
TOYOTA

Sustainability Report 2024

TOYOTA MOTOR CORPORATION AUSTRALIA LIMITED

What's inside

ABOUT THIS REPORT

Introducing this year's report⁶

WELCOME FROM OUR PRESIDENT AND CEO

SETTING THE SCENE

Global targets, local approach¹⁰

Adapting our approach in Australia¹¹

About Toyota Australia¹²

Our value chain¹³

How we work¹⁴

Our stakeholders¹⁵

WHAT MATTERS

Materiality process¹⁷

Materiality topics¹⁹

ENVIRONMENT

Low carbon transport²²

Lifecycle impact of our cars²⁵

Reducing our operational impacts²⁶

SOCIAL

Product safety and quality³¹

Customer experience³³

Our teammates³⁵

Customers, community and partners⁴⁰

GOVERNANCE

Data protection⁵⁷

Ethics and integrity⁵⁹

Compliance and government engagement⁶¹

Acknowledgment of Country

**In the spirit of reconciliation,
Toyota Motor Corporation
Australia Limited acknowledges
the Traditional Custodians of
Country throughout Australia
and recognises their continuing
connection to land, sea and
communities. We pay our respects
to their Elders past and present
and extend that respect to all
Aboriginal and Torres Strait
Islander peoples today.**

About this report



Introducing this year's report

Welcome to Toyota Australia's 18th annual sustainability report. We are pleased to report our progress on reinforcing the sustainability of our business for the future.

In the last financial year, as we took the time to review and reflect, further steps were taken to integrate sustainability across business functions. At Toyota, we take our commitments seriously and recognise that this integration is taking longer than planned. In this report, we transparently reflect on our progress to date while also preparing for the new climate-related financial disclosures mandated by the Treasury Laws Amendment Act 2024, introduced in September 2024.

This report covers the period **01 April 2023 to 31 March 2024** ('reporting period'), aligned with the Japanese financial year. Toyota Australia ownership has remained unchanged during this period.

This report comes from our Board of Directors and reports on what matters most to our organisation and our key stakeholders, covering our material topics (see pages 19-20). It presents the sustainability activities and performance of Toyota Australia including Lexus Australia, a division of Toyota Australia. Unless specifically mentioned, it does not cover the activities of our affiliated dealerships, Toyota Financial Services Australia or Toyota Western Australia, which are separate entities.

Toyota Motor Corporation (TMC), our parent company) currently provides our climate-related data under the Climate-Related Financial Disclosures (TCFD). We are also reviewing new international reporting standards, which include the International Financial Reporting Standards (IFRS) S1: General Requirements for Disclosure of Sustainability-related Financial Information and S2: Climate-related Disclosures, the Global Reporting Initiative (GRI) Automotive Sector Standard and the International Standard for Sustainability Assurance (ISSA) 5000: Sustainability Assurance. We appreciate this is all future looking but ask for your patience as we align with what comes next.

Next year, we will report on our new sustainability strategy as we continue to engage across the business. With the new sustainability and climate-related reporting requirements, internationally and in Australia, we are taking steps towards more integrated reporting. This will include reporting against the six capitals in a way that is meaningful for Toyota Australia. These are: environment (natural capital), customers, community and partners (social and relationship capital), teammates (human and intellectual capitals), operations (manufactured capital), and financial summary (financial capital).

To view our previous sustainability reports, visit the Toyota Australia website – and for questions and feedback (which is welcome), please contact us [here](#).

OUR GLOBAL COMPANY VISION

Sustainability is a focus area of Toyota. Our global business, led by TMC, is underpinned by a respect for people, and a commitment to kaizen (continuous improvement). We action these commitments through the Toyota Way. This has led us to transform from manual operations to sophisticated production systems, and now to mobility ecosystems. This transformation progresses us towards our vision of connecting us all with the freedom to move and be moved.

Welcome to our year in review from our President and CEO

The Toyota brand has been woven into the fabric of our country for decades.

Central to this relationship are the ten values that define the Toyota Way, one of which is our quest for continuous improvement, or kaizen. This mindset reinforces that every improvement is valuable, regardless of size, and that when we change, we do so for the better. For more information on the Toyota Way, please see [here](#).

Following more than a year of detailed analysis and adaption, we are pleased to report that we have made progress in advancing our sustainability initiatives.



However, it is important to acknowledge that some of the ambitious targets we set for ourselves, such as being able to share a national sustainable strategy in this report, have not yet been realised. This shortfall is not due to a lack of effort or intention, but rather, the complexity and scale of the changes we are striving to implement.

One of the more recent and most notable considerations has been the federal government's incoming New Vehicle Efficiency Standard (NVES). Its far-reaching impact extends beyond just the vehicle themselves; it affects many aspects of our business, from sales and marketing to distribution and aftersales services.

Whilst our study to understand its full impact continues, it has helped confirm and strengthen the course towards our future plans to connect us all with the freedom to move and be moved.

This validation means that our efforts for the year ahead remain focused on forming our sustainability strategy and a roadmap to decarbonisation therein.

Ensuring we continue this thorough approach is crucial to achieving the sustainable outcomes we desire for our customers, our partners, our business, and the environment.

The journey toward sustainability is non-linear but we have learned valuable lessons along the way that have only strengthened our resolve. Our focus on what matters most remains as strong as ever, including our highest impact material topics, namely emissions reduction, data privacy and security, and evolving our business model and operations.

We believe every step matters on the path to a better future, and through our multi-pathway approach, we will leave no stone unturned, and no one behind.

MATTHEW CALLACHOR,
TOYOTA AUSTRALIA PRESIDENT & CEO

“Ensuring we continue our thorough approach is crucial to achieving the sustainable outcomes we desire for our **customers**, our **partners**, our **business**, and the **environment**.”

Setting the scene

Global targets, local approach

At a global level, TMC pursues environmental sustainability through our Environmental Challenge 2050.

Launched in 2015, the challenge focuses on the following six key goals linked to prominent environmental issues and adopts a life cycle approach to address climate change, resource consumption, recycling and nature.

TMC stepped up its commitment to reducing environmental impacts in September 2022, setting greenhouse gas (GHG) emissions reduction targets that were approved and validated by the Science Based Targets Initiative. The following targets cover scope 1, 2 and vehicle tailpipe emissions in scope 3 (within scope 3, category 11 of the GHG Protocol). Then, in April 2023, TMC announced its intention to reduce average GHG emissions from vehicles sold worldwide by over 50% by 2035 (on a 2019 baseline). For detailed global data, please refer to the [Toyota Sustainability Data Book](#).

Long-term Targets and Medium-term Targets

<p>Challenge Life Cycle Zero CO₂ Emissions Challenge</p>	<p>Challenge New Vehicle Zero CO₂ Emissions Challenge</p>	<p>Corporate Activities</p>	<p>Challenge Plant Zero CO₂ Emissions Challenge</p>	<p>Challenge Challenge of Minimizing and Optimizing Water Usage</p>	<p>Challenge Challenge of Establishing a Recycling-based Society and Systems</p>	<p>Challenge Challenge of Establishing a Future Society in Harmony with Nature</p>

Toyota Motor Corporation approved Science-Based Target

<p>SCOPE 1, 2 BASE YEAR 2019 TARGET YEAR 2035</p>	<p>SCOPE 3, CATEGORY 11 BASE YEAR 2019 TARGET YEAR 2030</p>	
<p>REDUCTION RATE</p> <p>68% ↓</p>	<p>REDUCTION RATE</p> <p>33.3% ↓</p>	<p>REDUCTION RATE</p> <p>11.6% ↓</p>
<p>VALIDATION / APPROVAL CLASS</p> <p>1.5°C</p>	<p>VALIDATION / APPROVAL CLASS</p> <p>2°C</p>	

Adapting our approach in Australia

Toyota Australia's sustainability strategy is guided by TMC, but not all global targets are directly relevant to us due to differences in our operations, such as Toyota Australia no longer manufacturing vehicles in Australia. We aim for a comprehensive approach to sustainability that includes environmental, social, and governance factors, like our targeted investment in social impact programs where we believe Toyota Australia is best placed to make an impact. As we transition into a mobility company and adapt to the needs of our stakeholders and communities, we continually assess our approach to sustainability and its alignment with our global direction.

Toyota Australia is working on our detailed sustainability strategy, including our approach to decarbonisation. After more than a year of detailed data analysis and modelling by a dedicated internal team, we are almost there.

We are acutely aware of building resilience in the face of climate risk and are developing a plan to mitigate our emissions impact as a business.

About Toyota Australia

WHERE WE OPERATE

Darwin Parts and Distribution and Training Centre ¹

Townsville Training Facility ²

Northern Regional Office Parts and Distribution ³

Eastern Regional Office Parts and Distribution ⁴

Corporate Headquarters Centre of Excellence Southern Regional Office Parts and Distribution ⁵

Central Regional Office ⁶

OUR BUSINESS AT A GLANCE

Toyota Australia is a wholly owned subsidiary of TMC.

TMC is a publicly listed company and the largest vehicle manufacturer in Japan. Lexus Australia is managed as a separate division, and Toyota Australia owns Revolution; a software development and implementation business.

Our corporate headquarters are in Port Melbourne, Victoria, and we have regional offices throughout Victoria, New South Wales, Queensland, and South Australia. In Western Australia, Toyota Australia distributes Lexus-branded vehicles to dealers, and Toyota-branded vehicles are distributed by Toyota Western Australia (TWA), which operates as an independent company. In all other states and territories, Toyota Australia is responsible for both Lexus and Toyota vehicle distribution to dealers. The

network of Toyota and Lexus franchised dealers extends across all Australian states and territories.

Toyota Australia serves a diverse customer base consisting of private, business, not-for-profit, rental and government customers. The Toyota vehicles sold in Australia are imported from our affiliates overseas and our customers are supported by our local network of dealers, operating under independently owned franchise agreements.

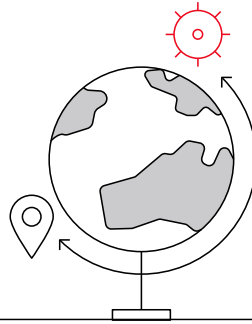
Toyota Australia interacts with a network of stakeholders and business partners. This network provides our customers with greater convenience in meeting their mobility needs, and we are working on ways in which we can continue to improve our product and service delivery.

Our value chain



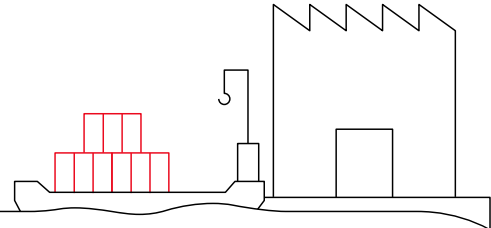
PRODUCT DEVELOPMENT

Toyota Australia’s Product Planning and Development division (PPD) has a team of designers and engineers in Australia, responsible for designing, selecting and customising vehicles to meet the unique needs of the Australian such as our off-road conditions. In addition, our designers and engineers (164 permanent employees and 35 contractors) undertake selected global programs to support styling and vehicle evaluation programs here in Australia.



