australia, New Zealand, and South Korea), regional 2030 target have been formulated in line with this.

Action Items			2030 target
Carbon Neutrality (CN)	Life cycle		• Reduce life cycle GHG emissions by 30% per unit compared to fiscal year 2020 levels
	Scope 1,2		• Reduce GHG emissions from corporate activities by 47% compared to fiscal year 2020 levels • Utilize low-carbon technologies including hydrogen and CN fuels
		Renewable electricity	• Achieve 80% introduction rate for renewable electricity
	Scope 3	Category 4 Upstream transportation and distribution	• Continuously improve transportation efficiency and utilize low-carbon technologies including hydrogen and CN fuels for medium-term GHG reduction
		Category 11 Use of sold products	• Reduce average GHG emissions per new vehicle: • by 33.3% for passenger light duty vehicles and light commercial vehicles from calender year 2019 levels • by 11.6% for medium and heavy freight trucks calender year 2019 levels
Circular Economy (CE)	Recycled materials		<Car-to-Car> • Aim to use 30% or more recycled materials on average*1 to facilitate the creation of a society that maximizes resource circulation by 2050 (Scope: New models introduced after 2030) *1 On a vehicle weight basis
	Product design		• Expand the introduction of circular product design*2 *2 Easy-to-dismantle product design, etc.
	Battery		<Car-to-Car> • Reduce: Aim to reduce the amount of critical minerals in next-generation batteries • Reuse: • Promote the commercialization of battery ecosystem concept in accordance with the circumstances in each country and region, starting with the joint-venture project in China • Develop technologies that enable the reuse of automotive batteries with cost efficiency and high quality • Recycling: Establish a battery-to-battery recycling supply chain and start the utilization of recycled critical minerals such as Ni, Co, and Li
	Appropriate treatment and recycling of end-of-life vehicles		<100 dismantlers project> • Start demonstrations of resource circulation originated from model facilities (facilities for appropriate treatment and recycling of end-of-life vehicles)
	Waste		• Promote activities to thoroughly reduce waste globally and aim to minimize the volume of resource input and waste, with the environment and economy in balance • Manage the waste volume at global plants per vehicle produced below fiscal year 2020 levels
Nature Positive (NP)	Harmony with nature		• Increase sites in harmony with nature • Provide support for environmental NGOs and environmental education (inside and outside Toyota) • Promote the All Toyota Green Wave Project
	Water	Water quantity	• Manage water intake at global plants per vehicle produced below fiscal year 2020 levels (While Toyota has steadily reduced water intake so far, the subsidiarization of battery production companies will result in the increase. Toyota will promote further efforts to manage water intake below fiscal year 2020 levels and develop management targets for plants in focused regions*3) *3 Regions of concern for water scarcity and pollution identified through external evaluation
		Water quality	• Develop management targets for plants in focused regions
Environmental Management	Environmental education		• Disseminate the image of the Toyota's ideal environmentally conscious person throughout global Toyota
	Chemical substances		• Implement thorough management by carefully considering legal trends in each country and region
	Air quality		• Product: Introduce steadily low-emission vehicles and contribute to further improvement by introducing and increasing zero emission vehicles (ZEVs) • Production: Continue volatile organic compound (VOC) emissions mitigation activities and maintain industry-leading levels
	Risk management		• Thoroughly comply with environmental laws and regulations and strengthen proactive prevention activities for environmental risks in each country and region

Updated in October 2025

Third-Party Assuraance

GRI 2-5

Independent Practitioner's Limited Assurance Report

To Mr. Koji Sato, Representative Director and President of Toyota Motor Corporation

We have undertaken a limited assurance engagement in respect of the information listed below and identified with a ◆ (diamond) (the "Identified Sustainability Information") in Toyota Motor Corporation's (the "Company") Sustainability Data Book for the year ended March 31, 2025 (Last updated: October 2025 (the "SDB").

Identified Sustainability Information
The Identified Sustainability Information for the year ended March 31, 2025 is summarized below:

Identified Sustainability Information	Amount	(unit)
CO_2 Emissions: Scope 1 (Direct Emissions)	2.45	(million t-CO_2)
CO_2 Emissions: Scope 2 (Energy-related Indirect Emissions)	2.52	(million t-CO_2)
CO_2 Emissions: Scope 3 Total (Other Indirect Emissions)	584.52	(million t-CO_2e)
CO_2 Emissions: Scope 3 Category 11 (Use of sold products)	432.16	(million t-CO_2e)
Reduction rate of average CO_2 Emissions from New Vehicles	32	(%)
Sales of Electrified Vehicles (Achieved cumulative sales)	31.75	(million units)
Sales of Electrified Vehicles (FY2025 sales)	4,748	(thousand units)
Energy Used	73.0	(PJ)
Water Withdrawal	35.6	(million m^3)
Waste	249	(thousand tons)

Our assurance was with respect to the information for the year ended March 31, 2025 only and we have not performed any procedures with respect to earlier periods or any other elements included in the SDB and, therefore, do not express any conclusion thereon.

Reporting criteria
The reporting criteria used by the Company to prepare the Identified Sustainability Information is set out in section "Environmental Data (updated in October 2025)" on pages 60 - 65 of the SDB and "Fiscal Year 2025 Performance Review of the 7th Toyota Environmental Action Plan (2025 Target) (Updated in October 2025)" on page 66 of the SDB (the "Criteria").

The Company's responsibility
The Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Inherent limitations
The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities. In addition, GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

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Our independence and quality management
We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.
Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility
Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, and, in respect of greenhouse gas emissions, International Standard on Assurance Engagements 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board.
These standards require that we plan and perform this engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement.
A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.
The procedures we performed were based on our professional judgment and included inquiries, observation, inspection, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. We primarily:

- made inquiries of the persons responsible for the Identified Sustainability Information;
- obtained an understanding of the process for collecting and reporting the Identified Sustainability Information at certain sites that were selected on the basis of their inherent risk and materiality to the Company;
- performed analyses of the Identified Sustainability Information to check that data had been appropriately measured, recorded, collated and reported, and performed limited substantive testing on a sample basis; and
- considered the disclosure and presentation of the Identified Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Criteria.

Limited assurance conclusion
Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company's Identified Sustainability Information for the year ended March 31, 2025 is not prepared, in all material respects, in accordance with the Criteria.

PricewaterhouseCoopers Sustainability LLC
Tokyo, Japan
October 20, 2025

2

Social

Updated in October 2025

Respect for Human Rights

SDGs Contributions

GRI 2-25, 26, 30, 3-3, 409-1, 414-2

Fundamental Approach

Aim

- Toyota aims to be the best company in town, both loved and trusted by the people in all countries and regions where we do business.
- We respect and honor the Human Rights of our employees, customers, and **all other people related to our business activities**.
- Each employee contributes to creating a decent work environment that promotes safety & health, respects each employee's dignity, and is free from any human rights abuse, including discrimination, harassment, child labor, and forced labor.

Initiative

- **Toyota refers to and respects the "United Nations Guiding Principles on Business and Human Rights" (UNGP), and promotes activities related to Human Rights based on these guidelines.**
- Individuals working at Toyota respect Toyota's Human Rights Policy and align suppliers with the Supplier Sustainability Guidelines, and implement Human Rights due diligence and educational activities.

Toyota's Human Rights Policy
Supplier Sustainability Guidelines
Toyota's action taken for Forced Labor of Migrant Workers (Statement on the Modern Slavery Acts)
Toyota's Responsible Mineral Sourcing Policy

Organizational Structure

Aim

- To ensure that the company fulfills its corporate responsibility to respect Human Rights by embedding, implementing and conducting the necessary processes and actions.

Initiative

- The direction and challenges of the initiatives are reported to and discussed by the Sustainability Subcommittee. Key issues are consulted at the Sustainability Meeting and brought to the Board of Directors meeting for oversight and decision-making.
- The Human Resources Division is responsible for Human Rights management, collaborating with the Purchasing Group, Sustainability Management Division, and other organizations.

P. 7 Organizational Structure

Policy Development and Dissemination

Aim

- Toyota's Human Rights Policy applies to all executives and employees at Toyota and its subsidiaries. We also expect our business partners, including our suppliers, to understand and support this policy, and to work with us to ensure that their business operations respect this policy. This policy includes:
- Respect for internationally recognized Human Rights in line with the international norms including **the UNGP and the Universal Declaration of Human Rights.**
- Compliance with international Human Rights obligations together with the laws and regulations of the countries in which we operate.

Initiative

Development of Human Rights Policies

- The Human Rights Policy was developed with advice from third-party specialist Human Rights organizations.
- The policy was supported by the top management, and was further developed incorporating feedback from internal divisions, the supply chain, and regional affiliates. The policy was approved by the Board of Directors.

Dissemination of Human Rights Policies

Employees

- In August 2022, Human Rights training content was developed, and all current Toyota Motor Corporation employees completed the human rights training. To continuously educate the workforce and eliminate any gaps, the training content has been incorporated into the induction material for recruits in the organization.
- The following measures have been implemented to further raise employees' awareness on human rights and provide access to necessary information as required:
  - Addition of the human rights section in the Toyota Code of Conduct (October 2023)
  - Launched the human rights site containing educational content and ESG-related information on the company's intranet (December 2023)
  - Designated December as "Human Rights Month." Starting from December 2023, annually develop and distribute an "Examples Collection Guide" on the human rights site. This guide will highlight common human rights violations that may occur in the workplace.
- Incorporated specific Human Rights statements into the New Business Planning Guidelines.

Toyota Affiliates

- The Human Rights Policy was further rolled out to other regional Toyota affiliates.
- In March 2024, a survey was conducted across Toyota's global affiliates to assess the adoption of its Human Rights Policy, with an emphasis on salient human rights. The insights from the results are used to formulate future strategies to enhance our global and regional initiatives.

Subsidiaries

- By surveying the status of dissemination and implementation of human rights policies, promote initiatives at each consolidated subsidiaries.

Suppliers

- Through the Supplier Sustainability Guidelines cascaded to 1st Tier Suppliers, we expect the suppliers to embed the policy in their own operation and disseminate it to their supply chain.

Dealers

- Incorporated specific Human Rights statements to the Dealer Basic Contracts

P. 77 Education Related to Human Rights

Human Rights Due Diligence

Aim

■ **Continuously identify and assess risks** related to Human Rights impacts on stakeholders, while ensuring **mitigation and preventative measures are implemented.**

Initiative

Identification and Assessment	● The methodology, process, and actions are developed in line with various international standards and norms ● For issues related to the automotive industry, Toyota consults Human Rights experts and other relevant stakeholders to classify and analyze the risks from two viewpoints: the impact on stakeholders and relevance to Toyota's business* * For raw materials, we consider the sourcing region, quantity, and type of material ● Reporting and risk assessment are conducted within the framework of the organization for sustainability management (Sustainability Subcommittee)
Prevention	● Continuous Risk Monitoring operations include: Business partner collaboration, interaction with Human Rights associations, affected stakeholder consultations, and Human Rights risk research
Mitigation	● For each of the prioritized risks, Toyota develops a risk mitigation plan through an agreement with the affected stakeholders while also being guided by specialist external bodies ● These plans are tracked and reviewed annually by the human-rights-related functions to evaluate their progress and effectiveness, while the need for improvement is also determined
Remedy	● Development and implementation of a Grievance Mechanism • Internal: Speak Up Hotline • Consolidated subsidiaries: Toyota Consolidated Helpline • Migrant workers: JP MIRAI Speak Up for Migrant Workers • Toyota Dealers: Helpline for Dealers P. 136 Speak-up P. 75 Collaboration with JP-MIRAI

Engagement with Business Partners (Supply Chain Due Diligence)

■ **Supplier Sustainability Guidelines** include requirements for suppliers to ensure compliance with laws and regulations, and to respect Human Rights.
■ Toyota works together with suppliers on risk monitoring, tracking, and remediation, which also provides guidance and support for potentially affected stakeholders.
■ Methods for working with suppliers include:

- Directly collaborating with Tier 1 suppliers and group companies.
- Collaborating with Tier 1 suppliers and other stakeholders to work with Tier 2 suppliers and beyond.
- In December 2022, Toyota's approach to promote human rights due diligence and initiatives was featured at the Human Rights Risk Management Committee of Kyohokai, a voluntary organization consisting of suppliers to Toyota.
- In May 2024, at an external seminar for leaders and HR managers of small and medium-sized enterprises , we presented our efforts aimed at safeguarding the human rights of foreign workers and our comprehensive activities to ensure human rights are respected throughout our supply chain.

Engagement with stakeholders

■ Toyota partners with external stakeholders to fully understand and align with societal expectations, while maintaining legal compliance in all operations including the supply chain.

Stakeholders	Content
BSR	● Consult to identify human rights risks related to the automotive industry ● Participate in the Human Rights Working Group (2 sessions per year) and the seminars (4 sessions per year) • Grasp human rights legislation trends and current affairs • Network with other participating organizations • Share human rights practices among the participating companies
CHRB Corporate Human Rights Benchmark / World Benchmarking Alliance	● Participation by responding to surveys on human rights • Benchmark best practices from top leading companies • Engage in dialogue with each organization to confirm assessment results details
IOE A powerful and balanced voice for business / GIRN AN INITIATIVE OF IOE	● Participate in seminars and conferences • Network with other participating companies • Share human rights practices among the participating companies ● Acquire the latest ILO insights
ASSC	● Consult to mitigate forced labor/migrant labor risks (Support on issuing the Modern Slavery Report, recommendations on company activities, etc.) ● Collaborate to implement on-site engagement surveys
JP-MIRAI	● Collaborate with multi-stakeholders on a framework that enables a grievance mechanism for migrant workers ● Participate in seminars on issues related to migrant labor ● Exchange opinions with participating companies and participate in subcommittee meetings

Priority Salient Risks

■ As a result of identifying and assessing our salient risks, Toyota, from 2023, continues to focus on priority salient risks in supply chain due diligence, forced labor, child labor, harassment, and discrimination (gender).

Initiatives for Migrant Labor (Forced Labor)

Aim

■ **Ensure decent and acceptable working conditions, which include freedom of movement, fair treatment, and proper employment contracts** for migrant workers in our business operations and supply chain.

Initiative

■ **We recognize that migrant workers are vulnerable to exploitation and forced labor. We are also aware that potential risks of forced labor involving migrant workers may exist within our business, supply chain, and value chain due to the nature of our business.**

- Migrant labor has been identified as one of the salient issues since 2019.
- As part of our due diligence activities, we have been working with non-governmental organizations to ensure fair working conditions for migrant workers within our affiliates and suppliers, both inside and outside Japan.

Guidelines and declaration development

■ Guidelines have been developed to help eliminate possible exploitation by unscrupulous employment agencies charging high recruitment fees, and ensure freedom of movement, fair treatment, and proper employment contracts for migrant workers.

■ **Participation in the working group on the formulation of the ASSC Tokyo Declaration 2020.***

* Set of 13 declarations created to enhance and respect the rights of migrant workers from the moment of recruitment, during overseas employment, and until their safe return to their home countries. The “ASSC Tokyo Declaration 2020” was developed with reference to the “Dhaka Principles,” regarded as the international norm advocated by the International Organization for Migration and the International Labor Organization

ASSC Tokyo Declaration 2020

Risk Assessment

■ In light of the issues surrounding migrant labor, a task force was assembled to conduct surveys on matters that are considered particularly crucial. The following surveys were carried out from 2022 to 2023 at Toyota subsidiaries both in Japan and overseas.

[Survey 1]

Survey scope	• Toyota's domestic and overseas subsidiaries
Survey description	• The number of migrant workers*1 • The countries the workers migrated from • The percentage of indirect recruitment • Possible issues in the recruitment and/or repatriation process **Example** • Charging high recruitment fees, withholding passports or identification documents, prohibiting the return to the home country, etc.
Survey results	• No infringements for migrant workers were found at local operations and at our subsidiaries

*1 In these surveys, "migrant workers" refer to non-regular (contingent, contract, non-permanent, temporary, etc.) foreign national workers with a status of residence (non-permanent) for the purpose of employment (excluding expatriates from other companies/countries).

Migrant workers at Toyota Subsidiaries by region

Region	Number of Migrant Workers
Japan	1,021
North America	100
Latin America	108
Europe	3,089
Southern Africa	14
Asia	234
Oceania	9
China	2

[Survey 2]

Conducted the survey focused on foreign technical internship trainees,*2 who are generally at high risk of being subjected to forced labor with debt.

*2 Foreign Technical Internship Trainees are foreign workers sent to Japan for the purpose of technical skills training. There are 168 operations in 91 job categories, and trainees are dispatched to various industries in the hopes of acquiring much needed technical skills to be used in operations in their home countries upon their return.

Survey scope	• Group companies in Japan and their major Tier 1 suppliers • Toyota's major Tier 1 suppliers (The top 280 suppliers accounting for 90% of the total procurement value.) • Toyota Dealers (248 companies)
Survey description	• The number of foreign technical internship trainees and their dispatching countries
Survey results	• Vietnam, China, and Indonesia account for 80% of the technical internship trainees • Detailed breakdowns of fees paid by technical internship trainees from Vietnam, China, and Indonesia were obtained from 179 supervisory organizations and dispatch agencies • Additional facts were verified in cases where fees were relatively high (41 companies). No instances of excessively high fees were found • In light of the findings of the survey, Toyota has started to visit and survey Tier-1 suppliers in cooperation with third-party organizations to understand the actual conditions of foreign technical internship trainees

Foreign Technical Internship Trainees Utilization (Japan)

	Survey on Acceptance Conditions			Survey on Fees	
	No. companies surveyed	No. companies enrolled	No. trainees enrolled	Vietnam, China, Indonesia Trainees No. companies enrolled	No. additional survey companies (Vietnam)
Toyota Group/subsidiaries and major primary suppliers	295	121	3,951	100	17
Toyota's major primary suppliers	280	75	2,654	65	14
Toyota consolidated subsidiaries	90	3	65	1	1
Toyota dealers	248	20	73	13	9
Total	913	219	6,743	179	41

Risk Mitigation

- We have communicated with companies in the Toyota group about the actual situation of foreign technical interns and continue activities such as dialogues and on-site surveys in order to mitigate the risk of forced labor.
- In collaboration with a third-party organization, we conducted an engagement survey of foreign workers employed by companies subcontracting within logistics hubs. Based on the results of the interviews with foreign workers, we implemented workplace improvement activities.

Collaboration with JP-MIRAI

- **In 2020, Toyota became part of the initial body to establish the "Japan Platform for Migrant Workers toward a Responsible and Inclusive Society (JP-MIRAI),"*** which has now grown to be a multi-stakeholder framework for resolving issues faced by migrant workers in Japan.
- Since May 2022, Toyota has taken part in a grievance mechanism for migrant workers and promoted its use within the company, Group companies, suppliers and dealers.
- Contents of the activities:
  - Multilingual web portal and application that provide relevant information on living and working in Japan.
  - A grievance mechanism for making complaints.
  - Follow-up support for cases that are likely to develop into serious problems.
  - An Alternative Dispute Resolution (ADR) mechanism.

* Over 800 members, consisting of various stakeholders such as private companies, local governments, NPOs, academics, and lawyer

Information Disclosure

- From 2021 "Toyota's action taken for Forced Labor of Migrant Workers (Statement on the Modern Slavery Acts)" has been disclosed.

Toyota's action taken for Forced Labor of Migrant Workers (Statement on the Modern Slavery Acts)

Initiatives for Wage

Aim

- **To pay an appropriate level of wages** that ensures compliance with applicable laws and regulations and competitiveness in order **to secure necessary human resources and build a sense of security among employees**.

Initiative Toyota Motor Corporation

- If the minimum wage increases, revise employee compensation as necessary.
  To improve the situation of temporary workers, Toyota provides family allowance, subsidizes meal costs, grants special leave, and utilizes channels established ensuring that their treatment is on par with those of permanent employees.

Initiatives for Appropriate Working Hour Management and Flexible Work Styles

Aim

- Comply with laws and regulations related to working hours, breaks, and leave.
- Secure employee health and safety through thorough communication between labor and management.
- Promote **flexible working arrangements that are not restricted in terms of time and location** to improve productivity through self-directed workstyles and support employees in balancing work with responsibilities such as childcare and family care.

Initiative Toyota Motor Corporation

- Track and manage arrival/departure times and computer login/log-out times through the time management system, and have the supervisor approve work applications.
- **Visualize workloads in systems and statuses of annual paid leave spent** through thorough communication between supervisors and members to optimize working hours and ensure the utilization of annual paid leave.
- Offer various systems such as the FTL (Free Time & Location) system, which enables **teleworking and reduced working hours for employees with children up to the age of 18**, to support a flexible workstyle and balancing work with responsibilities such as childcare and family care.
- If an employee requests permission to conduct a side business, decide whether or not it is acceptable according to criteria including safety considerations, confidentiality, non-competition, duty of good faith, etc.

Initiatives for Anti-harassment

Aim

- Toyota does not tolerate **any form of harassment, such as sexual harassment, power harassment, or any act that harms the dignity of any individual**.
- Aim to create a workplace where all employees can work happily.

Initiative Toyota Motor Corporation

- Employment rules clearly specify the prohibition of harassment and disciplinary provisions for harassment.
- The Toyota Code of Conduct clearly states that Toyota will not tolerate any form of harassment.
- Annual online training programs are deployed to all employees, from executives and managers to regular employees, to ensure comprehensive awareness.
- Training for executives and managers (approx. 8,800 employees)
  Details: Understanding the importance of eradicating harassment, examples of inappropriate speech and behavior, how to respond to common forms of workplace harassment (including consultations with specialists)
  Past results: Approx. 25,000 employees have participated in this type of training.
- Training for regular employees (approx. 33,000 employees)
  Details: Understanding the importance of eradicating harassment, examples of inappropriate speech and behavior, responses to common forms of workplace harassment, power harassment toward managers by team members, and consultation methods were discussed to understand the importance of eradicating harassment.
- Toyota integrated the external and internal hotlines into the “Speak up” Hotline system, enabling early detection and resolving workplace issues and difficulties that employees are facing.
- Conduct training with psychology experts to look deeply into the mental health of individuals, aiming not only to prevent harassment but also to help create workplaces where members can work happily.

P. 136 Speak-up
P. 111 Initiative to Promote Psychological Well-being
Toyota Code of Conduct

Initiatives for Inclusion of Diverse Culture

Aim

- Respect various cultures and customs while supporting members to live and work under safe and secure conditions.

Initiative Toyota Motor Corporation

- Choice of meals
  Canteen: The canteen labels and displays a wide array of daily meals provided for improved inclusivity and visibility, considering the varying dietary requirements in our business.
  Dormitory: Accommodate self-catering facilities, arrange rooms considering dietary habit, such as vegetarian meals, etc.
- Worship facilities
  Prayer rooms, equipment available for rent and foot-washing facilities
- Daily life support
  Language assistance (interpretation, language learning, lending translation tools, etc.), liability insurance, 24-hour medical assistance services, support for obtaining a driver’s license.

P. 78 Diversity, Equity, and Inclusion (DE&I)

Initiatives for Child Labor

Aim

- **Toyota does not accept any forms of child labor**, which deprives children of educational opportunities, hindering their growth and development.
- In line with international norms, we adhere to the following conditions:
  - The minimum age for employment shall be 15 years of age, the legal minimum age for employment, or the age of completing compulsory education, whichever is the highest under the local applicable laws and regulations.
  - Do not allocate employees below 18 years of age to hazardous work.
  - Vocational training or apprenticeship programs permitted under applicable local laws and regulations.

Initiative

- Enhance due diligence activities in the high-risk sector of child labor in our business operations and supply chain.

Initiatives for Freedom of Association

Aim

- Under Toyota's philosophy of "Showing Respect for People", we aim to respect individual capabilities, ways of thinking, and creativity.
- Based on the Universal Declaration of Human Rights, we respect our employees' **right to freely associate while respecting their right not to be compelled to belong to an association** in compliance with the laws of the countries in which we operate.
- We take every opportunity to **engage with employees through thorough dialogue** and build healthy labor relations regardless of the presence of a union.

Initiative

- Along with the collective agreements in place with our unionized affiliate companies both in Japan and overseas, we also have **Labor-Management Joint Declarations** established in Japan (1962), Thailand (1993), Indonesia (2004), Brazil (2015), and the Philippines (2023) as a global framework, in order to agree on a universal philosophy of labor relations.
- Cooperation with subsidiaries:
  - In order to determine the level of communication with employees and other issues related to freedom of association, we periodically send out and collect questionnaires from our subsidiaries and request that improvements be made to policies and activities based on the responses.
- Initiatives in the Toyota Group:
  - Toyota shares specific cases on consistent communication between labor and management and discusses its importance at regular meetings with personnel in charge of human resources.
- Cooperation with suppliers:
  - As a part of its global due diligence activities, Toyota investigates possible infringement on Freedom of Association within the supply chain and recommends corrective actions. (2022-2024:1 case)
- Union organization ratio:
  Countries with Unionized Operations (only countries/regions with manufacturing base): **86%** (19/22 countries)

Initiatives for Precarious Work

Aim

- Our businesses require personnel equipped with both advanced skills and with a deep understanding of Toyota's values. In order to achieve this, a long period of time is required to cultivate such personnel. Therefore, Toyota strives to **provide stable employment** even when the external environment is harsh.
- To facilitate the fluctuating demand in the automotive industry, Toyota hires temporary personnel for fixed periods, **based on the customs and labor laws of each region, while ensuring fair working conditions**.

Initiative

- The following actions are taken in accordance with the local labor laws and customs:
  - Confirm the composition of employees at overseas entities. For non-permanent employment relationships, we identify affiliates requiring prioritized examination.
  - Dispatch associates to identified affiliate sites, to implement improvements such as reallocations and reviews of employment rules related to contract terms where necessary. (2022-2024: 0 cases)

Education Related to Human Rights

Aim

- Promote understanding and encourage actions for Human Rights issues, open and honest communication, and non-discrimination, Human Rights training is aimed at our executives, employees and business partners.

Initiative

Human Rights in general

Training for:	Main initiatives
Executives (Toyota Motor Corporation)	• Explain international Human Rights guidelines and their expectations, the responsibilities required by companies, and key Human Rights issues
All employees (Toyota Motor Corporation)	• Learn about the expected corporate and individual responsibility and its scope in line with international norms, and human rights infringement examples, helping compliance with Human Rights in daily operations
Top management and HR employees to be transferred to overseas affiliates (including the main suppliers)	• Share positive labor-management communications, information on past labor disputes, labor-management negotiations, the latest trends in Human Rights, international norms, and regulations
Purchasing function employees to be transferred to overseas affiliates (Toyota Motor Corporation)	• To support their daily purchasing responsibilities at their overseas posting, the training will accommodate building healthy labor-management relationships with local suppliers, including lectures related to Human Rights

Anti-harassment

Training for:	Main initiatives
Employees, including executives, supervisors, management, expatriates and new hires (Toyota Motor Corporation)	• Raise awareness to prevent harassment in various situations Fiscal 2025 Results • All senior professionals/senior management and all professionals/management: Approx. 8,400 employees, total of 8,400 hours • All assistant managers and all those in lower ranks: Approx. 16,200 employees, total of 6,800 hours • All shop floor employees: Approx. 43,500 employees, total of 15,700 hours
Supervisors (Toyota Motor Corporation)	• Online training by specialists in mental science Fiscal 2025 Results • Supervisors: Approx. 15,000 employees

Updated in October 2025

Diversity, Equity, and Inclusion (DE&I)

SDGs Contributions

GRI 3-3

Fundamental Approach

Aim

- Toward the transformation from a car company into a mobility company and continuous innovations in existing areas, **create an attractive workplace where employees with wide-ranging skills and values can demonstrate their abilities to the fullest.**

Initiative

- Nurture opportunities where all employees can demonstrate their full potential.
- **No tolerance of any form of discrimination at the workplace such as discrimination based on gender, age, nationality, race, ethnicity, creed, religion, sexual orientation, gender identity, disability, marital status, or the presence of children, etc.**
- Create a work environment with no harassment.

	Details	Time of the award
PRIDE Indicators work with Pride Gold 2024	Appropriate management and protection of personal information based on the Toyota Code of Conduct and basic policies on the protection of personal information formulated by each country and region (Toyota Motor Corporation).	Nov. 2024

Organizational Structure

Aim

- Formulation, consensus building, and implementation of policies for initiatives related to the promotion of diversity, equity, and inclusion.

Initiative

- Approaches, issues, and other matters are reported to and discussed at the Sustainability Subcommittee. Key issues are discussed at Sustainability Meeting and brought up to the Board of Directors meeting for oversight and decision-making.

P. 7 Organizational Structure

- The Human Resources Department plays a central role in developing global Toyota-wide measures tailored to each region.
  - We have set up dedicated diversity and inclusion promotion organizations in Toyota Motor Corporation (Japan), Toyota South Africa Motors (Pty) Ltd. (South Africa).
  - In many regions we have established diversity and inclusion promotion organizations consisting mainly of concurrent appointments within the area of human resources.

Women's Activity

Aim

- At Toyota, we aim to promote the active participation of all employees by maximizing the diverse talents, strengths, and abilities of each team member to deliver better value to our customers. This begins with a strong focus on promoting women's active participation in the workplace.

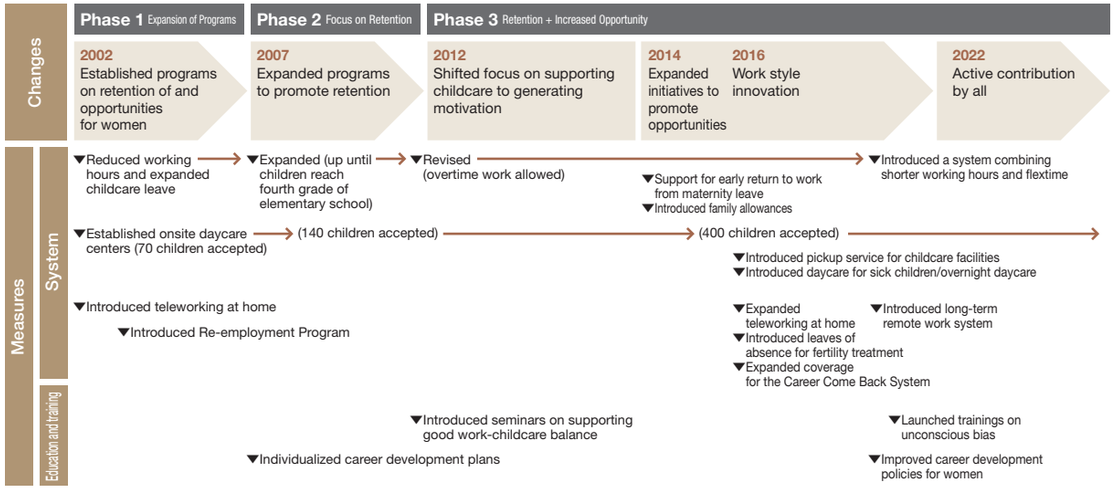
Initiative

History of Initiatives

- 2002: Launched "Initiatives centered on expansion and establishment of measures to support work-life balance"
- From 2012: Enhancement and active support of environment that can support women to gain motivation and support their participation (especially development of female managers)
- From 2020: Strengthen career development measures, such as mentoring activities and participation in programs outside the company
- From 2021: Unconscious bias training for all management and supervisors in the company
- From 2022: Diversity training (basic courses and management courses)
- From 2023: Positioning women's active participation as one of the key company-wide issues, under the leadership of top management, the current situations and issues were shared and discussed at the Sustainability Meeting, and specific initiatives were accelerated.

