



# Enriching communities



Toyota is embedded in the Australian community through trust in our vehicles, and through wide-ranging engagement with the community, from support for grassroots to elite sport; support for our local communities and not-for-profit partners; and support for the natural environment.

Our approach to community investment and engagement is founded on the Toyota guiding principles to 'contribute to the economic and social development through corporate activities in the community', and to 'pursue growth in harmony with the global community through innovative management'.

We support a wide variety of activities through three main channels, with priority focus areas that reflect those of Toyota globally.

### \$2.5million community contributions



### Toyota Community Foundation

Toyota has a long track record of providing practical support to the Australian community. The Toyota Community Foundation (TCF) partners with key stakeholders to provide resources and funds to enhance the community's capability.

The Foundation is overseen by the TMCA executive, supported by participants from across the company. The Foundation's activities are guided by a set of principles, with community capacity building at their heart, to:

- address local needs identified by local communities
- support business objectives of all parties; partnerships are developed as mutually beneficial strategic alliances

- multifaceted partnerships; we look for value exchange beyond financial contributions and branding opportunities
- deliver long-term sustainable benefits
- build and strengthen relationships and reputation; we look to develop personal contacts at the local level
- provide opportunities for employee and dealership participation
- provide platforms for broader engagement
- meet and exceed stakeholder expectations.

To understand the outcomes of our projects, we ask recipients of small grants to provide a brief report of their outputs. For more significant partners we agree a set of outputs or outcomes to be reported.



## Toyota Production System Support Centre (TSSC) Australia

The Toyota Production System (TPS) is world renowned, developed through our extensive manufacturing experience and our philosophy of continuous improvement and respect for people. TPS isn't just a tool kit; it's a culture of problem solving at every level of the organisation, from top management to the front line.

For over 20 years we have shared our know-how with our suppliers, and in 2016 we established the TSSC to

broaden our impact by helping build the capacity of non-profit organisations and small businesses. We work closely with selected organisations over three to six months, to address specific business problems and embed skills and knowledge for lasting change.

Examples of TSSC's work can be seen on the website, [www.tssc.com.au](http://www.tssc.com.au).



### GenU Food Processing

GenU are a not-for-profit in the community services sector, supporting people with a disability, and the aged. Food Processing is a GenU business that provides employment in a supported environment for people with a disability. As product demand has grown, GenU has experienced difficulties meeting client need without relying on additional skilled labour and overtime hours for management staff.

GenU reached out to TSSC for support, and through application of Toyota Production System tools and problem-solving methods, TSSC members worked with the GenU team to:

- increase task capability by 30% through upskilling of supported members
- reduce management burden and enable smoother processing of orders through visualisation on a work allocation board, implementation of a 'Kanban' (just-in-time) system, and alignment of work hours with peak order processing
- control raw material stock levels through application of '2S' (sort and set) and a Kanban system

The local team were highly engaged, and the project outcomes strongly supported the team's core mission of providing skills and employment to disabled members of the community.



Students receiving grants and scholarships from five different schools in Sutherland Shire as part of Toyota's lasting legacy to the community.

Participating schools:

- Dunlea Centre, Engadine
- Cook School, Loftus
- Bates Drive School, Kareela
- Minerva School, Sutherland
- Endeavour Sport High School, Caringbah

## Local council grants

Every year we provide grants to community organisations in each of the three local areas where we have significant operations – Port Melbourne, Altona and Woollooware Bay. These have supported anything from uniforms to stretchers for local sports clubs; assisting Earth Care to monitor and protect little penguins on the St Kilda breakwater; and the purchase of easels for art therapy sessions for Windana Drug & Alcohol Recovery's clients.

## Road Safety Education Australia

We want all Australians to be able to travel safely, and with more Toyotas on the road than any other vehicle, we have a significant role to play in helping to achieve that. Our long-standing partnership with Road Safety Education Australia (RSE) is focused on developing socially responsible young drivers through an evidence-based education program. RSE's flagship 'RYDA' program reaches over 50,000 16–18-year-olds across the country every year, with the aim of reducing road trauma.