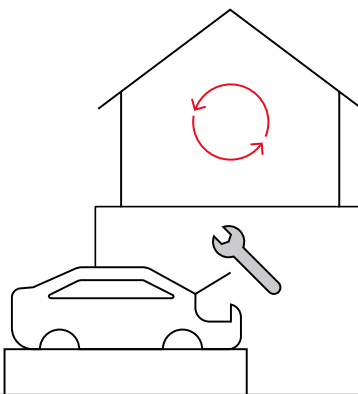
MANUFACTURING AND CONVERSIONS

Toyota Australia vehicles are manufactured by TMC in Japan and Toyota affiliates in Thailand, the United States of America, Indonesia and Türkiye and by Magna Steyr under contract in Austria. Vehicle Conversions and Accessories department performs local development to suit market needs in Australia.



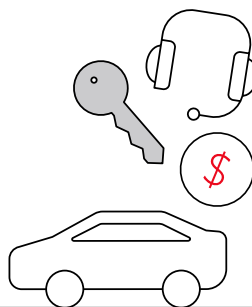
LOGISTICS: IMPORT, STORAGE AND DISTRIBUTION

Toyota Australia imports vehicles and sources vehicle parts both internationally and locally. Toyota Australia distributes vehicles and parts to dealerships throughout Australia.



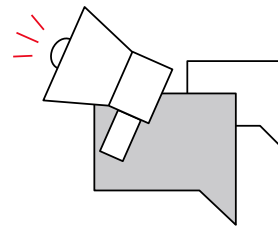
END OF LIFE

We recycle traction batteries from HEV (hybrid electric vehicle), PHEV (plug-in hybrid electric vehicle) and EV (electric vehicle) vehicles, with battery recycling incentives offered at Toyota and Lexus dealers around Australia.



VEHICLE USE

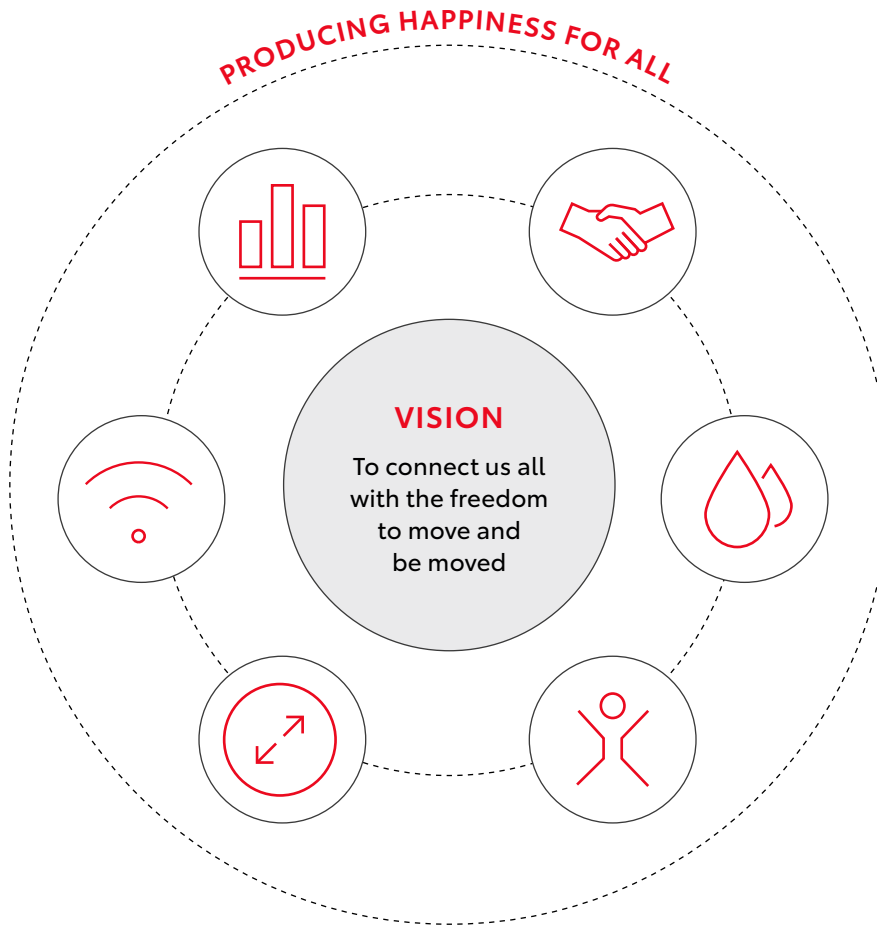
With our partners, Toyota Australia aims to provide end-to-end service throughout our customers’ Toyota journey, including customer service, sales, finance, insurance, and vehicle servicing.



SALES AND MARKETING

Toyota Australia promotes the Toyota and Lexus brands through marketing and communication channels, in particular through our trusted dealer network. We serve fleet customers directly through Toyota Australia and our specialised fleet dealerships.

How we work



Our operations are guided by plans that work together across short, medium and long-term horizons to inform our strategy. Our vision is “To connect us all with the freedom to move and be moved” and our 2030 Direction is supported by six strategic priorities, including sustainability. While sustainability has always been a priority, formally integrating it into our strategy communicates its importance to our people and our stakeholders.

The next level down is our annual plan (also known as *Company Hoshin*), which outlines our objectives and targets for that specific year in relation to each of the six strategic priorities. Having a specific annual plan allows us to make year-on-year progress towards the achievement of our 2030 Direction.



VALUE CHAIN ECOSYSTEM

A holistic business ecosystem to enable industry transformation.



PARTNERSHIPS

Partner with expert businesses in other areas to ensure the best solutions for our customers.



SUSTAINABILITY

Protect and further create value for our business, community, society and planet.



TEAM TOYOTA AUSTRALIA

Expanding our capabilities and creating a collaborative culture to enable a flexible and agile workforce.



BRAND EXPANSION

Toyota Group brands expand beyond pure ‘automotive’.

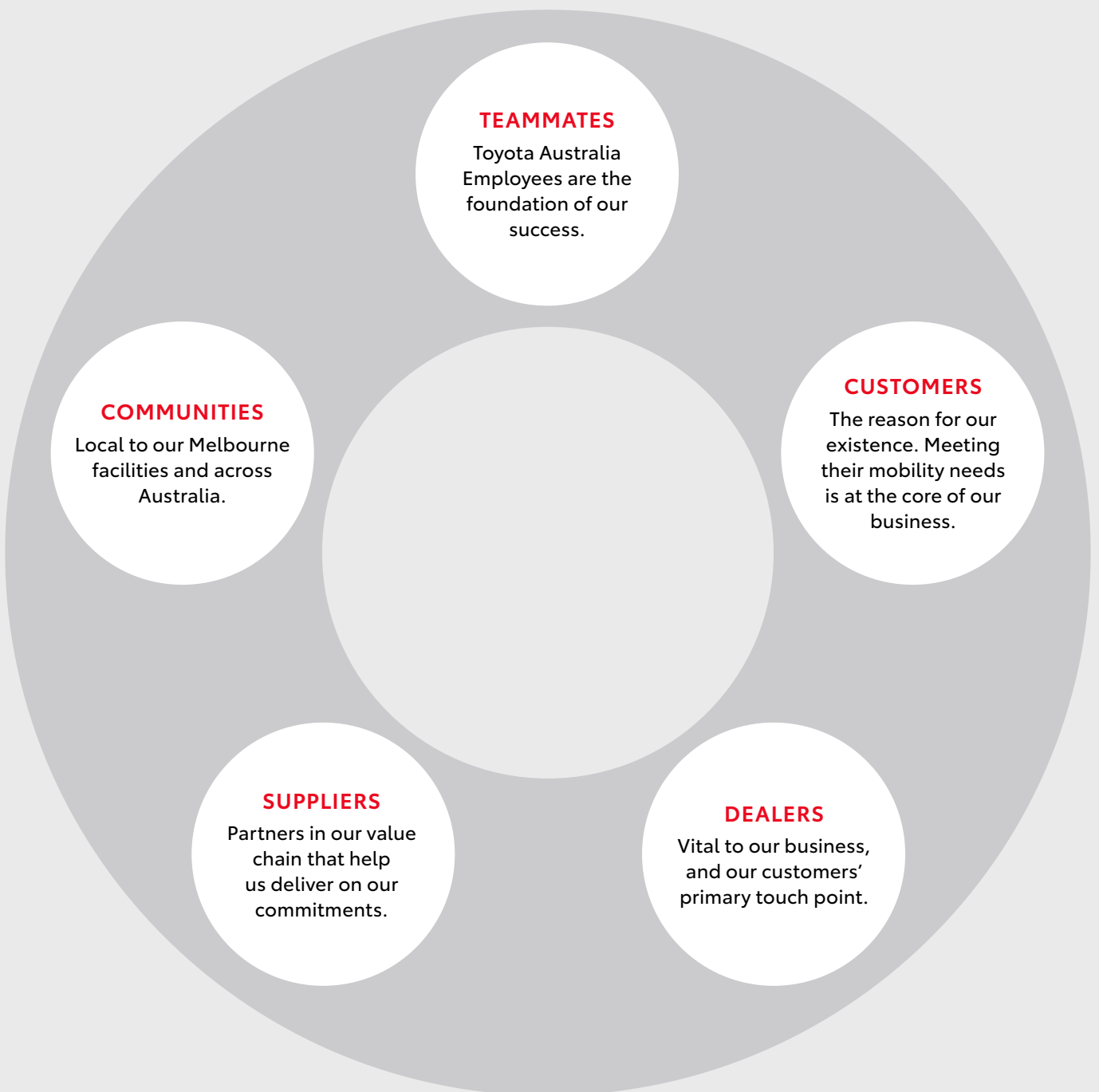


DIGITAL CONNECTIVITY

A customer focused front-end, back-end and connected platforms.

Our stakeholders

Engaging with our stakeholders is essential to ensuring we focus on what matters most, namely our material topics, achieving more together than we can alone. Below is an overview of our key stakeholders. More detail on each group can be found in the relevant sections of this report.





What matters

Materiality process

In 2023, Toyota Australia undertook a materiality process to understand the topics most important to our business and our stakeholders, namely our material topics.

These material topics inform our sustainability strategy and help us to define clear priorities for reporting.

Our material topics are those that can significantly impact people, the economy, and the planet and are most important to our business and our stakeholders. They align to the Global Reporting Initiative (GRI) standards, allowing us to report with reference to this framework.

To identify our material topics, we reviewed a wide a range of inputs, including peer reports, media “hot topics”, internal policies and previous materiality results to determine a “long list” of topics. This “long list” then formed the basis of an internal Teammate survey and an external partner survey, alongside interviews with key external stakeholders, to identify what was most material to Toyota Australia. The output from this process was a “material topics long list” which was then analysed and prioritised according to the significance factors outlined by the GRI. This resulted in a list of material topics ranked according to their potential impact. The highest ranked material topics formed the basis of this report and continue to inform the development of our sustainability strategy.

MATERIAL TOPICS

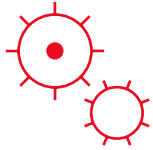
For external stakeholders, environmental issues ranked highest, including Toyota Australia’s transition to a lower carbon future, and how we’re addressing waste across the vehicle lifecycle.

Internally, Teammates placed health, safety and wellbeing as their top priority, and they want to see sustainability training that enables them to act on these topics at home and at work.

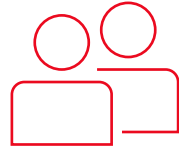
Across the board, stakeholders expect Toyota Australia to share clear targets and initiatives on emissions reduction, to lead the shift to lower emissions by offering accessible and affordable products, and to expand sustainability-related partnerships.

Finally, all stakeholders believe that Toyota Australia could communicate its sustainability impacts and actions more clearly and effectively.