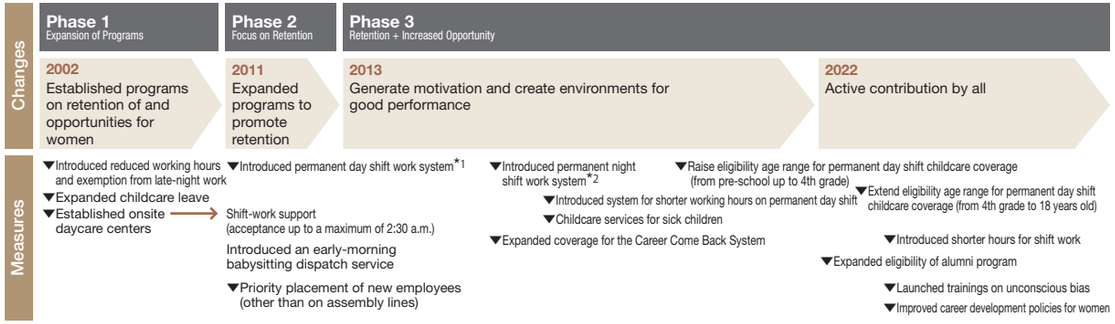
Administrative, Engineering, and "Gyomushoku" Employees

(Toyota Motor Corporation)



Shop Floor Employees

(Toyota Motor Corporation)



*1 A system that allows employees engaging in childcare to be exempted from shift work at plants
*2 Support workplaces with employees using the permanent day shift work system for childcare

The Promotion of Women's Participation and Advancement in the Workplace
Toyota Motor Corporation Action Plan

Toyota's plan to build an environment to promote women's participation in the workplace

1. Implementation Period: April 1, 2025 to March 31, 2030

2. Providing professional career opportunities for women

(1) Our Challenge

The proportion of women in managerial positions remains low, so continued efforts beyond the 2021-2025 action plan are required to address the issue

(2) Target

① "By 2030, increase the number of women in managerial positions to five times the target set in 2014"

(3) Our Course of Action

- To maintain the hiring ratio of women among new graduates, and continue active mid-career recruitment throughout the year [ongoing since before 2020]
- To discuss aspects related to women's empowerment, such as work styles and individual awareness, at the Sustainability Meeting [since 2024]
- To provide opportunities for professional development and networking through Global Women's Conferences [since 2024], mentoring activities [since 2020], and roundtable discussions [since 2019]

3. Creation of a supportive environment for work-life balance

(1) Our Challenge

There is a difference in childcare leave rates between women and men

(2) Target

② "Bring the average paternity leave rate to 85% or higher"

(3) Our Course of Action

- To organize seminars to encourage employees to take childcare leave regardless of gender
- To publish reports on the experiences of employees who have taken childcare leave
- To publish data on male employees' childcare participation and trends within the company
- To enhance diversity training for all employees

To Advance Measures in Support of Raising the Next Generation
Toyota Motor Corporation Action Plan

1. Period: April 1, 2025 to March 31, 2030

2. Contents

Aim 1: Promote "Active Contribution by All" based on the three pillars of Diversity, Growth, and Contribution

[Actions]

- To further strengthen labor-management dialogue to promote the growth and full engagement of diverse talent, including those balancing work and personal responsibilities
- To implement measures to further promote open and honest dialogue between supervisors and employees

Aim 2: Establish an environment that allows individuals, regardless of gender, to achieve a balance between work and personal responsibilities, including childcare and caregiving

- To achieve a paternity leave rate of 85% or higher during the planning period
- To maintain an average overtime of less than 30 hours per month for workers

[Actions]

- To implement measures to reduce overtime and holiday work
- To utilize the zero-hour work system (a system that allows employees working flexible hours to offset standard working hours on one day with overtime hours on another, effectively resulting in a day off)
- To promote the use of annual paid leave
- To encourage the 3DV initiative (a system that promotes taking three consecutive days or more of annual leave)
- To establish "Smile Days" (encouraging the use of annual leave on public holidays for employees at companies that operate on those holidays)
- To publish reports by employees on their childcare leave experiences
- To strengthen diversity training for all employees

Support for Keidanren's "Challenge to 30% by 2030*1"

- Toyota Motor Corporation **expresses its support for the initiative** and has been working toward the target in accordance with Toyota Motor Corporation Action Plan for the promotion of female employee participation and advancement in the workplace.

*1 The Keidanren's NEW Growth Strategy is intended to accelerate initiatives to encourage the utilization of diverse human resources and sets a specific target of 30% or more executive positions being filled by women by 2030 as one way of driving these changes

Promoting the active contribution by all in the workplace

- The Global Women's Conference was held time to accelerate efforts to promote active contribution by all members (May. 2024).
  - Members from each region gathered in Japan to deliver top messages, share best practices, and hold group discussions with the participation of management.
- Each division and company is promoting initiatives to ensure well-being in the work styles of all employees. A company-wide "Active Contribution by All" Week was held in July 2025 to further enhance these efforts.
  - This week was an opportunity for all employees to reflect on the value of diversity through first-hand experience centered around hands-on learnings and to move from learnings to action, with purposeful thought about "Active Contribution by All" and "To Break Away from Uniformity".
- Toyota aims to create a better, more fulfilling work environment for all employees in order to create value and boost competitiveness as a mobility company.

"Active Contribution by All" Week

Initiatives at All Ranks

- **Initiatives are promoted in all ranks**, from development and expansion of next-generation human resources to securing diversity in top management.

(Toyota Motor Corporation)

	Major items
Next-generation development and expansion	• Together with 9 group companies, Toyota established **the Toyota Female Engineer Development Foundation** in 2014 to contribute to the promotion of women's participation in manufacturing businesses in Japan • Attract and expand the number of girls studying in scientific fields and foster female engineers in monozukuri (manufacturing) • The Foundation provides a development program for female engineering university students to support career-building as well as a scholarship program that provides financial support
Recruitment	• **Target for % of female new graduates: 40% for administrative positions and 10% in engineering positions** (the percentages of women in the relevant labor market) • The percentage of women hired as shop floor employees has also been steadily increasing
Career development support	Each year, Toyota implements the following initiatives for approximately 100 women who are candidates for managerial roles or junior managers with the aim of helping them build networks and expand their perspectives • **Mentoring system:** Designed to match women with mentors inside and outside of Toyota that are aligned with their individual concerns and aspirations, with 1:1 sessions conducted over a six-month period • **Participation in Japan Institute for Women's Empowerment & Diversity Management programs** Participation in 21st century seminars for women's empowerment and training seminars for women in management • **Networking events with women from other companies** Organized with businesses from different industries and group companies • **Company-wide roundtable meetings with women executives in Toyota** • **Roundtable meetings within each division/company**
Promotion to managerial positions	• Targets for increasing the number of female managers, set in accordance with the Act on the Promotion of Women's Active Engagement in Professional Life (to quadruple the number of female managers by 2025 and increase that number fivefold by 2030 compared to 2014), are on track • The Human Resources Division works closely with each workplace to confirm the progress of candidates for promotion each year. Candidates are given challenging roles equivalent to a higher rank FY2025 Result • Ratio of female managers*2: 4.0% (Toyota Motor Corporation) *2 Industry average: 3.2% (FY 2024)
Developing candidates for upper management	• Development of candidates through succession plans Results as of June 2025 • Percentage of women in executive positions: 9.5%*3 *3 Directors, Operating Officers and Fellows: 2 out of 21
Diversity among Members of the Board of Directors	• Directors are appointed with comprehensive consideration and based on their past achievements and experience, including their gender, nationality and other factors relevant to corporate effectiveness, with the aim of placing the right person in the right position Results as of June 2025 • Percentage of Female Directors: 20% (2 out of 10)

Initiatives at Major Global Operations

Toyota Motor Europe NV/SA (Belgium)



- Held company-wide events during the week of International Women's Day (Video message by top management, workshops, etc.)
- Networking to promote gender diversity
- Working couple support: Home-working system, part-time working regimes, support in finding employment for spouses of employees sent to TME
- Female career development: Mentorship system, sponsorship system
- Active hiring of promising candidates into career positions
- Conducted unconscious bias awareness training for all managers
- Set targets in employment and management positions

Toyota South Africa Motors (Pty) Ltd. (South Africa)

- "TSAM Women Leading the Change" event held to promote the advancement of women in the manufacturing industry
- Set employment targets


Toyota Motor (China) Investment Co., Ltd. (China)

- Breastfeeding break of up to one hour each day for lactating female employees

Toyota Motor North America (U.S.)

- Annual North American Women's Conference where men and women invitees attend for networking and encouraging women's active participation and leadership in the workplace
- Set childcare facilities at multiple operation sites to allow flexible workstyles for employees taking care of their children

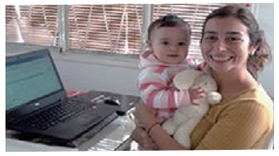
- Unconscious bias awareness training for managers

- Events sponsored by the Business Partnering Group which provides networking and educational opportunities

Toyota do Brasil Ltda. (Brazil) + Toyota Argentina S.A. (Argentina)

- Designated Women's Day, which promotes an open conversation about the challenges women face in balancing their professional and personal lives

- Healthy pregnancy program for pregnant employees: Guidance and advice related to health conditions, as well as orientation on breastfeeding and baby care



- Allowed working from home
- Conducted unconscious bias awareness training for all managers
- Set employment targets
- Held dialogue between human resources division and management to promote diversity within the company
- Introduced the mentor system to support female leaders
- Introduced Soft-Landing Program in support of employees returning to work after childbirth
- Support for nursing care costs for employees who return to work early
- Provide all employees with children with equipment necessary for school

Toyota Motor Asia Co., Ltd. (Thailand)

- Set up nursing rooms

- Female prayer room
- Reserved parking area for pregnant employees

KPIs Related to Promotion of Women's Participation in the Workplace

We are continuing initiatives that promote women's participation and advancement in the workplace so that the percentage of positions held by women, from initial hiring to executive positions, will consistently increase at many affiliates.

Percentage of Women Hired at Affiliates in Each Country/Region (FY2025)

	Percentage of women [%]				Average period of employment (years)	
	People hired	Full-time employees	Managerial positions	Director positions	Male	Female
Global*	23	15	12	5	12.5	10.2
Japan	23	14	4	20	15.9	13.8
North America	25	21	21	17	9.3	7.2
Europe	30	20	18	0	12.3	9.3
China	14	10	28	0	12.6	14.5
Asia-Pacific	15	8	19	1	11.7	10.4
Latin America	44	13	12	6	9.3	3.7
Africa	37	26	31	11	15.2	10.3

* Figures cover 46 overseas locations, including Japan

Childcare / Nursing Care Support

Aim

- Leverage challenges arising from the mutual trust between Toyota and our employees, guided by the belief that we want workers to live happy lives, who in turn aspire to help the company grow, as a means to enhance competitiveness and drive our transformation towards becoming a Mobility Company.
- Respect the diverse values of individuals and prepare a range of workstyle options aligned with nuanced perspectives on approaches to a work-life balance, allowing each employee to pursue the diverse life and career paths they envision.
  Create an environment where both can utilize these options without hesitation and workplaces can function seamlessly without difficulty as choices (systems) are expanded.
- Encourage employees to exercise independence in choosing their options and develop an even greater awareness of their own career paths than before.

Initiative

Balancing Work and Childcare

(Toyota Motor Corporation)

	Major items
Childcare leave system	• Childcare leave: Available until a child is two years old (full-time employees) • Parental leave for sick/injured child: Equivalent of 15 days annually for one child (Equivalent of 20 days annually for two or more children). Available until a child is 18 years old
Shorter working hours system Remote work system	• Increase in the age limit for children of employees eligible under the shortened working hours system to cover children up to 18 years old • Introduction of flextime, fixed daytime, shift-based options and other shortened working hour systems in each workplace • Development of a remote working system to support diverse and flexible work styles P. 76 Initiatives on the effective management of work hours and flexible work styles
Involving fathers in childcare	• Conduct of awareness campaigns and surveys with a target to achieve 100% uptake rate for paternity leave by interested male employees. Actual uptake rates: 61.5% in fiscal 2024 → 67.4% in fiscal 2025 • Establishment of a framework to ascertain employees' intentions to take parental leave and the desired duration of such leave during career discussions with supervisors, ensuring a steady and open dialogue on sharing career and life plans (from 2022)
Creating an environment and raising awareness on utilizing work-life balance systems	• Pre-maternity and parental leave seminars • Eligibility: Employees taking maternity leave (regardless of gender) • Purpose: Ease employees' concerns about balancing work and childcare and motivate them to continue developing their careers after returning to work • Content: Examine career plans and workstyles during this period. Share examples of senior employees who successfully balanced work with family commitments and hold roundtable discussions • Support for staffing needs in shift work environments when employees make use of shortened working hours and parental leave systems to ensure access to these systems and create a sound work environment **Examples:** • Employing senior workers on an individual basis to work in the hours that employees using the shortened working hours system are absent • Allocating staff across workplaces by reviewing guidelines for support and assistance
On-site childcare centers	• Introduction of early morning and overnight childcare services and bus transport for preschoolers from nearby factories for shift workers and night-shift nurses at hospitals • Support for admission to nurseries mid-year for workers seeking an early return to the workplace, career hires, and employees returning from assignments overseas • Pi-Po-Land, a childcare facility for sick children, is located on the grounds of Toyota Memorial Hospital and is a safe place for employees to have their children cared for if they are ill (This facility is also open to local residents in Toyota City and provides support for balancing work and parenting in partnership with the community) 

Balancing Work and Caregiving

(Toyota Motor Corporation)

	Major items
System	• Nursing care leave, shortened working hours and other systems available • Support available to achieve diverse and flexible workstyles through the development of remote working systems P. 76 Initiatives on the effective management of work hours and flexible work styles • Development of recruiting program for employees who left company due to nursing care (Career Come Back System)
Providing Information	• Create a consultation hotline • Introduce e-learning program for nursing care • Publish a nursing care guidebook • Set up a system to check for interest in caregiving leave or shorter working hours to ensure that career and life plans are shared consistently during career development interviews with supervisors
Nursing Care Services	• Introduce a nursing care savings program • Expand nursing care service providers
Financial Support	• Introduce nursing care insurance • Introduce a nursing care financing program • Create parent nursing care insurance

Balancing Work and Medical Treatment

(Toyota Motor Corporation)

	Major items
Systems	• Special leave available for hospital visits for cancer treatment: 5 days annually • Long term leave available for infertility treatment: Max. 2 years for each pregnancy (full-time employees) • Special leave available for infertility treatment: 20 days annually (full-time employees)
Information sharing	• Implementation of awareness-raising activities and development of a workplace culture through diversity training and other initiatives

Inclusion of Persons with Disabilities

Aim

- **Realization of a "symbiotic society"** in which people work together **and live together regardless of the presence or absence of disabilities.**
- Promote the development of a working environment in which anyone can make the most of their characteristics in various workplaces and have a sense of job satisfaction through demonstrating their abilities.

Initiative

Toyota Motor Corporation (Japan)

- To **foster a corporate culture** of understanding and empathy among employees throughout the workplace, various activities are implemented
  - Mental Barrier-Free Training (Wheelchair Experience Sessions, Mental and Developmental Disabilities Sessions, etc.)
  - Sign language courses
  - Implementation of study sessions for assigned workplaces
- **Support for assuring full skill application at work**
- Setting up a privacy-preserving consultation service
- Introduction of special vacation system that can be used for outpatient visits, etc.
- Dispatch of sign language interpreters
- Distribution of various support tools
- **Development of facilities**
- Installation of a parking lot exclusively for people with disabilities
- Installation of universally accessible toilets
- Confirmation of working conditions and the workplace environment is carried out with an industrial physician to place personnel in roles suited to the characteristics of their disability.
- **Employment rate of people with disabilities (results)**
- **2.49%*** (as of June 2025)

* Including Special-purpose Subsidiaries

Toyota South Africa Motors (Pty) Ltd. (South Africa)

- Setting KPIs related to employment of people with disabilities allows TSAM to promote initiatives to improve the working environment for them in terms of facilities and culture.
- Setting up a special program to provide additional financial support to persons with disabilities for vehicle costs (to cover the increased cost associated with owning a special vehicle).

Toyota Loops (special-purpose subsidiary)

- Started business in 2009

As of June 2025:

- 477 people with disabilities employed

Main tasks at the office	• Assisting vehicle manufacturing • Assisting the distribution of service parts • Converting documents to PDF format, annotation, and other computer-based tasks • Printing • Shredding documents • Laundry and cleaning	• Assisting with nursing care in medical environments and sanitizing facilities • Massage • Planned training and management to deepen understanding of disabilities • Collaboration in developing welfare vehicles and equipment • Café operation • Supplementary tasks in vehicle development

On the manufacturing site	• Support for automotive manufacturing
	  • Implemented at the Shimoyama, Kamigo, Head Office, Kinuura, and Miyoshi factories
	  • Assembly of engine parts and picking of automotive parts	

Development co-operation tasks	• **Evaluation of welfare vehicles**
	  • Employees with disabilities participate in evaluations of the usability of Toyota's assisted-mobility vehicles from the users' viewpoint.
	  Example • Evaluation of ease of getting in and out of the vehicle for wheelchair users, providing opinions on aspects of the development of automated driving vehicles
	  • Based on this evaluation, the opinions of real users, including the small details that only users can notice, can be incorporated in the quality of the vehicles.	

Activities outside of work	• Participation in the **Abilympics** (Skills Competition for the Disabled) as a representative of Aichi Prefecture
	  • In 2020: gold award in the Photography division, silver in the Word Processor division and bronze in both the Office Assistant and Database divisions
	  • In 2021: gold award in the Database division, silver in Word Processor division and bronze in Product Packing Category
	  • In 2022: Photography – outdoor division, English Word Processor division
	  • In 2023: Two employees were chosen to be on the Japan national team at the **International Abilympics**	

Support system	• Creating a support system built upon partnerships between specialist staff (physicians, psychologists, psychiatric social workers, etc.) • Establishing a consultation service • Active information exchange with governmental bodies, local communities, and social welfare organizations	







Inclusion of LGBTQ+ Employees

Aim

- **Promoting an appropriate understanding, recognition, and acceptance with respect for personal identity and orientation.**

Initiative

Toyota Motor Corporation (Japan)

- **Recruiting and hiring process**
  - Graduates are not required to fill in their gender on their job application sheets.
- **Introducing measures at facilities**
  - Establishing an internal harassment consultation hotline.
  - Set up gender-neutral restrooms. (To be set up at 66 locations within the company by 2028)
- **Internal system**
  - From July 2020 employees in same-sex marriages or common-law marriages have been eligible for the same internal benefit systems as those in legal marriages (holidays, employee benefits, etc.)
- **In-house training**
  - Basic training of LGBTQ+ for all employees and executives. (mandatory)
  - Training by outside instructors (LGBTQ+). (voluntary)
- **ALLY* registration system**
  - Approximately 21,000 employees, as of June 2024, have registered as ALLYs.
  - Rainbow Match
    Held an event in our official female softball match in conjunction with Toyota City (Exhibition of Toyota City and Toyota's LGBTQ+ Initiatives)

* An ALLY is a person who aligns with those facing problems or difficulties and addresses these challenges on their own initiative while thinking of these issues as a personal matter. This term is derived from the word "alliance" that means a union or an association.

Toyota Motor North America (TMNA, US)

- **Recruiting and hiring process**
  - We have a nondiscrimination statement that the company does not discriminate based on gender, ethnicity and many other categories, including LGBTQ+.
  - No photo or gender identification required on resumes
- **Installation of facilities**
  - Set up gender-neutral restrooms at key locations
- **Education and Awareness**
  - One of our business partner groups is an LGBTQ+ group conducting education and enlightenment activities.

Initiatives Related to Race and Nationality

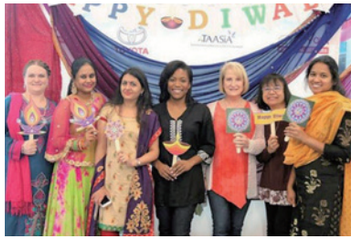
Aim

- **Promoting racial and nationality diversity** according to local conditions and laws.

Initiative

Toyota Motor North America (TMNA, US)

- Implementing education and enlightenment programs as means of promoting understanding.

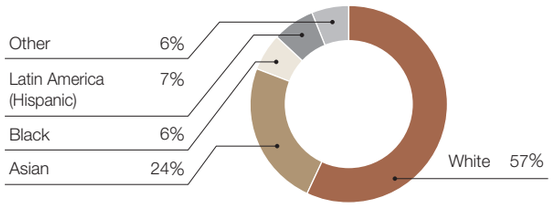


Toyota South Africa Motors (Pty) Ltd. (TSAM, South Africa)

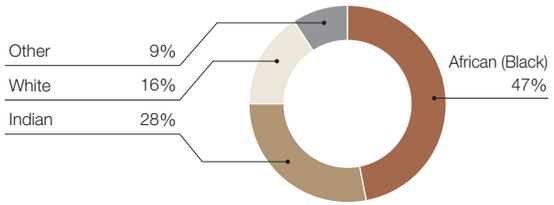
- TSAM promotes activities in line with the Broad-Based Black Economic Empowerment (B-BBEE*) policy aimed at economic development and creation of employment in South Africa.
- TSAM has acquired Level 3 as of June 2023.

* B-BBEE (Broad-Based Black Economic Empowerment): Rating of the efforts for and contributions to B-BBEE by companies and organizations with scores (from the highest Level 1 to Level 8 and the lowest Noncompliant)

Management composition (TMNA, FY2025)



Management composition (TSAM, FY2025)



Employment for Over 60s

Aim

- Support employees to have diverse lifestyles and assure them that they are **respected for their willingness and ability to work in a rewarding manner** also after the age of 60.

Initiative

(Toyota Motor Corporation)

Year	Major items
1991	• Introduction of an internal re-employment system for skilled retirees
2001	• Optional Re-employment Application System was launched to outplace applicants to external affiliates and other sites.
2006 · 2013	• Based on the revisions to the Law on Stabilization of Employment of Elderly Persons, the support was revised to expand re-employment by taking surveys and interviews based on the needs of the employees.
2016	• Advanced Skilled Partner System was set up for shop floor employees to encourage and motivate employees to keep working after 60 by maintaining their job rank and salary at the time of their statutory retirement at 60

Updated in October 2025

Value Chain Collaboration

SDGs Contributions

GRI 2-26, 3-3, 205-2, 414-1, 2

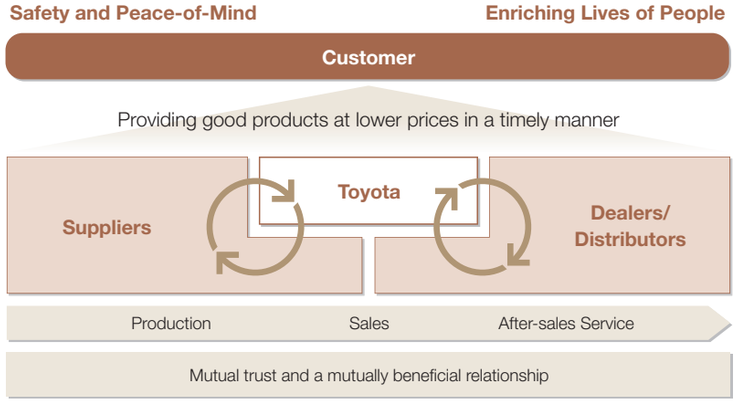
Fundamental Approach

Aim

- Enhancing further the Customer First policy by promoting collaborative activities with **our business partners including suppliers and dealers**.

Initiative

- Toyota promotes open and fair business practices and is **making constant progress with initiatives to promote sustainability.** We are also working closely with suppliers and dealers to improve quality, as well as providing safety and peace-of-mind to our customers, to achieve a high level of customer satisfaction.



Initiative with Suppliers

Aim

- **Achieve mutual benefits based on mutual trust.**
- Pursue manufacturing in close partnership with our suppliers.

Initiative

Initiatives Related to Our Basic Purchasing Policies

- Implementation of our **Basic Purchasing Policies** worldwide
- Before any transactions are made with a new business partner, an agreement is signed stipulating the requirements for **legal compliance, respect for human rights, and consideration of both the regional and global environmental issues**.

Toyota's Basic Purchasing Policies

1. Fair Competition Based on an Open-door Policy
Toyota is open and fair to any and all suppliers, regardless of nationality, size, or whether they have done business with us before. We evaluate suppliers by quality, technological capabilities, and reliability in delivering the required quantities on time, and their efforts in addressing social responsibilities, such as environmental issues.

2. Mutual Benefit Based on Mutual Trust
We develop mutual benefit in long-term relationships. To foster trust, we engage in close communication with suppliers.

3. Localization with Good Corporate Citizenship
We actively procure from local suppliers, including parts, materials, tools, equipment and other materials. In this way, we aim to contribute to the local society and be a good corporate citizen.

Organizational Structure

■ Approaches, issues, and other matters are reported to and discussed at the Sustainability Subcommittee. Key issues are discussed at the Sustainability Meeting and brought up to the Board of Directors meeting for oversight and decision-making.

- Supervisor: Chief Officer and Deputy Chief Officer of the Purchasing Group
- The Purchasing Group takes a lead in promoting initiatives in cooperation with divisions related to the environment, human resources, compliance and sustainability.

P. 7 Organizational Structure

Compliance with Toyota Supplier Sustainability Guidelines

■ **Sharing Guidelines and Inspections based on a Self-Assessment Questionnaire (SAQ)**

	Actions	Performance and future improvements (Japan)
Sharing Toyota Supplier Sustainability Guidelines	• **Importance of sustainability initiatives is communicated towards suppliers** with a request that suppliers carry out their business activities in line with the Sustainability Guidelines (established in 2009, last revision in 2021) • **The Guidelines clearly indicate that suppliers in Tier-1 are requested to expand the implementation of the Guidelines to suppliers in Tier-2 and beyond in order to disseminate these principles throughout the supply chain** • The Guidelines have also been implemented globally to suppliers through regional purchasing divisions	• **Major suppliers in Japan (Approx. 1,000 companies) have endorsed the purpose of and signed the Guidelines** (as of March 2025)
Inspections based on a Self-Assessment Questionnaire (SAQ)	• SAQ was conducted in the form of a questionnaire as shown below <Survey description> Actual status of the existence of policies, implementation of training programs, and the nature of initiatives on the following topics • Company management • Human rights and working conditions • Safety and health • Corporate ethics • Environment • Responsible supply chain management • Responsible purchasing of raw materials • Similar initiatives conducted in the U.S., Europe, and Thailand (2024)	• Content revised in 2024 • The guidelines were shared with 980 major suppliers, with responses received from 814 (2024) • Feedback will be provided to suppliers following a review of the status of initiatives based on the aggregated data • Priority items were selected from the content of the survey, and third-party audits were conducted for some suppliers that were underperforming in those areas

■ **Risk reduction measures through on-site audits**

- On-site audits were conducted by third-party agencies in Japan, the U.S., Europe, and Thailand (2024: 2 companies; 2025 (planned): approx. 30 companies)

■ **Responses when problems are identified**

- The facts related to the issue are investigated and, if an issue is identified, we will communicate with the suppliers concerned and ask them to make improvements.
  ⇒ If no improvements are made, business relationship may be reconsidered.
- To prevent issue reoccurrence at other suppliers, notices explaining the issue are sent and suppliers are asked to implement preventative measures.

Toyota Supplier Sustainability Guidelines

Preventing Bribery

■ In order to eliminate all forms of bribery, **Anti-Bribery Guidelines** have been adopted and shared with suppliers.

Anti-Bribery Guidelines

Supplier Hotline

■ An anonymous hotline has been established for suppliers to report any actions that could potentially violate laws, regulations, and/or business norms.

P. 136 Speak-up

Awareness-Raising Activities

- Within Toyota Motor Corporation: Activities to educate and raise awareness among all employees, including buyers in purchasing division.
- For suppliers: Promoting initiatives that involve voluntary activities at suppliers.

Major Initiatives Led by Toyota

Target Audience		Details	
Toyota Motor Corporation employees	All purchasing division staff	Training after joining purchasing division	• Training related to sustainability
		Regular seminars	• Regular seminars related to human rights, the environment, and other sustainability topics
	Employees dispatched overseas from Toyota Motor Corporation purchasing divisions	Pre-departure training	• Labor relations training provided by the human resources division

Suppliers	Suppliers in Japan	Various briefings	Recent seminars
			• Dissemination of information on **human rights due diligence** (2024)
			  • A briefing session was held on the external environment around human rights due diligence and Toyota's efforts to promote and improve human rights awareness throughout the entire supply chain. A Self-Assessment Questionnaire(SAQ) was also conducted
			• Dissemination of information on **carbon neutrality** (2021 to 2024)
			  • Dissemination of specific emission reduction calculation methods and tools to achieve CO_2 reduction targets
			  • Presentation about items to reduce CO_2 emissions
			  • Organization of study groups on energy savings and renewable energies
			  • Organization of a webinar and exhibition to link companies providing emission reduction solutions with suppliers facing challenges in cutting emissions
			  • Calculation of emission reduction targets for suppliers (Scope 1, 2, and 3) and the collection of green materials*1, as well as products and technologies that utilize environmentally friendly energy sources to achieve these targets
			• Suppliers in Tier-1 encourage suppliers in Tier-2 and beyond to participate in the initiatives above in an effort to disseminate this information throughout the supply chain

*1 Materials, such as recycled plastic, that emit less CO_2 than conventional options

■ **Voluntary activities by suppliers*2 (Japan)**

- **Round-table conference for corporate executives**
  - A regular event intended to encourage corporate executives to take a leading role in promoting activities.
  - Participants from Toyota Motor Corporation also attended discussions about carbon neutrality and digital transformation (DX) which included information sharing, issue identification, and discussion of responses.
- **Kyohokai Thematic Research Group (Environment) and Eihokai Sustainability Study Group**
  - Suppliers share information with each other to boost mutual awareness. Participants can deepen their understanding on environmental and carbon neutral management, circular economy, carbon footprint, energy-saving measures and other topics. This know-how is compiled into a collection which is then distributed and shared with all participants.
- **Volunteer activities**

*2 Implemented by associations comprised of Toyota's suppliers, Kyohokai and Eihokai
Kyohokai: Comprised mainly of automotive parts and materials suppliers
Eihokai: Comprised mainly of equipment, construction and logistics suppliers

Other initiatives with suppliers

P. 74 Initiatives for Migrant labor (forced labor)
P. 98 Quality Risk Management – Initiatives with Suppliers
P. 102 Information Security – Initiatives for Supply Chains

Responsible Material Sourcing

Aim

■ Toyota carefully appraises the negative impacts of its business activities on human rights and the environment, and strives to identify, prevent, and mitigate risks.