## Schools Plus

Toyota's Sales and Marketing office was located in Sutherland Shire, New South Wales until the end of 2017. To create a lasting legacy that would benefit the local community, we have partnered with national charity Schools Plus to provide grants and scholarships for disadvantaged local schools and students.

Five Sutherland Shire schools are receiving funding support from Toyota Australia for priority projects. These projects are aimed at building students' technology skills, helping at-risk students transition to mainstream schools or work, and providing occupational therapy for students with special needs.

The Toyota Australia Scholarship Program offers financial scholarships for young people in Years 10 or 11 in the Sutherland Shire, with the aim of overcoming barriers created by social and economic disadvantage. In 2018, scholarships were awarded to 23 students with ambitions to explore careers ranging from medicine and veterinary science through to creative arts and photography.

## \$2.5 million community contributions from Toyota Community Trust and Toyota Community Foundation

### Friends of Lower Kororoit Creek

We continue to provide support to this group caring for our local environment, honouring a long association with the creek that runs beside our former Altona manufacturing plant.

### Employees

We want to support our employees' interests and passions as much as their careers and development. Our matched workplace giving program enables our employees to donate directly to the causes of most importance to them. Every dollar an employee donates to an eligible charity via the program qualifies for matching by Toyota, dollar for dollar, to a maximum of \$1,000 per employee per year, and an annual total matched giving cap of \$40,000.

We also provide employees with an opportunity to win a \$1,000 grant for a non-profit community group they actively support. 40 grants are selected from employee applications and this year included buying equipment for local sports clubs, from a defibrillator to seating; a sun-smart program focusing on children with special needs; Primary School Earth Care; and the purchase of education materials to assist with school fire safety education sessions through the Country Fire Authority (CFA).

### Toyota Community Trust

Following the closure of our manufacturing operations, we wanted to leave a legacy that would provide long-term benefits to the Australian community. The Toyota Community Trust was established in 2017 with a \$32 million endowment.

The trust provides grants via invitation-only rounds, with a focus on education in science, technology, engineering and maths (STEM). These are the skills that Toyota relies on as we develop our future as a mobility company. Our programs are focused on Melbourne's west, where our manufacturing operations were located for over 20 years.

Specifically, the trust aims to:

- address barriers to students pursuing science, technology, engineering and mathematics (STEM) related studies
- provide students with access to quality learning environments and experiences
- support teachers to strengthen their STEM teaching skills
- address gaps between studies offered and employer needs.





The Victorian Space Science Education Centre (VSSEC) was awarded a grant for the development and testing of software for a 'real life' scenario in which students use maths to attempt to save a stranded astronaut. VSSEC applies the latest educational research to develop effective STEM education programs for both students and teachers at primary and secondary level.

The Toyota Community Trust is a discretionary trust, managed by the Directors of Toyota Community Foundation Australia Pty Ltd (TCFA), acting as Trustee. TCFA is a 100% owned subsidiary of TMCA. Directors are appointed for two years by TMCA; the inaugural directors are Mike Rausa (Chairman), Ian Grigg AM and Damien Bayard.

During the reporting period the trust distributed \$858,191 to 17 not-for-profit organisations delivering STEM education programs in Melbourne's western suburbs. Examples of the work supported through the trust can be seen on our [website](#).

#### Community contributions by category, 2018/19

<b>Environment</b>	0.3%
<b>Road safety</b>	14.0%
<b>Education</b>	50.2%
<b>Arts and culture</b>	2.8%
<b>Civic and community</b>	7.2%
<b>TSSC</b>	23.2%
<b>Other</b>	2.3%





## **Toyota Country Music Festival**

**Supporter for over 25 years.**

This year Toyota Australia helped raise more than \$270,000 for drought charity Rural Aid, with contributions for festival hats at the Tamworth festival totalling \$32,000, and a further \$240,000 raised through the Raffle for Resilience, which offered a one-off LandCruiser 200 Sahara as the major prize.