STAKEHOLDERS WE ENGAGED



Parts suppliers



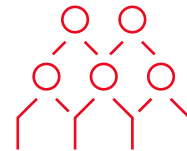
Dealer partners



Corporate customers



Local council members



Toyota Community Trust Board Member

KEY STATS



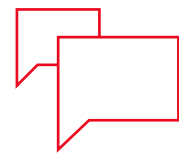
53

TEAMMATES SURVEYED



25

EXTERNAL PARTNERS SURVEYED



6

EXTERNAL INTERVIEWS CONDUCTED

2023 Material topics

PRIORITY LEVEL

- High
- Medium
- Low

The table below sets out Toyota Australia's material topics. They have been prioritised according to the GRI significance factors, with the associated GRI indicators provided.

MATERIAL TOPIC	DEFINITION	APPLICABLE GRI STANDARD
Low carbon transport transition —	Transitioning our core products and services to lower carbon alternatives.	GRI305: Emissions GRI301: Materials
Vehicle lifecycle and waste management —	Reducing the end-of-life impact of our vehicles by exploring recycling and reuse options.	GRI301: Materials GRI306: Waste
Data privacy and security —	Maintaining and improving strong data privacy and security protocols in line with global best practice, to protect customers' safety.	GRI418: Customer Privacy
Product safety and quality —	Maintaining the safety and quality of our vehicles to minimise road-related casualties and enhance the durability of our vehicles.	GRI416: Customer Health and Safety
Business transition and diversification —	Exploring the future of our business model and revenue streams, using our core capabilities as the foundation for our innovation.	N/A
Climate risk resilience —	Ensuring that our business operations and supply chain are resilient to climate risks and able to adapt, and that we can disclose our climate risk exposure and management plans.	GRI305: Emissions GRI301: Materials
Customer experience, satisfaction, and impact —	Putting customer experience at the heart of everything we do. Creating inclusive solutions for our customers to access mobility and meet their needs. Normalising and responding to customers' demands for sustainable options.	GRI417: Marketing and Labelling
Diversity, equity, Inclusion and belonging —	Striving to make Toyota Australia a workplace in which all Teammates feel included, valued, and free to bring their authentic selves to work.	GRI405: Diversity and Equal Opportunity GRI406: Non-Discrimination
Ethics and integrity —	Maintaining excellent corporate governance processes and performance and the highest levels of integrity in everything we do. Communicating transparently as a business on our impacts and sustainability activities.	GRI205: Anti-Corruption GRI206: Anti-Competitive Behaviour GRI415: Public Policy

MATERIAL TOPIC	DEFINITION	APPLICABLE GRI STANDARD
Innovation —	Innovating our core products and services and integrating sustainability into our innovation processes.	N/A
Positive community impact —	Serving the communities in which we operate and creating shared value through our products and services, creating employment opportunities and collaborating with community partners.	GRI413: Local Communities GRI202: Market Presence GRI203: Indirect Economic Impacts
Regulatory engagement and compliance —	Remaining compliant with legislation in our jurisdiction.	GRI407: Freedom of Association and Collective Bargaining GRI408: Child Labour GRI409: Forced or Compulsory Labour GRI411: Rights of Indigenous Peoples
Strong strategic partnerships —	Maintaining strong strategic relationships with our dealers and partners to serve our customers and introducing sustainability-related products to grow our market share and value proposition.	N/A
Supply chain risks —	Assessing and mitigating environmental and social risks in our supply chain, including our modern slavery risks, through ongoing supplier engagement.	GRI204: Procurement Practices GRI308: Supplier Environmental Assessment GRI414: Supplier Social Assessment
Teammates health, safety, and wellbeing —	Protecting employee health and safety and enabling Teammates to improve their physical and mental wellbeing.	GRI403: Occupational Health & Safety
Biodiversity —	Identifying and mitigating the impact of our supply chain on biodiversity, particularly considering the impact of lithium mining.	GRI304: Biodiversity 2016
Digitalisation —	Exploring what digitalisation means for our business and value proposition.	N/A
ESG communication and integration —	Integrating ESG across our business and decision-making processes. Developing our approach to ESG and engaging our people and stakeholders on sustainability.	GRI2: General Disclosures
Operational environmental impacts and greenhouse gases —	Improving the environmental impact of our business operations, including reducing our greenhouse gas emissions by optimising business travel and employee commuting.	GRI305: Emissions GRI302: Energy
Teammates engagement, development & retention —	Providing opportunities for our people to grow in their roles and retaining talent.	GRI404: Training and Education GRI401: Employment GRI402: Labour / Management Relations
Transport infrastructure transformation —	Supporting the infrastructure to ensure a sustainable mobility future.	GRI302: Energy GRI305: Emissions

Environment

ENVIRONMENT: NATURAL CAPITAL

MATERIAL TOPIC	DESCRIPTION	MATERIALITY RATING
Low carbon transport	Transitioning our core products and services to lower carbon alternatives	High
Lifecycle impacts of a car	Reducing the end-of-life impact of our vehicles by exploring recycling and re-use options	High
Climate resilience	Ensuring our business operations and supply chain are resilient to climate risks, able to adapt and disclose our climate risk exposure and management plans	Medium
Operational impacts	Improving the environmental impact of our business operations, including reducing our greenhouse gas emissions by optimising business travel and employee commuting	Medium

Low carbon transport

WHY IS LOW CARBON TRANSPORT SO IMPORTANT?

As one of Australia's largest car brands, we acknowledge the role we have to play in reducing tailpipe emissions nationally – and this is why low carbon transport was ranked one of the top five material topics.

We appreciate that our customers have differing needs and requirements for their vehicles and are therefore committed to a multi-pathway approach allowing current and future customers to choose lower carbon solutions that are right for them. There needs to be a balanced transition catering for everyone's needs, which is why we have a range of technologies available. These include plug-in hybrid electric vehicles, battery electric vehicles, hydrogen fuel cell vehicles and hybrid electric vehicles. With this approach we aim to secure better climate outcomes for Australia whilst ensuring the future of our business. For more information, please see [here](#).

BEING FLEXIBLE WITH OUR APPROACH

Toyota expects zero and low emission vehicles (ZLEVs) to continue to grow in popularity, however, we know it will take considerable time before mass market take up occurs. Using a science-based approach, we continue to build understanding of our data to develop a plan for our products in Australia aligning with the global Science Based Targets set by TMC.

During FY24, a dedicated decarbonisation team undertook further work on our greenhouse gas baseline and led

intensive cross-divisional planning sessions focused on scenario analysis, developing targets, strategy and implementation.

In February 2024, the Federal government announced their intention to introduce a New Vehicle Efficiency Standard (NVES) from 2025. While Toyota Australia has been committed to reducing emissions for over 20 years, the introduction of NVES would mark a crucial step in shaping our long-term decarbonisation strategy. We understand that our products contribute significantly to our CO₂ emissions. As NVES legislation will greatly affect our products and market dynamics, we are carefully evaluating its impact on our business and environmental goals before setting final decarbonisation targets. This careful evaluation ensures that our commitments align with the realities and opportunities presented by the NVES, allowing us to effectively integrate these standards into our broader sustainability initiatives.

FY24 saw exciting product developments as part of our transition to low carbon transport. This included the launch of the all-new Lexus RZ battery-electric SUV, the first Lexus Battery Electric Vehicle (BEV) built on a dedicated electric vehicle platform. And during February 2024, we launched the first battery electric Toyota model in Australia, the bZ4X. These new models add to our existing range of battery electric and plug-in hybrid Lexus models in Australia.

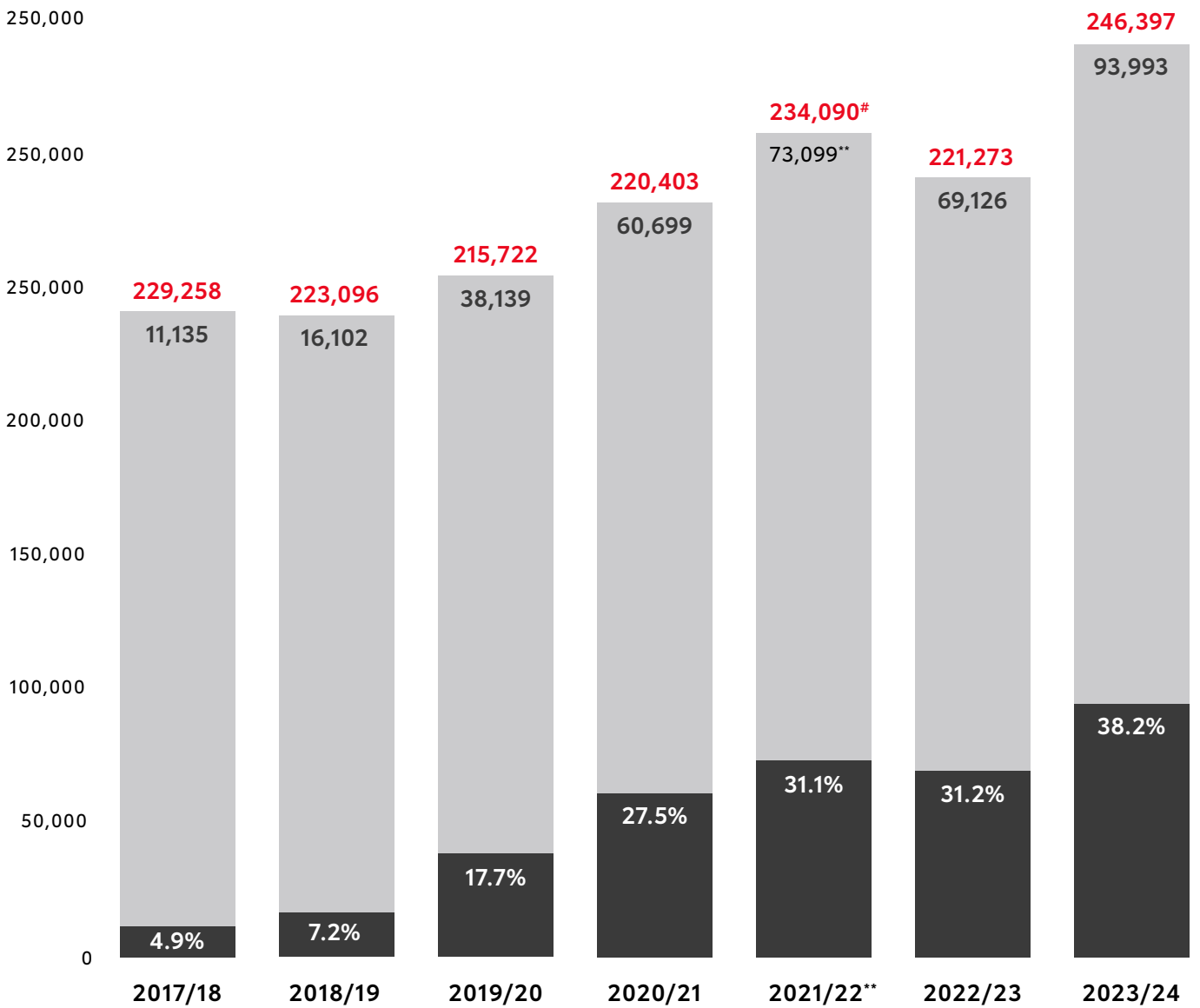
In November 2023, we commenced a pilot trial of a prototype HiAce van powered by a hydrogen-fuelled internal combustion engine. While the hydrogen powertrain results in ultra-low CO₂ tailpipe emissions, the process of igniting hydrogen in the engine generates small amounts of nitrogen oxides (NO_x), reduced to meet the Euro 6 emission standards by using a selective catalytic reduction system. At a global level, TMC continues to work on optimising the hydrogen powertrain, ie. vehicles powered by hydrogen-fuelled internal combustion engines. This work includes enhancing the hydrogen storage, improving combustion, and exploring the possibility of adding hybrid technology.

