



Toyota Australia's community investments

We also recognise the important role we play more broadly in society. With more Toyota and Lexus vehicles on the road in Australia than any other brand, the whole community is a key stakeholder for us, and crucial to our social license to operate. We seek to be active participants in and supporters of the community, in line with the values of our parent company, TMC. Toyota Australia has a long tradition of providing practical support to the community at both local and national levels. We also support local organisations by sharing our skills and knowledge.

We use the London Benchmarking Group to measure our community contributions and have aligned our community investment reporting with its methodology and definitions.

In 2016/17, our total community contributions were \$3,845,006. The substantial increase compared with previous years' contributions was primarily due to our investment in our legacy projects.

In addition, we facilitated third party contributions of over \$1.3m through activities like the Good for Footy and Good for Cricket raffles, both of which are organised by Toyota Australia and supported by our dealers.

Annual community contributions



*We have restated this figure, which is verified by London Benchmarking Group. In the 2016 Sustainability Report it was mistakenly listed as \$2.0m.



'Toyota Way' – a 2km shared pedestrian and cycle path alongside Kororoit Creek, part of the legacy project relating to Altona manufacturing closure

Community sponsorship and promotions

Toyota Australia supports a wide range of sporting, cultural and business activities in the community.

Our long-established relationship with the Australian Football League ranges from the support of local junior clubs through to the Toyota Grand Final. Since 2008, Toyota Australia and our dealerships have contributed over \$4 million to grassroots clubs around the country.

We also support Cricket Australia, the Australian Paralympic Committee, and a range of other sporting activities and organisations. We are a key partner of the Tamworth Country Music Festival, and support Business Chicks, a national organisation that brings people together to promote women in business.

Community sponsorships and promotions are managed by our National Marketing division.



Students at Endeavour Sports High School participating in a new STEM program



Local community legacies With manufacturing ending in Altona and our Sales and Marketing office closing in Sutherland Shire, we wanted to fund projects that would leave lasting legacies in those communities.

In Altona, Lower Kororoit Creek, running beside the Altona plant, has been a focus for Toyota Australia for many years.

As a legacy, Toyota funded a new shared pathway along the creek, wayfinding signage and site specific public art. 'Toyota Way' is dedicated to the many Toyota employees who have worked at Altona.

In the Sutherland Shire, Toyota has partnered with Schools Plus to provide school grants and scholarships for disadvantaged schools and students.

Five Sutherland Shire schools are receiving funding over the next four years for projects that meet their students' needs. The Toyota Australia Scholarship Program is offering financial scholarships for young people in Years 10 or 11 in the Sutherland Shire to help them achieve their potential.

The Toyota Community Foundation

The Toyota Community Foundation (TCF) was established in 2011 to manage our community partnerships and investment. Its activities fall into three main areas: local community, employees and partnerships.

The TCF is supported by the Foundation Endorsement Panel and 12 Employee Champions from across the company. These champions meet bi-monthly to discuss and make recommendations on how Toyota Australia will support the community.

Local community

The TCF provides \$20,000 grants annually to each of the three local councils in which we have significant operations. These are the City of Port Phillip in Victoria, where Toyota's Port Melbourne head office is based; Sutherland Shire in New South Wales, where our sales and marketing Woolooware Bay office is located; and the City of Hobsons Bay, where our Altona manufacturing plant is located.

The community grants provide equipment for grassroots community groups as well as mentoring and training for community organisations.

Employees

EMPLOYEE GRANTS

Our employee grants program provides employees with the opportunity to nominate a community organisation they are involved with to receive a \$1,000 grant. In 2016/17, we received a record 116 grant applications from employees, from which 40 community organisations were randomly selected. Recipients included primary schools and kindergartens, sporting clubs, the Country Fire Authority and the Lost Dogs' Home.

Since the program began in 2013, we have received over 340 applications and awarded grants totalling \$135,000 to community groups across Australia.