## **Sponsorships and partnerships**

As well as supporting communities through our Foundation and Trust, Toyota Australia is proud to sponsor and participate in a range of sporting, cultural and community events.

Sponsorships and partnerships are managed by our National Marketing division. Many, such as Good for Footy or National Tree Day, provide touchpoints that mobilise the involvement of our entire dealer network, our employees and our brand ambassadors, connecting us with communities locally and internationally. We form long-term relationships, with many stretching over decades, and we have a particular commitment to nurturing young sporting talent.

In line with the Toyota Guiding Principles, these activities not only foster our position as one of Australia's most trusted brands, but also contribute to economic and social development in the communities we serve.



## **Australian Football League**

**Premier Partner since 2004.**

Our relationship with Australia's favourite game extends from the Toyota AFL Grand Final through to the Toyota Good for Footy program, which in 2018 helped 365 grassroots clubs across the country raise more than \$619,000. In 2019, the raffle has gone digital for the first time, with raffle tickets available online.

In March 2019, we increased our sponsorship to now sponsor the AFL Women's League (AFLW) reflecting our increasing commitment to aid community and sport.





### Adelaide Crows

Major Partner Since 1991.

### Planet Ark National Tree Day

Partner since 1999.

Every year this event sees over a million trees planted across the country by volunteers from schools, communities, councils and businesses, as well as our Toyota dealers and employees.



### Toyota 86 Racing Series

One-make series race held since 2016.



### North Queensland Cowboys

Principal Partner since 2003.

# TOYOTA



Worldwide  
Olympic Partner



Worldwide  
Paralympic Partner



### Cricket

Partner since 2012.

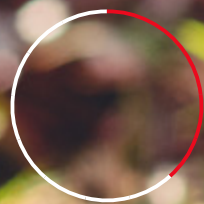
In 2018, the Toyota Good for Cricket Raffle helped 388 community cricket clubs raise \$560,110.

### Olympic and Paralympic Games

Partner since 2015.

Toyota is a worldwide partner of the Olympic Games and Paralympic Games, as part of our commitment to unlocking human potential through the power of movement. As we head towards the 2020 Games, Toyota Motor Corporation has launched 'Start Your Impossible'. This global corporate initiative aims to inspire Toyota employees, partners and customers, and connect them with the company's core beliefs. In an age of accelerating technological and environmental developments, 'Start Your Impossible' marks Toyota's commitment to support the creation of a more inclusive and sustainable society.





# Our material sustainability topics and stakeholders



In keeping with our principles of continuous improvement, we focus our energies on the issues that matter to our business and our stakeholders, including consideration of society and the environment.

#### Our materiality process

We establish our material sustainability topics annually, through an extensive process informed by the Global Reporting Initiative (GRI) Standards. We conducted a desktop review of:

- Toyota Australia and TMC documents including strategies, policies, internal and external communications
- External sources including peers, the media, industry bodies, non-government organisations (NGOs).

The process was also informed by interviews with internal stakeholders.

Consideration was given to both current and emerging topics, and topics were prioritised according to both their importance to Toyota Australia and their importance to stakeholders. We also assessed Toyota Australia's potential or actual impacts based on NGO publications and the United Nations Sustainable Development Goals (SDGs).



The findings were validated by key internal stakeholders. The resulting material topics are outlined below.