Unless specifically stated otherwise or the context requires a different interpretation, references to "emissions" in this section primarily refer to "CO₂ emissions".

The chart below shows how our sales mix has transitioned from internal combustion engine to hybrid, battery electric and hydrogen vehicles year-on-year – maintaining progress towards lower carbon transport, despite limitations in supply of these low emission vehicles.

We have been measuring, reducing, and disclosing the greenhouse gas emissions from our operations since 2007. We respect the magnitude our scope 3 emissions, especially from our products, and how they encompass our biggest impact to planet and people.

Sales of hybrid, battery electric (BEV^{*}) and fuel cell electric (FCEV[^]) vehicles as proportion of total sales (Toyota and Lexus combined)



* Battery Electric Vehicles (BEV) introduced in 2021/22 and 2023/24; Lexus UX 300e and Toyota bZ4X.
[^] Hydrogen Fuel Cell Electric Vehicle (FCEV(=) Mirai figure includes sales to large fleet customers, Toyota Australia’s company fleet and KINTO.
^{**} FY22 Hybrid Sales: 72 units (NX400H model) incorrectly omitted from total hybrid sales.
[#] FY22 Total Sales: 10 units incorrectly omitted.

Expanding the hydrogen economy with the GEH2[®] power generator

This reporting year marked the beginning of an innovative and exciting partnership, a tangible action on our multi-pathway approach to decarbonisation by providing Australian commercial customers with a range of technologies, including zero-emitting energy power generation.

The partnership announced in October 2023 with EODev (Energy Observer Developments) and Blue Diamond Machinery (BDM) will see Toyota Australia invest \$3.27 million to assemble and distribute EODev's GEH2[®] hydrogen fuel cell power generators from our former Altona manufacturing facility in Melbourne.

Potential applications for the GEH2[®] include powering remote off-grid locations such as mining and construction sites, electric vehicle charging stations and seasonal events. The GEH2[®] generator can also be used to provide emergency backup power for services such as hospitals, commercial buildings and anywhere where stable power supply is required.

In a serendipitous nod to Toyota Australia's history, it was announced in February 2024 that Thies, the company that imported the first Landcruiser's to Australia in 1958, was set to be the first customer to take delivery of the locally assembled GEH2[®]. During a ceremony celebrating the completion of the first GEH2[®] generator assembled at Altona, both Toyota Australia and Thies echoed the importance of partnership in collectively building a better future for all Australians.

Thies is planning to use the generator as part of its mining operations at Mount Pleasant in New South Wales as part of their own decarbonisation program.



Lifecycle impact of our cars

As a business that distributes vehicles, it is essential to consider the way our products are made: their origin and composition, the materials used in their manufacturing, and their end-of-life treatment. Vehicle lifecycle and waste management is important to our teammates, customers and community as one of our top five material topics.

AT A GLOBAL LEVEL

While Toyota Australia has limited control over design decisions (as our vehicles and parts are manufactured offshore by TMC and affiliates), we can contribute to the processes in our control here in Australia. We provide vehicle evaluation results for the broad range of environmental conditions experienced in Australia.

We recognise that we have a great opportunity to reduce the end-of-life impacts of our vehicles by thinking more carefully about the products we bring to market in Australia and participating in recycling initiatives that promote the reuse of components.

For detailed information on Toyota’s global commitments to a circular automotive economy, please refer to the [Toyota Sustainability Data Book](#).

AT A LOCAL LEVEL

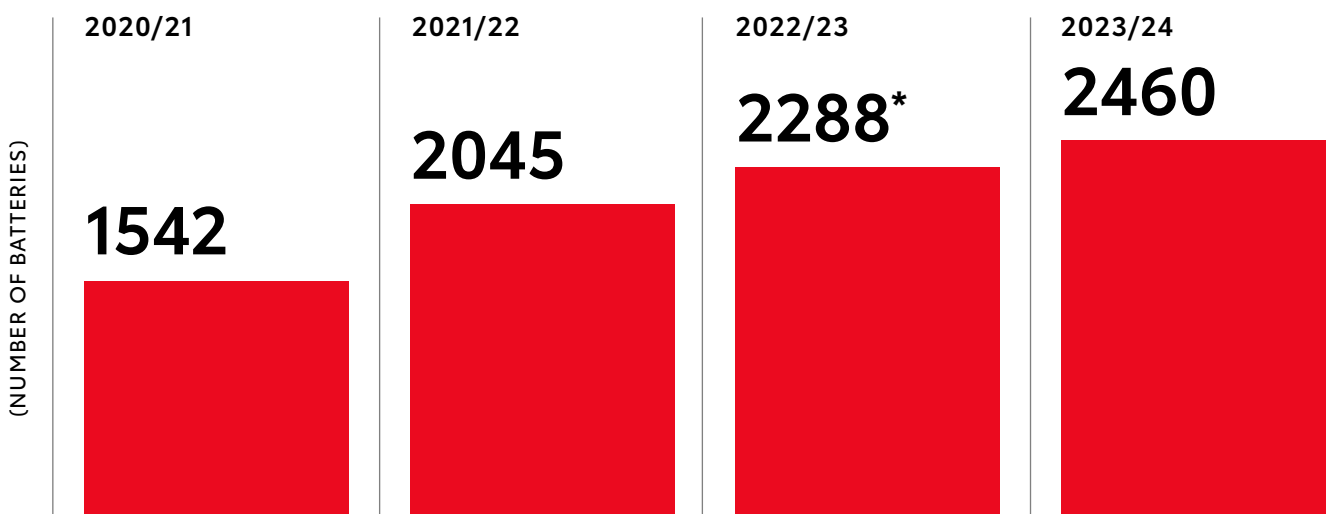
Toyota Australia is working to establish the systems and processes to enable resource recycling from vehicles. This can only be achieved through collaboration with strategic partners and industry groups, including the FCAI (Federal Chamber of Automotive Industries).

We are proud to contribute to industry-wide initiatives via our membership of the FCAI. During the reporting period, we actively participated in the FCAI End-of-Life Vehicle (ELV) Working Group, which was established in June 2023. This working group understands that the automotive industry needs to be proactive on this critical matter and that a whole-of-vehicle approach should be taken, interfaced with other product stewardship schemes.

This industry led action is a proactive step towards better end-of-life management of vehicles and parts in Australia and to expand our efforts, we also allocated a full-time resource to our Sustainability team.

Hybrid batteries recycled

Toyota Australia has a scheme incentivising customers to return their end-of-life hybrid batteries to their local Toyota or Lexus dealer, in exchange for a \$100 cash rebate or \$500 discount on a new battery. Due to the increase in hybrid electric vehicle sales, uptake has steadily increased since the scheme’s inception.



*More accurate data sourced from invoices for actual batteries recycled versus warranty claims data from SAP.



Reducing our operational impacts

OUR EMISSIONS FOOTPRINT

At Toyota Australia, we have been estimating our greenhouse gas emissions impact since 2007. This year, we deepened our understanding of the footprint by beginning the process of calculating Toyota Australia’s direct and indirect carbon emissions baseline (Scope 1, 2 and 3). This work is being conducted in line with international best practice as defined by the GHG Protocol and sector-specific guidance developed by the Science Based Targets initiative. It is planned that this baseline, when complete and verified, will be used to compare, estimate, and track the emissions reduction impact of decarbonisation initiatives across our operations, products, and partnerships. We will share this information in future reports, aligning with the incoming Federal government climate disclosure regulations.

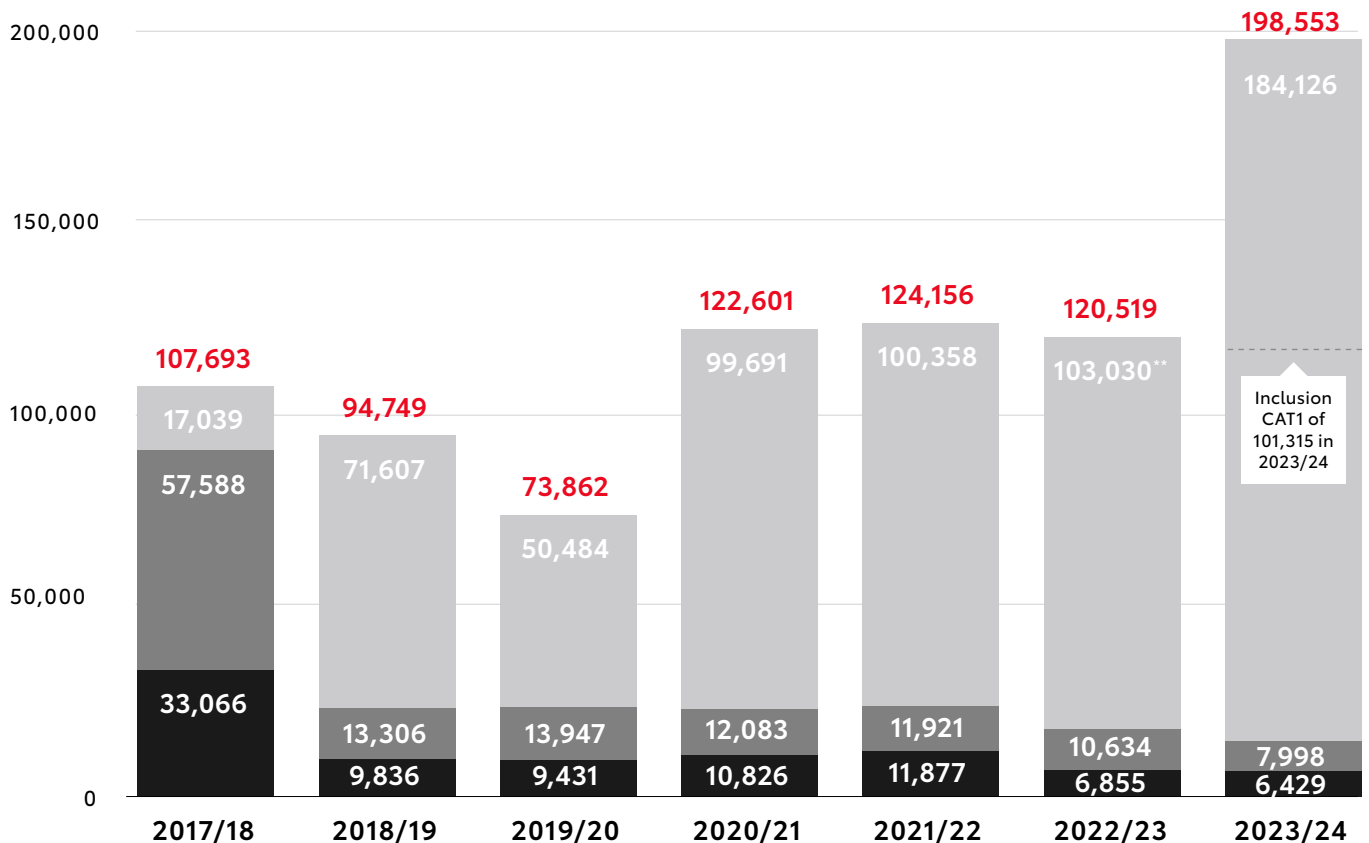
Our emissions footprint calculated using our new methodology is shown below, alongside previous years’ emissions. Observations for this year include:

Scope 1 emissions fell by approximately 7% in 2023/24 compared to 2022/23. This was primarily due to heating initiatives implemented at the Melbourne Toyota Parts Centre to reduce the use of natural gas. An improved refrigerant emissions calculation methodology was also used.