MATCHED WORKPLACE GIVING

In recognition of Toyota employees who support their local community, matched workplace giving was introduced at Toyota in 2015. Through the program, we match every dollar an employee donates to an eligible charity, to a maximum of \$1,000 per employee per year or \$40,000 overall.

Since 2014, more than \$200,000 has been donated to charities supported by our employees.



EMPLOYEE VOLUNTEERING

During 2016, the TCF and the Manufacturing and Purchasing division piloted an employee volunteering program. The trial sent groups of approximately 10 employees from different areas of the operating arm to a volunteer day at a local not-for-profit organisation. Organisations assisted during the reporting period included the Salvation Army and FoodBank.

Partnerships

We are a major partner of Road Safety Education (RSE) Australia. This not-for-profit organisation is committed to reducing road trauma by delivering evidence-based road safety education programs. Toyota has been working with RSE since 2010.

RSE's flagship program is RYDA, which provided road safety education to 45,000 Australian and New Zealand students in 550 schools during the reporting period.

The program, aimed at year 11 students, is the largest road safety awareness program for students approaching solo driving in Australia and New Zealand. It does not teach driving skills, but encourages students to think more deeply about the choices they will be faced with on our roads.

The students rotate through six thought-provoking sessions. One of the most powerful, 'after the crash', is presented by a young person who has sustained either a traumatic brain injury or spinal cord injury from a road accident, to share how choices leading to road trauma have impacted their life.



Toyota Production System Support Centre (TSSC) Australia

is world renowned for its 'kaizen' approach to streamlining processes and increasing productivity. Toyota Australia recognised an opportunity to make a social contribution and leave a legacy from our 54 years of local manufacturing by sharing our skills and experience with local organisations. TSSC Australia was established in 2016, based on a model shared from TSSC North America. The TSSC model aims to

give back to the local community by sharing our manufacturing experience with local organisations committed to organisational improvement. TSSC Australia works closely with the Toyota Community Foundation. Since then, we have supported 27 Australian not-for-profits and small-to-medium sized companies to apply TPS to their own operations. We call this 'sharing ideas the Toyota Way'.

During the reporting period, TSSC Australia continued to provide its support to a broad range of projects:



AUSTRALIAN RED CROSS BLOOD SERVICES (ARCBS)

– In December 2016, Toyota Australia President Dave Buttner visited the ARCBS in West Melbourne to see how the team had progressed since the project's conclusion in August. The project focused on eliminating consignment errors for order fulfilment (packing) and customer service (transcription). Through genchi genbutsu, the team

identified points of error occurrence and moved points of detection closer to within the team member's cycle. Since August, both areas have achieved their targets of zero packing and transcription errors, respectively. Toyota and ARCBS are continuing their partnership to develop model line operations at ARCBS' Melbourne Processing Centre.



SCOPE – TSSC AUSTRALIA worked with disability support services provider SCOPE on a not-for-profit project in their Barwon region office. The focus of the activity was to reduce the administrative rework associated with on-boarding and providing client services. TSSC Australia worked to build quality into SCOPE's service delivery process, and established a visual control centre to monitor KPIs important to this process. As a result, SCOPE achieved a 49% reduction in time spent on rework. They also developed their internal capacity and systems for problem-solving, and embedded a 'customer first' philosophy into their administrative operations.



FLIGHT STAIRWAYS is a NSW family business that manufactures and installs stairs and balustrades. The company has experienced rapid sales growth in recent years and wanted to maintain its customer focus through quality and delivery performance. However, performance had declined, with the company delivering up to 63 late installations per month in its largest area of business, internal stairs. TSSC Australia worked with Flight Stairways to time individual work steps and thereby better estimate job duration; visualise their workload and current jobs; and run morning meetings using the visualisation to align processes to meet agreed timelines. By the end of the pilot project, Flight Stairways had tackled 25 operational problems, was able to achieve no late installations, and has established a 'customer first' mindset throughout the business.