Topic	Why is it important?	Boundary	Stakeholders	See page
<b>Community investments and partnerships</b>	With more Toyotas on the road than any other brand, we view the whole Australian community as our stakeholder. We aim to be good corporate citizens that contribute positively to the communities where we operate and to broader society.	External	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Dealers</li> <li>• Community</li> <li>• Environment</li> </ul>	p. <a href="#">36</a>
<b>Data privacy and security</b>	It is critical that we protect the privacy and security of our stakeholders' data. As we move towards connected mobility, we are also focused on developing systems that will keep our guests and other road users safe, and their data secure.	Internal	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Suppliers</li> <li>• Employees</li> </ul>	p. <a href="#">29</a>
<b>Dealer support</b>	Our dealer network is a vital part of Toyota's reach across Australia and our connection with guests. We are committed to their ongoing business success as we move towards zero-carbon mobility.	External	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Dealers</li> <li>• Community</li> <li>• Environment</li> </ul>	p. <a href="#">33</a>
<b>Employee engagement and wellbeing</b>	Our success depends on having employees that are engaged and energised to pursue our vision.	Internal	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Employees</li> </ul>	p. <a href="#">44</a>
<b>Employee health and safety</b>	The health and safety of our employees has always been a top priority for Toyota, and we have a zero harm philosophy.	Internal	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Employees</li> </ul>	p. <a href="#">48</a>
<b>Guest engagement and satisfaction</b>	We are a guest-focused organisation. Our ongoing success depends on our guests being at the heart of all our decisions and activities so that they become Toyota fans for life.	External	<ul style="list-style-type: none"> <li>• Employees</li> </ul>	p. <a href="#">24</a>

<b>Indirect economic impacts</b>	Toyota generates significant economic value beyond our own profits; we sit at the heart of an ecosystem including our dealers, suppliers, non-profit partners and our guests, both individual and organisational.	Internal and external	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Employees</li> <li>• Dealers</li> <li>• Community</li> <li>• Government</li> <li>• Suppliers</li> </ul>	p. 30
<b>Mobility and connected services</b>	An increasing population, changing demographics and new technologies for connected and autonomous vehicles are converging to create significant disruption in our industry. We want to empower all Australians with the freedom to move, and to develop a more inclusive society through mobility.	Internal and external	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Dealers</li> <li>• Community</li> <li>• Government</li> </ul>	p. 50
<b>Product safety and quality</b>	Quality, durability and reliability are central to the Toyota brand values. The safety of our guests and other road users is always of the highest priority.	External	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Dealers</li> <li>• Employees</li> <li>• Community</li> <li>• Government</li> </ul>	p. 27
<b>Strategic workforce planning</b>	To succeed in a time of great disruption, we need to have the right people in the right roles with the right skills, combining new perspectives with deep experience.	Internal	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Employees</li> </ul>	p. 48
<b>Vehicle emissions</b>	Toyota recognises the urgent importance of addressing climate change, and we acknowledge the significant contribution of vehicles to greenhouse gas emissions. We are bringing to market low emission vehicles that are right for the Australian market, and advocating for infrastructure and policies that will enable a low emission future.	Internal and external	<ul style="list-style-type: none"> <li>• TMC</li> <li>• Guests</li> <li>• Community</li> <li>• Government</li> <li>• Environment</li> </ul>	p. 56

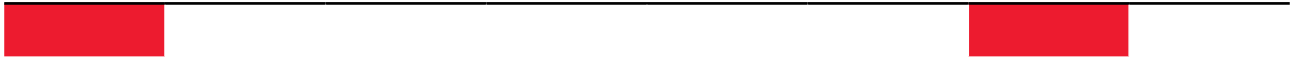


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## Material topics impacts mapped to our value chain

Product planning & design > Manufacturing\* > Logistics & transport > Storage & processing > Distribution > Marketing & sales > Use & servicing > End of life >