Scope 2 emissions fell by approximately 25% in 2023/24 compared to 2022/23. A reduction in electricity purchased from the grid due to increased solar generation was the main driver for this reduction, alongside location-based emissions factor updates.

Greenhouse gas emissions (tCO₂-e)*

SCOPE 3 SCOPE 2 SCOPE 1



* From FY14–FY18, Toyota Australia was required to report under the NGER Act, but since the closure of Altona manufacturing facility, which reduced the company’s scope 1 and 2 emissions, Toyota Australia no longer meets the NGER Act reporting threshold. This table reflects the baseline.

Note: Please see the “Emissions sources inclusion table” in the appendix for more details.

Scope 3 emissions increased by approximately 72% in 2023/24 compared to 2022/23. This was primarily due to the inclusion of Category 1 Purchased Goods and Services for the first time, as per the commitment made in last year's Report. Had the 2022/23 Scope 3 total included greenhouse gas emissions relating to Category

1, the total would have been 196,430 tonnes CO₂e, higher than the 2023/24 total of 184,125 tonnes CO₂e. Improvements were also made to data collated for the wide range of sources captured in Scope 3 emissions, resulting in some other categories also increasing as the dataset becomes more complete.

USING MORE RENEWABLE ENERGY

Complementing our suite of rooftop solar systems across our operational sites, a 152kWp (282 x 540W bifacial solar panels) visitor solar carpark was installed during FY24 at our Altona Centre of Excellence.



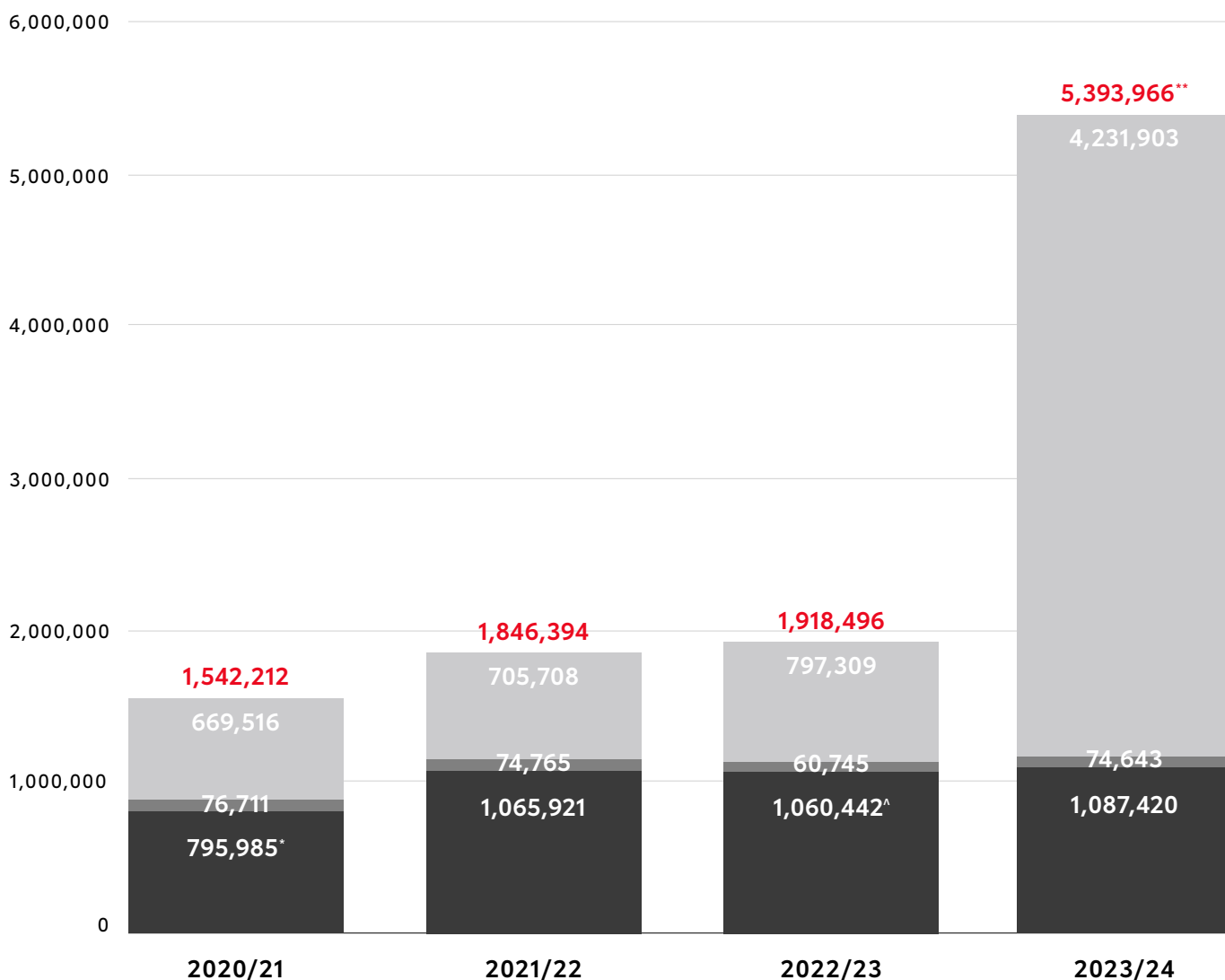
It incorporates several circular economy components, including recycled red brick paving, recycled exposed aggregate, locally manufactured food-cubes made from 80% recycled plastics and mod-wood cladding made from recycled bottles and pine dust. Other sustainable features include electric vehicle charging stations and rainwater harvesting, with two 5000-litre water tanks sustaining the garden. The car park provides a visible and tangible illustration to stakeholders that Toyota Australia is working towards a renewable energy and circular economy future.

In FY24, we generated and used more solar energy than ever before at our facilities, offsetting 2,692 tonnes of our own greenhouse gas emissions. In Melbourne, we saw a significant increase of more than 400% solar generation due to multiple new solar generation systems being fully commissioned. We generated more solar energy than we needed for our own use, enabling us to export renewable energy to the grid.

Solar power generation (kWh)

LOCATION

- ALTONA CENTRE OF EXCELLENCE
- BRISBANE TOYOTA PARTS CENTRE
- SYDNEY TOYOTA PARTS CENTRE



* Estimated generation using 2018 and 2019 monthly average from August to March. The amount has been estimated due to issues with on-site monitoring equipment preventing accurate data collection. COVID-19 restrictions meant that work to repair data loggers was unable to take place for up to six months.

** ERO Moorebank is a leased site, therefore the solar power generated is not included in the total reported.

^ Restatement of FY23 Solar power generation at Sydney Toyota Parts Centre to 1,060,442 kWh compared to 1,678,900 kWh due to more comprehensive checks and access to the correct data via the relevant portal.

OPERATIONAL WASTE

Below is the data on waste and the downstream impacts of our operational waste management. Data was gathered for each operational site, measuring mass (tonnes) of waste for each waste stream. Data was unavailable for the following sub-sites:

- Toyota Parts Warehouse in Sydney,
- Eastern Regional Office
- Revolution Paramatta Office.

In these cases, an estimation was calculated using the average emissions per full-time equivalent employee of the sites with known waste tonnage.

Toyota Australia continued to recycle materials, where possible, including paper and cardboard, comingled, soft plastics and timber.

A total of 609 tonnes of waste went to landfill, including general, organic, hazardous, inert, and wood waste (i.e. treated timber pallets). A total of 1,532 tonnes of waste was recycled, consisting of 985 tonnes of paper and cardboard, 11 tonnes of soft plastics, 124 tonnes of comingled waste materials and 412 tonnes of wood.

A total of 609 tonnes of waste went to landfill, including general, organic, hazardous, inert, and wood waste (i.e. treated timber pallets), resulting in 1,120 tonnes of greenhouse gas emissions (tCO₂e)

For a full breakdown of our waste figures by composition please see the [Appendix](#).



*General, organic, hazardous, inert, and wood waste (i.e., treated timber pallets).

**Wood, paper/cardboard, soft plastics, and comingled recycling.



Social

MATERIAL TOPIC	DESCRIPTION	MATERIALITY RATING
Products and operations: Manufactured capital		
Product safety and quality	Maintaining the safety and quality of our vehicles to minimise road-related casualties and enhance the durability of our vehicles	High
Business transition	Exploring the future of our business model and revenue streams, using our core capabilities as the foundation for our innovation	High
Supply chain risk	Assessing and mitigating environmental and social risks in our supply chain, including our modern slavery risks, through ongoing supplier engagement	Medium
Customers, community and partners: Social and relationship capital		
Strategic partnerships	Maintaining strong strategic relationships with our dealers and partners to serve our customers and introducing sustainability-related products to grow our market share and value proposition	Medium
Community impact	Serving the communities in which we operate and creating shared value through our products and services, creating employment opportunities and collaborating with community partners	Medium
Customer experience	Putting customer experience at the heart of everything we do. Creating inclusive solutions for our customers to access mobility and meet their needs. Normalising and responding to customers demand for sustainable options	Medium
Teammates: Human and intellectual capitals		
Health, safety and wellbeing	Protecting employee health and safety and enabling teammates to improve their physical and mental wellbeing	Medium
Diversity and inclusion	Striving to make Toyota Australia a workplace all teammates feel included, valued, and free to bring their authentic selves to work	Medium
Innovation	Innovating our core products and services and integrating sustainability into our innovation processes	Medium

Product safety and quality

Since the inception of TMC in Japan, our aim has been to create safe and reliable vehicles in line with our promise of Quality, Durability and Reliability (QDR). This is more important than ever before, because by delivering safer, better-quality cars, we can help more Australians to stay safe on the road.

We are continuously pushing to be better, smarter, and safer – with every Toyota and Lexus vehicle subject to rigorous testing and development with Australian conditions in mind.

HOW WE MANAGE PRODUCT QUALITY AND SAFETY

At Toyota Australia, our global commitment to Quality, Durability and Reliability (QDR) is supported by a culture of transparency and accountability, where Teammates are encouraged to communicate honestly and take responsibility for their actions. Through a dedicated Quality Learning Centre, Teammates have a space where they can focus on building an awareness and culture of a quality mindset.

Product evaluation and testing is managed by our Vehicle Evaluation team, part of our Product Planning and Design (PPD) division. Given our extreme and wide-ranging road conditions, Australia has been identified as an ideal location to develop and evaluate vehicles. Toyota and Lexus vehicles are often tested years before launch to ensure the Quality, Durability and Reliability (QDR) of the final product matches expectations.

Product quality is managed by Toyota Australia's Quality & Service Division, who apply global quality commitments to local operations through managing product recalls, fulfilling warranty claims and educating Teammates on the importance of having a quality mindset.

All our products come with a 5-year unlimited kilometre warranty, reflecting our belief in the quality of our

vehicles. Please note that the warranty terms may vary depending on time of purchase, so we encourage reviewing Toyota and Lexus terms and conditions for more information. Please click [here](#) for Toyota and [here](#) for Lexus.