Initiative

Organizational Structure

■ **Cross-functional task force established to promote close cooperation between related divisions.**

- Leader: Senior General Manager (Sustainability)
- Related divisions: Sustainability, Purchasing, Human Resources, Environment and major regional affiliates.
- The task force monitors external trends, assesses risks , discusses action policies, and implements measures.

■ Reports on progress of initiatives to the Sustainability Subcommittee

P. 7 Organizational Structure

Policy

■ Toyota established “Policies and Approaches to Responsible Mineral Sourcing” based on the “OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas” aimed to prevent human rights violations, such as child labor and forced labor.

■ The “Supplier Sustainability Guidelines” clarify Toyota’s expectations of suppliers in terms of “Responsible Material Sourcing”.

Policies and Approaches to Responsible Mineral Sourcing

Supplier Sustainability Guidelines

Risk Awareness and its countermeasures

■ Toyota analyzes risks associated with automotive parts and materials and takes actions based on external surveys, regulatory trends, and the results of dialogues with external stakeholders. (Risk awareness is updated accordingly.)

Major potential material risks*1 / Implementation of measures*2

● : High risk ○ : Potential risk □ : Ongoing measures

		Cobalt	Lithium	Nickel	Natural graphite	Tin	Tantalum	Tungsten	Gold	Natural rubber	Mica
Major potential risks	Child labor	●				●	●		●	●	●
	Forced labor	●				●	●		●	●	●
	Impacts on indigenous people / local communities	○	●	●	○	○	○	○	●	●	○
	Environmental impacts (e.g., GHG emissions/pollutants)	●	●	●	○	●	●		●	●	○
Implementation of measures	● Implementation of measures to comply with the EU Battery Regulation ● Identification of multiple smelters and mines through ongoing survey on the supply chain for battery materials ● Ongoing dialogue with major battery manufacturers and suppliers	□	□	□	□						
	● Conduct of annual survey using the questionnaire provided by RMI*3 (CMRT)*4 in accordance with the U.S. Dodd-Frank Act (since 2013)*5 ● Collaboration with RMI to identify the background of smelters and refiners and promote their participation in the RMAP*6 • Toyota Motor North America (U.S.) has been involved in the activities of the Global Smelter Engagement Teams Working Group and the Automotive Industry Action Group (AIAG)’s Smelter Engagement Teams Working Group on conflict minerals originating from the Democratic Republic of the Congo in cooperation with the RMI ● Implementation of the following actions for subsidiaries and suppliers that fall within the scope of surveys (Japan) • Organization of briefing sessions for operational staff to improve awareness of Human Rights and Environmental Due Diligence, and these surveys • Conduct of trial risk assessments in line with internal criteria using the survey results and provided feedback to each company (2025)					□	□	□	□		
	● Formulation of a Policy for Sustainable Natural Rubber Procurement*7 to eradicate deforestation and ecological changes in the natural rubber supply chain. ● Implementation of measures to comply with EU deforestation regulations									□	
	● Start of survey using the questionnaire provided by RMI (EMRT)*8 (since 2024)	□									□

*1 Table created based on information from “Material Change” (Drive Sustainability, Responsible Minerals Initiatives, Dragonfly Initiative" and other sources

*2 External affiliated organizations (year joined)
- Responsible Business Alliance (RBA) (2024) RBA
- Global Platform for Sustainable Natural Rubber (GPSNR) (2019)

*3 Responsible Minerals Initiative

*4 Conflict Minerals Reporting Template Conflict Minerals Reporting Template

*5 Conflict Minerals Report

*6 Responsible Minerals Assurance Process

*7 Policy for Sustainable Natural Rubber Procurement **P. 16** Policy for Sustainable Natural Rubber Procurement

*8 Extended Minerals Reporting Template EMRT

P. 73 Human Rights Due Diligence

Initiative with Dealers

Aim

- **As the most trusted dealers in town, we are committed to ensuring the continued support of our customers by building up local communities and contributing to the happiness and wellbeing** of our customers and employees who live there.
- Based on the "Customer First, Dealer Second, Manufacturer Third" concept, **we will work with dealers to meet customer expectations and increase customer satisfaction.**

Initiative

Support for TNDAC*1 and Toyota Dealers to Enhance Compliance (Japan)

TNDAC initiatives	● **Toyota dealers promote initiatives by utilizing various inspection tools and "The Legal Compliance Manual"*2 in accordance with the TNDAC annual compliance schedule** • Details: Provision of a checklist of the following laws and various inspection tools, etc. • Laws related to dealers' duties including sales talks and responses to customers (Act on the Protection of Personal Information, Act Against Unjustifiable Premiums and Misleading Representations, Copyright Act, Consumer Contract Act, Insurance Business Act, Installment Sales Act, Act on Specified Commercial Transactions, Garage Act, civil law, and criminal law) • Laws related to safety and the environment (Road Transport Vehicle Act, End-of-life Vehicle Recycling Law) • Laws related to labor and employment of employees (Labor Standards Law, Industrial Health and Safety Act, Act on Securing, etc. of Equal Opportunity and Treatment Between Men and Women, laws and ordinances related to harassment) • Laws related to transactions (Antimonopoly Law, Subcontracting Law) ● General inspections of each dealer function (self-inspections) related to designated service maintenance (every June to August since 2020) • Addition of body paint (sheet metal & paint) inspections to designated maintenance services in each dealer function (since 2023) ● Operation verification activities by dealer groups to Toyota dealers (since April 2024) • Companies are encouraged to create operation verification teams in each dealer group and conduct regular checks to verify that operations are being properly carried out in line with legal requirements, and company policies and procedural guidelines in accordance with business processes • Provision of basic guides (detailed/excerpted versions), checklist items, and sample confirmation documents and checklists ● **TNDAC Helpline** • Repeated notices to dealers and employees to prevent and quickly detect any legal or regulatory violations
Support from Toyota	● Implemented the following initiatives in response to designated vehicle maintenance violations and improper handling of personal information by dealers. (From FY2022 onward) • Compliance seminars for dealer representatives and other personnel • Supporting improvement activities at dealers by disseminating TPS (Toyota Production System) know-how and holding training sessions • Supporting dealers' initiatives through the distribution of a Privacy Governance Guidebook reflecting amendments of the Act on the Protection of Personal Information made in April 2022 ● Support for the development of tools for operation verification activities by dealer groups and training for activity leaders ● Disseminating Toyota Motor Corporation's Human Rights Policy to dealers • The policy has a particular focus on appropriate management of foreign technical internship trainees and creating harassment-free workplaces

*1 The Toyota National Dealers' Advisory Council (TNDAC) is an organization comprised of Toyota dealers in Japan *2 Tools to support voluntary legal compliance activities by dealers

Support to improve CS*3 and ES*4 to ensure "stable management" at Toyota dealers in Japan

Support from Toyota	● CS: Provision of a CS Questionnaire system to dealers and implementation of support activities in accordance with the status of initiatives at each dealer • Collection and dissemination of useful information about successful initiatives to improve CS at dealers, and provision of opportunities for dealers to share information with each other ● ES: Provision of a Workplace Environment Questionnaire to dealers along with a recommendation to have dealers conduct the questionnaire survey on a regular basis • Roll out of "Better Workplace Seminars" to promote utilization of the results of Workplace Environment Questionnaires by dealers • Introduction of an information website and a consultation service (JP-MIRAI) for foreign workers living in Japan

*3 Customer Satisfaction *4 Employee Satisfaction

P. 75 Collaboration with JP-MIRAI

Support for dealers in Japan to achieve carbon neutrality

Support from Toyota	● Launch of the "Carbon Neutral Guide for Dealers" to assist in identifying and reducing greenhouse gas emissions • In addition, deployment of a solar panel installation guide and partial support to cover associated costs as they offer the greatest emission reduction benefits

Updated in October 2025

Vehicle Safety

SDGs Contributions

GRI 3-3, 203-2, 416-1

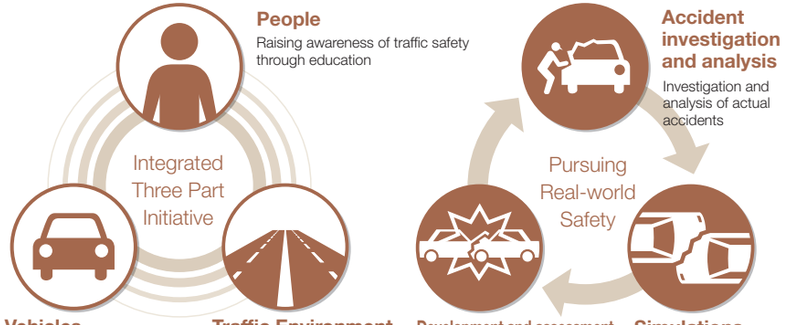
Fundamental Approach

Aim

- Toyota's ultimate goal – **Zero casualties from traffic accidents, and ultimately, the realization of a society with zero traffic accidents**.

Initiative

- Promotion of our **integrated three-part initiative for people, vehicles, and the traffic environment.**
- **Pursuing real-world safety** by learning from actual accidents and incorporating that knowledge into vehicle development.
- Moving forward with the development of technologies for accident prevention, collisions, and emergency rescue based on our integrated safety management concept.



Integrated Safety Management Concept

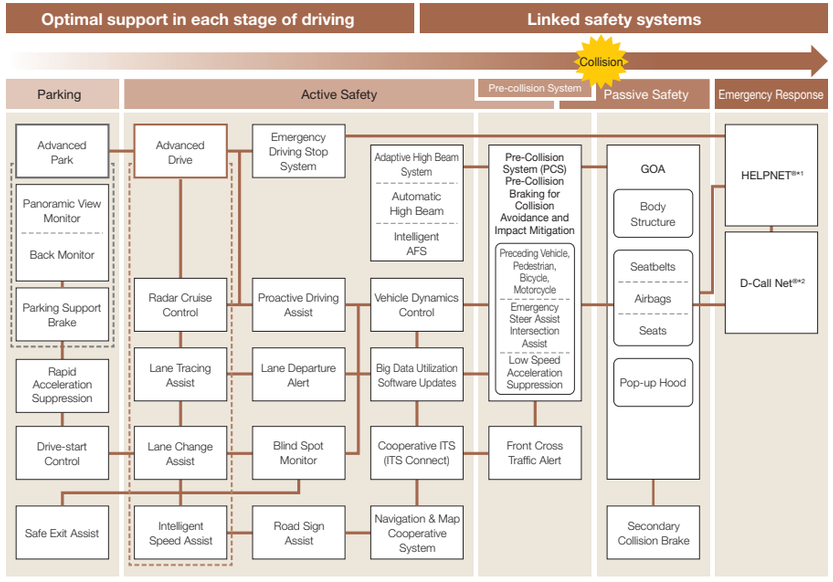
Aim

- Toyota's approach to pursue reasonable safety by reinforcing links between vehicle safety systems rather than thinking about each system as a separate component system. - **Integrated Safety Management Concept**

Initiative

- Toyota provides optimum driver support for reasonable safety in each stage of driving, **from parking to normal operation, the moment before a collision, during a collision, and post-collision emergency response.**

Integration of Individual Technologies and Systems



*1 Registered trademark of Japan Mayday Service Co., Ltd.
*2 Registered trademark of the Emergency Medical Network of Helicopter and Hospital (HEM-NET)

Active Safety

Aim

- Contributing to a reduction in serious traffic accidents causing death or serious injury by utilizing safety functions focusing on assistance to avoid collisions with cars and reduce damage, assistance to prevent accidents caused by leaving the lane, and ensuring optimal visibility during nighttime driving.

Initiative

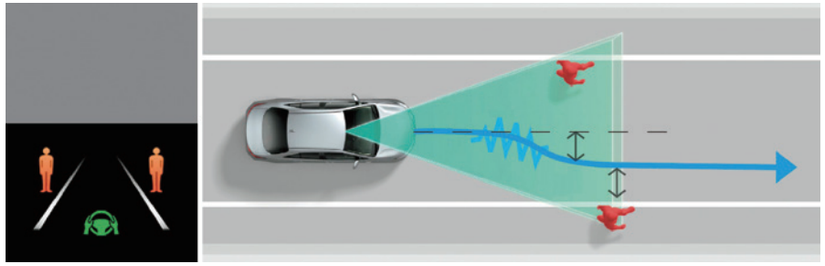
- **Toyota Safety Sense (Active Safety Package)**
  - A package of multiple active safety functions that help reduce serious traffic accidents causing death or serious injury.

Pre-Collision Safety (PCS)	Designed to assist in avoiding and mitigating damage from collisions with cars ahead or pedestrians	
Lane Departure Alert (LDA)	Contributes to preventing accidents caused by the vehicle leaving the lane	
Automatic High Beam (AHB)	Helps to ensure optimal forward visibility during nighttime driving	
Radar Cruise Control (RCC)	Detects the vehicle in front to support adjusting distance and speed	
Lane Tracing Assist (LTA)	Helps to keep the vehicle in the middle of the lane when using RCC	
Road Sign Assist (RSA)	Detects road signs to help keeping the driver updated with the latest information	
Proactive Driving Assist (PDA)	Predicting risks to support safe driving	

- Toyota Safety Sense (TSS) has been installed in more than **56.0 million vehicles globally** since it was launched on to the market in 2015 (figure as of July 2025).
- TSS is now available on nearly all passenger car models (as standard or option) in the Japanese, United States, and European Markets. It has also been introduced in a total of 144 countries and regions in major markets including China and other selected Asian countries, the Near and Middle East, and Australia.

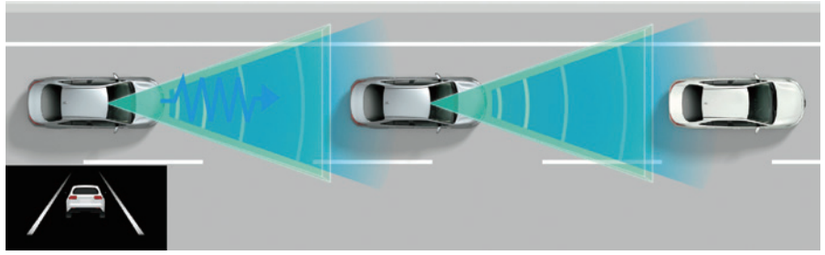
- Equipped with Proactive Driving Assist (PDA) which anticipates risks in front of the vehicle, just like a veteran driver, and help prevent risk escalation by intuitively supporting the driver.

Obstacle prediction assist



Early gentle deceleration toward a pedestrian
Comfortable distance to pedestrian/bicycle/vehicle

Speed reduction assist (vehicle)



Assist deceleration to maintain comfortable headway

Passive Safety

Aim

- **Minimizing collision damage** by combining vehicle bodies that absorb the energy of collision with devices that provide support to protect drivers, passengers, and pedestrians.

Initiative

- **GOA (Global Outstanding Assessment)**
  - Toyota's world-class collision safety rating.
    ⇒ Toyota has continued to advance GOA, continuously pursuing the real-world safety performance of its vehicles in a wide variety of accidents.
- **THUMS (Total HUman Model for Safety)**
  - A virtual model of the human body jointly developed by Toyota and Toyota Central R&D Labs, Inc. to analyze injuries to the human body caused by vehicle accidents through computer simulations.
  - The model is used to research and develop various safety technologies including safety devices such as seatbelts and airbags, and vehicle structures that mitigate injuries in accidents involving pedestrians.
    ⇒ Since 2021, Toyota has made the THUMS software available to the public free of charge on its website and is exploring its future application in automotive assessments where virtual evaluations are gaining momentum.

THUMS

External Safety Evaluations[*1] (2024)

Figures in brackets: (Number of vehicles receiving the highest ranking/Number of vehicles evaluated

Five Star Award (the highest ranking) in the JNCAP[*2]	Crown SD	(1/1)
TSP+[*3]/TSP (the highest ranking) in the Car Assessment Program of the Insurance Institute for Highway Safety (IIHS)[*4] in the U.S.	Camry 24MY[*6], Camry 25MY[*6], Corolla SD, Crown, Crown Signia, Highlander, Prius, Prius Prime, Sienna, Tacoma crew cab, Tundra crew cab 24MY[*6], Tundra crew cab 25MY[*6], Tundra extended cab 24MY[*6], Tundra extended cab 25MY[*6], Lexus NX, NX Plug-in Hybrid, RX, RZ, UX	(19/33)
Five Star Award (the highest ranking) in the NCAP[*2] in the U.S.	bZ4X, Camry, Corolla HB, Corolla SD, Crown, Highlander, Prius, Prius Prime, RAV4, Sienna, Tundra, Venza, Lexus ES, IS, RZ, UX	(16/18)
Five Star Award (the highest ranking) in the Euro NCAP[*2] in Europe	C-HR, Lexus LBX	(2/2)
Five Star Award (the highest ranking) in the ANCAP[*2] in Australia	Camry, C-HR, Prado, Lexus LBX	(4/4)
Five Star Award (the highest ranking) in the Latin NCAP[*2] in Latin America	—	(0/2)
Good (the highest ranking) in occupant protection, pedestrian protection, and prevention in the C-IASI[*5] in China	Frontlander	(1/2)
Five Star Award (the highest ranking) in the CNCAP[*2] in China	Camry	(1/1)
Grade 1 Award (the highest ranking) in the KNCAP[*2] in Korea	—	(0/1)
Five Star Award (the highest ranking) in the ASEAN NCAP[*2]	—	(0/0)
Five Star Award (the highest ranking) in the Taiwanese NCAP[*2]	Lexus NX	(1/2)

*1 Evaluation Period: Japan - April 2024 to March 2025; US IIHS – September 2023 to December 2024 (2024 TSP+/TSP winners), US NCAP – 2024 model year, Other – January to December 2024
*2 NCAP (New Car Assessment Program): New car assessment programs carried out by different countries and regions
*3 TSP+: A ranking given to the most outstanding TSP-ranked vehicles
*4 IIHS: Insurance Institute for Highway Safety
*5 C-IASI: China Insurance Automotive Safety Index
*6 MY: Model Year

SASB TR-AU-250a.1

Emergency Response

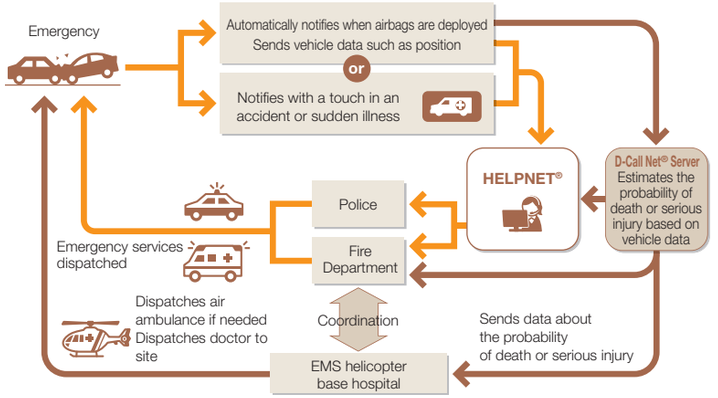
Aim

- Contributing to a reduction in traffic accident fatalities by **facilitating the rapid response and the rapid rescue of people involved in traffic accidents**.

Initiative

- **HELPNET®[*7] service – Toyota's emergency reporting system (Japan)**
  - In the event of an accident or sudden illness, a dedicated operator contacts police, fire, or ambulance services to ensure the rapid dispatch of emergency vehicles.
- **D-Call Net®[*8] compatible**
  - The system assesses the probability of death or serious injury of the driver and/or passengers based on vehicle data that is automatically sent when the airbags deploy. This system sends data to hospitals or fire departments to facilitate rapid decisions to dispatch air ambulances[*9] or other support.

HELPNET® (Airbag-linked Type) Alert Process



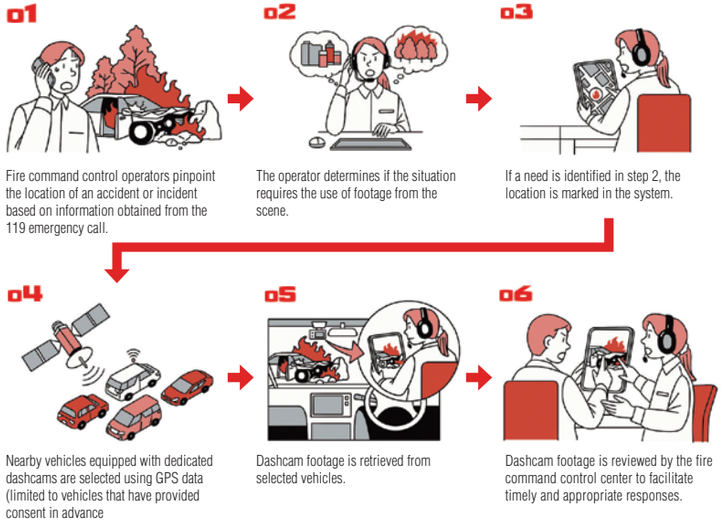
*7 HELPNET® is a registered trademark of Japan Mayday Service Co., Ltd.
*8 D-Call Net® is a registered trademark of HEM-Net (Emergency Medical Network of Helicopter and Hospital)
*9 Air ambulances may not be available due to location, time of day, weather, etc. D-Call Net® will not respond when the HELPNET® button is pressed

■ **DRIVE RECORDER 119 (Japan)**[*1]

- Fire command control center operators can view footage from dedicated dashcams[*2] in vehicles in the nearby area during 119 emergency calls where it may be difficult to assess conditions at the scene.
- Dashcam footage from 119 emergency calls can be used to assess situations and provide rapid and efficient firefighting responses.
- Dashcams serve as the “eyes” of the fire department helping to ensure fast and effective firefighting and rescue operations in emergencies where every second counts.

*1 Service introduced in Sakai City and proof-of-concept trial currently in progress in Kyoto City
*2 Dedicated dashcams are installed in commercial vehicles such as buses, taxis, and trucks

Sequence of events from a 119 emergency call to the use of dashcam footage



Example of application in field demonstration (Sakai City, Osaka Prefecture)

Accident details	Advantages of using dashcams
Two overturned trucks in highway accident	Confirm emergency vehicle access routes to mitigate the risk of secondary disasters and prevent excessive response
Passenger car and pedestrian collision at intersection	Quick medical intervention provided 15 minutes faster, saving patients from a life-threatening crisis
Passenger car collision under overpass	Faster arrival time as a result of quick identification of the accident site and understanding of traffic conditions

Dashcams Become the Eyes of the Fire Department - The Scene Moves to Kyoto as Project Gets Rolling

Automated Driving Technology

Aim

■ Achieving a society where **everyone, including elderly people and people with disabilities, can enjoy mobility safely, smoothly, and freely** using automated driving technology that aims to reduce traffic accident injuries and deaths to zero.

Initiative

Development of Automated Driving Technology

■ Began implementing research and development into automated driving technology in the 1990s.
■ Toyota’s unique approach to automated driving, known as the **“Mobility Teammate Concept”**, seeks to create a friendly relationship between people and vehicles that allows them to communicate and assist each other.
- Automated driving technology is not intended to take driving away from humans or replace human drivers. Instead, it is designed to achieve true safety, peace-of-mind, and freedom of mobility by establishing people and cars as trusted partners that can share the joy of driving, and take over driving duties as necessary.

■ Toyota is advancing R&D into automated driving technologies not only for personally owned vehicles (POVs), but also in the field of mobility as a service (MaaS) which involves the movement of people and things.
- Introduction of automated driving technology into new industries that have business needs.
- Data from these vehicles will be collected, analyzed, and fed back into development to further enhance automated driving technologies.

Models Equipped with Advanced Driver Support Technology

■ Lexus LS and MIRAI models launched in April 2021 are equipped with the **new Advanced Drive function integrated into the Lexus Teammate or Toyota Teammate advanced driver** support technologies.

Technology Details

Advanced Drive for Driving Support on Highways	• The on-board system will appropriately detects the vehicle’s surrounding, make decisions, and assist driving under the driver’s supervision according to actual traffic conditions. It can keep the vehicle in its lane, maintain the distance from other vehicles, navigate a lane split, change lanes, and overtake other vehicles until leaving the roadway for the destination • The system achieves reasonable safety and peace-of-mind, reducing driver fatigue and providing a pleasant journey to the driver’s destination
Deep Learning-Focused AI Technologies	• Supports driving by predicting and responding to a wide variety of situations that could occur when driving
Software Updates	• Software can be updated to the latest version using wireless communications or a wired connection

Woven by Toyota, Inc.

■ **Toyota Teammate (Advanced Drive/Advanced Park support for drivers)**
- **Toyota Teammate** is an advanced driver support system developed based on **Mobility Teammate Concept**. It is now available on models in the popular price range to further contribute to a safe society.

Advanced Drive (support during traffic congestion)	Provides support to reduce driver fatigue caused by driving on congested highways
Advanced Park	Assists smooth and easy parking in a range of situations


Advanced Drive (support during traffic congestion)


Advanced Park

Initiatives to Improve Traffic Safety Awareness

Aim

■ Implementing **educational initiatives to raise awareness among drivers and pedestrians** and prevent traffic accidents.

Initiative

(Toyota Motor Corporation)

Target Audience	Activities
General	• Sharing useful information with drivers and pedestrians that pushes past boundaries between manufacturers and industries through a traffic safety awareness website

Drivers	• **Safety Education Center Mobilitas** (located on the grounds of Fuji Speedway)
	  • Regular safe driving technique seminars for the general public and company drivers (Toyota Driver Communication)
	  • Training program created by Toyota's vehicle development drivers (data measurement program) that visualizes customers' driving behavior and provides feedback
	• Happy Driving Seminar and Nerve Stimulation Exercises – **a traffic safety program for elderly drivers and pedestrians**
	Held in collaboration with local governments and dealers to improve safe driving skills, boost safety awareness, and improve the brain function of elderly drivers
	• **Driving Health (Wellness driving support for veteran drivers)**
	Program conducted with dealers that measures physical and cognitive functions related to driving and recommends appropriate vehicle safety features and safe driving habits based on the results.

Pedestrians	• Since 1969, **Toyota has provided traffic safety teaching materials to children** in their last year at kindergartens and daycare centers all over Japan in collaboration with Toyota dealers nationwide • Information is provided to children and their parents/guardians using digital content on the Toyota Traffic Safety for Kids website • **SayuU GPS tracking device for children** Includes features for tracking a child's location and behavior, such as detecting and recording if they look right and left before crossing the street or run, with the aim of establishing traffic safety habits in children (demonstration stage) • Elderly attendees at events can receive pamphlets to raise their traffic safety awareness as well as a variety of reflective items for safety at night

Updated in October 2025

Quality and Service

GRI 3-3, 416-1, 2, 417-1

Fundamental Approach

Aim

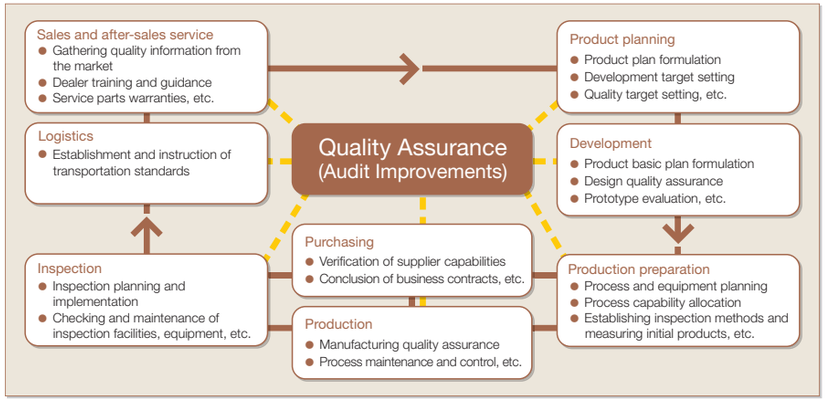
- **The quality of the work performed by each employee** provides the foundation for the **quality of our products** and the **quality of our sales** and service. The combination of these three elements allows Toyota to provide products and services that our customers can use with confidence.

Initiative

- Individual employees involved in each process including development, purchasing, production, sales, and after-sales services, **integrate quality into their work**. Each function is linked with other functions in a continuous cycle of quality improvement. Accordingly, Toyota's Quality Management System (QMS), designed with reference to ISO 9001, is applied across the full range of processes from planning and development through production, procurement, logistics, sales, and services.
- ISO 9001 Series Certification (including IATF 16949) has been acquired at 45.7% of production sites* in Japan and overseas.

