

Key Performance Figures

(April to March period)

2006/07 2007/08 2008/09 2009/10 2010/11

Economic Performance

Domestic Retail Sales Volume	228,355	248,690	229,189	214,645	217,365
Exported Vehicles	81,326	99,395	94,955	68,659	79,979
Toyotas in the Top Ten Selling Vehicles	4	5	4	4	2
Prius Sales	2,349	3,232	3,275	2,855	1,318
Hybrid Camry Sales	-	-	-	1,290	6,584
Vehicles Manufactured	117,790	148,879	130,214	105,790	113,332
Net Profit After Tax	\$184.4 million	\$242.2 million	\$123.3 million	-\$107.9 million	-\$13.2 million
Net Sales	\$8.3 billion	\$9.4 billion	\$8.8 billion	\$8.4 billion	\$8.2 billion

Environmental Performance

Electricity Usage – Production (MWh)	111,068	105,448	99,834	91,494	94,104
Natural Gas Usage – Production (GJ)	710,198	629,472	610,155	536,017	598,880
Greenhouse Gas Emissions – Production (tonnes CO ₂)	197,099	194,727	165,624	141,000	145,469
Greenhouse Gas Emissions per vehicle – Production (tonnes CO ₂)	1.74	1.16	1.27	1.33	1.28
Water Usage – Production (kilolitres)	439,079	450,134	463,893	405,829	392,163
Production Waste Recycled	96%	95%	95%	95%	95%
Dealers Compliant with the Dealer Environment Risk Audit Program	143	197	249	273	279

Social Performance

Number of Employees	4,717	4,676	4,571	4,551	4,623
Turnover Rate for Award Employees	5.74%	4.54%	5.71%	5.82%	6.76%
Lost Time Injury Frequency Rate (Figure not available for 2006/07 due to changing data measurement)	-	13	9	11	12
Employee Satisfaction Index Rating	78.3	77.8	79.0	77.2	77.2
Community Investments (Figure not available for 2006/07 as this was not collected through London Benchmarking Group methodology)	-	\$2.26 million	\$3.59 million	\$2.58 million	\$2.21 million

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Highlights from Toyota Australia's 2011

Sustainability Report

Toyota Motor Corporation Australia Limited
ACN 009 686 097

Toyota Australia's sustainability reporting focuses on the challenges that affect our business performance and matter most to our key stakeholders. This brochure provides highlights from our interactive online report which is available at www.toyota.com.au/toyota/sustainability

President's Message

Looking back on the past year, I am reminded of the highs and lows Toyota Australia faced, and what stands out is how we leveraged these experiences to continue our journey to become a company that exceeds customer expectations with quality vehicles at affordable prices.



I want to share with you the company's progress and some of the initiatives that are bringing benefits to our company, stakeholders, the environment and to the community.

The March 2011 Great East Japan Earthquake had a major effect on Toyota Motor Corporation's global operations, including Toyota Australia. Since March, Toyota Australia has worked closely with its stakeholders to manage parts supply shortages, vehicle production adjustments, reduced vehicle imports and sales and customer concerns. With vehicle production back to pre-earthquake levels, I want thank all those involved for the effort and perseverance undertaken to get our company back on track earlier than expected.

During the past year Toyota Australia rallied to support Dealers affected by floods and Cyclone Yasi and to rebuild customer trust following global and domestic vehicle safety recalls. Our local manufacturing operations experienced increasing costs, including rising raw materials prices, while the strong Australian dollar gave rival imported vehicles a significant price advantage and impacted Toyota Australia's export performance.

Despite these strong headwinds, the Australian automotive industry began to regain its footing after a challenging three years, overshadowed by the global financial crisis. Improved economic conditions and market demand compared to previous years saw Toyota Australia produce 113,332 Camry, Hybrid Camry and V6 Aurion vehicles during the year

to 31 March, representing a 23 per cent increase from 2009. Vehicle sales and exports also improved during the year, making us Australia's number one car company for the eighth year in a row.

One of the year's major highlights was the approval in September 2010 by Toyota Motor Corporation for Toyota Australia to build the next generation four cylinder AR engine. Works are already underway to design and develop a Global Engine Line in the existing engine plant. The project will inject approximately \$300 million of project expenditure into the Australian economy and from late 2012 more than 100,000 engines will be produced each year for Camry and Hybrid Camry sedans.

Toyota Australia has a long standing commitment to improving our environmental footprint across all our operations. This continues today with many environmental improvement initiatives underway including the installation of a trigeneration plant at the company's headquarters to reduce CO₂ and the implementation of our award winning Toyota Environmental Management System at all sites. We also launched the Toyota Environmental Dealership program to help Toyota dealerships embed environmental thinking and sustainable business practices into their daily operations.

Toyota Australia recently commenced development of the Toyota Community Foundation, to enhance our community giving in the areas of environment, road traffic safety and education. Employees will be involved in shaping the direction of the Foundation and I look forward to updating you on its progress.

Our sustainability efforts are the result of the dedication and commitment of our people. I thank all our employees, dealers and suppliers for their work during the past year and the contribution they make towards sustainability on behalf of Toyota Australia.

Our vision is a long term one, where we continue to work with all stakeholders to improve the way Toyota Australia operates and contributes to society by creating more efficient and environmentally improved products.

On behalf of the Board of Directors, management and employees of Toyota Australia, I invite you to view our full report online and welcome your feedback on our ongoing sustainability journey.