IMPROVING SAFETY FEATURES WITH INTELLIGENCE

[Toyota Safety Sense \(TSS\)](#) and [Lexus Safety System+](#) are a suite of active safety technologies and advanced driver assistance systems designed to support safe driving and help protect drivers and passengers. By including the latest generation of TSS and Lexus Safety System+ to more and more vehicles, we're helping more Australians stay safe on our roads.

Safety features include:

- Pre-collision Safety System – reducing the risk of frontal collision
- Road Sign Assist – alerting drivers to changes in the speed limit
- Lane Departure Alert and Lane Trace Assist – Alerting and correcting drivers who start to drift out of their lane
- Active Cruise Control – assisting drivers to manage their speed
- Automatic High Beam – minimising glare for safer night-time driving

PRODUCT RECALLS

When we identify safety or other flaws in existing models, we act quickly to contact customers and remediate affected vehicles. We are committed to timely recalls in line with our responsibilities under the Australian Consumer Law and the FCAI Code of Practice for automotive safety recalls. To prioritise the safety of all affected customers, we communicate recalls across many channels, including the Toyota and Lexus websites, press advertisements and government notifications.

During FY24, Toyota vehicles were involved in nine recall campaigns and Lexus in two, affecting a total of 92,980 cars. One of these campaigns related to both Toyota and Lexus vehicles.

Ongoing recalls from previous years also continued to be resolved. The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (DITRDCA) website contains all recall information, by category and brands [here](#).

Diesel Particulate Filter (DPF) class action

This class action commenced in the Federal Court of Australia in September 2019¹.

The Applicants allege that, in supplying certain HiLux, Fortuner and Prado vehicles fitted with a 1GD-FTV/2GD-FTV engine with a diesel particulate filter (DPF) system, Toyota Australia:

- Failed to comply with the acceptable quality guarantee in the Australian Consumer Law; and
- engaged in misleading or deceptive conduct.

The Lead Applicant and the other group members sought damages or compensation from Toyota Australia.

A first instance judgment was handed down in favour of the Applicant. Toyota Australia filed an appeal against the first instance decision on 10 June 2022². The Full Court of the Federal Court of Australia handed down its decision on 27 March 2023. Toyota Australia filed a special leave application in the High Court of Australia on 24 April 2023. A special leave application asks the High Court for permission to appeal against a decision of a lower court. The Lead Applicant also asked the High Court of Australia for special leave to appeal the decision of the Full Federal Court. The appeals were heard by the High Court on 10 April 2024. The High Court handed its decision down on 6 November 2024 and the matter has been remitted to the initial trial judge.

Takata airbags class action

Since 2013, Toyota Australia has been voluntarily recalling certain Toyota and Lexus vehicles produced between 2000 and 2016 due to them being fitted with potentially faulty Takata airbag inflators. In 2017, a class action³ related to these airbags began against Toyota Australia and several other car brands. Toyota Australia and all other parties involved in the class action, except for Volkswagen, entered into a settlement agreement, which was approved on 29 June 2022.

Emissions class action

This class action was commenced on 18 October 2022 in the Supreme Court of Victoria⁴. The Lead Plaintiff and the group members allege that Toyota Australia has breached the Australian Design Rules due to the fitment of an emissions defeat device in certain diesel vehicles. The plaintiff alleges consequential breaches of various Australian laws including misleading and deceptive conduct in contravention of the Australian Consumer Law.

¹ Kenneth John Williams & Anor v Toyota Motor Corporation Australia Limited (Federal Court Proceeding No. NSD1210/2019)

² Toyota Motor Corporation Australia Limited v Kenneth John Williams & Anor (Federal Court Proceeding No. NSD462/2022)

³ Louise Haselhurst v Toyota Motor Corporation Australia Limited (New South Wales Supreme Court Proceeding No. 2017/00340824)

⁴ Adam Peter Rowe v Toyota Motor Corporation Australia Limited (Victoria Supreme Court Proceeding No. S ECI 2022 00313)

Customer experience

At Toyota Australia, we approach our customers with sincere hospitality, in line with our Toyota Way value of ‘Respect for People’.

We engage with our customers regularly through our multiple call centres, where they can raise queries or concerns and provide feedback. Our digital presence, which includes our website, product websites and social media channels allow us to keep customers updated about our business and products.

We measure customer satisfaction by tracking Net Promoter Scores and the Customer Satisfaction Index associated with sales and service in our dealerships. The FY24 results shown below reveal that satisfaction has decreased since FY23 for both Toyota and Lexus customers, which can largely be attributed to longer than normal wait times for vehicle deliveries to customers. This was due to the unprecedented demand for our products through 2020 to 2021 and working through the backlog generated during COVID-19, in conjunction with extended supplier delivery times and other external factors, such as global chip shortages. We distribute our customer experience surveys to both new vehicle buyers and returning service customers, as part of our commitment to enhancing the overall customer experience.

LEXUS RESULTS	2022/23	2023/24
Net Promoter Score (Sales)	88.9	84.5
Net Promoter Score (Service)	80.3	76.7
Customer Satisfaction Index (Sales)	95.6%	94.2%
Customer Satisfaction Index (Service)	93.1%	92.2%
	2,480	5,135
	Lexus Sales Surveys completed	Lexus Sales Surveys completed
	9,451	7,379
	Lexus Service Surveys completed	Lexus Service Surveys completed

* 2023 was a record year for Lexus, achieving over 13,000 vehicle sales, the majority of which occurred in FY24 from 1 April 2023. This resulted in a significant increase in the completion of Lexus Sales Survey's, more than doubling from FY23 to FY24.



TOYOTA RESULTS

2021/22

Net Promoter Score (Sales)*

82.6

Net Promoter Score (Service)^

70.4

Customer Satisfaction Index (Sales)

94.1%

Customer Satisfaction Index (Service)

91.2%

2022/23

Net Promoter Score (Sales)*

83.8

Net Promoter Score (Service)^

71.3

Customer Satisfaction Index (Sales)

94.5%

Customer Satisfaction Index (Service)

91.3%

2023/24

Net Promoter Score (Sales)*

80.3

Net Promoter Score (Service)^

70.7

Customer Satisfaction Index (Sales)

93.4%

Customer Satisfaction Index (Service)

91.1%

59,741

*2023/2024
Private and Bronze Fleet Sales
Surveys completed

116,846

^2023/2024
Toyota Service Advantage Service
Surveys completed

Our teammates

HEALTH, SAFETY & WELLBEING

As an employer, we are responsible for creating a supportive and safe environment for Teammates and preventing harm in the workplace in line with our value of 'Respect for People'.

This year, we were pleased to achieve our target of zero category 1 or 2 injuries, but we recognised the need to identify ways of measuring physical and psychological wellbeing. To this end, we spent the reporting year planning to identify and implement a companywide, division specific 'Safety Score' comprising key physical and psychological safety KPIs.

For further details of our health and safety performance in FY24 please see our Appendix.

Our ISO certification

Toyota Australia's occupational health and safety system is certified to ISO45001:2018 – a global standard that helps ensure we achieve our health and safety objectives, continually improve our performance and meet our legal obligations.

During the reporting period, an external review of our safety system and practices was conducted, resolving last year's non-conformances and re-certifying Toyota Australia to the global standard – a great result for our business confirming that our safety practices are of a high standard.

Our routine internal health and safety governance mechanisms include monthly reporting of day-to-day health and safety issues, escalating issues to senior management as necessary and general reporting to the Risk and Compliance Committee.

New Online Safety System

Committed to creating a safer environment for our Teammates, we spent the reporting period working hard on resolving the issues raised by the previous year's non-conformances. In August 2023, a centralised national online safety management system was launched to capture the recording and reporting of incidents, hazard reporting and the storage of risk assessments. The system has reporting functionality and gives a greater oversight of safety activity than we have ever had before. For example, we have access to a centralised dashboard to view incidents by type at a glance for a given period.

Supporting better mental health at work

To support good mental health in the workplace, our Employee Assistance Program provides free and confidential 24/7 in-person or online counselling and health services to both Teammates and their families. We continue to go beyond the industry norm, offering Teammates six consultations with a psychologist, six consultations with a nutritionist, four sessions with an exercise physiologist and one consultation with a financial adviser per year.

During Mental Health Month in October 2023, Toyota Australia ran its annual "Nominate a Mental Health Hero" initiative to acknowledge and openly thank efforts of Teammates who have helped breakdown mental health stigma, supported others with their mental health issues or have simply been there to listen. We encourage Teammates to place the same importance on their mental health as their physical health and to prioritise habits that build positive wellbeing. Fourteen Teammates were recognised throughout the month.

Throughout the reporting period several onsite wellbeing initiatives were conducted to support our Teammates including:

- a flu vaccination program with 482 vaccines administered and;
- an onsite skin check program with 298 checks conducted, 25 of which triggered further action.

ENGAGEMENT, DEVELOPMENT AND RETENTION

Building capability across the organisation is essential for us in our transition from an automotive company to a mobility company.

As we continue to develop our sustainability strategy, equipping our Teammates with a sustainability mindset will ensure that our strategies are successfully understood and implemented across the business.

INITIATIVES DURING THE REPORTING PERIOD

Leadership management training

We continued to offer the management development program, expanding it to more of our regional affiliates. The program supports a talent pool for future leadership progression by challenging participants to consider the future of our industry, questioning how we can apply our skills and Toyota tools to necessary business transformation problems. Sessions were held virtually, and group-based activities supported collaboration across teams and regions.

Upskilling our people

Upskilling and reskilling our Teammates are important as we shift to a mobility company. They enable broader skill development, on-the-job learning, career progression and staff retention. This year, the average hours of training per employee were 33.19 hours, an increase of almost 10 hours on the previous year. This can be largely attributed to a focus on compliance training, the national rollout of Toyota For Life (TFL) Standards training and consistent completion of Global Content Training programs by new starters in their first year at Toyota. Global Content Training ensures a common language across all Toyota affiliates globally and allows Teammates to effectively develop a problem-solving mindset.

Toyota Australia supports career development via our annual performance review process, which 1535 Teammates participated in during the last financial year. Managers work with their direct reports to plan for ongoing individual development over the year. Teammates can create Individual Development Plans to help them meet the requirements of their current role, improve their soft skills, and support their career aspirations. Regardless of role or responsibility, priorities can focus on enhancing an existing strength or improving skill gaps.

REWARDING AND ENGAGING OUR TEAMMATES

All Toyota Australia Teammates (full time and part time) have access to a range of benefits, including:

- Access to free in-person fitness classes, personalised training programs and onsite personal instructors via our wellness centres at Corporate HQ and Altona.
- Access to online learning content to support more effective workplace behaviours, such as time management and mindfulness.
- A private health insurance rebate to support Teammates and their families stay well at a lower cost. Accessible to salaried Teammates whose employment is not covered by an enterprise agreement.
- Free annual onsite flu shots and skin checks.
- Purchased Annual Leave to promote wellbeing of Teammates and support Toyota Australia's flexible way of working.

When significant operational changes are made at Toyota Australia, we give employees reasonable notice. Toyota Australia also supports worker rights to organise and fairly manage the relationships between themselves and the company.

In FY24, 29.35% of our Teammates were covered by one of Toyota Australia's two current enterprise agreements. The agreements provide clear processes for significant operational changes and consultation periods of up to ten weeks. Working conditions of those not covered by an enterprise agreement are determined by their employment contracts and organisational policies and procedures.