* Scope: 70 production sites and manufacturing facilities (as of May 2025)

Quality Assurance System



Status of ISO 9001 Series Certifications at Major Production Sites (including IATF 16949) as of May 2025

Regions	Country	Business operators and plants	Business scope
Japan	–	Miyoshi Plant	Parts manufacturing
		Kinuura Plant	
North America	United States	TMMK	Vehicle manufacturing
	United States	TMMI	
	Canada	TMMC	
Europe	Belgium	TME	Parts manufacturing
	Czech Republic	TMMCZ	Vehicle manufacturing
	France	TMMF	
	Poland	TMMP	Parts manufacturing
	Turkey	TMMT	Vehicle manufacturing
	United Kingdom	TMUK (Burnaston Plant)	
		TMUK (Deeside Plant)	Parts manufacturing
Asia	Indonesia	TMMIN (Karawang Plant)	Vehicle manufacturing
	Malaysia	ASSB (Shah Alam)	
		ASSB (Bukit Raja)	
		UMWT	Sales and services
	Pakistan	IMC	Vehicle manufacturing
	Thailand	TMT (Samrong Plant)	
		TMT (Gateway Plant)	
		TMT (Ban Pho Plant)	
		TAW	
	Vietnam	TMV	
China	–	FTMC	
		FTEV	
		FTCC	
		FTCF	
		FTRD	Development
		FTET	Parts manufacturing
		FTEC	
		FTLT	Logistics
		FTMS	Sales and services
		GTMC	Vehicle manufacturing
		TFAP	Parts manufacturing
		GTE	
		TTFC	
		CPAB	
South America	Argentina	TASA	Vehicle manufacturing
	Brazil	TDB (Sorocaba Plant)	
		TDB (Indaiatuba Plant)	
Africa	South Africa	TSAM	

■ Initiatives Based on the **Quality Policy**

- Toyota formulates the code of conduct for globally common quality to maintain and enhance the confidence of the customers and discusses a proper response globally and in each region, with the aim of promoting solutions to quality issues and ensuring quality for new businesses and technologies.
- The policy is also shared with affiliated group companies and suppliers to promote collaborative actions for ensuring quality.
- Information about initiatives implemented under the policy is reported to senior management, including board of directors.

■ **Quality Assurance Based on Toyota Quality Control Standards**

- Toyota establishes the rules, methods, and criteria necessary for controlling its manufacturing and business processes to enable Toyota to continuously provide the product performance and functions, as well as services, that Toyota aims to achieve.
- Based on the global regulations, Toyota establishes its quality control standards at each production base that are suitable for the customers and environment of each region, and periodically checks and reviews the standards.

Organizational Structure

Aim

■ Promote regionally-led quality improvement activities so that **decisions and taking actions are made as close as possible to local customers.**

■ Be attentive to the increasingly diversified mobility needs of our customers and guarantee the quality of customers' experiences obtained through mobility services.

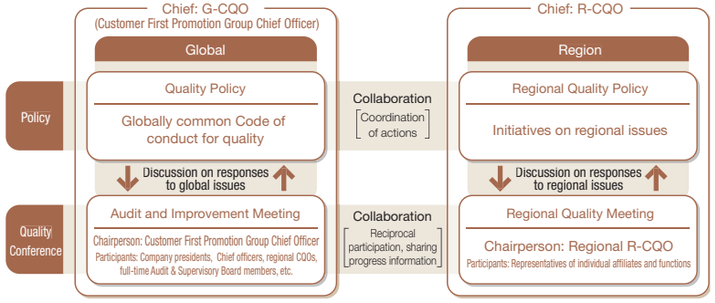
Initiative

■ Appointment of a **Global Chief Quality Officer (G-CQO)** in charge of global quality assurance and Regional Chief Quality Officer (R-CQO) Chief Quality Officers (CQO) in charge of quality in each region of the world.

■ **Audit and Improvement Meeting: Discussion and decision-making on quality-related policies and important issues**.

- Participants: Operating officers, cCompany presidents, chief officers, regional CQOs, and full-time Audit & Supervisory Board members.
- Several times a year, CQOs from all regions gather together on a monthly basis to discuss responses to global issues, evaluate the results of the responses, and further discuss and make decisions on new policies and targets based on these evaluations.
- Each region has a variety of quality-related conferences. Meetings chaired by regional CQOs are attended by the Global R-CQO or a member of the administration at Toyota Motor Corporation to facilitate further communication and collaboration.

Global Policy Implementation Structure and the Quality Conference



■ Our company will guarantee: (1) the quality and security of our telecommunications that allow vehicles to connect to people, things, and cities; and (2) the quality of the information telecommunications platforms and servers that are used to operate our services.

- A review of our quality assurance regulations is being implemented and making company-wide efforts to strengthen the quality assurance process.

Product Safety Initiatives

Aim

■ Engaging in **car manufacturing while giving due consideration to safety and security throughout the entire process from design to production.** In addition to achieving regulatory conformity in each country, we listen to the voices of customers around the world and utilize their opinions to make ever-better cars.

Initiative

■ **Development phase**

- Maintaining our constant pursuit of world-class reliability and durability.
  - Compiling the quality-related targets and priority items in the form of a written quality plan during the product development phase, and sharing the plan with all parties involved in the development
  - Setting targets geared to vehicle longevity through, for example, surveying the environments where our vehicles are used and analyzing recovered parts.
  - Carrying out durability tests based on Toyota standards.
- Incorporating fail-safes to ensure that customers can stop and evacuate from a vehicle safely in the event of a failure. Development to ensure customer peace-of-mind by defining quantitative indices of vehicle behavior that might make our customers feel uneasy.

■ **Production phase**

- With regard to equipment, operations and inspections at plants associated with product safety, including our supply chain, we visualize how the equipment is managed and how the operations and inspections are conducted. Through particularly focused management, we make sure to prevent problems.

Quality Risk Management

Aim

- **Sharing information about quality risks worldwide, implementing proper actions from the standpoint of local customers, and ensuring streamlined responses to emergencies** on a global scale.

Initiative

Organizational Enhancement

- Appointment of a Regional-Product Safety Executive (RPSE).
- Develop quality risk management structure that represent the voices of local customers.

Auditing

- **Conducting company-wide internal audits and at each Toyota Group plant annually** to further enhance proper quality assurance activities in accordance with the laws and regulations of each country as well as our internal rules.
  - Our auditing teams are comprised of internal auditors with comprehensive knowledge of ISO 9001, Toyota's quality assurance rules and systems, and various auditing methods. These teams conduct audits focusing on audit points that have been determined based on internal and external changes to the business environment, quality indicators, and other factors.
  - Audit results are shared with relevant parties so that improvement measures can be implemented promptly.
  - Toyota listens sincerely to the opinions of third parties, including the certification organizations of each country, and reflects them in the enhancement of our quality assurance activities.

Initiatives with Suppliers

- Working in close cooperation with suppliers to ensure the level of quality that Toyota aims to achieve.
  - Transactions start after verifying that suppliers possess the required capabilities for design, development, and quality assurance. Subsequently, on-site inspections (genchi genbutsu) are performed with suppliers focusing on safety, quality, and supply to guarantee mass production quality.
  - A quality assurance manual is used that details the required tasks by both suppliers and Toyota at each stage from production readiness to the start of mass production. Toyota works together with suppliers to promote the creation of drawings, production of molds, and development of processes.
  - After mass production begins, the PDCA cycle is used to maintain and improve quality by indicating policies, targets, and tracking actual performance. Toyota jointly assesses current conditions, develops improvement plans, and implements corrective actions with suppliers facing specific challenges, as identified in the previous year's performance.

Fostering Quality-oriented Awareness and Culture

Aim

- **Developing human resources and improving work quality**

Initiative

- Annual initiatives to boost quality awareness among all employees, and quality related training designed for employees at each job level.

Toyota Restart Day	• February 24 was designated as Toyota Restart Day after Akio Toyoda (President at the time) attended a US Congressional hearing on that date in relation to a series of recalls in 2010. Toyota is committed to creating better mechanisms and carrying out awareness-raising activities to ensure that the lessons learned from this experience are never allowed to fade away
Customer Quality Learning Centers	• Established in 2014, the Customer Quality Learning Centers are educational facilities for conveying the experiences and lessons Toyota learned from the series of recall issues to future generations of employees • The Center is updated every year to reflect recent issues to ensure that the lessons learned are not forgotten • Knowledge is transferred internally through in-person and remote tours in conjunction with rank-specific education programs. Efforts to pass on knowledge are also promoted in collaboration with major companies within the Toyota Group • Customer Quality Learning Centers unique to individual plants and overseas sites have also been established, and they are working to ensure employees in each region and each plant thoroughly understand the importance of quality • As of FY2025, 12,000 employees have participated in activities at our Centers (within Toyota Motor Corporation) All-Toyota TQM Convention
Exhibition of Quality Improvement Activities	• As part of "Quality Month" each November, Toyota organizes an Exhibition of Quality Improvement Activities Quality Case Study Exhibition to raise awareness across the entire organization about recent quality issues and lessons learned • The exhibition is conducted concurrently at Toyota headquarters and in multiple locations at each site to allow more employees to take part and apply what they learn to their work • Participants (FY2025): approx. 25,000 (Toyota Motor Corporation only)

All-Toyota TQM Convention	• Toyota holds dialogues and improvement case study exhibitions with suppliers and dealers across various organizations and roles
	  • Participants (FY2025): approx. 500 people at online exchange meetings, approx. 5,000 people at exhibitions and open-floor dialogue
	  • These events provide opportunities for people to access information to be able to work together beyond their companies and organizations for further quality improvement

Coping with Quality Problems

Aim

- **Early detection and rapid resolution of quality-related issues** to ensure that our customers can use our vehicles safety.
- Ensuring constant legal compliance and making recall decisions from the customer's perspective, putting safety and assurance first and making it possible to implement rapid responses and minimize inconvenience to the customer.

Initiative

- **Recall decision-making process**
  - Clarifying response procedures and persons in charge based on the Toyota Quality Control Standards.
  - A study meeting participated by the heads of relevant departments and the Regional Product Safety Executives (RPSE) is held to discuss based on the quality information, and a recall is made by mutual consent and subject to G-CQO's approval.
  - Feedback from customers in the region is always reflected in responses, and regional representatives located closest to the customer are also involved.
- **Responses when a recall has been made**
  - The customer's safety and security will be our the highest priority and the following steps will be taken to ensure rapid repairs and encourage customers to bring their vehicles in for repairs:
    - Notification will be sent in a prompt and fair manner by postal mail to customers who own vehicles covered by the recall. Dealers will also contact customers, if necessary.
    - Recall information will be posted on the company's website on the same day as the recall notification.
    - We also make the required reports, including notifications to the authorities in accordance with the laws and regulations of each country, and report the ratio of the number of repaired vehicles to the number of recalled vehicles.

FY2025 Recalls SASB TR-AU-250a.3

Country/Region	Number of Recalls	Number of Units
Japan	16	920,000
North America	19	980,000
Europe	20	500,000
Other	35	1,270,000
Global	59*1	3,670,000*2

*1 The figures above include recalls that cover multiple countries and regions, therefore totals for recalls and units in each country/region may differ from global figures.
*2 Scope of recalls listed above: Toyota or Lexus branded vehicles for which Toyota Motor Corporation has issued a recall notice (including OEM by Toyota Motor Corporation)

After-sales Service

Aim

- Provide accurate and caring service to every Toyota and Lexus customer, resulting in customer safety, peace of mind and finally trust.
  (3S philosophy: Seikaku(Accuracy) + Shinsetsu(Caring) = Shinrai(Trust)).
- Pursuing the best service in town, which customers say “that store” and “that person”, leading to “Producing happiness for all”.
- In carrying out the above, continue to protect the Toyota and Lexus brands by ensuring through everlasting priority order of “Safety>Quality>Volume>Profit” at all times.

Initiative

- Timely and steady implementation of various measures anchored on the four pillars of safety and CSR, people-centered dealership management, ever better service and ever better cars.

Safety & CSR	• Implementation of preventive actions using information and case studies on accidents around the world with the aim of eliminating all accidents in the workplace. • Creation of mechanisms to ensure legal compliance in all processes for vehicles, parts, and field operations in and outside Japan and development of risk management systems.
People-centered dealership management	• Support for increasing the appeal of technician careers and creating comfortable working environments at Toyota and Lexus dealerships around the world. • Promotion of reforms in working styles for technicians in cooperation with the Ministry of Land, Infrastructure, Transport and Tourism and the automotive industry through efforts to reform vehicle inspection systems and other initiatives.
Ever better service	• Support for improving operations in repairs and maintenance, customer service, parts supply and other areas. • Development of equipment and distribution of information on repairs from the perspectives of technicians and information users, tailored to the needs of each region. • Establishment of systems to supply parts needed in different countries around the world, as and when needed. • Development of new services, such as vehicle monitoring using connected data and promotion of the development of new connections with customers through operational support for the service above.
Ever better cars	• Use and incorporation of diverse regional needs and feedback from customers and technicians to design and manufacture “ever better cars”.

Customer Feedback System

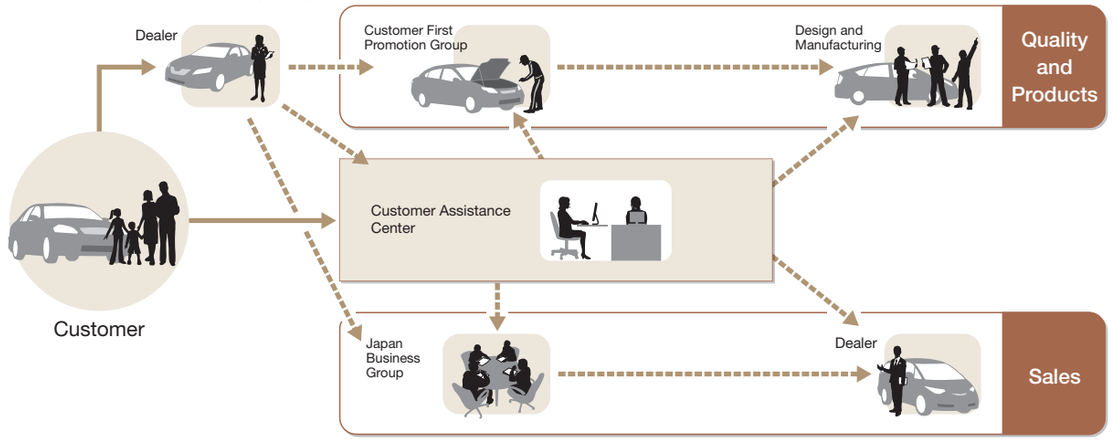
Aim

- **Prompt, accurate, and courteous responses** are provided based on our Customer First principle. Customer feedback and information from dealers are reflected in creating Ever-Better Cars, Sales, and Service.

Initiative

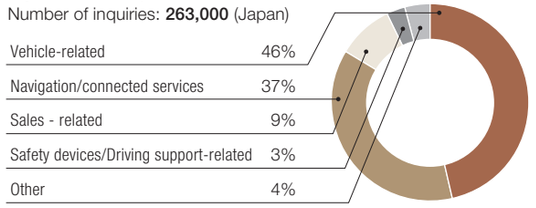
- Dealers in many global markets **set up their Customer Access Centers** to respond to customer enquiries.
- Toyota Customer Assistance Center (Japan)
  - The Toyota Customer Assistance Center, the Lexus Information Desk, and the Lexus Owners Desk are available to respond to customer inquiries. (The Center's sign language interpreter service began in February 2022)
    - From February 2022: Sign language interpretation services available.
    - From January 2024 : Two Customer Assistance Centers focused on BCP open
- Inquiry Line for Dealers (Japan)
  - The Salesperson Support Desk, an inquiry line especially for sales staff at Toyota dealers, has been established within Toyota Motor Corporation and provides support for staff to implement Customer First responses.
- Customer feedback received through our Customer Assistance Center and Salesperson Support Desk is used in activities to create Ever-Better Cars, Sales, and Service.
- We have formulated and posted "Customer Harassment Guidelines" on the contact page of Toyota's website to help employees continue to deliver services that satisfy and reassure our customers.

Customer Feedback Flowchart (Example: Japan)

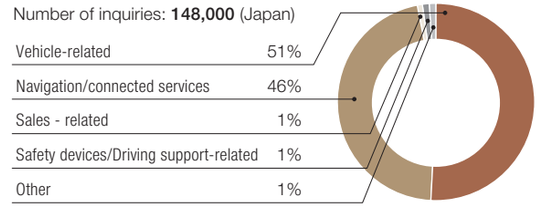


Number of inquiries received by the Toyota Customer Assistance Center in FY2025

Toyota Motor Corporation Customer Assistance Center
Number of inquiries: **263,000** (Japan)

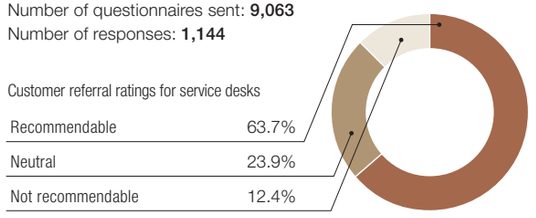


Lexus Information Desk
Number of inquiries: **148,000** (Japan)

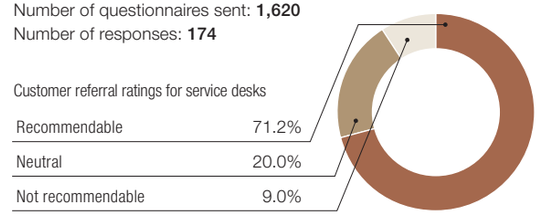


FY2025 Customer Satisfaction Survey

Toyota Motor Corporation Customer Assistance Center: User feedback (Japan)
Number of questionnaires sent: **9,063**
Number of responses: **1,144**



Lexus Information Desk: User feedback (Japan)
Number of questionnaires sent: **1,620**
Number of responses: **174**



* Percentages are rounded to the nearest whole number and thus totals may not add to exactly 100%.

Internal Awareness-Raising Activities (Toyota Motor Corporation)

Experience and learn from customer feedback	• Employees visit our Customer Assistance Center to learn about how it functions. • A bulletin board compiling customer feedback is available on the company intranet.
Consumer Affairs Advisor qualification	• Our company actively encourages employees to obtain the Consumer Affairs Advisor qualification, which is certified by the Japanese Prime Minister and the Minister of Economy, Trade and Industry. • The Toyota Consumer Affairs Advisor Group, made up of qualified employees, organizes workshops for new employees to prevent consumer disputes, carries out evaluations of facilities, vehicles, and catalogue checks from the customer's perspective, and conducts "mystery calls" to enhance the response capabilities of our Customer Assistance Center.

Updated in October 2025

Information Security

GRI 416-1, 418-1

Fundamental Approach

Aim

- **Protect information assets and ensure the safety and security of our customers** from the threats and risks of cyber attacks, which target confidential corporate information and information systems, the networks of systems that control plant facilities and vehicles (such as on-board device systems), and even supply chains.

Initiative

- Based on the **Information Security Policy**, Toyota Motor Corporation and its consolidated subsidiaries work together to prevent information leaks.

Information Security Policy

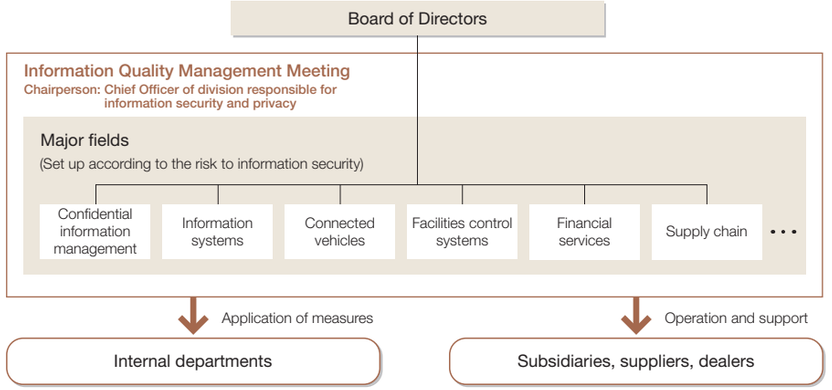
Organizational Structure

Aim

- Share and discuss details of activities in each security field and overall common issues.
- Assure readiness for potential cases of serious incidents.

Initiative

- **Information Quality Management Meeting** is a decision-making meeting regarding important matters, policies, and specific measures related to security chaired by the **Chief Officer of division responsible for information security and privacy**.
- If a serious incident occurs:
  Promptly confirm the facts of the incident → Report to management, including Board of Directors → Analyze the causes and take countermeasures



Information Security Measures

Aim

■ Preventing leaks of confidential information and protecting information assets from cyber attacks.

Initiative

Initiatives in Toyota Motor Corporation

■ **Level up activities based on All Toyota Security Guidelines (ATSG)**

Complied/reference guidelines	• ISO 27001/27002 • US National Institute of Standards and Technology (NIST) Cybersecurity Framework • Cyber/Physical Security Framework by the Ministry of Economy, Trade and Industry • JAMA/JAPIA Cybersecurity Guidelines, etc.
Contents * Revised periodically to cope with environmental changes	• Organizational management measures • Human resource management measures • Technical management measures • Physical management measures • Establishment of incident/accident response
Self-inspection based on ATSG	• **Once a year**

■ **Major Activities for Information Security Education**

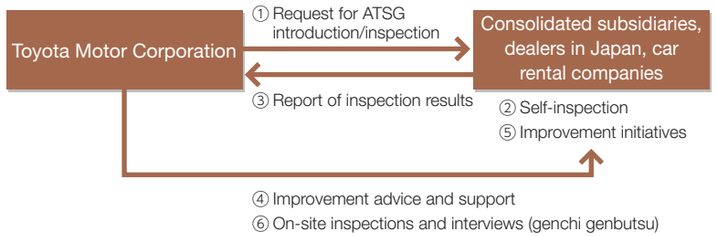
Examples
- Training for all employees (including secondees and dispatched employees)
- Carrying out activities, which all employees are required to take part in, to raise awareness in Information Security Reinforcement Month (twice a year).
- Displaying educational or warning information at startup of personal PCs.
- Providing information security training for new employees and special training when a new law is enforced to ensure information is distributed in a timely manner (e-learning).
- Sending targeted-attack-type emails without notice to all employees, including executives. (once or twice each year).
- Launch of educational programs and security certification systems designed for cloud service users in response to the rapid shift to cloud computing.

Initiatives at Consolidated Subsidiaries, Dealers, and Car Rental Companies

■ Promoting level-up activities based on the ATSG like at Toyota Motor Corporation.

■ Toyota Motor Corporation's specialized team carries out on-site audits and interviews at consolidated subsidiaries, dealers (Japan), and car rental companies (Japan) (to check responses to ATSG and the status of implementation of physical security measures).

Process of ATSG inspections, audits, and interviews



Initiatives for Supply Chains

■ In recent years, cyber-attacks targeting supply chains have been increasing. (Hacking and ransomware attacks actually happened to suppliers.)

■ Establish a structure for security measures of supply chains and implement initiatives to reinforce security of the entire automotive industry.

⇒ Promote initiatives using JAMA/JAPIA Cybersecurity Guidelines, the standards of the industry, for suppliers

Preparing for Information Leaks and External Attacks

Aim

■ Preparing for potential cyber-attacks to company information asset, information system, networks of systems that control plant facilities and taking proper and prompt action in case of a serious issue.

Initiative

■ **Information gathering and monitoring by a specialized team**
- Share information on security threats with each regional headquarters. Regional headquarters ensure that the information is shared within the region and promptly take necessary measures.

■ **Conduct training**
- Assuming increasingly complex and sophisticated cyber-attacks, the specialized team conducts training **at least once a year** and prepares scenarios for early recovery to be prepared for a large-scale issue.

■ **Third-party evaluations**
- Receive third-party evaluations every three to five years on the status of security measures for management and technical aspects of internal security systems based on NIST SP800-82/53, ISO 27001/2, IEC 62443, and other standards. Implement necessary measures for the problems indicated to raise security levels (FY 2025: facility control systems; FY 2026: corporate systems (planned)).

■ **Response to serious incidents**
- Formed a response team including members in management positions (TMC-SIRT*) to settle the situation properly and promptly.

* Toyota Motor Corporation-Security Incident Response Team

Security for Automobiles

Aim

- Ensure safety of customers with the world's top-level countermeasures.

Initiative

- **Compliance with international regulations and standards**

  In addition to compliance with the international rules and standards below, implement initiatives for the entire vehicle life cycle, such as development in consideration of security by design*1 and layered defense*2 and gathering and monitoring of information on threats and vulnerabilities.

  - United Nations regulations concerning automobile cyber security (UN R155*3).
  - International standards concerning cyber security of electrical/electronic systems of automobiles (ISO/SAE 21434).

- **Be a member of the Automotive Information Sharing & Analysis Center (Auto-ISAC) in Japan and the U.S.**
  - Learn promptly about cases that occur within the industry and put them to use in responding to serious incidents.
  - Implement measures to enhance capabilities of the entire industry to tackle security issues.

- **Collaboration with external specialists**
  - By proactively collaborating with external specialists, utilize external know-how to enhance cyber security of automobiles.
  - Introduce a vulnerability reporting system (clarification of the contact point for reporting security problems from outside).

*1 Security by design: Design approach that defines the security requirements needed for safe system operations, beginning from the planning and design phases of an information system, and which aims to reliably incorporate these requirements into the information system through the development processes, moving away from the approach of implementing security countermeasures only after a problem has been discovered.

*2 Layered defense: Security practice of combining multiple defense "layers" to enhance security so that an attack is not successful even if one layer is penetrated.

*3 UN R155: Regulations concerning cybersecurity, which were adopted at the World Forum for the Harmonization of Vehicle Regulations (WP29) in June 2020

Updated in October 2025

Privacy

GRI 416-1, 418-1

Fundamental Approach

Aim

- In line with Toyota's Customer First philosophy, **respect privacy** as a member of the international community, through **compliance with the laws and regulations of each country and region**.
- Assure appropriate management and correct utilization of information to contribute to creating Ever-Better Cars and enriching the lives of communities.

Initiative

- **Establishment and Operation of a Privacy Governance System**
  - Appropriate management and protection of personal information based on the Toyota Code of Conduct and basic policies on the protection of personal information formulated by Toyota Group companies in each country and region.
- **Compliance with the Act on the Protection of Personal Information and other related laws and ordinances.**
- **Utilization of information** to solve social issues and provide ever-better products and services.

Toyota Code of Conduct (Personal Information)
Data utilizing initiatives
Privacy
Toyota Privacy Notice

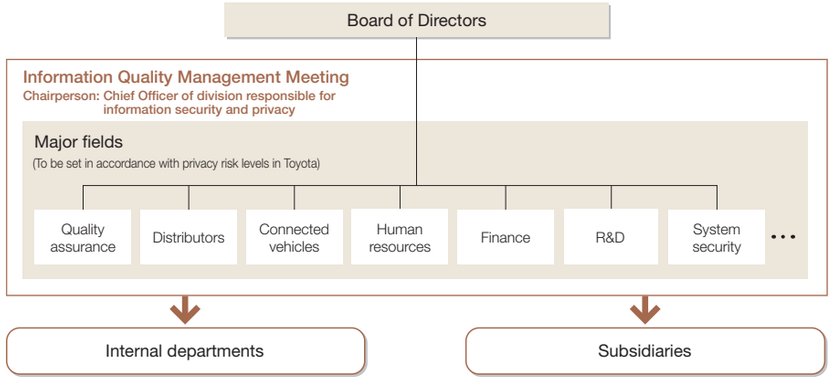
Organizational Structure

Aim

- Building a privacy governance structure applied throughout the company while integrating the perspectives of those outside the company.

Initiative

- **Information Quality Management Meeting** is a decision-making meeting regarding important matters, policies, and specific measures related to privacy chaired by the **Chief Officer of division responsible for information security and privacy**.
- **Establishment of an Advisory Board**
  - Reflecting advice based on the perspectives of external third parties, such as experts outside the company, into in-house initiatives.
- If a serious incident occurs:
  Promptly confirm the facts of the incident → Report to management, including Board of Directors → Analyze the causes and take countermeasures



Respect for Privacy and Protection of Personal Information

Aim

- Aim to serve our customers as a company that abides by social norms with the establishment of flexible, innovative, and sustainable information management systems to handle personal information and confidential information.
- Carry out duties and develop human resources with an awareness of the need to respect privacy and protect personal information.

Initiative

Compliance with Laws, Ordinances, and Internal Regulations

- The Toyota Code of Conduct clarifies Toyota's aims for the handling of information that includes personal information, as well as the direction that should be taken by the company and each employee.
- Necessary procedures including the gathering, utilization, and management of personal information are stipulated and operated in accordance with company regulations, while also complying with the laws and regulations of each country and region such as GDPR*1 (Europe) and CPRA*2 (California, USA).
- Information that requires more secure handling will undergo a risk assessment in advance to facilitate the implementation of appropriate measures.

*1 GDPR: The EU General Data Protection Regulation
*2 CPRA: California Privacy Rights Act

Code of Conduct

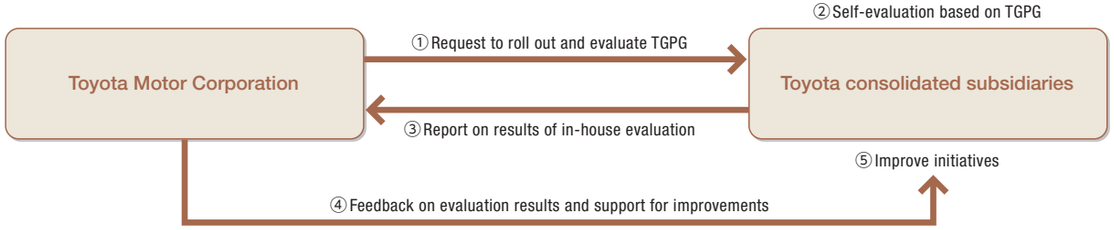
Customer first	Carefully and sincerely listen to and consider consumer feedback on privacy issues.
Quality first	Toyota practices Privacy by Design, by taking privacy considerations into account early in the development and operation of products and services.
Product and Experience	Use consumer personal information responsibly to develop products and services tailored to the consumer with a goal of achieving consumer happiness and satisfaction.
Compliance	Ensure that personal information is managed and processed throughout the enterprise in a manner that complies with applicable laws and regulations.
Stakeholder	By cooperating and coordinating on privacy issues across all business functions throughout the enterprise, Toyota works to create and sustain an appropriate personal information management system.

Human resource development
Toyota promotes a corporate culture that respects privacy via continuous training and education.

Toyota Code of Conduct (Personal Information)

Global Implementation of Privacy Governance

- Strengthen initiatives across the entire Toyota Group, including its subsidiaries in Japan and overseas, through the **"Toyota Global Privacy Guidelines (TGPG)**[*3]**"**, and promote the establishment of a PDCA cycle for protecting personal information.
- Self-evaluation process based on the TGPG (once annually)



*3 Compliance with international standards and requirements, such as OECD's eight privacy principles and ISO/IEC 27701 and 29100.

Training

Examples: Toyota Motor Corporation (Japan)

- Training for all employees (including secondees and dispatched employees)
  - Training to suit each job type and job description.
  - Conduct awareness-raising activities and trainings for all company employees in specific months designated for strengthening initiatives (once or twice a year).
  - Special training sessions will be carried out when a new law comes into force or existing law is revised to ensure that relevant information is disseminated throughout the company in a timely manner.
- Training for targeted employees
  - Training for new employees and on-demand training.