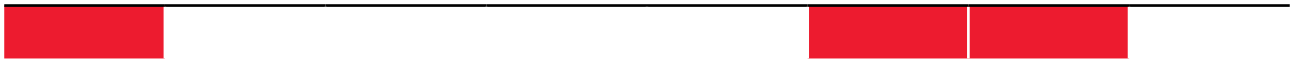
### Vehicle emissions



### Indirect economic impacts



### Data privacy and security



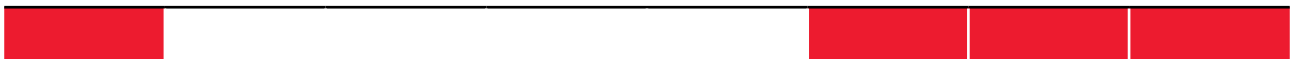
### Dealer support



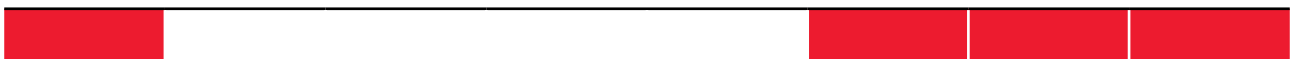
### Mobility and connected services



### Product quality and safety



### Guest engagement and satisfaction



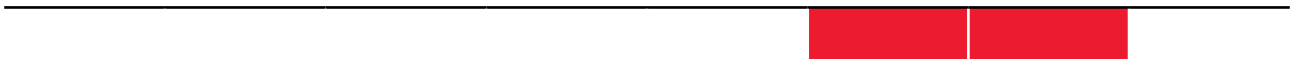
### Employee health and safety



### Strategic workforce planning



### Community and strategic partnerships



### Employee engagement and wellbeing



\*as our vehicles are now imported, TMCA has limited influence over manufacturing



## Changes in material topics

This report is the first relating to Toyota Australia solely as a sales, marketing and distribution company. While there is significant continuity from previous years, there have inevitably been some changes to the definitions and prioritisation of our material topics. This years' topics reflect a focus on our products, our guests, our employees and our community. We have recognised the significance of our indirect economic impacts, highlighted in our value creation story and discussed on p. 8. Our most material environmental impacts are now those of our vehicles rather than our operations; however, we continue to strive to minimise our direct impacts (see p. 57 and 63).

## Our stakeholders

A strong focus on stakeholders is enshrined in the Toyota Guiding Principles and our key pillar of respect for people. When engaging with stakeholders we follow the behaviours outlined by our code of ethics, which includes provisions specific to several stakeholder groups.

Our key stakeholders, as identified by our Board of Directors and management, are outlined below with an indication of which material topics impact them and how we engage with them.

Stakeholder	Key sustainability issues	How we engage	Further detail
<b>Guests</b>	<ul style="list-style-type: none"> <li>• Guest engagement and satisfaction</li> <li>• Product quality &amp; safety</li> <li>• Vehicle emissions</li> <li>• Community investments and partnerships</li> <li>• Mobility and connected services</li> <li>• Data privacy and security</li> </ul>	Our extensive dealer network is the first point of contact for our guests. The Guest Experience Centre operated directly by TMCA enables communication by telephone, email and social media. We also interact with guests via the myToyota app, our website and our GoPlaces publication. We maintain a prominent public presence with current and potential guests through our advertising and community sponsorships.	p. 24
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Employee health and safety</li> <li>• Employee engagement and wellbeing</li> <li>• Strategic workforce planning</li> <li>• Indirect economic impacts</li> </ul>	We communicate with our employees through everyday interactions, regular meetings at multiple levels, news bulletins and company-wide presentations including the annual President's Address. Our intranet keeps employees up to date on all relevant information including updates on product launches and events.	p. 44
<b>Dealers</b>	<ul style="list-style-type: none"> <li>• Dealer support</li> <li>• Indirect economic impacts</li> <li>• Community investment and partnerships</li> </ul>	We support our dealers through the 'Franchise of the Future' program and the National Toyota Dealers Association. We provide regular bulletins and hold regular dealer forums as well as the annual National Dealer Conference.	p. 33