Max Yasuda
President and CEO
Toyota Australia

About Toyota Australia

Australia's number one car maker, exporter and distributor for the 8th consecutive year

Winner of the SAI Global Environmental Management System Excellence Award 2011

Manufacturer of Australia's first hybrid vehicle – the Hybrid Camry

214,718 vehicles sold in calendar year 2010. The only car maker to have ever achieved 200,000 domestic sales in one year

Toyota Australia's 2011 Sustainability Report applies the Global Reporting Initiative Sustainability Reporting Guidelines.

Responding to Key Sustainability Issues

In 2010/11, Toyota Australia analysed the lifecycle emissions of the locally-built Camry. This is a first for Australian automotive manufacturers. The assessment calculated that the carbon footprint associated with manufacturing a Camry is approximately 10.21 tonnes (from materials, supply chain energy use, manufacturing and logistics). Other corporate contributors came from offices, warehouses and the dealer network. Over an average service life a Camry is expected to emit approximately 44 tonnes of CO₂ from fuel use or 33 tonnes for a Hybrid Camry (81% of lifetime emissions are from on road use).

The boxes below show the steps Toyota is taking to reduce the carbon footprint of its operations by working with its business partners. To further help reduce these emissions Toyota has published EcoDriving guidelines which can be downloaded at www.toyota.com.au/driving-tips

More detail on all these initiatives can be found in the company's interactive 2011 Sustainability Report at www.toyota.com.au/toyota/sustainability

Suppliers and Raw Materials

Toyota Australia is working with its suppliers to reduce the environmental footprint in its supply chain. Environmental requirements are part of the company's standard tender documents for goods and services, which sends a clear message to suppliers about Toyota's expectations.

Suppliers' efforts to reduce carbon emissions are recognised at the company's Annual Supplier Awards. In 2010/11, an Environment Award was given to automotive components supplier Robert Bosch for its environmental initiatives. Robert Bosch sets environmental performance indicators and targets which are reviewed quarterly by its Board. Globally, Bosch has set a target to reduce CO₂ emissions by 15% by 2012 (based on 2007 data). This target is being monitored across all Bosch sites. Robert Bosch (Australia) has reduced greenhouse gas emissions by 550 tonnes a year by reducing compressed air usage in machinery. Optimising air conditioning equipment has achieved a further reduction of 80 tonnes a year.

Toyota Australia is also working with government and industry to implement supplier improvement initiatives. During 2010, the company increased its resources allocated to supplier development and expanded its current supplier development initiatives on safety and quality, new model preparation and environmental management.

Logistics

Emissions arising from logistics are due to the transport requirements both before and after vehicle manufacturing. Toyota Australia is working with the EPA Victoria, Victorian Transport Association and its major logistics partners to reduce transport emissions through programs such as Ecostation (www.ecostation.com.au). Ecostation brings together freight owners and transport operators to reduce transport costs, improve fuel consumption and reduce CO₂ emissions. Toyota Australia is working closely with its logistics transport provider, Patrick Autocare, to implement some of the key focus areas of the Ecostation program including trialling technology and software in trucks to calculate CO₂ vehicle emissions and scheduling eco-driving training for drivers. These initiatives have contributed to a vehicle logistics' reduction in CO₂ kg/vehicle from 62.3 to 54.5 between FY 09-10 and FY 10-11. This equated to 2,750 tonnes of CO₂ (or approximately one million litres of diesel fuel).



Manufacturing

Toyota Australia sets targets to reduce carbon dioxide emissions from gas and electricity consumption in its production plant through its corporate environment plan (www.toyota.com.au/toyota/sustainability). During the last Five Year Environmental Action Plan ending in March 2011 the company reduced its manufacturing CO₂ emissions by 17.5 per cent per vehicle.

In September 2010 Toyota Motor Corporation granted approval for Toyota Australia to build the next generation four cylinder AR engine. The Global Engine Line is currently being developed and will replace the existing engine plant, representing a shift to leading edge and environmentally sustainable engine manufacturing equipment.

Dealers

Toyota is working with its dealers across the country to reduce the CO₂ emissions generated by its dealer network. To fill a gap in small business support programs and promote environmental leadership in the dealer network Toyota developed its own national leadership program the Toyota Environmental Dealership program (TED). In 2010/11 Patterson Cheney Toyota in Dandenong, Victoria became the first car dealership in Australia to achieve a 5 Star TED environmental rating by adopting innovative ways to reduce its environmental footprint. The dealership has reduced its energy usage by 15 per cent in the past year by implementing a number of initiatives including replacing lighting with energy-efficient bulbs and installing blinds and canopy screens to maximise shade in summer and natural light in winter.



Offices and Warehouses

To drive continual improvement in environmental performance across all its operations, Toyota Australia implements an award-winning business system called the Toyota Environment Management System (TEMS), which is compliant to the international EMS standard ISO 14001.

A major TEMS initiative to reduce emissions on the non-production side was the installation of a 65 kW micro gas turbine trigeneration plant at the company's headquarters. The trigeneration plant is expected to provide improved saving of some 720 tonnes of CO₂ emissions or 20% from the head office site by utilising waste heat from the turbine to assist in the heating and cooling of the building. This is coupled with additional improvement activities, including the replacement of incandescent lights with LEDs and a more sophisticated Building Management System. These improvements should increase the building efficiency to a 4 Star NABERS rating and will provide a benchmark for energy efficiency projects in coming years across other non-production facilities.

Since 2005/06, the company has achieved an 18 per cent reduction in its non-production CO₂ emissions.



Carbon Footprint of a Camry
Tonnes per vehicle