Examples: Toyota Motor Europe NV/SA (Belgium)

- Training for all employees (including secondees and dispatched employees)
  - e-learning training about privacy and data protection (every two years).
  - Activities involving all employees such as awareness-raising using the company intranet (once a year).
- Training for targeted employees
  - e-learning training about privacy and data protection after joining the company.
  - Training sessions, including privacy by design, for members of specific departments (once or twice a year).
  - Special training sessions for members of specific departments when a new law comes into force or existing law is revised.

Examples: Toyota Motor North America (U.S.)

- Training for targeted employees
  - General privacy training for employees who are in an administrative function (once a year) .
  - Training sessions about privacy-related laws (once a year).
  - Providing specialized training to members of specific departments.

P. 90 Support for TNDAC and Toyota Dealers to Enhance Compliance (Japan)

Updated in June 2025

Intellectual Property

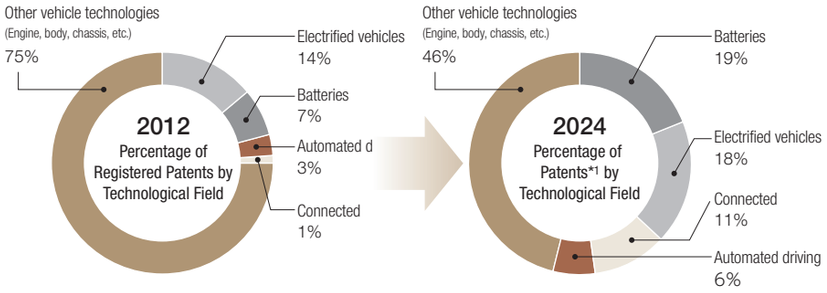
Fundamental Approach

Aim

- **Protect and utilize intellectual property** such as invention, know-how and brands, which are Toyota's important management resources, in an appropriate manner. Endeavor to conduct research and development that is one step ahead, thereby enhancing product appeal and technological prowess, which are the source of Toyota's competitiveness.

Initiative

- Carry out **intellectual property activities in line with Toyota's focus areas,** toward the realization of a future mobility society.
- Distribute resources mainly to such areas as carbon neutrality, including the development of electrified vehicles and batteries, and Software & Connected Initiatives. Enhance the obtainment and use of intellectual property rights.



*1 Total of patents under application and registered patents in Japan and overseas

Organizational Structure

Aim

- Promote activities that incorporate **management, R&D, and intellectual property in one**.

Initiative

- Support technology development globally by securing organic, systematic coordination between R&D activities and intellectual property activities.
  - Established intellectual property functions at the R&D centers in Japan, the United States, Europe, and China.
- Discuss and make decisions at **the Intellectual Property Management Committee** on policies for obtaining and utilizing important intellectual property conducive to management and for responding to management risks related to intellectual property.
- Work in collaboration with approximately 110 law firms around the world to collect intellectual property information and take measures suitable for each country/region.

Intellectual Property Activities

Aim

- Protect and utilize Toyota's intellectual property, including invention, know-how, and brands, in an appropriate manner.

Initiative

- Number of patent applications and number of registered patents

2024 Results (global)

Number of patent applications	approx. 15,000
Number of registered patents	approx. 9,000 • Japan: Top position among automobile manufacturers in annual ranking (2nd overall) *2 • U.S.: Leader among automobile manufacturers in annual ranking (14th overall)*2

*2 Source:
Japan: IP Force (as of December 31, 2024)
U.S.: IFI CLAIMS (as of December 31, 2024)

Toyota Promotes Global Vehicle Electrification by Providing Nearly 24,000 Licenses Royalty-Free

Updated in October 2025

Human Resource Development

GRI 3-3, 404-2, 3

Fundamental Approach

Aim

- **Develop human resources** based on the belief that “monozukuri (manufacturing) depends on human resource development.”
- Develop human resources with the ability to continuously think and act for the benefit of others and to win supporters.
- Focus on allowing Toyota’s most important asset – its employees – to work in a style that suits them so they can take on new challenges. We aim to become a company where anyone can take on new challenges at any time, as many times as possible, without fear of mistakes. These efforts will facilitate our transformation into a mobility company and fulfill our corporate mission of “Producing Happiness for All” as we face this once-in-a-century period of change.

Initiative

- Develop companywide human resources with **compassion*** and expertise that have a positive impact on others and are capable of winning trust and confidence along with the “**ability to act**” to move things forward.

* Ability to make the best efforts for others, such as customers and colleagues, and to improve oneself by respectfully learning from others

- Promoting initiatives around the pillars of diversity, growth and contributions since 2023 designed to transform Toyota into a place **where anyone can take on new challenges at any time and as many times as possible, without fear of mistakes**. We have focused on prevalent challenges and built a stable foundation for these initiatives.
- Recognize the importance of maintaining a healthy sense of urgency and accountability, and steadily take actions for the future to sustain and pass on competitiveness to the next generation, in addition to continued efforts to promote the active contribution by all.
- Discuss workplace-specific issues and future actions in detail and create an environment where everyone can take action guided by the idea that not everyone and every workplace is the same.

Mechanisms and systems designed to encourage employees to act and take on new challenges

- Mechanisms and systems to draw out personal abilities.
  - Evaluation systems for all job types and qualifications that allow for greater variation between roles.
  - Review of HR system for shop floor employees.
  - Enhanced support measures for onboarding new members.
- Training managers committed to genuinely engaging with individuals and workplaces.
  - Development of pre-placement training prior to new assignments and the introduction of a cycle of improvement with on-the-job experience.
  - Support for improving dialogue, evaluation, and feedback skills.

Recruitment

Aim

- Recruitment of diverse human resources with emphasis on human qualities that inspire collaboration and strong enthusiasm for realizing dreams at Toyota.
- Reinforcement of the recruitment of individuals with specialized skills, experience, and backgrounds regardless of age or educational level.
- Shift to a recruitment approach that emphasizes the life journey, personal stories, and personal aspirations (what candidates want to achieve at Toyota). Assessment of candidates based on sustained efforts rather than isolated achievements to ensure strong alignment with Toyota's vision.
- Promotion of more flexible recruitment practices to create a diverse workforce.

Initiative Toyota Motor Corporation

Enhancing mid-career recruitment

- Before: 90% new graduates and 10% mid-career hires.
- Maintain ratio of mid-career hires at around half of all hires (FY2025:48% :Toyota Motor Corporation, administrative and engineering positions).
- Introduced and expanded direct recruitment methods, such as employee referrals and direct outreach.

Hiring new graduates with diverse backgrounds

- Promote recruitment of diverse people from universities from which no graduates have been hired by Toyota, technical colleges, vocational schools and high schools, as well as from educational institutions that emphasize diversity and agency.

Course specific recruitment of new graduates

- Hire students who have a concrete vision of what they want to do at Toyota (termination of school recommendation program).
- Promote the recruitment of diverse human resources by determining career tracks during recruitment to match personal interests with the characteristics of specific workplaces.

Education and Career Development

Aim

- Develop **human resources who can act in line with the Toyota Philosophy** with the aim of transforming into a mobility company while inheriting the precept of the Toyoda Principles.

Initiative

Global Executive Human Resource Development: "GLOBAL 21" Program

- The program enables talented global employees to acquire the skills and insights necessary for global Toyota executives and enables them to leverage their strengths in their respective area of responsibility.

1. Teaching of management philosophy and what is expected of executives
- Disseminating Toyota Philosophy and incorporating it into global human resource system and training.

2. Human resource management
- Applying appropriate personnel evaluation standards and processes in each region based on Toyota's common values.

3. Training deployment and training programs
- Global assignments and executive training.
- Holding regional succession committees to accelerate identification and training of next-generation leaders.

TMC Human Resource Development

Educational focus for Administrative and Engineering and "Gyomushoku"

- Shifting towards an independent and selective educational system where employees can choose the learning paths that align with their individual roles, areas of expertise, and personal motivation while deepening a collective sense of what makes Toyota unique.

Management-level development

- Toyota's values and management approach are based on philosophy, skills, and behavior*. We utilize these values to create leaders who can navigate the company through this transition with passion and empathy and can provide a vision to follow in a world full of uncertainty where there are no right answers.
- Newly appointed division general managers participate in group training sessions, seminars looking back on the history of the company, and fieldwork throughout the year. This allows general managers to clearly identify their ideals, boosting their empathy with others and creating a mindset to reach their full potential both inside and outside the company, and to lead specific behavioral changes in the workplace.
- Modifying eligibility criteria to recruit and accept a wider range of individuals who want to learn on their own by expanding the scope of target groups to include employees in assistant manager and above, as well as a continued focus on employees who are promoted to senior professional/senior management and professional/management positions. Individuals can gain clarity on their roles and aspirations through group trainings and small-group seminar activities throughout the year.
- Seminar activity instructors are appointed as advisors for participants in training sessions for newly appointed division general managers. This allows instructors and participants to learn from each other and enhance their skills and knowledge.

* Philosophy: Toyota Philosophy; Skills: TPS (Toyota Production System); Behavior: Toyota Way 2020

- Enhancing professional development capabilities by improving the mindsets and skills of post managers who play a key role in workplace management to ensure active contribution by all, where each member can independently and authentically thrive with their own diverse values and workstyles.
- Conducting performance reviewer training (division and department general managers) and evaluator training (group managers) to facilitate the understanding and acquisition of open and fair evaluation (assessment) and feedback methods (Mandatory for post managers. Individuals interested in personal development are also welcome to attend.)
- Conducting dialogue skills training to help supervisors learn how to engage with each team member in order to support their growth based on a foundation of trust (Open to individuals who want to learn. Not limited to post managers.)
- Launch of an internal website featuring videos and useful content on the objectives and techniques for conducting 1-to-1 meetings, and skills to facilitate meaningful dialogue between supervisors and members.

- Individual support for management is provided through opportunities and venues that help resolve concerns and issues related to workplace operations (optional).
  - Group managers roundtable discussions:
  - A place where group managers can discuss their concerns and issues with other group managers to find a clue how to resolve them through sharing information and best practice. Group managers can get to know each other and build mutual relationships where they can help each other when needed.
  - Toyota encourages the promotion of young employees to important positions.
  - This creates opportunities for top management to directly observe personnel in these positions and to foster executive minds in the candidates.

Administrative, Engineering, "Gyomushoku" Human Resource Development

- Instilling the Toyota way – philosophy, skills, and behavior.
- **OJT with a focus on genchi genbutsu (going to the source to get the facts), along with OFF-JT**[*1].
- Providing opportunities for employees to reflect on their personal careers and growth through tier-specific training curriculums and voluntary, opt-in seminars.
- Enhancing the content of a portal site that integrates a wide range of internal and external elective learning resources to encourage independent study.

*1 OFF-JT (Off the-job training): training conducted outside the workplace

Timing	Major items
After entry	• Acquire basic knowledge of various areas required after assignment (OFF-JT)
After assignment	• OJT human resource development programs based on genchi-genbutsu
2nd year	• Thoroughly learn the basics skills required as Toyota employees in training at dealers and plants (administrative and engineering personnel)
3rd year	• Group OFF-JT training (administrative and engineering personnel)
4th year and beyond	• Training Dispatch Program: • Increase the number of employees dispatched abroad to quickly develop and further enhance their capabilities • Dispatch for one to two years training to overseas subsidiaries, overseas graduate schools (including MBA), domestic affiliates, etc. • Providing deeper understanding of practices and culture as well as improving language skills
6th to 8th year	• OFF-JT group training (administrative and engineering personnel)

Shop Floor Employee Human Resource Development

- OJT is conducted by supervisors and experienced employees at the worksite through **daily operations in the field**. Deployment cycle: formulation of development plans, assignment for development, and evaluation/feedback.
  - While focusing on OJT, human resource development is accelerated by conducting OFF-JT at career milestones.
  - OFF-JT gives participants an opportunity to enhance awareness of their roles and acquire the knowledge and skills they need. Newly-appointed EX, SX, and CX[*2] undergo pre-promotion training in the form of practical training at other workplaces and training at other companies to broaden their perspectives and boost their compassion.

*2 EX (Expert), SX (Senior Expert), CX (Chief Expert)

  - Employees are becoming more diverse with employees rehired after retirement age (60 years old), female shop floor workers, and people with disabilities. Training now includes a diversity-related curriculum to promote understanding among employees. Training materials have also been changed to include the perspectives of people with disabilities as part of efforts to actively maintain and improve the workplace environment.
- Specialized technical training is provided in accordance with job type to enhance technical skills toward a workplace culture with focus on technical skills.
  - Start-up seminars are held as part of career support for employees to be transferred to another plant.
- Supporting aspiring employees through, for example, practical training at worksites and improving web learning programs for those wishing to grow through self-learning.

Overseas Affiliate Human Resource Development

- Temporarily transfer employees from overseas affiliates to Toyota Motor Corporation for **OJT** to promote self-sufficiency in overseas affiliates.
  - Learn skills, know-how and Toyota's way of thinking and work processes for 6 months to 3 years.
  - General Manager-level:
    Also, learn decision-making processes and form networks with other employees as general managers or department managers at Toyota Motor Corporation.

Resource Shift

Aim

- Need to quickly shift resources from existing manufacturing and sales of new vehicles to emerging areas such as CASE and value chains to drive Toyota's transformation into a mobility company.
- Active engagement in recruiting, retraining, and shifting (transferring) human resources to increase the potential of employees, identify individual roles and capabilities, and place the right people in the right jobs.

Initiative

- Attracting and supporting the growth of diverse human resources.
  - Specific example: Attraction and development of software professionals.

Developing organizational structures for software professionals

- Launch of an organization responsible for training software professionals in January 2021.
- Reviewing the Toyota Group's software development systems and launch of a new organization in October 2023 in a shift away from decentralized functional units to a cohesive organizational structure dedicated to promoting software-related business and development.

Attracting and training software professionals

- Clearly defining and quantifying the digital human resources, such as those skilled in software, AI, and IoT, needed to solve business issues and drive innovation.
- Securing human resources through career recruitment and internal transfers
- Developing educational systems covering basic to specialized levels to support "re-skilling" and professional development.

Evaluation of and Feedback to Employees

Aim

- Independent career building is encouraged for each employee to develop a diverse workplace where everyone can reach their full potential. Employees in each workplace are placed and trained in accordance with their motivation and abilities.
- The abilities of each employee are also carefully assessed. **Effectively delivered assessment and feedback are encouraged between managers and employees** to give employees balanced workplace treatment and provide them with duties that will help to further develop their abilities.

Initiative

- Determine roles and themes at the beginning of each fiscal year and **consult with supervisors periodically**.
  - Interviews and daily communication between managers and employees are utilized as opportunities to have a fact-based review on their full-year performance and half-year results.
  - In particular, performance assessment is made with a focus on personal quality and ability of action required for qualification.
  - 360-degree feedback is used to gauge personal quality. Opinions are gathered from colleagues about the employee's strengths and points suggested improvement. This information is then provided to the employee as feedback.
  - Reflect half-year results into bonuses and full-year performance into salary raises for the following year.

Year	Content
2019	• Revised human resource system to allow **hard workers to be rewarded regardless of age or rank**
2020	• Introduced a system capable of centrally managing employees' individual information, including employees' evaluations, the results of consultations with their supervisors and questionnaire results regarding workplace management ⇒ This makes it possible to refer to previous evaluations, personal information and employees' career goals Enhance the development and allocation of human resources with consistency through job assignment based on a better understanding of employees' aptitude and career goals
2021	• Started providing feedback to senior professional/senior management and professional/management on the results of their evaluations
2022	• Started providing feedback to assistant managers and those in ranks below (administrative, engineering, gyomushoku) on the results of their evaluations

Initiative to Promote Psychological Well-being

Aim

- To feel the joy and happiness of being a key part of automotive industry.

Life Well-being
||
Happiness in each individual's life

+

Work Well-being
||
Motivation and satisfaction at Toyota (in the workplace and in work performance)

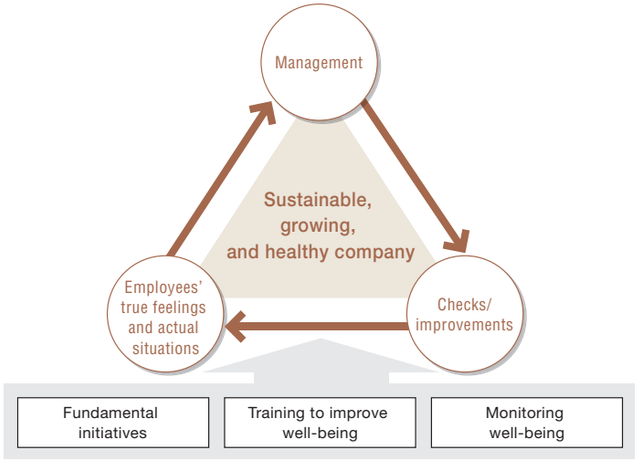
Anyone can take on new challenges at any time, as many times as possible, without fear of mistakes
Transformation into a mobility company to achieve the mission of "Producing Happiness for All"

Initiative

- Staff with a high level of expertise promote measures for psychological well-being to all employees.
- Dedicated full-time staff (hereinafter referred to as "dedicated staff") with a high level of expertise assigned within the company plan and implement measures to promote psychological well-being.
  - Full-time psychiatrist: 1 (part-time*: 18), full-time psychologists: 8.
  - Full-time public health nurse: 1, full-time psychologists/public health nurses: 1, full-time mental health social worker: 1, full-time office staff: 6.

* Active in the field of community-based health care with a high level of expertise in sleep conditions, dementia, developmental disorders, and other conditions.

- Employees' true feelings and actual situations obtained through activities conducted by dedicated staff are directly sent up to the management after ensuring anonymity, which checks and improves company policies. This creates a cyclical system in which management performs checks and makes improvements in response to employees' true feelings about company policies and actual situations.



Fundamental Initiatives

- Create an environment in which all employees can freely access and apply for consultation services and a variety of trainings at any time.

(Toyota Motor Corporation)

Initiatives	Target audience	Overview
Dialogue and advice from dedicated staff	All officers	• Regularly provide information on mental health care and employees' true feelings from dedicated staff, leading to the development and implementation of better company measures
Distribution of e-mail newsletters	All employees	• Regular monthly distribution of information by email that serves as a boost to mental health and provides nourishment in daily life (like a Psychological Vitamin)
Online consultation hotline	• Occupational health staff • Human resources • Supervisors	• Set up a consultation hotline with part-time staff who are active in their fields and can provide appropriate information on medications and medical facilities, guidance on medical cooperation, and other useful tips

Training to improve well-being

(Toyota Motor Corporation)

Initiatives	Target audience	Overview
OMOIYARI Interpersonal Skills and Communication Training (live/online)	All supervisors and officers (mandatory)	• Implement ongoing group psychoeducation in a constant and ruminative manner with the aim of preventing harassment and promoting well-being
Well-being Dojo (live/online)	All employees (optional)	• Provide psychoeducation by dedicated staff to bring about mutually enhanced changes in awareness and behavior that help both individuals and others experience a valued sense of well-being
Cognitive behavior modification skill-up training		• Training on understanding cognitive behavioral models for use in stress management
Communication skill-up training		• Provide training that utilizes cognitive behavior models and can improve relationships through listening, accepting others, assertions, and comprehension, expression, and relationship adjustment skills
PERMA-V*1 Training		• Training in which participants can experience and learn about the elements of PERMA-V to improve their own and others' well-being
Cognitive Behavior Modification Approach and PERMA-V Psychological Education (online)		• Training from a neutral perspective by dedicated staff who are familiar with circumstances inside the company (individual case work, etc.)

*1 Positive Emotion, Engagement, Relationship, Meaning, Accomplishment, Vitality

Monitoring well-being

■ The following new initiatives will be implemented from fiscal 2024.

(Toyota Motor Corporation)

Initiatives	Target audience	Overview
Well-being Survey (Conducted every year)	All employees	• Conduct satisfaction surveys and other questionnaires on company measures that can serve as key drivers, in addition to the goal of having a subjective feeling of well-being and events of happiness • Perform statistical correlation analysis and select measures with a high degree of contribution to and high expectations for well-being to improve the efficiency of implementing measures that can bring about sustainable growth
Well-being check (Conducted every month)	Employees in administrative and technical positions up to the third year of employment	• Conduct surveys on PERMA-V • Provide opportunities to focus on well-being and self-monitoring • Conduct triage and case work with the involvement of dedicated staff when a reduced sense of well-being is observed

Well-being Survey*2

*2 Including Employee Engagement Survey

Aim

■ All employees experience a sense of well-being in both their professional and private lives, and they are actively engaged with a sense of purpose and fulfillment at Toyota.

Initiative

■ Conducting surveys on "Life Well-Being" to assess individual happiness and satisfaction with company policies and "Work Well-Being" to gauge job satisfaction and pride in the workplace.
■ Utilizing analyzed results to plan and implement initiatives aimed at helping employees feel a sense of well-being in their lives.
- Promoting dialogue and improvement activities between labor and management to foster and improve the workplace culture to one filled with a sense of well-being by feeding back the results from the Life Well-Being survey.
- Promoting dialogue and improvement activities in each organization by feeding back the results of the Work Well-Being (employee engagement) survey to the workplace. Promoting changes in organizational culture from a workplace-based and dialogue-driven approach (bottom-up) and by creating a culture that addresses company management issues (top-down).

Life Well-Being survey (Satisfaction with Life*3 score) [Points]

	FY2024	**FY2025**
Toyota Motor Corporation	21.8*4	22.5*5
(comparison with similar organizations*6)	(21.94)	(22.69)

Work Well-Being Survey*5

Percentage of Toyota employees who feel a sense of purpose and fulfillment (engagement) [%]

	FY2024	**FY2025**
Toyota Motor Corporation	57	60

Percentage of Toyota employees who feel that diversity and individuality are valued (inclusion) [%]

	FY2024	**FY2025**
Toyota Motor Corporation	52	55

Employee Engagement Survey (Overseas)

Percentage of employees who feel satisfied with the company [%]

	FY2025
Administrative and Engineering employees	78.5*7
Shop floor employees	70.2*8

*3 Satisfaction with Life Scale; Diener, E., Horwitz, J., & Emmons, R. A. (1985). One method of measuring well-being.
5 questions, 7-point scale per item, 35-point scale. Average satisfaction level with life is considered to be 20～24.
*4 Number of subjects: 69,247 Number of valid responses: 58,044 Number of valid responses/research consent: 48,315
*5 Number of subjects: 69,428 Number of valid responses: 60,959 Number of valid responses/research consent: 54,765
*6 Number of valid responses over two consecutive years/number of respondents consenting to participate in research: 37,873
*7 Weighted average of 31 companies.
*8 Weighted average of 30 companies.

Updated in October 2025

Health and Safety

GRI 403-1~10

Fundamental Approach

Aim

- Create workplaces that **ensure the physical and mental well-being of everyone working at every Toyota location, providing a safe environment where everyone can work to their full potential.**

Initiative

- Promoting health and safety initiatives for all on-site personnel including employees and contractors based on the following philosophy and policy:
  - Philosophy for health and safety: Toyota Motor Corporation's Declaration of Health Commitment and the Basic Philosophy for Safety and Health.
  - Health and safety policy: **Health through mutual awareness-raising and the establishment and enhancement of a safety-focused work culture.** This policy is expanded globally.

Declaration of Health Commitment
Aiming at health first company

Mental and physical wellness is **"driving force for good performance."** It is fundamental key point of **"happiness of individual employee"** as well as of **their family**.
I wish you work lively with positive motivation in Toyota and after retirement you can continue to enjoy satisfying life.
TMC culture **"Step in batter box and challenge!"** without fearing failure is applicable for health. I would like to declare that TMC proactively supports individual **"challenge to improve your lifestyle"** and develops **"health promotion & illness prevention activity"** in cooperation with health insurance society.

バッターボックスに立ち続けるために健康な心と体づくりから　豊田章男

(September, 2017)

Philosophy for health and safety

Social Recognition

	Details	Years Awarded
2023 健康経営銘柄 Health and Productivity	• Recognized and certified as a Health and Productivity Company for encouraging employees to improve their health-related practices and promoting initiatives focusing on "prevention" actions by promoting flexible workstyles and providing support for a better work/life balance • Certified by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange	2021, 2023
2025 健康経営優良法人 KENKO Investment for Health ホワイト500	• Certified as a White 500 Health & Productivity Management Outstanding Organization • Certified by the Ministry of Economy, Trade and Industry (METI) and the Japan Health Council	2018 to 2025
	• Certified as a Safety and Health Outstanding Company for maintaining and enhancing a high level of health and safety • Certified by the Ministry of Health, Labour and Welfare (MHLW) (renewed every 3 years)	2015 to 2024
SPORTS YELL COMPANY 2025+	• Certified as a Sports Yell Company for striving to support and promote sports for the enhancement of employee health • Certified by the Japan Sports Agency	2024 to 2025

Organizational Structure

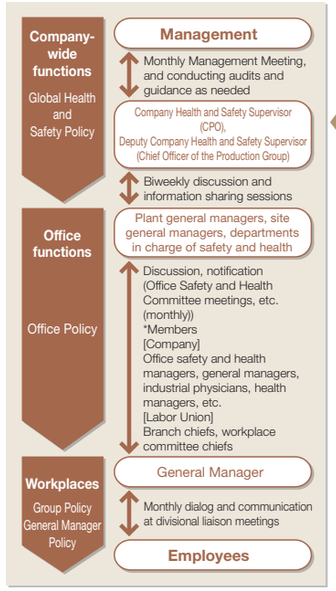
Aim

- Promoting better work environments through cooperating with business partners, including business sites, labor unions, suppliers, and in-plant contractors.
- Promote initiatives based on daily collaboration, sharing and resolving issues.

Initiative

- **Director in charge: Company safety and health supervising manager (CPO: Chief Production Officer)**
  - The Safety and Health Policy and KPI are formulated based on technological innovations and changes to the business environment.
  - The results of health and safety promotion initiatives are reported to management together with figures related to diseases and accidents.
- The Safety and Health Promotion Division takes a leading role in building collaborative relationships with administrative divisions of business sites, labor unions, health insurance societies, regional affiliated companies, and suppliers.

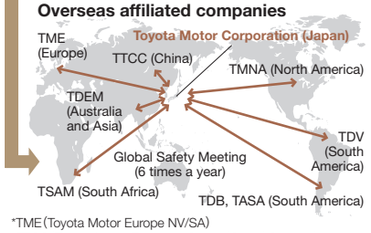
Organizational Structure



Suppliers and Affiliated Companies

Group companies	All Toyota Safety and Health Cooperation Association (17 companies)
Parts and materials suppliers	Kyohokai Safety and Health Committee (228 companies)
Equipment, installation, and logistics suppliers	Eihokai safety and health committee (128 companies) Toyota Motor Corporation Safety and Health Cooperating Association (573 companies)

Overseas affiliated companies



*TME (Toyota Motor Europe NV/SA)
TTCC (Toyota Motor Technical Center (China) Co.,Ltd.)
TDEM (Toyota Daihatsu Engineering & Manufacturing Co., Ltd.)
TSAM (Toyota South Africa Motors (Pty) Ltd.)
TMNA (Toyota Motor North America)
TDV (Toyota de Venezuela Compania Anonima)
TDB (Toyota do Brasil Ltda.)
TASA (Toyota Argentina S.A.)

Health and Safety Education

Aim

- Conduct training for all employees, from new recruits to executives, **to facilitate understanding of their roles in maintaining health and safety at all levels**.

Initiative

Rank-specific Education Programs (Staff starting in new positions)

2024 Results (Toyota Motor Corporation)

Trainees	Training Hours	Number of Participants
Division general managers	6 hours	54
Section general managers	6 hours	190
Chief Experts	4 hours	189
Workplace leaders	12 hours	1,642
General and new employees	1 hour	6,557

- Educational Programs for Managers
  - Discussing about workplace management tips and examples
  - Reaffi rming the importance of daily communication.
    - Managers to identify any health problems of their subordinates at an early stage and provide proposals to predict accidents.

Training to Enhance Hazardous Operation Skills

- Skills training based on the requirements of the Industrial Safety and Health Act.
- Experienced instructors provide training with actual equipment in addition to legally-required skills training.

2024 Results (Toyota Motor Corporation)

Trainees	Number of Participants
Production division members involved in hazardous operations	3,341

Enhancing health and safety mind

(Toyota Motor Corporation)

Top message on health and safety	• Share messages from the president and organizational leaders in support of the health and safety of all Toyota employees (2025)
Safety Inheritance	• Lessons learned from serious incidents and accidents occurring within the company are used to communicate the importance of safety to all employees. Managers speak about their commitment to safety and meetings are held to encourage the prevention of accidents in all workplaces
Review past health and safety activities	• All company officers send out messages about safety and managers express their commitment to safety, making an opportunity for all workplace personnel to review their daily operations

Top message on health and safety (president and production heads)

Let us create a safe and healthy workplace with words of gratitude and smiles.
Koji Sato

Everything starts with safety:Together, we can create a world with zero accidents
Kazuaki Shingo

Safety and health first: Wishing you health in both body and mind!!
Takahiro Imura

From top: Koji Sato (President, Member of the Board of Directors), Kazuaki Shingo (Company safety and health supervising manager/Chief Production Officer), Takahiro Imura (Deputy company safety and health supervising manager/Production Group (Chief Officer)) (January 2025)

Educational Programs to promote health and safety mind

2024 Results (Toyota Motor Corporation)

	Details	Trainees	Seminars
On-site health education	Health and safety-related activities are offered with the support of expert instructors. Seminars are held to boost health literacy and provide accident simulation training.	All employees	280 seminars
Online health-related learning	Various online learning materials are provided to raise awareness and knowledge about mental health and the prevention of lifestyle-related diseases.		Accessed 107,399 times

Initiative for Health

Aim

■ **Focusing on prevention-centered activities based on the "health first" concept, we will help prevent lifestyle-related diseases, improve mental health, enhance job satisfaction, and create a more comfortable work environment.** Through "health management" strategies, we aspire to boost productivity by encouraging the active contribution by all while fostering the growth and development of the company and its workforce.

Initiative

Formulation of Toyota's 2030 Health Vision

■ Formulating a health vision to ensure that each individual working at Toyota feels a sense of enjoyment and happiness through their involvement in car manufacturing, while maintaining a healthy and vibrant work life, in order to "produce happiness for all".