ACTING ON ENGAGEMENT

Each year, we conduct an annual survey for Teammates to share feedback about what we're doing well, and where we need to do better to drive meaningful and positive change.

In the spirit of continuous improvement, our People & Culture team worked hard during the reporting period to roll out a new employee enhanced annual Engagement survey and platform-aligned to best practice.

The FY24 Engagement score of 78% (up from 76% from the previous year) sets a new Engagement score baseline due to changes in the questions asked and the provider. In addition to our Engagement score, we also measure 'Belonging' which recognises the importance of our Teammates feeling accepted and included in our workplace.

The transition to a new innovative platform has allowed for a faster turnaround of results and a more robust action planning process to address and communicate focus areas for improvement. We have developed a new three-tiered approach to our action planning process featuring a framework that details how each manager and Teammate can contribute to department level action planning and drive change from within their own team. This new approach has resulted in more ownership to drive change at all levels.

The table below outlines the key areas for improvement identified via the survey and the high-level actions planned.

Looking ahead, we are planning to move the Engagement survey period from October to August, allowing us the room to integrate other company initiatives with an uninterrupted action planning process. Psychological safety, workload pressures, stress and burnout are specific areas of concern to address in the coming year.

AREA FOR IMPROVEMENT

Low sentiments for pay and benefits

Collaboration and communication across divisions

HOW TOYOTA AUSTRALIA IS RESPONDING

A corporate-level action item, led by People & Culture team to undertake a deep-dive look at reasons for low sentiment.

A divisional-level action item, led by General Managers to improve cross divisional collaboration with a focus on two-way, transparent communication, resource allocation and cross functional working groups.



DIVERSITY, EQUITY, INCLUSION AND BELONGING

Australia is a diverse country, so our workplace needs to reflect an increasingly high level of safety and inclusion for people of all genders, ages, abilities, backgrounds, and cultures. We want our Teammates to feel able to bring their whole selves to work as we believe this not only contributes to our success but is the right thing.

At Toyota Australia, we have a robust Diversity, Equity, Inclusion & Belonging strategy that fosters and encourages a culture of respect, understanding and connection. To be effective in this space, we have four Employee Resource Groups: Gender Equality, First Nations, Disability Advisory and Pride@Toyota which focuses on the Lesbian, Gay, Bisexual, Transgender, Queer and Intersex (LGBTQI+) community.

Gender balance is still an issue in our industry and our business. In February 2024 we published our gender pay gap as part of the Workplace Gender Equality Agency (WGEA) initiative. Previous to the publication, we were open and transparent with our Teammates and communicated our median gender pay gap of 7.8%. We are currently finalising a strategy to reduce this gap over time.

We need to continue to address structural barriers resulting in a gender imbalance across all levels of management, most noticeably at the executive level. We will continue to develop and deploy initiatives to build greater diversity within our leadership and across all our teams.

In our commitment to advancing gender equality, we applied to become a recognised employer of choice with WGEA and are pleased to announce our success in achieving this designation.

This year we continued our female sponsorship program, which pairs high-potential employees with a General Manager for 12 months to develop their career pathway.

ATTRACTING MORE FEMALE EMPLOYEES TO TOYOTA AUSTRALIA

A continuing company target is to achieve 40% female representation across Toyota Australia by 2025.

This year, we undertook a recruitment and retention study to better understand the barriers standing in the way of more females choosing to work at Toyota Australia. We analysed the perception of our brand in the market and of the breadth of roles that we offer, while exploring options like recruitment partnerships, which may help us access female talent and remove bias from our recruitment processes. The study also investigated reasons why female employees leave the organisation. We are working through the findings and will share them in next year's report.

We are continuing our partnership with Work180 to ensure we have policies and benefits in place to support women's careers, including:

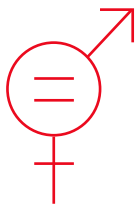
These include:

- Gender neutral parental leave policies.
- Removal of the tenure threshold for parental leave eligibility.
- Increase from fourteen to sixteen weeks at full salary for primary carers.
- Four weeks paid parental leave for secondary carers, i.e. those with parental responsibility but not the primary care.
- Continuation of superannuation payments while on both paid and unpaid parental leave (up to 38 weeks).
- Partnership with Women4Stem, a not-for-profit organisation, to increase the attraction, retention and progress of women in Science, Technology, Engineering and Mathematics (STEM) roles.

OUR DEIB COUNCIL AND EMPLOYEE RESOURCE GROUPS

We've established the Diversity, Equity, Inclusion & Belonging (DEIB) Council to advocate for diversity in our workplace and facilitate the implementation of initiatives that promote a positive culture. This group is made up of Teammates from all levels across the business, representing various cultural backgrounds, age groups and genders. Teammate led DEIB Employee Resource

Groups known as Action Teams drive ground up action with the sponsorship of the Council. During the reporting period, a General Manager sponsor was appointed to each Action Team, with the aim of leveraging influence and their business network to help drive awareness and positive change.



TO PROMOTE GENDER EQUALITY, WE:

- Held our fifth annual Women's Conference to build connections between women across the Toyota network.
- Celebrated International Women's Day 2024.
- Celebrated International Men's Day 2023.
- Conducted a recruitment and retention study.
- Participated in Movember 2023, in support of men's health.



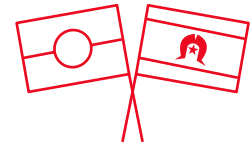
TO SUPPORT THE LGBTQI+ COMMUNITY, WE:

- Promoted the 2023 International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT) and raised funds for Minus 18.
- Celebrated Pride Month.
- Celebrated Wear It Purple Day 2023 in expression, celebration, and support of LGBTQI+.



TO RAISE AWARENESS OF DISABILITY, WE:

- Ran an employee focus group.
- Recognised the International Day of People with Disability 2023
- Continued to develop a Disability Inclusion Action Plan.
- Launched a mentoring program through the Australian Disability Network, matching Toyota Teammates to mentor people with a disability, assisting them to find employment.
- Studied the opportunity of employing an intern.



TO RECOGNISE FIRST NATIONS PEOPLE, WE:

- Continued developing Toyota Australia's first Reconciliation Action Plan (RAP).
- Held initiatives for National Reconciliation Week and National Aboriginal and Islanders Day Observance Committee (NAIDOC) Week.
- Provided financial support to several of our First Nations partners through our social contribution activities. For example, 'The Torch' which provides art, cultural and arts industry support to First Nations people currently in, or recently released, from Victorian prisons.



Customers, community and partners

STRATEGIC PARTNERSHIPS

At Toyota Australia we are proud of the strong strategic partnerships we've built across our dealer network, supply chain and beyond, recognising we can't achieve our goals alone.

OUR DEALER NETWORK

The Toyota Australia dealer network is vital to our business. Toyota and Lexus dealerships are our customers' primary touch point, and we support their operations in a range of different ways.

In addition to regular meetings between Toyota Australia and Dealer Principals, Toyota Australia conducts regular 'National Dealer Conferences', where we provide updates

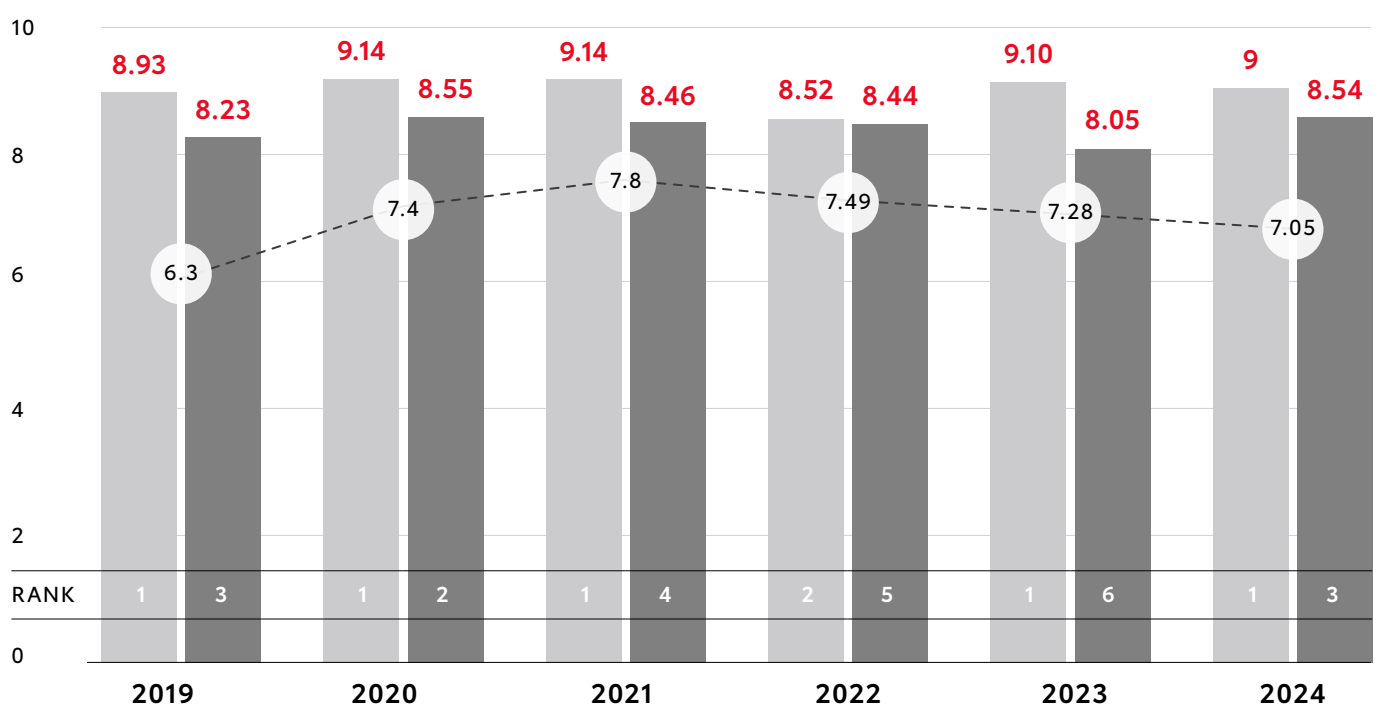
on new products being introduced into the Australian market. Our dealer partners are involved in all decision making impacting them via the National Toyota Dealers Association (NTDA). This is a dealer-led consultative body that provides oversight to the NTDA subcommittees.

At Toyota Australia, dedicated corporate departments work to support the training and professional development of dealer staff. From technical skills like electric vehicle servicing to soft skills including communications and marketing, learning is prioritised, incentivised and a key focus. Quality, Durability and Reliability (QDR) is embedded throughout this process with our service technicians trained on Toyota and Lexus products to work as qualified technicians.

We conduct a dealer satisfaction survey annually across both the Toyota and Lexus dealer networks, encouraging all dealers to rate their satisfaction with Toyota Australia. Our Dealer Satisfaction Survey results can be seen below.

Score Trend for Q3 – Overall Satisfaction with Lexus and Toyota

■ LEXUS ■ TOYOTA - - - INDUSTRY



All corporate, warehouse and dealer operations employees (including Lexus and subsidiary companies) have access to our free, confidential and independent third-party managed anonymous hotline. Employees can report any concerns about unethical behaviour by Toyota Australia and its subsidiaries, and by any Toyota and Lexus dealerships. Toyota Australia investigates these calls, with any report made allocated to our Risk & Compliance and People & Culture teams, as appropriate. To support wellbeing, we encourage dealers to follow our lead and provide employees with access to Employee Assistance Programs.