<b>Toyota Motor Corporation (TMC)</b>	<ul style="list-style-type: none"> <li>• Employee engagement and wellbeing</li> <li>• Strategic workforce planning</li> <li>• Data privacy and security</li> <li>• Product safety and quality</li> <li>• Community investments and partnerships</li> <li>• Vehicle emissions</li> <li>• Guest engagement and satisfaction</li> <li>• Indirect economic impacts</li> <li>• Mobility and connected services</li> </ul>	TMC takes an active interest in all aspects of our business. Two TMC executives sit on our board, and we have a number of TMC 'inpatriates' who work alongside us and liaise closely with TMC. We work directly with relevant TMC divisions and other Toyota affiliates on policy development, strategy and action planning and sharing best practice to support continuous improvement.	p. 11
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Indirect economic impacts</li> </ul>	Our procurement policy and Purchasing Environment Handbook govern selection and standards for suppliers. We interact directly with suppliers on a range of relevant issues.	p. 34
<b>Community</b>	<ul style="list-style-type: none"> <li>• Community &amp; strategic partnerships</li> <li>• Vehicle emissions</li> <li>• Indirect economic impacts</li> <li>• Product quality and safety</li> </ul>	We have ongoing formal relationships with a number of community organisations, as well as multiple point-in-time interactions. Our aim is to find and instigate mutually beneficial activities to support positive outcomes for all parties	p. 36
<b>Government</b>	<ul style="list-style-type: none"> <li>• Vehicle emissions</li> <li>• Indirect economic impacts</li> <li>• Product quality and safety</li> <li>• Mobility and connected services</li> </ul>	We have a dedicated government affairs team and maintain a close working relationship with local, state and federal government in order to stay connected to key topics relevant to Toyota's day-to-day business and the wider automotive industry. This includes face-to-face meetings, often involving our President. We also engage with government via the Federal Chamber of Automotive Industries (FCAI) and other industry bodies.	p. 31
<b>The Environment</b>	<ul style="list-style-type: none"> <li>• Vehicle emissions</li> <li>• Dealer support</li> </ul>	The Toyota Environmental Challenge and our Environmental Action Plan provide our framework for interacting with the environment. This is reinforced by affiliations with organisations like the Green Building Council of Australia, City Switch Green office program, Take2 and Planet Ark (National Tree Day).	p. 62

## Industry associations and memberships

The Federal Chamber of Automotive Industries (FCAI) is the peak body for the automotive industry in Australia. Continuing a long association with the FCAI, Toyota Australia's President Matthew Callachor was President of the FCAI until May 2018, and since then has served as Vice President.

During the reporting period Toyota Australia was also a member of the following industry associations and groups:

- Australian Industry Group
- Centre for Corporate Public Affairs
- Committee for Economic Development of Australia
- Victorian Employers' Chamber of Commerce and Industry
- Committee of Melbourne
- Green Building Council of Australia
- CitySwitch Green office Program
- TAKE2 signatory
- Hydrogen Mobility Australia (now known as Australian Hydrogen Council)
- Growth Fund National Governance Committee (Federal Government) (concluded end-2018)
- Western Local Region Automotive Transition Taskforce (Victorian Government)
- Victorian Automotive Transition Taskforce (concluded mid-2018)
- ITS Australia
- Pro Bono Australia
- Philanthropy Australia
- Volunteering Victoria





# Managing our environmental impacts



Toyota has responded to worsening global environmental threats, such as climate change, by setting ambitious goals for its vehicles and its operations. In Australia we are applying these goals through our Environmental Action Plan, with a particular focus on working towards emissions reduction of our company fleet vehicles, facilities and logistics operations and encourage recycling-based systems and society.

### Toyota's commitment to the environment

Toyota has a long tradition of seeking to operate in harmony with nature. In 1992 we formulated the Toyota Earth Charter to formalise how we enact our second guiding principle of 'providing clean and safe products and enhancing the quality of life everywhere through all of our activities'. More recently, in 2015, we responded to increasingly pressing global environmental challenges by launching the Toyota Environmental Challenge 2050. This sets out six ambitious challenges that Toyota is embedding in its strategy and operations worldwide. More information can be found on TMC's website at <https://global.toyota/en/sustainability/esg/challenge2050/>.

### Toyota Australia's approach

Toyota Australia embraces the Toyota Environmental Challenge. Our aim is to work towards a net positive impact, with a focus on achieving zero emissions and helping to establish a recycling-based society. Our approach to this draws on our key pillar of continuous improvement, our capability for innovation, and partnering with others to tackle complex future challenges. It also reflects Principle 15 of the United Nations Rio Declaration on Environment and Development, which states that where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

Our three-year Environmental Action Plan sets out how we are tackling each challenge in Australia, with associated performance measures. The plan, and progress against targets, are overseen by our Sustainability and Environment Committee which is comprised of our Executive leadership team. We also learn from and share with other Toyota affiliates at an annual regional summit on addressing environmental challenges.