(Toyota Motor Corporation)

Health vision	Background on formulation of vision	Key actions
Develop human resources who can take charge of and improve their own health	Support must be strengthened for each individual, leaving no one behind in this time of aging and diversity	• Strategies for maintaining and improving health in older adults • Support for balancing work with medical treatment and disabilities • Prevention of mental health issues and recurrence
Create workplaces where people from diverse backgrounds can thrive	Support is required for creating workplaces (improvements in workplace environments), including suppliers and overseas businesses, where all employees play an active role.	• Improvements in workplace environments using data in collaboration with workplace management • Create good work environments that are aware of diversity in collaboration with different stakeholders (HR, health insurance unions, hospitals, labor unions, suppliers, etc.)

Strategies to achieve Toyota's Health Vision

■ Set indicators for each measure and for mental/physical health metrics.
■ Share indicators with top management and departmental members while maintaining confidentiality with a view to discussing and reviewing improvement measures and indicators.
■ Verify the correlation and causal links between indicators before revising measures and indicators.
■ Repeat the above cycle, a continuous loop of improvement, to work towards realizing Toyota's Health Vision.

(Toyota Motor Corporation)

Measures — Promotion of different measures in the areas of promoting healthy lifestyles, lifestyle-related diseases, musculoskeletal diseases, and mental health

Common items
• Compliance with Japan's Industrial Safety and Health Act
• Tiered training programs for different organizational levels • Walking events
• Health and Fitness Program
  • Maintain and improve physical fitness from a young age and prevent age-related physical function decline
  • Annual health check-ups: body fat, bone and muscle mass, basal metabolic rate measurement (scope is to be expanded)
  • Employees aged 36 and above are tested every four years to measure their grip strength, sit-and-reach, and foot-gripping force, and check the shoulders, upper arms, and other functions, etc
P. 114 Health and Safety Education

Primordial and primary prevention
Environmental improvement, disease prevention, promotion of healthy lifestyles
• Healthy Lifestyle Challenge 8
• Define the "8 healthy habits"*1 necessary for preventing mental and physical illnesses, and encourage employees to raise their level of awareness and integrate more of these habits or practice at least one more habit than they currently do
*1 1) BMI (Body Mass Index) 2) Breakfast 3) Alcohol consumption 4) Snacking between meals 5) Exercise 6) Quitting smoking 7) Sleeping 8) Stress
• Passive smoking prevention and smoking bans on company premises
  • Expand smoke-free environments by prohibiting smoking indoors, during work hours, and on regularly non-smoking days
  • From April 2025: Smoking will be prohibited on-site at all workplaces (Some workplaces have already put this into effect.)
• Food and dietary education through the company cafeteria
  • Healthy certified smart meals (nutritional balance, reduced sale, more vegetables)
  • Health support app for organizing food events viewing food logs/nutritional labels and recipes)
• Milestone educational sessions • Specific health guidance • Stress checks
• Preventive activities at production sites, etc
• Health support systems for employees dispatched overseas
  • Pre-departure support for employees dispatched overseas and accompanying family members, including health screenings, vaccinations, and guidance on daily safety risks such as malaria and AIDS
  • Guidance on local health screenings, follow-up on results, and consultation services for all concerns while on assignment, including those of accompanying family members, to help ensure well-being
  • Regular on-site visits by occupational physicians and nursing professionals to assess regional healthcare systems and living conditions
P. 119 Initiatives to Create a More Worker-friendly Workplace Environment

Secondary prevention
Early detection and treatment
• Health consults , regular health and milestone check-ups
• Required support for detailed medical examinations
• Follow-up on employees working long hours
  • More detailed health checks and interviews with occupational physicians during temporary peak seasons or when dealing with problems than required by law. Extensive follow-up is also provided in terms of work adjustments and coordination, etc
P. 117 Physical Examination and Health Guidance

Tertiary prevention
Support when returning to work and work/life balance
• Interviews prior to resuming work or returning from leave, follow-up health interviews
• Follow-up during leaving of absence for mental health
• Support systems for balancing work/life (treatment, disability), other
P. 117 Initiatives for Mental Health Care

Other factors contributing to presenteeism*2
• Pre-health check-up approaches
• Stronger recommendations for women's health check-ups

Process indicators (See p. 116 for details.)
Monitor implementation status (frequency, implementation rate, participation rate, other)
Verify correlation and causal links between indicators, and review measures and indicators (KPIs)

Performance indicators (See p. 116 for details.)
Factors impacting health conditions: Workplace environment; Workplace health culture; Health awareness; Healthy behavior; Early detection; Early treatment; Support when returning to work; Work/life support (Preventing serious illness)
Health conditions: Anti-aging; Improvement in lifestyle-related diseases; Improvement in musculoskeletal diseases; Improvement in mental health
Other health-related workplace conditions and behaviors related to presenteeism*2, as well as measures related to early detection and treatment
Other factors related to presenteeism*2 (reduced productivity due to health-related issues)
Sense of good health and Well-being: Improved subjective sense of health and Well-being
Active Contribution by all: Maximize individual strengths of all team members

Mission: Producing Happiness for All

In-house measures related to producing happiness for all

• Providing opportunities for communication
Company-wide/workplace sporting events, informal activities, support for sports clubs, volunteer work, different consultation services, other

• Sharing information company-related information
Sharing management perspectives on labor-management meetings, and organize external events/activities

• Improved workstyles (i.e. working rules)
Promote better work-life balance by improving rules for shorter working hours/working from home/allowing work in any location, the use of various types of leave and diversity.

• Enhanced welfare benefits and convenience
Enhance both internal and external facilities, systems and services, and enrich employee asset-building programs.

• Supporting opportunities for growth
Promote training based on job type and level, interactive interviews with managers, self-reporting system, performance evaluation feedback, sharing of work improvements, professional skills training, promotion of digital transformation (DX) and information and communications technologies (ICT)

• Measures to improve well-being by psychological staff specialists
Opportunities to help individuals achieve fulfilling lives with a balance between happiness and productivity through advice, consultations, training, monitoring and other measures

*2 Reduced productivity due to health-related issues

P. 111 "Initiative to Promote Psychological Well-being"

Key KPIs

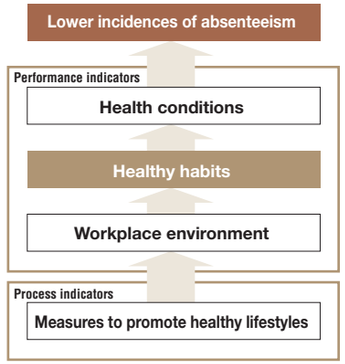
- Review KPIs to gain insight into mental and physical status of health ranging from improving healthy habits to reducing work absences

2023 (Toyota Motor Corporation)

	2023 perspective
Employees on leave	Workforce of 801 employees or less
〈Physical〉 Persons on leave for lifestyle-related diseases	5% reduction compared to 2022
〈Mental〉 Newly on leave	2% reduction compared to 2022
〈Mental〉 Recurring absences	5% reduction compared to 2022
〈Healthy Lifestyle Challenge 8〉 (Average results from adopting 8 healthy lifestyle habits)	6.4/8

2024 (Toyota Motor Corporation)

				2024 perspective
Ongoing	Employees on leave			Workforce of 801 employees or less
New	Health conditions	Physical	Health score 6 Average number of applicable cases within the six inspection criteria	4.37/6
New	Health conditions	Mental	Percentage of people experiencing high levels of stress	18.9%
Ongoing	Healthy habits		Healthy Lifestyle Challenge 8 (Average results from adopting 8 healthy lifestyle habits)	6.4/8
New	Workplace environment		Attitude towards creating healthy lifestyles Percentage of workplaces implementing plans systematically	50%
New	Health measures		〈Participation rate in company-wide plans〉 Walking events	20%



Key indicators and results

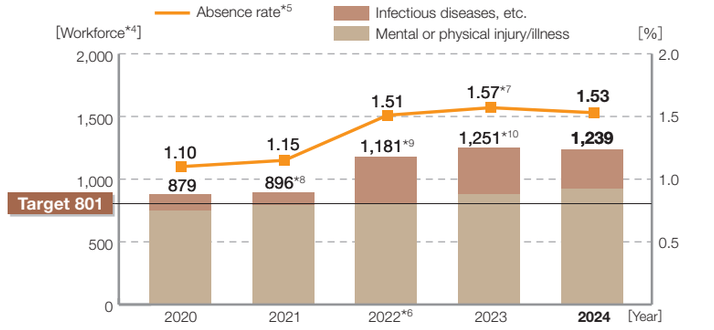
(Toyota Motor Corporation)

Item	Process indicators	Performance indicators	2022	2023	2024
Regular health check-ups (Consultation rate)	○		100%	100%	100%
Regular health check-ups (Ratio of persons with related findings)		○	43.0%	43.2%	41.9%
Regular health check-ups (Health score 6: Number of cases falling within the criteria for obesity, blood pressure, liver functions, lipids, blood glucose, and uric acid levels)		○	4.30/6	4.25/6	4.27/6
Percentage of patients undergoing detailed medical examinations after regular health check-ups	○		97.9%	96.2%	96.4%
Stress check (Consultation rate)	○		91.7%	89.5%	94.2%
Percentage of specific health guidance	○		63.5%	74.8%	—*1
Specific health guidance efficacy data		○	42.3%	41.1%	—*1
Lifestyles (Average of people who cleared Healthy Lifestyle Challenge 8)		○	6.3/8	6.3/8	6.4/8
(Healthy weight) 40 years and older		○	62.3%	63.3%	65.2%
(Exercise routine) 30 min/day x 2 times/week, 40 years and older		○	53.4%	54.9%	57.2%
(Exercise routine) 30 min/day x 1 time/week		○	67.9%	70.0%	72.1%
(Smoking rate)		○	20.9%	19.5%	18.4%
Installation rate of health apps (organization of food events, food logs/nutritional labels and recipe views)	○		33.9%	41.1%	48.2%
Participation rate in health events for all employees (walking events)	○		19.1%	17.6%	20.5%
Participation of employee at all levels in educational activities on women's health issues(cumulative)	○		0.3%	10.1%	19.3%
Participation of managers at all levels in educational activities on women's health issues*2	○		3.7%	40.1%	11.3%
Participation of employee at all levels in educational activities on women's health issues*2	○		0.3%	9.8%	9.2%
Absenteeism (Leave of absence due to injury or illness)		○	Workforce of 1,180 employees	Workforce of 1,252 employees	Workforce of 1,239 employees
Presenteeism (Rate of decline in performance due to somatic complaints, etc.)		○	33.3%	33.1%	33.8%

*1 Updated the following fiscal year *2 Aggregation period: Fiscal year (April 1 to March 31 of the following year)

Lost Workdays Due to Absences*3

(Toyota Motor Corporation)



*3 Conditions for calculation: Cumulative number of days of absence requiring a medical certificate of more than four working days, including paid leave
4 Cumulative number of days of absence / Number of working days in a year ≒ Workforce (annual absent Workforce)
*5 Absent Workforce / Number of employees x 100 ≒ Absence rate
*6 Figures increased compared to 2021 due to an increase in absences caused by COVID-19 infections
*7 Revised in June 2025 1.49 → 1.57
*8 Revised in June 2025 897 → 896
*9 Revised in June 2025 1,180 → 1,181
*10 Revised in June 2025 1,252 → 1,251

Strategies for maintaining and improving health in older adults

Physical Examination and Health Guidance

- Carrying out physical examinations provided by full-time medical staff in accordance with each employee's age and risk factors. Encouraging voluntary screening tests (neurological or gynecological tests) and providing specific health guidance.
- From the age of 36 to retirement at age 60, employees and their (dependent) spouses undergo a health screening equivalent to a thorough physical examination once every four years, and once every two years for people aged 60 or older. They also receive an oral health assessment, including a check for peridontal disease, and attend health briefings about their individual health status (Milestone health check-ups: approximately 20,000 persons undergo the screening per year, including individuals and family members who are enrolled in the Toyota Motor Health Insurance Society).
- Individual guidance will be provided if the employee's health does not improve after follow-ups within the company and/or outpatient treatment at a medical facility.

2024 Results (Toyota Motor Corporation)

	Results
Rate of employees who have received physical examinations	100%
Specific health guidance implementation rate	74.8%

Physical assessments and fitness instruction

- Assess exercise capacity during four-year milestone health check-ups to raise awarness of a decline in physical functions related to age and provide customized guidance on ways to build up physical fitness tailored to individual capabilities to encourage people to start to exercise.
- Start to incorporate muscle mass measurements using body composition analyzers into annual health check-ups to raise awareness of muscle mass among younger employees.

Support for balancing treatment and disabilities with work

- Set up consultation services by occupational physicians and health staff to support employees who are trying to find a balance between treatment and work, and put work/life balance systems into place.
  - Examples of systems to support work/life balance
    Designated sick leave, family plan leave, fertility treatment leave, other.
- Support the development of safe working environments for people with disabilities by checking up on health and safety before they join the company and conducing regulat internviews with occupational physicians in their first year of employment.

P. 82 Childcare / Nursing Care Support

Initiatives for Mental Health Care

- Employees, workplace managers, industrial healthcare staff, including psychology experts, and staff in charge of personnel and labor affairs respectively engage in various activities to **prevent mental issues from either occurring or recurring**.

(Toyota Motor Corporation)

Primordial and primary prevention	• Mindfulness and meditation training
	• Self-care
	  ◦ Encouraging better lifestyles and habits (Healthy Lifestyle Challenge 8)
	  ◦ Providing Stress checks to raise awareness
	  ◦ Rank specific training for new recruits and young employees
	• Line care
	  ◦ Workplace management (receiving support from and communicating with supervisors and co-workers)
	  ◦ Workplace-specific and individual support provided by workplace counsellors
	  ◦ Rank-specific training for managers
	• Care by experts
	  ◦ Training by psychology expert staff

Secondary prevention (rapid identification and response to issues)	• Screening at physical examination • Setting up a permanent in-house health counselling service
Tertiary prevention (preventing reoccurrence and re-absence)	• Follow-ups upon returning to work in accordance with the guidelines • Care by experts ◦ Advice for relevant employees and industrial health staff at a counselling center where a psychiatric specialist is permanently stationed

Using data to improve the workplace environment in collaboration with workplace management

- Provide support for high-stress workplaces through discussions involving psychiatrists and occupational physicians from the Human Resources Department and the Safety and Health Promotion Division to improve the workplace environment after the results of group analysis from stress checks are fed back to department heads.
- Share the implementation rates of Healthy Lifestyle Challenge 8 with individual workplaces and provide support for planning and implementing activities at the workplace level to encourage changes in healthy behavior.

Collaborate with stakeholders (human resources, health insurance unions, hospitals, labor unions, suppliers, etc.) to create a diverse, work-friendly environment.

- Convene health improvement forums with health insurance unions, Toyota Memorial Hospital, and labor unions to share perspectives on health measures and incorporate these into company policies.
- Collaborate with the Human Resources Department and labor unions to identify and address issues related to women's health. Organize menstrual health training sessions for supervisors and managers at production sites to raise their level of understanding and support for menstrual issues among female employees.
- Share case studies on health management initiatives on a dedicated website for suppliers and provide advice tailored to promoting health management initiatives based on specific needs.

Satisfaction with company policies

Sense of satisfaction with systems and support frameworks that allow employees to continue working comfortably and confidently, even in the face of physical or mental health challenges.[*1]

	FY2025
Toyota Motor Corporation	5.16/7[*2]

*1 One of the survey items in the Well-Being Survey (on happiness and purpose)
*2 Number of subjects: 69,428, Number of valid responses: 60,959, Number of valid responses/research consent: 54,765

P. 112 Well-Being Survey

Initiative for Safety

Aim

- Promoting safety and health activities rooted in each worksite toward achieving the target of **"ultimately achieving zero accidents and the continuation of zero accidents at all worksites"**.
- Scope: employees, secondees, assistant secondees, dispatched employees, employees of in-house contract companies, and employees of suppliers related to plant construction work, under the Occupational Safety and Health Rules.

Initiative

Initiatives for The Three Pillars of Safety

The Three Pillars of Safety

Safe People	• Implementing initiatives to develop people who can predict risks, follow rules, and think and act for themselves. • Workplace leaders demonstrate a safety-first attitude on a daily basis. Safety training focuses on the experiences and past actions of former employees, and is designed to encourage current employees to review their awareness and behavior on a daily basis to ensure that all employees are "safe people"
Safe Work (Risk Management)	• Reducing and managing high-risk tasks to eliminate all serious accidents • Employees implement the 4S methodology: seiri (sorting), seiton (straightening), seiso (cleaning), and seiketsu (cleanliness). They also evaluate safety risks in the workplace and implement a standardization process based on the operationality of each task.
Safe Place/ Environments	• Aiming to build positive and worker-friendly processes, find troubles and take quick actions and make speedy decisions. • The work environment is managed by statutory environmental measurement. • Since the working environment is significantly affected by the production equipment, season and other factors, measures for facilities are implemented according to the predetermined priority order.

Examples of Three Pillars Initiatives

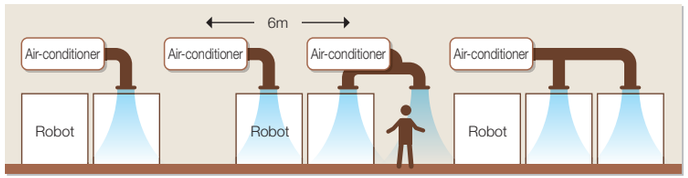
- Safe Work: Employee movement zones and industrial vehicle movement zones are separated to prevent collisions between workers and industrial vehicles.

Before improvement

After improvement

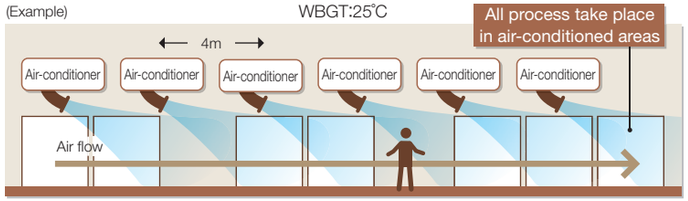
- Safe Place/ Environments: Heat mitigation is carried out by creating cool air flows throughout the worksite to improve the work environment.

Before improvement
(Example)



*WBGT (Wet Bulb Globe Temperature): Environmental assessment indicator to prevent heatstroke that considers both temperature and humidity

After improvement
(Example)



Safety Risk Assessment

- **Globally Expanding Occupational Safety and Health Management System (OSHMS)**
  - Using OSHMS, weaknesses are identified by genchi genbutsu (going to the source to get the facts) inspections.
  - Confirming whether measures are being implemented to avoid accidents that have occurred at other affiliates, and the status of the facilitated system to implement countermeasures continuously.
- Acquisition of ISO 45001*1 Certification
  - Eight global plants have acquired ISO 45001 certification (as of December 31, 2024). Further acquisition of certification by affiliates will be considered depending on the needs of the region and the plant concerned.
- Global Safety Meeting
  - Managers in charge of health and safety in each region attend a meeting (six times a year).
  - Attendees discuss responses to common issues and share examples of effective responses.
- When a new office is established, the company works together with suppliers to advance safety measures in terms of premises, buildings, and equipment installation while ensuring compliance with both legal requirements in the relevant country and construction work safety rules and equipment safety standards, both of which are common to global Toyota.

*1 ISO 45001: The international standard for occupational safety and health management systems established by the ISO (International Organization for Standardization)

Initiatives to Create a More Worker-friendly Workplace Environment (Preventing Musculoskeletal Disorders)

- Enhancing initiatives to **create workplace environments that are more friendly to workers in every region with consideration for all those involved in production activities**, regardless of age, gender, or physical characteristics.
- Measures to prevent lower back and hand pain from repetitive tasks include easy-to-assemble components and worker-friendly production equipment and work methods. We also visualize the situation of employees by offering physical care to employees on-site and a system to provide support when pain occurs.

Example of improvement: A power assist device to reduce arm fatigue (North America)

Safety KPI

Accident Type		2025 Target
Safety	Fatal accidents on company premises	0
	All accidents	24 or fewer (zero rule violations)

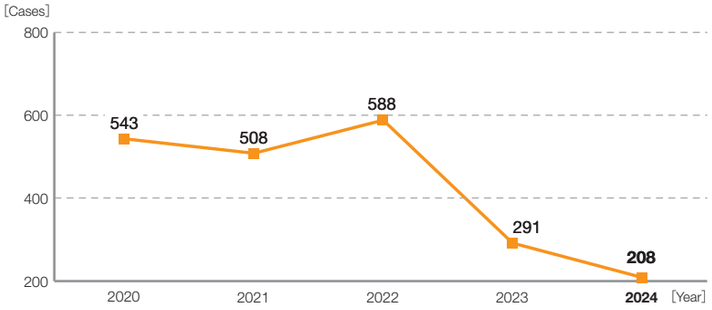
Work-related Accidents and Injuries

2024Results

	Scope	2024 Target [cases]	Result [cases]
All accidents	Global*1	125	208
	Toyota Motor Corporation	24	44
Fatal accidents on company premises	Global*1	0	0
Serious accidents (accidents that may result in death)	Global*1	10	12
Serious injuries (musculoskeletal diseases that require employees to take a leave of absence for two weeks or longer, or impose work limitations)	Global*1	478 (down 20% compared to 2021)	889

*1 Global: Toyota Motor Corporation and 53 overseas locations

Yearly accident cases (Global*2)



*2 Global: Toyota Motor Corporation and 53 overseas locations

Work-related Injuries (Lost Time Incident Rate*3)

		2020	2021	FY2023*7 (2022)	FY2024	**FY2025**
Global*4		0.24	0.23	0.28 (0.30)	0.13	**0.18**
	Japan	0.10	0.03	0.07 (0.07)	0.05	**0.10**
	North America*8	0.89	0.93	1.25 (1.43)	0.32	**0.44**
	Europe	0.27	0.13	0.05 (0.05)	0.10	**0.12**
	China	0.11	0.08	0.03 (0.03)	0.03	**0.10**
	Asia-Pacific	0.02	0.07	0.06 (0.05)	0.05	**0.09**
	Other	0.23	0.31	0.26*9 (0.24)	0.26	**0.29**
All industries (Japan)*5		1.95	2.09	— (2.06)	2.14*10	**2.10***11
Manufacturing industry (Japan)*5		1.21	1.31	— (1.25)	1.29*10	**1.30***11
Japan Automobile Manufacturers Association, Inc (14 companies)*6		0.09	0.07	0.07 (0.07)	0.09*12	**0.12**

*3 Lost Time Incident Rate: Number of deaths and injuries per 1 million hours actually worked in total (No. of deaths and injuries /Actual hours worked) × 1,000,000
*4 Global: Toyota Motor Corporation 53 overseas locations
*5 Source : Statistical tables from the Ministry of Health, Labour and Welfare
*6 Source: Japan Automobile Manufacturers Association, Inc
*7 Fiscal year results disclosed from FY2023
*8 The data statistical standards have been revised from FY2024
*9 Revised in June 2024 0.40 (0.37) → 0.26 (0.24)
*10 2023 data
*11 2024 data
*12 Revised in October 2025 0.08 → 0.09

Updated in October 2025

Social Contribution

SDGs Contributions

GRI 201-1, 203-2, 413-1

Fundamental Approach

Aim

- **Contribute to achieving the SDGs** by working together with stakeholders to achieve our mission of Producing Happiness for All.

Initiative

- Work on issues in each area with a **sense of ownership** and a **genchi genbutsu (going to the source to get the facts)** approach. Actively working together with partners to resolve an ever-wider range of issues faced by society.

Basic Principles and Policies of Social Contribution Activities
Toyota Social Contribution Activities

Organizational Structure

Aim

- Promote social contribution activities and discuss and report activity policies.

Initiative

- Approaches, issues, and other matters are reported to and discussed at the Sustainability Subcommittee. Key issues are discussed at the Sustainability Meeting and brought up to the Board of Directors meeting for oversight and decision-making.

P. 7 Organizational Structure

- The Corporate Citizenship Division plays the lead role in promoting activities in cooperation with regional headquarters in the United States, Europe, Asia and China.

Social Contribution Activities

Aim

- Toyota works together with members of the community to create a more prosperous and sustainable society through our social contribution efforts in culture and the arts, traffic safety, natural environment, and disaster relief.
- We place special emphasis on providing formative experiences that will inspire the next-generation leaders of the future to hope and dream, and develop activities under the philosophy that each individual is a human asset with unique and irreplaceable capabilities.

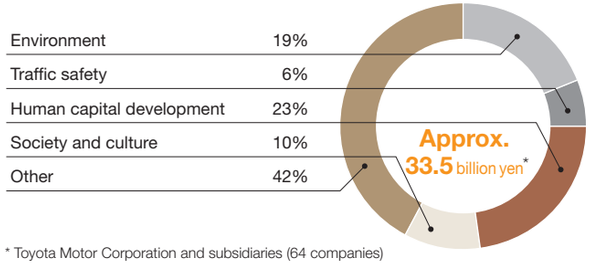
Initiative

- We strive to be the “best in town” through initiatives in the following four areas.
  - **Culture and the arts**
  - **Traffic safety**
  - **Natural environment**
  - **Disaster relief**

Example
- Social contribution programs (advancing culture and the arts, promoting traffic safety, conserving the environmental, responding to natural disasters)
- Support for persons with disabilities to create an inclusive society (e.g., Special Olympics)
- Promotion of employee volunteer activities (Toyota Volunteer Center)
- Support of activities by NPOs, NGOs, etc. (donations and sponsorship)
- Activities to promote understanding of automobiles, mobility culture, and Toyota’s corporate culture (Toyota Kaikan Museum, Toyota Automobile Museum etc.)

Social Contribution Activities

Expenditure for Social Contribution Activities (FY2025)



* Toyota Motor Corporation and subsidiaries (64 companies)
Subsidiaries’ results have been converted to yen based on the average exchange rate for FY2025.

Updated in October 2025

Social Data

GRI 2-7, 8, 204-1, 401-1, 3, 404-1, 405-1, 2

A Employees

TMC: Toyota Motor Corporation

			FY2023	FY2024	FY2025
Employees (Consolidated)		Persons	375,235	380,793	**383,853**
Employees (TMC)			70,056	70,224	**71,515**
	Male		60,780	60,663	**61,483**
	Female		9,276	9,591	**10,032**
Newly-hired employees (TMC)			1,401	934	**1,928**
	Male		1,138	723	**1,489**
	Female		263	211	**439**
Mid-career recruitment (TMC)			310	410	**869**
	Male		255	349	**667**
	Female		55	61	**202**
Average age (TMC)		Years old	40.6	40.6	**40.5**
	Male		41.2	41.2	**41.1**
	Female		36.8	37.0	**37.1**
Average period of employment (TMC)		Years	16.2	16.0	**15.6**
	Male		16.6	16.3	**15.9**
	Female		13.7	13.9	**13.8**
Turnover rate (TMC, voluntary resignation due to personal reasons)		%	1.0	0.9	**0.9**
Re-employed retirees (TMC)*1		Persons	1,465	1,579	**1,690**
Local management employees at overseas subsidiaries*2		%	76.7	74.4*2	**75**.0*2
Non-Japanese CEOs/COOs in major overseas subsidiaries*3			63.1	63.9*3	**64.2**.0*3
Number of managers (TMC)		Persons	10,416	10,503	**10,762**
Percentage of managerial positions held by women	Global	%	14.8	11.0*4	**12.0**.0*5
	TMC		3.4	3.7	**4.0**
Number of female assistant managers (TMC)		Persons	787	813	**865**
Number of female managers (TMC)			351	386	**432**
Percentage of female new recruits (TMC)	Administrative employees	%	45.6	34.8	**40.1**
	Engineering employees		11.8	10.7	**12.2**
	Shop floor employees		20.8	20.9	**20.0**
Female turnover rate (TMC, voluntary resignation due to personal reasons)	Administrative and Engineering employees		1.7	1.5	**1.4**
	Shop floor employees		3.6	2.3	**2.1**

*1 Number of re-employed administrative and engineering retirees
*2 Scope of calculation: 32 overseas companies
*3 Scope of calculation: 108 overseas companies
*4 TMC and 47 overseas companies
*5 TMC and 46 overseas companies

			FY2023	FY2024	**FY2025**
Number of employees using the childcare and nursing care leave program (TMC)		Persons	1,369	1,847	**1,978**
	Male		932	1,382	**1,508**
	Female		437	465	**470**
Average period of childcare leave (TMC)	Male	Months	1.9	2.0	**2.2**
	Female		16.4	15.2	**14.9**
Return rate after taking childcare leave (TMC)		%	99.0	99.8	**99.9**
	Male		100	99.9	**100.0**
	Female		97.8	99.3	**99.5**
Rate of male employees taking childcare leave (TMC)			38.0	61.5	**67.4**
Rate of male employees taking leave after the birth of their child (TMC)*6			90.7	88.5	**78.4**
Average number of days leave taken by male employees after the birth of their child (TMC)		Days	6.0	6.0	**3.5**
Average annual salary (TMC)		Yen	8,954,285	8,998,575	**9,825,635**
Gender pay gap (TMC)*7	All workers	%	66.7	67.0	**66.2**
	Permanent employees		66.5*8	66.9*8	**65.9**
	Part-time/fixed-term contract employees		57.8*9	59.5*9	**58.7**
Employment rate of people with disabilities (TMC, including special-purpose subsidiaries)		%	2.49	2.51	**2.49**
Number of people with disabilities employed (TMC, including special-purpose subsidiaries)		Persons	1,437	1,477	**1,528**
Number of employees using the flexible working hours system (TMC)*10			36,392	37,182	**38,389**
Percentage of annual paid leave taken (TMC)*11*12		%	101	87.8	**88.4**
Average monthly overtime per employee (TMC)*11		Hours/month	19.1	21.8	**21.1**
Total training hours (TMC)*13		Hours/year	412,236	487,381	**494,681**
Number of training hours per employee (TMC)*13		Hours/year	5.9	6.9	**6.9**
Total training cost (TMC)*14		Million yen/year	343	442	**730**
Employees who feel personal growth (TMC)		%	82.3	— *16	— *16
Employees who are satisfied with company life (TMC)			77.2*15	— *16	— *16
Percentage of Toyota employees who experience sense of purpose and fulfillment (TMC)			—	57	**60.0**
Percentage of Toyota employees who feel that diversity and individuality are valued (TMC)			—	52	**55.0**
Administrative and engineering employees who are satisfied with company life			67.9	78.3	**78.5***17
Shop floor employees who are satisfied with company life			73.5	69.5	**70.2***18
Rate of non-permanent employment (TMC)			17.5	19.8	**21.8**
Ratio of employees covered by collective bargaining agreements			90	86*19	**86**
Number of work stoppages and total days idle		Cases (persons · days)	0*20	1 (1,267)*21	**1 (4,318)** *22
Lost-time injury frequency rate	Global*23	*24	0.28	0.13	**0.18**
	TMC		0.07	0.05	**0.10**
Absence rate (TMC)*25		%	1.51	1.57*26	**1.53**
Stress check implementation rate (TMC)*25			91.7	89.5	**94.2**

*6 Percentage of male employees who took more than a half-day or full day of leave within two months of the birth of their child (including annual paid leave and childcare leave.)
*7 Average annual wage of female workers / Average annual wage of male workers x 100 Average annual wage is total wage (including bonuses and non-standard wages)/number of workers. Permanent employees do not include employees dispatched from TMC to external companies or employees despatched from other companies to TMC. Part-time/fixed-term contract employees include fixed-term employees, non-permanent employees, part-timers, post-retirement rehires, and temporary employees. (The number of part-timers is not calculated in terms of equivalent hours worked.) The wage framework and system does not allow pay gaps between male and female employees.
*8 The pay gap between male and female permanent employees is due to average age and affiliation according to job type. Pay gaps between male and female employees of the same age in the same job type will be reduced.
The pay gaps between male and female permanent employees aged 30 years is as follows:
Administrative and engineering positions: 94.0%; Gyomushoku: no data (due to no male employees); Shop floor employees: 74.9%; and Medical staff: 88.6%
*9 Pay gaps between part-time and fixed-term contract employees are due to employment type.
Particularly, remuneration for post-retirement rehires is calculated in accordance with their job description and qualifications, etc. resulting in pay gaps.
*10 Including use of the system other than for childcare or nursing care.
*11 Union member average.
*12 As a fraction of the number of days given each year. Including days of annual paid leave carried over from previous years (annual paid leave can be carried over for up to two years.).
*13 Covers only company-wide training programs organized by HR (does not include training programs at each division, in-house companies, or departments)
*14 Personnel costs (internal personal costs for setup and operation, outsourcing costs, Advisor labor costs), venue rental costs, equipment costs (rental/purchase), outside speaker costs, fees for attending external training [Note: Does not include labor costs when attending training]
*15 Administrative, engineering, “gyomushoku” employees (not including shop floor employees)
*16 Survey questions revised in FY2024. (Newly established : “Purpose and fulfillment”and "Diversity and respect for individuals”)
*17 Weighted average of 31 companies.
*18 Weighted average of 30 companies.
*19 Countries with unionized operations (only countries/regions with manufacturing: 19 out of 22) SASB TR-AU-310a.1
*20 Revised from 1 to 0 (The aggregation has been modified to align with the SASB definition)
*21 21 On March 5 and 6, 2024, employees were briefed on the relocation of the Indaiatuba Plant and plant operations were suspended at Toyota do Brasil LTDA (TDB, Brazil). A total of 1,267 work days were lost based on the definition by SASB (1-day shutdown x 1,267 affected employees).
SASB TR-AU-310a.2
*22 Period from April 10th to 15th, Indaiatuba plant operations were suspended as a result of a union strike in response to response to an announcement regarding the planned transfer of the plant by Toyota do Brasil. A total of 4,318 work days were lost based on the definition by SASB (3.49 day shutdown x 1,238 affected employees).
*23 TMC and 53 overseas sites.
*24 Number of deaths and injuries per 1 million hours actually worked in total (No. of deaths and injuries /Actual hours worked) × 1,000,000.
*25 Period covered: January to December.
*26 Revised in June 2025

B Supply Chain

			FY2023	FY2024	**FY2025**
Number of suppliers (Tier 1 suppliers)		Companies	11,167	11,349	**11,759**[*27]
	Japan (parts)		477	480	**487**
	Overseas (parts)		3,034	2,978	**3,013**
	Number of non-Japanese suppliers		(1,734)	(1,692)	**(1,636)**
	Japan (equipment, logistics, etc.)		1,267	1,264	**1,267**
	Overseas (equipment, logistics, etc.)		6,389	6,627	**6,992**

*27 TMC and 20 overseas companies

C Quality

		FY2023	FY2024	**FY2025**
Number of vehicles recalled	Million units	3.03	10.91	**3.67**
Number of safety-related defect complaints, percentage investigated	%	100 (Investigations conducted for all investigation requests from authorities in each county and results reported to relevant authorities)	100 (Investigations conducted for all investigation requests from authorities in each county and results reported to relevant authorities)	100 (Investigations conducted for all investigation requests from authorities in each county and results reported to relevant authorities)

D Social Contribution Activities

		FY2023	FY2024	**FY2025**
Total expenditure for social contribution activities	Billion yen	19.9	23.5[*28]	**33.5**[*28]

*28 TMC and 64 subsidiaries

Governance

Updated in June 2025

Corporate Governance

GRI 2-9~13, 2-17, 19, 20, 3-3

Fundamental Approach

Aim

- Establishment of a corporate governance structure that **supports sustainable growth and the stable, long-term enhancement of corporate value.**

Initiative

- Enhancement of corporate governance to build good relationships with all stakeholders, including shareholders, customers, suppliers, local communities, and employees, and consistently deliver products that satisfy customers' expectations.

Corporate Governance Structure

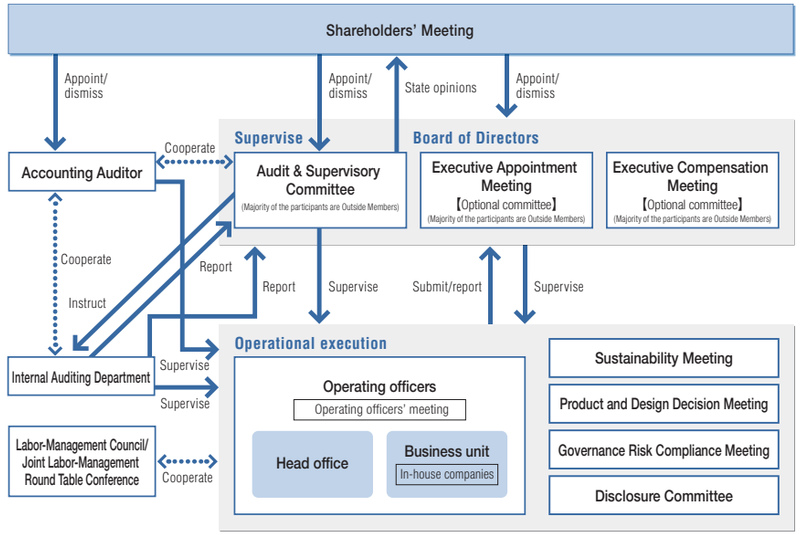
Aim

- Put in place a structure that enables customer opinions and on-site information to be swiftly communicated to management in order to **realize timely and accurate management decision-making**, and to **review whether such management decisions are accepted** by the customers and society.

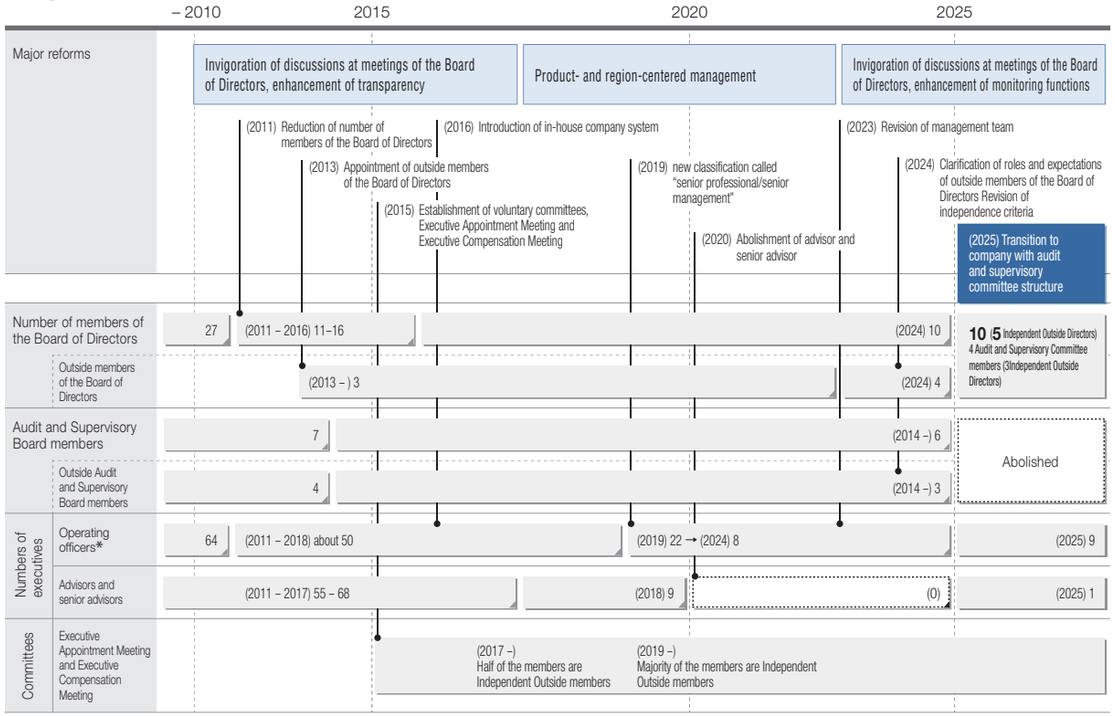
Initiative

- Members of the Board of Directors, composed of internal and outside directors, participate equally in discussions irrespective of position with the aim of further invigorating the board, and speed up decision-making by delegating authority to operating officers, in addition to promoting efforts to strengthen the board's oversight functions.
- The president, executive vice presidents and operating officers, to whom authority is delegated by the Board of Directors, work together with the business units (in-house companies and Business Planning & Operation Units) to reach decisions quickly and promote initiatives through operating officers' meeting and others.
- The Board of Directors, which includes Outside Directors, and the Audit & Supervisory Committee, supervise and audit the execution of business operations.
- The "Governance Risk Compliance Meeting" is newly established to enhance governance and management foundations.

Corporate Governance Organizational Diagram



Changes in Governance Structure



* Executive vice presidents, senior managing officers, and managing officers prior to introduction of executive officer system

April 2011	• Reduced the number of Members of the Board of Directors from 27 to 11(currently 10 members) • Reduced decision making layers (discontinuing the positions of executives responsible for the operations involved and introduced the two-tiered arrangement of Executive Vice President and Chief Officer) • Made flexible assignment of Senior Managing Officer or Managing Officer to Chief Officer post (abolition of Senior Managing Director) • Established the role of Executive General Manager • Stationing of, in principle, regional chief officers in their respective regions
April 2013	• Established business units • Reorganized region groups • Appointed Outside Board Members
April 2015	• Changed the roles of officers • Enhancement of diversity (appointing non-Japanese executives and female executives)
April 2016	• Established in-house companies, shift from functional to product-based focus
April 2017	• Further clarification of the responsibilities of Members of the Board of Directors as decision making and management oversight and of Operating Officers as operational execution • Reduced the number of Members of the Board of Directors(including Outside Directors) to 9 (June)
October 2017	• Changed the advisor and senior advisor system
January 2018	• Increased appointment of people with high expertise from both within and outside of the Company (the Toyota Group, people with technical positions, backgrounds, etc.) • Executive Vice President, in addition to supporting the President, personally leads the field as an in-house company president and organizational group chief officers • Newly established a fellow system to secure people with high level of specialist expertise and expand the breadth of executive human resource development
January 2019	• Created a new classification: "senior professional/senior management," integration of Managing Officer, Executive General Manager, (sub-executive managerial level] Senior Grade 1 and Senior Grade 2 Manager, and Grand Master
January 2020	• Discontinued use of Field General Manager rank, shifting to Senior General Manger and Fellow
April 2020	• Integrated the roles of Executive Vice President and Operating Officer into Operating Officer
July 2020	• Further clarified the roles of Operating Officers
April 2022	• Reorganized the roles of operating officers and newly established the position of executive vice president to create a position for focusing on management perspectives with the president
April 2023	• Shifted to a new management structure whereby, under the theme of "inheritance and evolution," operating officers implement product-centered (making ever-better cars) and region-centered (being the best car company in town) management
March 2024	• Clarified roles and expectations of outside members of the Board of Directors and revised independence criteria
June 2025	• Transitioned to a company with an Audit & Supervisory Committee Structure to further invigorate the Board of Directors • 50% of board to consist of independent outside directors (5 out of 10 members)

Board of Directors

Aim

■ **Accelerate decision-making and conduct appropriate supervision** to realize sustainable growth through transformation into a “mobility company”.

Initiative

■ Participation in discussions by internal members of the Board of Directors capable of practicing “product- and region-centered management” and all independent outside members of the Board of Directors who can provide advice on the creation of new value and governance from a broad perspective.
■ Establishment of “Executive Appointment Meeting” and “Executive Compensation Meeting,” of which a majority of the members are independent Outside Members of the Board of Directors, in order to enhance governance.

(As of June 2025)

Composition	10 members (Independent Outside Directors: 5, Female: 2, Non-Japanese: 2)	
Chairperson	Chairperson of Toyota Motor Corporation	
Tenure as Director	Average tenure: 3.7 years (0-4 years: 9 persons, 5-9 years: 0 person, over 10 years: 1 person)	
Appointment/dismissal of Directors	The Executive Appointment Meeting discusses and makes recommendations to the Board of Directors	
Independence of Outside Directors	Considered in accordance with the requirements for Outside Members of the Board of Directors set out in the Companies Act and the independence standards established by the relevant financial instruments exchanges	
Membership of the Board of Directors	The Board of Directors is to consist of members with abundant knowledge, deep insight and the highly professional expertise needed by Toyota, and members are appointed in consideration of Board diversity	
Members’ career summary	Executives	
Attendance rate at Board of Directors’ meetings	Notice of Convocation “Attendance at the Board of Directors Meetings (Number of BOD meetings attended)”	
Skills matrix	Notice of Convocation “Corporate Governance Highlights and Skills Matrix”	
Measures to make full use of the insight of Outside Members of the Board of Directors and the Audit & Supervisory Board	• Review the criteria for submission of proposals to the Board of Directors as needed to reduce the number of proposals submitted, so that sufficient time can be secured to discuss each proposal • Provide an explanation of proposals in advance to help ensure thorough understanding of the background of the proposals • Besides the Board of Directors meetings, set periodic opportunities for two-way communication between Outside Members of the Board of Directors and the Audit & Supervisory Board and the operational execution side on important management issues and medium-to long-term issues	
Analysis/evaluation of the effectiveness of the Board of Directors	Frequency	Once a year
	Subject of evaluation	Members of the Board of Directors and Audit & Supervisory Board Members
	Matters to be evaluated	Matters including • Composition and operation of the Board of Directors • Matters and support related to the execution of duties • Roles of the Board of Directors, procedures for deliberation, other
	Method	• Self-evaluation through surveys and interviews
	Review (in 2024)	• Promotion of efforts to bring specific matters to the table after dialogue on overall strategies to connect them with discussions focused on mid- to long-term perspectives • Extensive discussions over multiple sessions on the transition to a company with an Audit & Supervisory Committee structure • Participation of independent Outside Directors in key meetings, such as Product and Design Decision Meeting by making use of relevant committees, in order to invigorate discussions
	Improvement measures	• Continuous improvement focused on Toyota’s premise of “actively sowing the seeds for the future“, “stakeholder-oriented management”, and the “full engagement of all members of the Board of Directors”

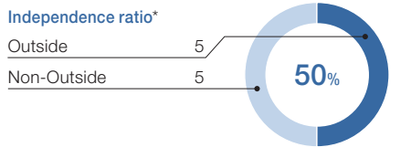
Integrated Report 2024, p. 90 Dialogue with Shareholders and Investors

Meetings

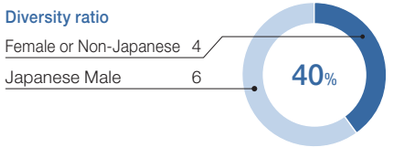
Name	Composition (as of June 2025)	Frequency/ Attendance Rate (FY 2024 results*)	Main Discussion Points
Executive Appointment Meeting	Chairperson: Vice Chairperson of the Board of Directors, 3 members (Independent Outside Directors: 2, Female: 1)	7 times / 100%	• Recommendations regarding appointment/ dismissal of Members of the Board of Directors and Audit & Supervisory Board Members • Appointment/dismissal and changes in roles of operating officers and senior professionals/ senior management above Senior General Manager • Individual performance evaluation • Organizational structure • Skills matrix
Executive Compensation Meeting	Chairperson: Vice Chairperson of the Board of Directors, 3 members (Independent Outside Directors: 2, Female: 1)	12 times / 99%	• Compensation levels according to position and responsibilities • Review of variabilities in performance-linked remuneration • Evaluation of performance indicators • Determination of individual remuneration levels

Corporate Governance Highlights

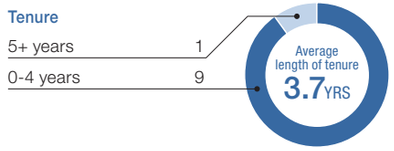
Independence ratio*



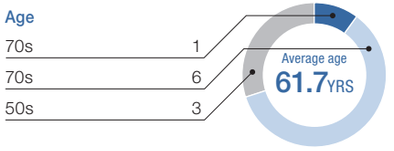
Diversity ratio



Tenure



Age



Audit & Supervisory Committee

Aim

■ **Appropriately conduct audits of Toyota**, which aims to achieve global sustainable growth by transforming itself into a “mobility company”.

Initiative

■ Conduct risk-based audits focusing on on-site inspections (genchi genbutsu) by members of the Audit & Supervisory Committee.
■ Establish a guidance and reporting system between the Audit & Supervisory Committee and the Internal Audit Department to facilitate organizational audits through internal control auditing systems.

(As of June 2025)

Composition	4 members (Outside Members of the Board of Directors: 3, Female: 1, Non-Japanese: 2)
Appointment/dismissal of Audit & Supervisory Committee Members	The Executive Appointment Meeting discusses and makes recommendations to the Audit & Supervisory Committee
Independence of Outside Directors	Considered in accordance with the requirements for Outside Members of the Board of Directors set out in the Companies Act, independence standards established by the relevant financial instruments exchanges, and independence assessment criteria established by Toyota
Career summary of members of the Audit & Supervisory Committee	Executives
Attendance at Board of Directors’ meetings	Notice of Convocation “Attendance at the Board of Directors Meetings (Number of BOD meetings attended)”
Skills matrix	Notice of Convocation “Corporate Governance Highlights and Skills Matrix”

Executive Compensation

Aim

■ Executive compensation system is an important means to encouraging executives to practice “product-centered and region-centered management” and contribute to decision-making aimed at sustainable growth into the future, as well as to play a significant role in transforming Toyota Motor Corporation into a mobility company through partnerships, while working to address environmental issues such as climate change and other social challenges connected to Toyota Motor Corporation and its value chain.

Initiative

■ Toyota’s executive compensation system is determined based on the following policy.
- It should be a system that encourages Members of the Board of Directors to work to improve the medium- to long-term corporate value of Toyota.
- It should be a system that can maintain compensation levels that will allow Toyota to secure and retain talented personnel.
- It should be a system that motivates Members of the Board of Directors to promote management from the same viewpoint as our shareholders with a stronger sense of responsibility as corporate managers.
- The clawback rule has been introduced in November 2023.

(As of June 2025)

Remuneration system		• Policies for determining remuneration for each member of the Board of Directors (excluding Directors who are members of the Audit & Supervisory Committee) are resolved by the Board of Directors • Remuneration is effectively linked to corporate performance while reflecting individual job responsibilities and performance. Appropriate remuneration levels and payment methods are set • Remuneration for Outside Members of the Board of Directors (excluding Directors who are members of the Audit & Supervisory Committee) and Audit & Supervisory Committee Members consists only of fixed payments, and as a result, is not readily impacted by business performance, helping to ensure independence from management
Remuneration for Members of the Board of Directors (excluding Directors who are members of the Audit & Supervisory Committee)	Maximum cash compensation	3.0 billion yen annually (of which, the maximum amount payable to Outside Members of the Board of Directors is 0.3 billion yen per year)
	Maximum share compensation	4.0 billion yen annually
Remuneration for Directors who are members of the Audit & Supervisory Committee		0.36 billion yen or less annually
Method of determining remuneration	Directors with Japanese Citizenship (excluding Directors who are Outside Members of the Board of Directors and on the Audit & Supervisory Committee)	• The total amount of remuneration received by each member of the board of directors annually is determined in accordance with appropriate level based on position and duties by referencing a benchmark of Japanese and also global companies selected based on the size of each person’s role and other factors • Compensation of composition and performance evaluation indicators: See next page
	Directors with Foreign Citizenship (excluding Directors who are Outside Members of the Board of Directors and on the Audit & Supervisory Committee)	• Fixed remuneration and performance-based remuneration are set based on the remuneration levels and structures that allow Toyota to secure and retain talented personnel • The total amount of remuneration received by each member of the board of directors in a year and the respective ratios of fixed- and performance-based remuneration as a percentage of total remuneration are set based on remuneration levels for job responsibilities, affiliate origin, and other factors (determined on an individual basis) • There are cases where Toyota provides income tax compensation for certain members of the Board of Directors in light of the difference in income tax rates with the compensation standards of the entity for which the individual has worked previously

Form 20-F “COMPENSATION”

Composition of Compensation

Type of remuneration	Percentage of total remuneration	Remuneration Method	Concept
Base compensation	Around 30%	Cash compensation	The percentage of total remuneration represented by LTI is designed to increase as an individual's roles and duties become greater
STI (Short Term Incentive)	Around 20%	Cash compensation	
LTI (Long Term Incentive)	Around 50%	Share compensation	

Concept of Performance Evaluating Indicators

TMC: Toyota Motor Corporation

STI	Financial indicators	(1) Consolidated operating income (single year)	Indicator for evaluating TMC's efforts based on short-term business performance
		(2) Fluctuation of TMC's market capitalization	Corporate value indicator for shareholders and investors to evaluate TMC's efforts
	Individual performance evaluation*		Qualitative evaluation of performance of each member of the Board of Directors
LTI	Financial indicators	(3) Consolidated operating income (multiple years)	Indicator for evaluating TMC's medium- to long-term efforts based on business performance
		(4) Total shareholder return	Corporate value indicators used by shareholders and investors to evaluate TMC's medium- and long-term initiatives
		(5) Return on equity	
	Non-financial indicators	(6) Progress of efforts to resolve sustainability issues	Indicator for evaluating TMC's medium- to long-term efforts based on the degree of corporate value enhancement
	Individual performance evaluation*		Qualitative evaluation of performance of each member of the Board of Directors

* The evaluation takes into account various factors such as initiatives (including the ESG perspective) based on the Toyota Philosophy and initiatives towards gaining trust from his or her peers and contribution to the promotion of human resources development.

Form 20-F "COMPENSATION"

Internal Control

Aim

- **Establish a system for ensuring the appropriateness of business operations** as a corporate group and **the proper implementation of that system** in accordance with the "Basic Policies on Establishing Internal Controls."

Initiative

- **Integrate the principles of problem identification and continuous improvement into the business operation process** and train employees who will put these principles into practice.
  - Inspect the establishment and implementation of internal controls, each business year.
  - Confirm that the organizational units responsible for implementing internal controls are functioning autonomously and are enhancing internal controls as necessary.

Form 20-F "Toyota Group Vision","Cementing our work foundation and addressing certification issues","Progress on Group governance"

Updated in October 2025

Risk Management

GRI 2-16, 3-3

Fundamental Approach

Aim

- **Reinforcing our risk management to handle the increasing uncertainty** while responding to expectations to take on new challenges amid a period of tremendous change in the conditions and values of the automotive industry, including the push toward carbon neutrality and CASE*.

* CASE: Connected, Autonomous/Automated, Shared, and Electric

Initiative

- Protecting the interests of our stakeholders, including customers and employees, even in the event of a risk occurrence, through the improvement of the organizational structure and the operation of the risk management system.

Organizational Structure

Aim

- Preventing, mitigating, reducing, and effectively managing risks that may arise in Toyota's business activities from a global perspective through collaboration and mutual support among regions, functions, and in-house companies under the leadership of the Chief Risk Officer (CRO).

Initiative

- Persons responsible for risk management: **CRO, Deputy CRO (DCRO)**
  - Person supervising risk management in each region: Regional CEO
  - Person responsible/in charge of risk management by function: Chief officer/risk manager of each division within the head office
  - Person responsible/in charge of risk management by product: Company president/risk manager of each division in each in-house company
- Identifying and addressing significant risks from a holistic, cross-organizational perspective, discussing key issues at the Governance Risk Compliance Meeting, chaired by the CRO, and presenting these issues to the Board of Directors Meeting as appropriate to promote business initiatives.

Organizational Structure

Risk Management System

Aim

■ **Identifying, assessing, and handling significant risks** through the development of Toyota's globally common risk management policy, structure, and operating procedures.

Initiative

■ Identifying, assessing, aggregating, handling, and monitoring risks in accordance with the **Toyota Global Risk Management Standard (TGRS)**, a company-wide risk management framework based on the ISO and Committee of Sponsoring Organizations of the Treadway Commission (COSO).

■ Assessing and aggregating risks following Toyota's globally common risk management policy, classifying risks by priority, and incorporating external perspectives and information to promote mitigation measures.

Identify risks	Assess risks	Aggregate risks	Handle risks	Monitor risks
Have each global region identify a **wide range of potential future risks**	Use **Toyota's globally common risk management policy** as a "common language" to gauge the significance of risks (Assess impacts, likelihood of occurrence, and measures)	Specify **significant risks through communication with internal departments and subcommittees based on risks identified by each individual site**	**Prioritize risks and promote measures** based on **level of importance**	Monitor risks on a continuous basis to **steadily and promptly gauge the effectiveness of measures and detect increased risks**

■ Using the TGRS to identify significant risks (as listed below), and forming cross-organizational task forces, as appropriate, to promote risk management, with the Governance Risk Meeting and other groups conducting checks on the progress of measures.

Item	Overview
Significant risks	• Business Continuity Management (BCM) • Risk of cyberattacks • Privacy protections • Risks related to intellectual property and technology • Risks related to internal control • Risks related to management strategies • Risks associated with new laws and regulations • Aging infrastructure, other
Scope	Headquarters, group companies, supply chains with suppliers, other

Business Continuity Management (BCM)

Aim

■ Ensure that business operations can continue and quickly recover from major disasters, such as earthquakes and floods, by preparing for impacts on Toyota's sites and employees, potential disruptions in the supply chain, and interruptions in the delivery of essential goods.

Initiative

Preparation for major disasters

■ Strong focus on preparedness for a Nankai Trough earthquake by developing the systems and processes needed from first responses to the resumption of operations.

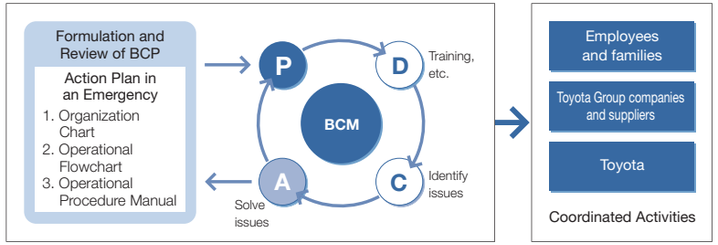
• Nankai Trough earthquake: A natural disaster predicted to cause extensive damage to the Tokai region, an area where Toyota has its headquarters, R&D and production facilities, as well as a high concentration of supply chain factories. A comprehensive response will be required from global Toyota.

Formulation of the Business Continuity Plan (BCP)

■ **Developing risk-resilient organizations and workplaces**

• Improving the effectiveness of the BCP by implementing PDCA through training and other means in coordination among employees and their families, Toyota Group companies and suppliers, and Toyota.

• Developing risk-resilient individuals.



■ **Toyota's Basic Guidelines (priorities during a disaster)**

• In the event of a disaster, we support the recovery of local communities and then steadily resume in-house production while making the protection of employees' safety the highest priority.

Toyota's Basic Guidelines (priorities during a disaster)

1	2	3
Humanitarian aid (lifesaving first, relief)	Early recovery of the affected areas (communities)	Restoration of Toyota's operations and production

■ **Disaster risk reduction system and implementation of emergency drills**

• Establishment of an initial response system divided into three levels: company-wide, office, and workplace levels.

⇒ Through company-wide emergency drills (once a year), in which these three levels are linked together, and emergency drills held by each disaster risk reduction block organized at the office level, we work toward improving the accuracy and effectiveness of our initial responses.

Organizational Structure

Company-wide	Company-wide initial response headquarters	Overseeing the company-wide disaster risk reduction system, gathering internal and external information in the event of an emergency, and determining response polices
Office	Disaster risk reduction block headquarters	Overseeing the block, gathering information about damage, supporting stranded commuters, operating a first-aid station, etc.
Workplace	Workplace disaster risk reduction team	Controlling the evacuation of the members of the workplace, giving first aid to the sick and wounded, first-aid firefighting, etc.

■ **Utilization of the Safety Confirmation System**

- In case that a large-scale disaster or incident occurs in Japan, the system enables employees working, living or staying in the affected area to report to the company if they and their family members are safe using their computers or smartphones.
- Issuing notifications to encourage all employees to report their safety status in the event of a disaster or other emergency, as deemed necessary..
- Conducting a safety confirmation drill for all employees every year in tandem with the company-wide emergency drill.

  FY2025 Results
  - Safety reporting rate at company-wide drill: 99% (Toyota Motor Corporation)

■ Enhancing awareness of disasters (Toyota Motor Corporation)

Distribution of the Emergency Handbook	● Main contents of the Emergency Handbook • Disaster prevention information explaining how to safely evacuate in the event of disasters including earthquakes, typhoons, heavy rains, and fires, first aid for injured personnel, and methods to contact family members, etc. • How to use the Safety Confirmation System ● The handbook can be viewed on a smartphone
Raising awareness by displaying information on computer screen	● Basic knowledge in consideration of recent years' increased severity of extreme weather events • The "Information for Severe Weather Preparedness" issued by the Japan Meteorological Agency, and evacuation information issued by the relevant local government • How local residents should act and evacuate
Discussions at each workplace	● Discussions on simulations for disasters

Initiatives to Mitigate the Impact of Disasters on Buildings and Equipment

■ We work to **mitigate the impact of disasters on buildings and equipment** in order to reduce any human injury and property damage in the event of a disaster and resume production immediately after shifting to the business restoration phase.

■ Buildings:
Our new buildings in Japan sufficiently meet the latest earthquake-resistance standards. Furthermore, each of our buildings built according to former earthquake-resistance standards has received earthquake-resistance testing and been retrofitted as needed.