## Our Environmental Action Plan

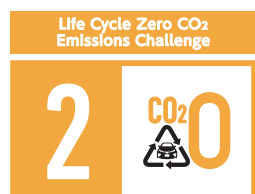
### Toyota Environment Challenge 2050

### Our focus at TMCA



#### Low emission vehicles

We are working to increase the availability and uptake of low emission vehicles in the Australian market (see p. 57)



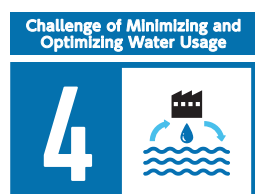
#### Sustainable supply chain

Our suppliers, and particularly our logistics partners, represent a significant part of our carbon footprint. We have established our footprint against the National Carbon Offset Emission Standards.



#### Green dealers

We want our dealers to become environmental leadership touchpoints for our guests. We are working towards establishing a CO<sub>2</sub> threshold and to identify reduction targets with key dealerships.



#### Sustainable facilities

We aim to showcase environmental leadership through TMCA's facilities. The roof of our newly constructed Toyota Parts Centre in Kemps Creek is covered with a 605kW solar array capable of generating 874MWh per annum. We are also working to reduce the CO<sub>2</sub> footprint of our Port Melbourne and Altona sites.



#### Sustainable life cycle

We are exploring ways to proactively mitigate environmental impacts related to the life cycle of our vehicles, including at the end of their life. In particular, we are researching options to recycle used HV batteries.



#### Harmony with nature

We aim for all our employees to be aware of and engaged in the Toyota Environmental Challenge, and for TMCA to contribute to society by being a good corporate citizen that actively supports the natural environment.

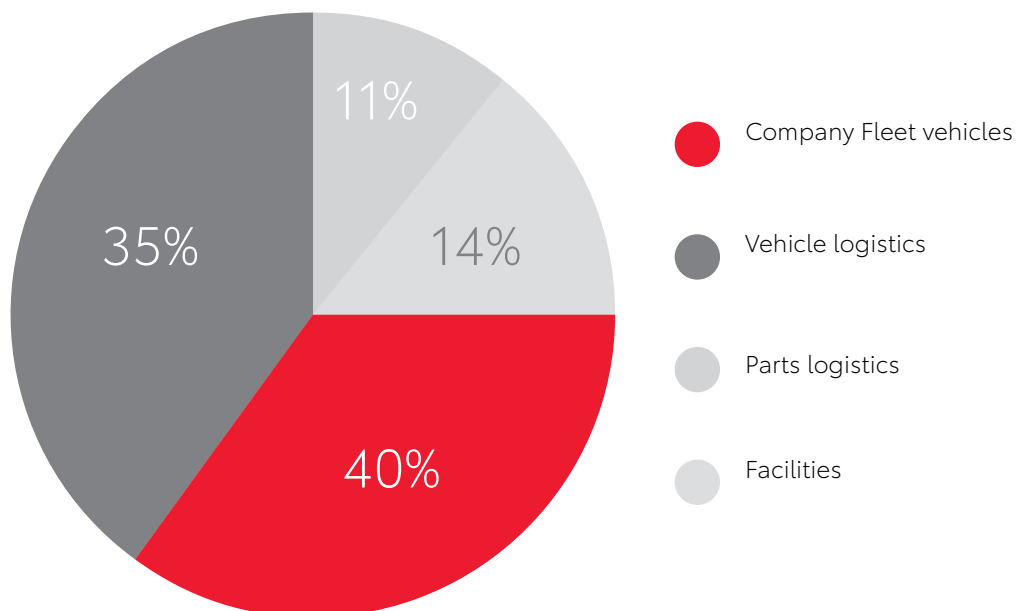


Implementation of the Environmental Action Plan is supported by the Toyota Environment Management System (TEMS), which accords with the Toyota Production System and is externally certified to ISO14011:2015. This provides a framework for us to manage environmental risks and legal compliance, handle any grievances and improve our environmental performance. During the reporting period we were pleased to achieve our best ever audit result at our Melbourne corporate headquarters and Toyota Parts Centre at Altona.