■ Production equipment:
We constantly identify hazards, such as collapse, fire and a loss of power in the event of a disaster, and risks that may affect manufacturing quality while taking work processes and the characteristics of the machinery into consideration. To eliminate the identified hazards and risks, we make continuous efforts to incorporate reasonable measures into equipment specifications and operational procedures.

■ The know-how regarding the mitigation of the impact of disasters on buildings and equipment is being put to use in assessing risks and devising measures at affiliates in each country and region.

Humanitarian Aid and Early Recovery for Disaster-affected Regions

■ **Toyota has concluded comprehensive disaster support agreements with local governments** (Toyota City, Miyoshi City, Tahara City, Hekinan City, and Susono City).

- Humanitarian support and regional recovery assistance are to be provided under mutual cooperation with local governments. Toyota is preparing relevant structures by incorporating necessary provisions in its BCP and conducting joint training with the local governments.
- Details of the major support items
  - Rescue and relief in a disaster
  - Provide temporary evacuation facilities to local residents
  - Provide food, drinking water, and daily necessities for distribution through local governments (local residents)
  - Support cargo handling at municipal relief supply facilities
  - Provide space necessary for restoration of local infrastructure (water supply and drainage, roads, etc.)
  - Employee participation in local recovery activities

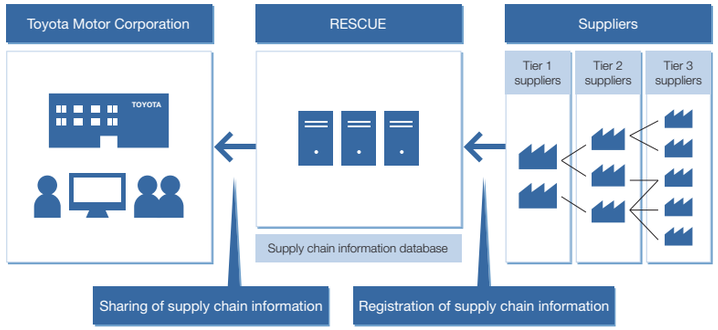
Building a Disaster-resilient Supply Chain

■ **Enhancing prompt initial action and early recovery**

- Working with suppliers in each country and region to build a disaster-resilient supply chain and pushing forward **the visualization of supply chain information** and the implementation of **measures as precautions against disasters** even in normal times.
  - Visualization of supply chain information: Building the **RESCUE*** system
  - Building a database based on highly confidential information from suppliers.
  - Conducting training with suppliers on a regular basis to ensure effective utilization of the system in the event of a disaster while strictly protecting suppliers' confidential information.
    ⇒ This system is shared with other companies through the Japan Automobile Manufacturers Association, helping to build a disaster-resilient supply chain.
- Advancing equivalent initiatives together with suppliers in each country and region.

* RESCUE: REinforce Supply Chain Under Emergency

RESCUE System to Store Supply Chain Information



Updated in June 2025

Compliance

GRI 2-15, 16, 25~17, 3-3, 205-1~3, 207-1~3

Fundamental Approach

Aim

- **In order to achieve our Mission "Producing Happiness for All" based on Toyota's values**, methods and corporate philosophy ("Toyota Philosophy" and "the Toyota Principles*") that all Toyota members developed through years of diligent effort and passed down from generation to generation to contribute to the sustainable growth, **we fulfill the corporate social responsibility expected of Toyota** by not only complying with the laws but also acting with integrity in accordance with the Toyota Code of Conduct.

* Honor the language and spirit of the law of every country and region, and undertake open and fair business activities to be a strong corporate citizen of the world.

Toyota Philosophy
Guiding Principles at Toyota
Toyota Code of Conduct

Initiative

- Formulation of the Toyota Code of Conduct as a set of guidelines for appropriate behavior and actions for Toyota employees, both within the company and in daily life, for the implementation of the Toyota Philosophy and the Guiding Principles at Toyota (formulated in 1998, revised in 2006 and 2023)
  - The Toyota Code of Conduct was revised in 2023 being approved by the Board of Directors. It includes updates for the key risks relevant to today's business environment and priorities, such as anti-bribery and anti-corruption and human rights in addition to top messages from Chairperson of the Board of Directors and president.
  - It has been translated into 14 languages, which covers about 98% of the native languages for all employees of Toyota, and distributed and being educated with the educational video to all employees of Toyota, including consolidated subsidiaries..
- Promotion of compliance activities to ensure that all employees of Toyota act responsibly in compliance with the Toyota Code of Conduct under the leadership of Chief Compliance Officer and Deputy Chief Compliance Officer.
- We have established the "Speak up" Hotline (for Toyota Motor Corporation), the Global Speak Up Line, All Toyota Speak Up and Toyota Consolidated Helpline (for domestic and overseas subsidiaries and sub-subsidiaries companies), etc. as whistle-blowing hotlines to receive compliance related questions and consultations.
- Enhancing compliance through training and education, and strengthening compliance through activities to check compliance status.

Toyota Code of Conduct
P. 136 Checks to Enhance Compliance

Compliance Education

Aim

■ **Ensure that all employees of Toyota act with integrity by having not only top management but also each employee receive training about the Toyota Code of Conduct and compliance training regarding important laws and regulations.**

Initiative

For employees:

■ Familiarize employees with various laws and regulations that they must understand when carrying out their tasks.
■ Providing the following various educational courses and seminars:
- The training on the Toyota Code of Conduct to all employees and obtaining commitment to their understanding and compliance with the content.
- The Business Compliance Seminar, in which lectures are given by the responsible division (held every year).
- E-learning-based training.
- Individual training courses tailored to specific needs of in-house divisions.
- Training at career milestones, such as at the time of joining the company, promotion and overseas assignment.

Major Training Themes

- Contracts
- Act against Unjustifiable Premiums and Misleading Representations
- Intellectual Property (copyrights, trademarks)
- Confidentiality Management
- Labor
- Antimonopoly Law
- Insider Trading Regulations
- Product Liability
- Bribery/Corruption
- Security Export Control
- Subcontracting Law
- Act on the Protection of Personal Information
- Taxation
- Safety and Health

For officers

■ Thoroughly inform officers, including directors, about the basic matters for which they must demonstrate compliance.
- **Legal Handbook for Corporate Officers**
  - The Handbook explains the various laws, regulations and points that directors must observe while performing their duties. It provides a comprehensive explanation of how to prevent corruption, including regulations with regard to bribery/corruption, insider trading, conflict-of-interest transactions and competitive transactions.
  - The Handbook is posted on the company intranet for officers, and relevant explanations are provided for newly-appointed of directors.
  - The Handbook is revised annually to reflect amendments to the relevant laws.
- **Code of Ethics for Directors and Operating of Officers**
  - It is a code of ethics that de¬fines the basic matters that directors and operating officers, etc. must comply with while performing their duties, together with internal regulations such as the Guiding Principles at Toyota and the Toyota Code of Conduct.
  - It has been formulated by the Board of Directors and is thoroughly informed to subject officers.

For subsidiaries

■ Implement the following activities:
- Provide training on the Toyota Code of Conduct and obtain commitment to understand and comply with its contents.
- Provide educational support tailored to the specific needs of subsidiaries in Japan.

Bribery / Corruption Prevention Measures

Aim

■ **Contribute to maintaining and improving social order and a fair and just competitive environment based on trust and ethics by promoting Toyota's strong commitment to doing business free from bribery and corruption.**

Initiative

■ Toyota Code of Conduct clearly defines what bribery and corruption are.
- It has clearly stated our policy and commitment to prevent bribery, including never offer, pay, solicit or receive a bribe and not make facilitation payments, and has been distributed and educated to all employees of Toyota.

Toyota Code of Conduct

■ Formulation of Anti Bribery/Corruption policies.
- Toyota Code of Conduct (Revised in 2023).
- Toyota Global Anti-Bribery and Anti-Corruption Policy (2023).
- Anti-Bribery Guidelines (For Business Partners) (2012).

Toyota Code of Conduct (Anti-bribery Anti-corruption)

Toyota Global Anti-Bribery and Anti-Corruption Policy

Anti-bribery Guidelines (For Business Partners)

■ Operations to enhance awareness
- Continue to raise awareness through ongoing training and communications such as at the time of joining the company, promotion and overseas assignment.
- Ensure an authorizer (manager) reviews actions and transactions for red flags that may indicate bribery in the payment process.
- Conducted/implemented anti-bribery and anti-corruption program mainly at consolidated subsidiaries located in countries with higher CPI* (corruption index), such as Indonesia, Thailand and Brazil (since 2020). Currently expanding the program globally (since 2023).

* This is an index that ranks countries by their perceived levels of public sector corruption, as determined by expert assessments and opinion surveys. The index is published annually by the non-governmental organization Transparency International since 1995.

Initiatives for Taxation

Aim

■ Maintain compliance on taxation and conduct **high-quality tax accounting operations**.

Initiative

■ Formulation of the **Toyota Tax Policy**
- Communicate Toyota's stance on tax payment and taxation policy in an easily understandable manner and promote stakeholders' understanding of it.
- Disseminate the Tax Policy to all subsidiaries.

Tax Policy

Speak-up

Aim

■ **Quickly and appropriately respond to workplace- and duty-related concerns, complaints or questions** that employees and other relevant parties may have.

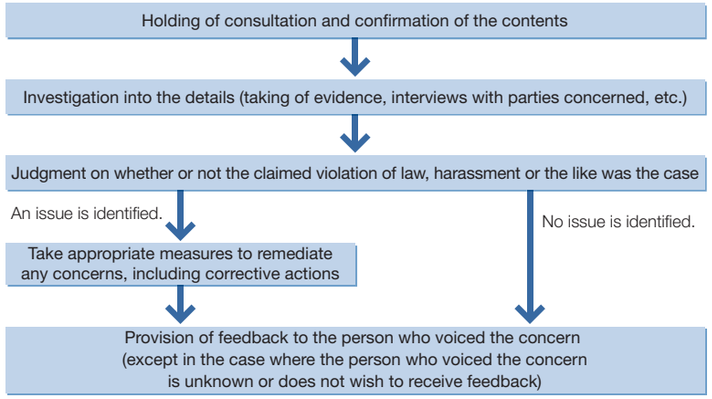
Initiative

Speak-up Hotline (Toyota Motor Corporation)

■ In the past: Several hotlines were used depending on the type of issue, including a Compliance Hotline, which allowed employees to report compliance-related issues, and hotlines for harassment.
At present: These hotlines have been **integrated into the "Speak up" Hotline** (since April 2020).

Persons eligible to use the hotline	• **As long as the topics of the consultation are matters related to employees or workplaces** of Toyota Motor Corporation, the hotline is open to **not only its employees but also any other third parties, including employees' family members and business partners** • The hotline can also be used anonymously
Methods for disseminating information on the hotline	• **Through various media** including the intranet
Handling	• Consultation requests are accepted through law firm, websites, by phone and other means (inquiries online and by email are accepted 24 hours a day) • The in-house office forwards the content of the consultation to the division responsible, which carefully investigates the details, taking all precautions to protect the identity of the individual who raised the concern • It is stipulated in company regulations that attempts to search for individuals who consulted with the hotline or cooperated with the investigation are prohibited • It is stipulated in relevant company regulations that unless the purpose is malicious, seeking a consultation through the hotline and taking other related actions **will not disadvantage the person who voiced the concern, nor individuals who cooperated in the investigation** • For cases where an issue is identified, appropriate measures will be taken in accordance with company regulations such as the Work Regulations
Number of consultations received (FY2025)	• 884 (up 0% compared to the previous year) Breakdown • Potential rule/regulatory infractions: 144 • Financial matters: 12 • Potential Harassment: 134 • Workplace environme.nt/personnel matters: 313 • Opinions/inquiries: 124 • Others: 157

Report and response procedures



Speak-up Lines for overseas and domestic subsidiaries

- A number of reporting channels have been established to supplement those in subsidiaries, such as the Global Speak Up Line (mainly for subsidiaries and sub-subsidiaries overseas), and the All Toyota Speak Up and Toyota Consolidated Helpline (mainly for subsidiaries and sub-subsidiaries in Japan).
- Inquiries are accepted through websites and by email.
- The Global Speak Up Line is available in multiple languages.
- These hotlines are staffed by third parties.
- These hotlines can be used anonymously, where permitted by local law.
- The Toyota Code of Conduct and Toyota Speak Up Policy explicitly state that employees who report concerns will not be treated unfavorably, and that anyone who attempts to identify or retaliate against them may face disciplinary action.

Number of consultations received (FY2025)	Global Speak Up Line • 522 All Toyota Speak Up and Toyota Consolidated Helpline • 221 Breakdown • Potential rule/regulatory infractions: 74 • Financial matters: 5 • Potential Harassment: 47 • Workplace environment/personnel matters: 21 • Opinions/inquiries: 15 • Others: 59

Toyota Code of Conduct (Speak Up) Toyota Speak Up Policy

Checks to Enhance Compliance

Aim

■ Continue to demonstrate the highest compliance standards **by grasping/encouraging compliant behaviors and activities and making ceaseless improvements**, including at domestic and overseas subsidiaries.

Initiative

■ **Select fields to be checked in accordance with the Toyota Code of Conduct, and conduct checks. (Conducted every year)**
- For issues identified through checks and points that need to be improved, incorporate them into the next fiscal year's Kaizen plans to ensure continuous attention and improvement.
- Conduct interviews with subsidiaries to understand their compliance efforts and provide support when needed.
- Conduct audits on priority areas and priority subsidiaries to ensure the accuracy of activities of checks to enhance compliance

Checks carried out in FY2025
- Checks 23 items in 7 categories, such as **Harmonious, Safe and Lively Work Environment (Working Environment), Speak Up, Product Safety and Quality, Anti-Bribery and Anti-Corruption,** etc.

Updated in June 2025

Governance Data

A Governance

TMC: Toyota Motor Corporation

		As of June 2023	As of June 2024	**As of June 2025**
Number of Directors	Persons	10	10	**10**
Male		9	9	**8**
Female		1	1	**2**
Outside Directors (independent officers)		4	4	**5**
Female ratio	%	10	10	**20**
Diversity ratio		30	30	**40**
Independence ratio		40	40	**50**

		FY2023	FY2024	**FY2025**
Number of fines, penalties or settlements paid by Toyota Motor Corporation in relation to corruption (excluding global affiliates)	Cases	0	0	**0**
Number of Toyota Motor Corporation staff (excluding global affiliates) disciplined or dismissed due to non-compliance with anti-corruption policies		0	0	**0**
Number of consultations to the Speak-up Hotline (TMC)		707	884	**884**
Global Speak Up Line*2		–*1	–*1	**522**
All Toyota Speak Up and Toyota Consolidated Helpline*3		–*1	–*1	**221**

*1 Disclosed from FY2025
*2 Mainly for subsidiaries and sub-subsidiaries located overseas
*3 Mainly for subsidiaries and sub-subsidiaries located in Japan

SASB/GRI/TCFD Content Index

SASB Content Index

Updated in October 2025

Topic	Accounting Metric	Code	Response
Product Safety	Percentage of vehicle models rated by NCAP programs with an overall 5-star safety rating, by region	TR-AU-250a.1	Vehicle Safety > External Safety Evaluations
	Number of safety-related defect complaints, percentage investigated	TR-AU-250a.2	Quality and Service > Quality Risk Management
			Quality and Service > Coping with Quality Problems
			Social Data > Quality
	Number of vehicles recalled	TR-AU-250a.3	Quality and Service > Coping with Quality Problems
			Social Data > Quality
Labor Practices	Percentage of active workforce covered under collective bargaining agreements	TR-AU-310a.1	Respect for Human Rights > Initiatives for Freedom of Association
	(1) Number of work stoppages and (2) total days idle	TR-AU-310a.2	Social Data > Employees
Fuel Economy & Use-phase Emissions	Sales-weighted average passenger fleet fuel economy, by region	TR-AU-410a.1	Environmental Data [E] Average CO_2 Emissions from New Vehicles: Global
	Number of (1) zero emission vehicles (ZEV), (2) hybrid vehicles, and (3) plug-in hybrid vehicles sold	TR-AU-410a.2	New Vehicle Zero CO_2 Emissions Challenge > Promoting widespread use of electrified vehicles
			Environmental Data [F] Electrified Vehicles Sales: Global
	Discussion of strategy for managing fleet fuel economy and emissions risks and opportunities	TR-AU-410a.3	Climate-related Financial Disclosures Based on TCFD Recommendations > Strategy
			New Vehicle Zero CO_2 Emissions Challenge
Materials Sourcing	Description of the management of risks associated with the use of critical materials	TR-AU-440a.1	Value Chain Collaboration > Responsible Material Sourcing
Materials Sourcing	Total amount of waste from manufacturing, percentage recycled	TR-AU-440b.1	Environmental Data [Q] Waste: Global
	Weight of end-of-life material recovered, percentage recycled	TR-AU-440b.2	—
	Average recyclability of vehicles sold	TR-AU-440b.3	Resource Recycling > Activities to Achieve Resource Recycling
Number of vehicles manufactured		TR-AU-000.A	Company Profile
Number of vehicles sold		TR-AU-000.B	Company Profile

GRI Content Index

Updated in October 2025

TOYOTA MOTOR CORPORATION has reported the information cited in this GRI content index for the period from April 1, 2024 to March 31, 2025 with reference to the GRI Standard.

Universal Standards

Code	Requirements	Publication Pages
1. The organization and its reporting practices		
GRI 2 : General Disclosures 2021		
2-1	Organizational details	Profile
2-2	Entities included in the organization's sustainability reporting	Editorial Policy
2-3	Reporting period, frequency and contact point	Editorial Policy
		Sustainability Management Div.
2-4	Restatements of information	Update History
2-5	External assurance	Third-Party Assurance
2. Activities and workers		
2-6	Activities, value chain and other business relationships	Facilities
		Form 20-F "INFORMATION ON THE COMPANY"
2-7	Employees	Profile
		Social Data > Employees
2-8	Workers who are not employees	Social Data > Employees
3. Governance		
2-9	Governance structure and composition	Corporate Governance
2-10	Nomination and selection of the highest governance body	Corporate Governance > Board of Directors
2-11	Chair of the highest governance body	Corporate Governance > Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance
		Promoting Sustainability
2-13	Delegation of responsibility for managing impacts	Corporate Governance
		Promoting Sustainability > Organizational Structure
		Climate-related Financial Disclosures Based on TCFD Recommendations > Governance
2-14	Role of the highest governance body in sustainability reporting	Promoting Sustainability > Organizational Structure
2-15	Conflicts of interest	Corporate Governance Reports
		Compliance
2-16	Communication of critical concerns	Risk Management
		Compliance
		Corporate Governance Reports
		Climate-related Financial Disclosures Based on TCFD Recommendations > Governance
2-17	Collective knowledge of the highest governance body	Promoting Sustainability
		Corporate Governance > Corporate Governance Structure
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Reports
2-19	Remuneration policies	Corporate Governance > Executive Compensation
2-20	Process to determine remuneration	Corporate Governance > Executive Compensation
		Form 20-F "COMPENSATION"
2-21	Annual total compensation ratio	Form 20-F "COMPENSATION"
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	New Management Policy & Direction Announcement

Code	Requirements	Publication Pages
		Climate-related Financial Disclosures Based on TCFD Recommendations > Strategy
2-23	Policy commitments	Sustainability Related Policies and Guidelines
2-24	Embedding policy commitments	Promoting Sustainability
2-25	Processes to remediate negative impacts	Compliance
		Policy and Environmental Management > Environmental Management > Risk Management and Compliance
		Respect for Human Rights > Human Rights Due Diligence
2-26	Mechanisms for seeking advice and raising concerns	Compliance > Speak-up
		Respect for Human Rights > Human Rights Due Diligence
		Value Chain Collaboration > Initiatives with Suppliers
2-27	Compliance with laws and regulations	Compliance > Bribery / Corruption Prevention Measures
		Policy and Environmental Management > Environmental Management > Risk Management and Compliance
2-28	Membership associations	Promoting Sustainability > Stakeholder Engagement
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	Promoting Sustainability > Stakeholder Engagement
2-30	Collective bargaining agreements	Respect for Human Rights > Initiatives for Freedom of Association
GRI 3 : Material Topics 2021		
3-1	Process to determine material topics	Promoting Sustainability > Sustainability Issues and Initiatives (Materiality)
3-2	List of material topics	Promoting Sustainability > Sustainability Issues and Initiatives (Materiality)
3-3	Management of material topics	Policy and Environmental Management
		Respect for Human Rights
		Diversity, Equity, and Inclusion (DE&I)
		Value Chain Collaboration
		Vehicle Safety
		Quality and Service
		Human Resource Development
		Corporate Governance
		Risk Management
		Compliance

Topic Standards (Economic)

Code	Requirements	Publication Pages
GRI 201 : Economic Performance 2016		
201-1	Direct economic value generated and distributed	Form 20-F "OPERATING AND FINANCIAL REVIEW AND PROSPECTS"
		Social Contribution Activities
201-2	Financial implications and other risks and opportunities due to climate change	"Climate-related Financial Disclosures Based on TCFD Recommendations > Strategy"
		New Vehicle Zero CO_2 Emissions Challenge
		Corporate Activities and Production
		Life Cycle Zero CO_2 Emissions Challenge
201-3	Defined benefit plan obligations and other retirement plans	Form 20-F "FINANCIAL INFORMATION"
201-4	Financial assistance received from government	—
GRI 202 : Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	—
202-2	Proportion of senior management hired from the local community	—
GRI 203 : Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Circular Economy (CE) > Toyota Global 100 Dismantlers Project to Establishment Social Systems for Appropriate Treatment and Recycling of End-of-life Vehicles
		Circular Economy (CE) > Toyota Global Car-to-Car Recycle Project– A Resource Recycling Initiative that Considers the Entire Vehicle Life Cycle

Code	Requirements	Publication Pages
203-2	Significant indirect economic impacts	Vehicle Safety
		Social Contribution
GRI 204 : Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Social Data > Supply Chain
GRI 205 : Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Compliance
		Form 20-F "DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES", "CORPORATE GOVERNANCE"
205-2	Communication and training about anti-corruption policies and procedures	Form 20-F "DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES", "CORPORATE GOVERNANCE"
		Value Chains Collaboration
		Compliance
205-3	Confirmed incidents of corruption and actions taken	Governance Data > Governance
GRI 206 : Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	—
GRI 207 : Tax 2019		
207-1	Approach to tax	Compliance > Initiatives for Taxation
207-2	Tax governance, control and risk management	
207-3	Stakeholder engagement and management of concerns related to tax	
207-4	Country-by-country reporting	—

Topic Standards (Environmental)

Code	Requirements	Publication Pages
GRI 301 : Materials 2016		
301-1	Materials used by weight or volume	Environmental Data [M] Raw Materials Content and Recycled Content: Global
		Environmental Data [O] Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation
301-2	Recycled input materials used	Environmental Data [M] Raw Materials Content and Recycled Content: Global
		Environmental Data [O] Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation
301-3	Reclaimed products and their packaging materials	Challenge of Establishing a Recycling-based Society and Systems > Toyota Global Car-to-Car Recycle Project–A Resource Recycling Initiative that Considers the Entire Vehicle Life Cycle
		Environmental Data [P] Parts Recycled: Toyota Motor Corporation
		Environmental Data [N] Vehicles Recycled in Accordance with the End-of-life Vehicle Recycling Law: Toyota Motor Corporation
		Environmental Data [O] Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation
GRI 302 : Energy 2016		
302-1	Energy consumption within the organization	Environmental Data [H] Energy Used & Energy Intensity: Global
302-2	Energy consumption outside of the organization	—
302-3	Energy intensity	Environmental Data [H] Energy Used & Energy Intensity: Global
302-4	Reduction of energy consumption	Environmental Data [H] Energy Used & Energy Intensity: Global
		Production (Plant Zero CO_2 Challenge)
302-5	Reductions in energy requirements of products and services	New Vehicle Zero CO_2 Emissions Challenge > Promoting widespread use of electrified vehicles
		Environmental Data [E] Average CO_2 Emissions from New Vehicles: Global
GRI 303 : Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Challenge to Minimizing and Optimizing Water Usage
303-2	Management of water discharge-related impacts	Challenge to Minimizing and Optimizing Water Usage
303-3	Water withdrawal	Environmental Data [I] Water Withdrawal: Global
303-4	Water discharge	Environmental Data [J] Water Discharge: Global
303-5	Water consumption	Environmental Data [K] Water Consumption: Global

Code	Requirements	Publication Pages
GRI 304 : Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	—
304-2	Significant impacts of activities, products, and services on biodiversity	—
304-3	Habitats protected or restored	—
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	—
GRI 305 : Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Environmental Data [B] CO_2 Emissions & CO_2 Emissions Intensity Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global
		Environmental Data [C] Greenhouse Gases Emissions from Sources Other Than Energy-related CO_2 Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global
305-2	Energy indirect (Scope 2) GHG emissions	Environmental Data [B] CO_2 Emissions & CO_2 Emissions Intensity Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global
305-3	Other indirect (Scope 3) GHG emissions	Life Cycle Zero CO_2 Emissions Challenge
		Environmental Data [D] GHG Emissions Scope 3 (Other Indirect Emissions): Global
305-4	GHG emissions intensity	Environmental Data [B] CO_2 Emissions & CO_2 Emissions Intensity Scope 1 (Direct Emissions) & Scope 2 (Indirect Emissions Generated from Purchased Energy): Global
305-5	Reduction of GHG emissions	New Vehicle Zero CO_2 Emissions Challenge > Promoting widespread use of electrified vehicles
		Plant Zero CO_2 Emissions Challenge > Reducing CO_2 Emissions in Production Activities
		Environmental Data [E] Average CO_2 Emissions from New Vehicles: Global
305-6	Emissions of ozone-depleting substances (ODS)	Fiscal Year 2025 Performance Review of the 7th Toyota Environmental Action Plan (2025 Target)
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Environmental Data [R] VOC Emissions: Global
		Environmental Data [S] NOx & SOx Emissions: Global

Code	Requirements	Publication Pages
GRI 306 : Waste 2020		
306-1	Waste generation and significant waste-related impacts	—
306-2	Management of significant waste-related impacts	Challenge of Establishing a Recycling-based Society and Systems
		Policy and Environmental Management > Environmental Management > Risk Management and Compliance
306-3	Waste generated	Environmental Data [Q] Waste: Global
306-4	Waste diverted from disposal	Environmental Data [M] Raw Materials Content and Recycled Content: Global
		Environmental Data [O] Remanufactured and Used Parts Supplied (for Repair and Replacement): Toyota Motor Corporation
306-5	Waste directed to disposal	—
GRI 308 : Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Policy and Environmental Management > Initiatives with Suppliers
308-2	Negative environmental impacts in the supply chain and actions taken	Policy and Environmental Management > Initiatives with Suppliers

Topic Standards (Social)

Code	Requirements	Publication Pages
GRI 401 : Employment 2016		
401-1	New employee hires and employee turnover	Social Data > Employees
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
401-3	Parental leave	Social Data > Employees
GRI 402 : Labor/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	—

Code	Requirements	Publication Pages
GRI 403 : Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Health and Safety
403-2	Hazard identification, risk assessment, and incident investigation	
403-3	Occupational health services	
403-4	Worker participation, consultation, and communication on occupational health and safety	
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
403-8	Workers covered by an occupational health and safety management system	
403-9	Work-related injuries	
403-10	Work-related ill health	
GRI 404 : Training and Education 2016		
404-1	Average hours of training per year per employee	Social Data > Employees
404-2	Programs for upgrading employee skills and transition assistance programs	Human Resource Development
404-3	Percentage of employees receiving regular performance and career development reviews	
GRI 405 : Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Corporate Governance Reports
		Social Data > Employees
405-2	Ratio of basic salary and remuneration of women to men	Social Data > Employees
GRI 406 : Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	—

Code	Requirements	Publication Pages
GRI 407 : Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	—
GRI 408 : Child Labor 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Respect for Human Rights Value Chain Collaboration > Responsible Material Sourcing
GRI 409 : Forced or Compulsory Labor 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Respect for Human Rights Value Chain Collaboration > Responsible Material Sourcing
GRI 410 : Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	—
GRI 411 : Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	—
GRI 413 : Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Social Contribution Activities Fiscal Year 2025 Performance Review of the 7th Toyota Environmental Action Plan (2025 Target) Policy
413-2	Operations with significant actual and potential negative impacts on local communities	—
GRI 414 : Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Value Chain Collaboration > Initiatives with Suppliers
414-2	Negative social impacts in the supply chain and actions taken	Value Chain Collaboration > Initiatives with Suppliers Respect for Human Rights
GRI 415 : Public Policy 2016		
415-1	Political contributions	—

Code	Requirements	Publication Pages
GRI 416 : Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Vehicle Safety
		Quality and Service
		Information Security
		Privacy
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Quality and Service > Coping with Quality Problems
GRI 417 : Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	User Manual (Japanese Only)
417-2	Incidents of non-compliance concerning product and service information and labeling	—
417-3	Incidents of non-compliance concerning marketing communications	—
GRI 418 : Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security
		Privacy

TCFD Content Index

Updated in June 2025

Main Categories	Recommended Disclosures	Publication Pages
Governance	Board's Oversight of Climate-related Risks and Opportunities	Climate-related Financial Disclosures Based on TCFD Recommendations > Governance
	Management's Role in Assessing and Managing Climate-related Risks and Opportunities	
Strategy	Short-, Medium- and Long-term Climate-related Risks and Opportunities the Organization Has Identified	Climate-related Financial Disclosures Based on TCFD Recommendations > Strategy
	Resilience of the Organization's Strategy Under a 1.5°C, 4°C, and Other Climate-related Scenarios in Terms of Business, Strategy, and Financial Planning	
	Impact of Climate-related Risks and Opportunities on the Organization's Businesses, Strategy, and Financial Planning	
Risk Management	Organization's Processes for Identifying and Assessing Climate-related Risks	
	Organization's Processes for Managing Climate-related Risks	Climate-related Financial Disclosures Based on TCFD Recommendations > Governance
	How Processes for Identifying, Assessing, and Managing Climate-related Risks are Integrated into the Organization's Overall Risk Management	
Metrics and Targets	Metrics Used by the Organization to Assess Climaterelated Risks and Opportunities in Line with Its Strategy and Risk Management Process	Climate-related Financial Disclosures Based on TCFD Recommendations > Metrics and Targets
	Scope 1, Scope 2, and, If Appropriate, Scope 3 Greenhouse Gas (GHG) Emissions, and the Related Risks	
	Targets Used by the Organization to Manage Climate-related Risks and Opportunities and Performance Against Targets	

TOYOTA MOTOR CORPORATION

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