### Towards zero CO<sub>2</sub>

As part of our commitment to work towards zero greenhouse gas emissions from our operations, we have been working to establish a baseline CO<sub>2</sub> footprint. We have completed measurement of our direct emissions, covering our facilities and company fleet. Based on data to date, our footprint is made up of:

tCO<sub>2</sub>



We are now developing a CO<sub>2</sub> plan and reduction targets for operations to align with the Toyota Environmental Challenge.

During the reporting period, TMCA reinforced its commitment to zero emissions by taking the Victorian Government's 'TAKE2' climate change pledge.

We've taken Victoria's climate change pledge.



### Site remediation

Following closure of our manufacturing operations and transition to the Toyota Centre of Excellence at Altona, we have focused on site remediation. We continue to collaborate closely with Environment Protection Authority Victoria, while undertaking our environmental audit to ensure the best manufacturing legacy condition from our manufacturing operations. We have prioritised waste reduction applying the waste hierarchy and implementing a sustainable asset management strategy. Working closely with our global affiliates and business partners, we have fulfilled our responsibility to maximise reuse and recycling. Following the Toyota principle of "treat at the source", we have acted beyond minimum requirements, adopting remediation methods to realise the opportunity for reuse of materials. Having ceased operations at our previous Sales and Marketing headquarters in Woollooware Bay, we are now at the planning stage for remediation works on the site. At both sites, we continue to work with our local community groups, such as Friends of Lower Kororoit Creek, and maintain strong communication with stakeholders to understand their interests and concerns.

### Dealer support

As the frontline of guest interactions, we want all our dealers to share our environmental ambitions. This not only supports Toyota's brand identity, but also helps our dealers to manage their environment risks and reduce operating costs. Through the development of our Dealership Environmental Direction, we are looking to support our dealers to improve the environmental performance of their facilities, and to understand the Toyota Environmental Challenge and their role in helping to achieve the targets. We also encourage our dealers to strive for eco-efficient facilities, through Guidelines for Ecologically Sustainable Design.

We share environmental information as part of our Business Improvement Forums, and in 2018 we introduced Facility and Environment Excellence Awards for dealers, to recognise exceptional efforts and drive further achievements

All Toyota and Lexus dealers in Australia participate in our Hybrid Vehicle Battery Recycling Program, which offers incentives for guests to return or replace their Hybrid Vehicle battery. When a Hybrid Vehicle battery is recycled, more than 98 per cent of the battery materials are diverted from landfill, and all toxic elements are removed. Most of our dealers work with tyre recyclers that are members of Tyre Stewardship Australia (TSA), and some have themselves gained TSA accreditation.

## Sustainability in our supply chain

We recognise that we can influence social and environmental impacts throughout our value chain. Our most significant suppliers – of our vehicles, parts and accessories – are Toyota affiliates that are aligned to the Toyota Guiding Principles and the Toyota Environmental Challenge. We work closely with our other suppliers, including our logistics partners, to hold them to the same standards that we set for ourselves. Our Procurement Policy includes selection criteria based on sound management of corporate responsibility aspects including safety, environment

and conflict minerals. Our Purchasing Environment Handbook (2016) additionally requires some suppliers to have ISO14001 certification, and sets out guidance in relation the management of chemicals and greenhouse gas emissions.

Respect for human rights is fundamental to Toyota's Guiding Principles, Code of Conduct and Corporate Social Responsibility Policy. In 2020, we will report on the risks of modern slavery in our operations and supply chains in accordance with the recently introduced Commonwealth Modern Slavery legislative regime.