Building engagement with dealer staff

As of 30 June 2024, there were over 13,715 dealer employees across Australia representing Toyota and Lexus. To support our corporate mission of 'Producing Happiness for All', we continue to offer Toyota Engage: an online platform accessible to dealer staff that enables access to benefits, news and rewards to enhance the connection dealer staff have with Toyota Australia.

Since 1984, Toyota Australia has run an annual National Skills Learning & Development program. The program runs for nine months each year and provides extensive learning and development opportunities for Toyota and Lexus dealer staff, promoting excellence in service and customer experience while recognising exceptional achievements and significant contributions. The program ends with the National Skills Finals where National Skills champions are determined after their final test across seven Toyota categories and four Lexus categories. The 2023 National Skills Finals were held at our Centre of Excellence Altona site – a day dedicated to, and in celebration of our dealers.

As we develop our sustainability strategy, ongoing dealer engagement and partnership is central to achieving shared sustainability outcomes. We will continue to share knowledge and support dealers to integrate sustainability into their own operations as we move forward together.

SUPPLY CHAIN RISK

We have adapted to the supply and distribution challenges that our business faced during previous years and welcomed the easing pressures on the supply of critical components like microchips and batteries. Throughout FY24, inflation and ongoing geopolitical tensions were the main challenges to our supply chain. We continued to apply a sustainability mindset to all levels of our supply chain to improve our collective sustainability performance. Work with suppliers continued to manage the impact of rising commodity prices and inflation while remaining flexible and transparent to support the demand that came with increased sales volume and product demand.

A snapshot of our spend

Toyota Australia leverages both global supply chain in its management and distribution of vehicles and locally sourced accessories. The coordination and management of manufacturing and global distribution of vehicles and parts are primarily handled by TMC and our affiliates. For more information on Toyota's global sustainability approach, policies, case studies and data, please refer to the Sustainability Data Book [by clicking here](#).

At Toyota Australia, our focus is on suppliers that provide goods and services directly to us. This includes direct suppliers of manufactured parts and accessories that complement the vehicles we sell, ensuring we meet the needs of our local customers. Additionally, we engage with indirect suppliers who provide goods and services essential to supporting our Australian operations. This includes marketing, logistics, IT and connected technology, facilities management, and professional services.

We mitigate supply chain risk and build resilience through prioritising highly capable, cost competitive, and local suppliers. We work with a high proportion of Australian suppliers, governed by Australian legislation such as the Fair Work Act. Approximately 93% of our suppliers are Australian entities or have Australian based operations (i.e. a combination of globally affiliated and locally owned companies). Our transactions with these companies represent approximately 98% of overall spend.

The information in this section refers to third party suppliers of parts, accessories, and services. This does not include the manufactured vehicles or parts we source through TMC or other Toyota affiliates.

We continue to maintain a network of suppliers geographically close to our operations where possible, to build supply chain resilience, optimise efficiency, help reduce travel emissions and support local communities where we operate. In FY24, 55% of our local suppliers were Victorian, 29% were based in NSW and the remainder spread across the rest of Australia to support our Regional Offices and Sales & Distribution network to dealers in each state.

Understanding ESG across our supply chain

During FY24 we continued to better understand our suppliers. Through site visits and meetings, we found the vastly differing levels of ESG maturity to be expected from an extensive range of suppliers from small family businesses to large multi-nationals. Applying the same ESG targets and plans for every supplier would not be appropriate. So, during FY24 we started to profile and prioritise our suppliers based on spend, risk and influence and have commenced engagement with them to better understand their commitment, status, progress, and opportunities. We acknowledge this process will evolve as we reduce risk and have a positive impact across our supply chain.

During FY24, we committed a full-time resource to examine our supply chain risk and explore how we can educate our Teammates on ESG topics when procuring resources. This will involve continued collaboration with our global affiliates to understand best practice and how we can expedite already implemented and improved processes and technologies.

Continuing to manage our supply chain risks

As our ambition evolves and we collaborate with our affiliates, we continue to assess effective ways to adapt our procurement process to embed and clearly communicate our expectations. As an example, we are assessing the feasibility and value of updating our existing Supplier Minimum Standards, which already contain environmental, safety and human rights requirements, to become a Supplier Code of Conduct. This will enable a broader view of ESG topics in addition to standard supply chain expectations. Similarly, we are assessing standardisation of a third-party risk assessment process and more comprehensive monitoring of supplier's status and progress.

As part of a global initiative led by TMC, our Parts & Accessories teams conduct an annual conflict minerals survey to confirm no conflict minerals exist in our supply chain. New or existing parts and accessories suppliers are screened and surveyed using the Responsible Minerals Initiative reporting process. This activity is a global Toyota requirement for all affiliates and helps us confirm that no Tantalum, Tin, Gold and Tungsten are used in Toyota Australia products sourced from high-risk or conflict affected smelters. This process happens when suppliers take part in a new sourcing activity or as part of a Supplier Capability Assessment.¹

Anti-Modern Slavery

Modern slavery risks are particularly high in raw materials extraction and manufacturing industries. We recognise the challenge in establishing full transparency and traceability, especially with suppliers based overseas who operate under different labour laws. Although we do not have direct control over our suppliers' operations, Modern Slavery requirements have been embedded in our Supplier Minimum Standards since 2023.

In FY24, we completed onboarding of an automated due diligence system to improve overall risk assessment and tracking. We have recently used the system to distribute our supplier questionnaire for our anti-modern slavery activity. Toyota Australia received over 40% responses, an increase on previous years. We will work with our suppliers to address the risks identified from the questionnaire throughout the remainder of the current fiscal year.

We continue to engage directly with our suppliers who indicate challenges with meeting our minimum standards and endeavour to support them to improve their practices, policies and procedures to minimise the risk of modern slavery within their supply chains.

During the reporting period, a human rights and modern slavery module was rolled out as part of our larger local, Australian Code of Ethics training.

Our latest Modern Slavery Statement, which was issued to the Australian Government through the Australian Border Force, outlines our approach in more detail and can be found [here](#).

¹ For more information on the details of our global responsible material sourcing activities, refer to TMC's Sustainability Data Book - Responsible Materials Sourcing - p. 77

Note: The information in this section refers to third party suppliers of parts, accessories, and services. This does not include the manufactured vehicles or parts we source through TMC or other Toyota affiliates.

COMMUNITY IMPACT

At Toyota Australia we have a proud history of supporting communities in the locations in which we operate. This commitment is strongly aligned with our Toyota Way values. We use our capability and resources to enrich communities in two ways:

1
SOCIAL CONTRIBUTION

Toyota Australia and our Teammates contribute their money and time to causes that matter to us.

2
COMMERCIAL SPONSORSHIPS

We support organisations through community partnerships and sponsorships other fundraising and awareness activities.

SOCIAL CONTRIBUTION

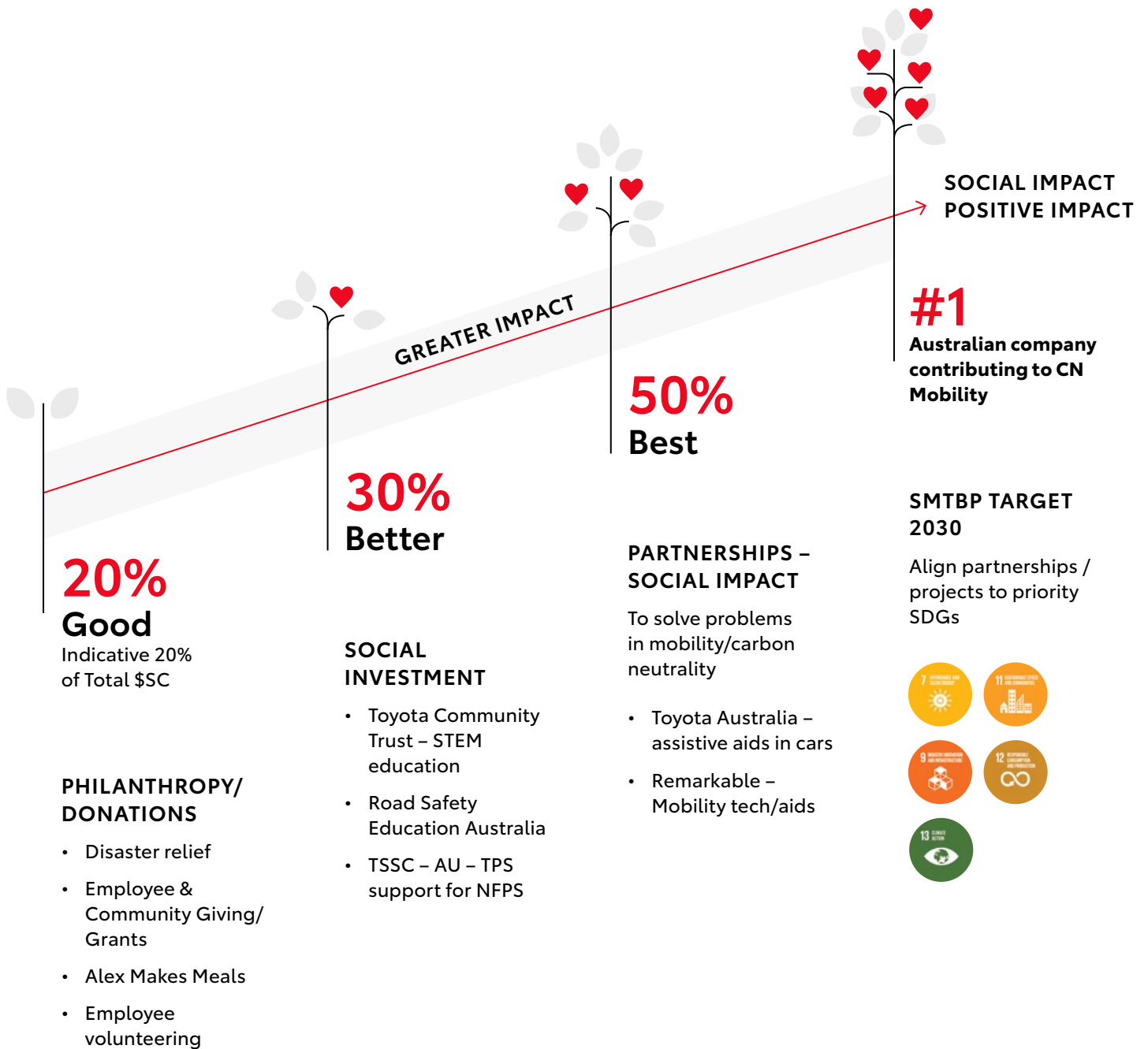
Our community funding framework has an increasing focus on mobility and carbon neutrality projects through social impact partnerships with like-minded organisations. This framework is formalised in our 2022-2025 Social Impact Strategy and Social Impact Policy, both of which guide our social contribution activities. We continue to work towards increasing our contribution to communities, while simultaneously encouraging Teammates to contribute in a way that is meaningful to them.

We are working on our goals to continue giving through greater donation spend and expanding our thinking to encompass our social impact as an organisation. We have been exploring social impact projects using our business expertise to solve real world mobility and carbon neutrality challenges, like our partnership with disability tech organisation, Remarkable, highlighted in the case study below. Having employees work with external organisations on mobility/carbon neutral solutions will generate greater value to society and have a larger social impact than financial donations alone.

Note: Community support/donations related to commercial sponsorships are not counted towards our social contribution goals as they are part of the overall Toyota Australia marketing strategy.

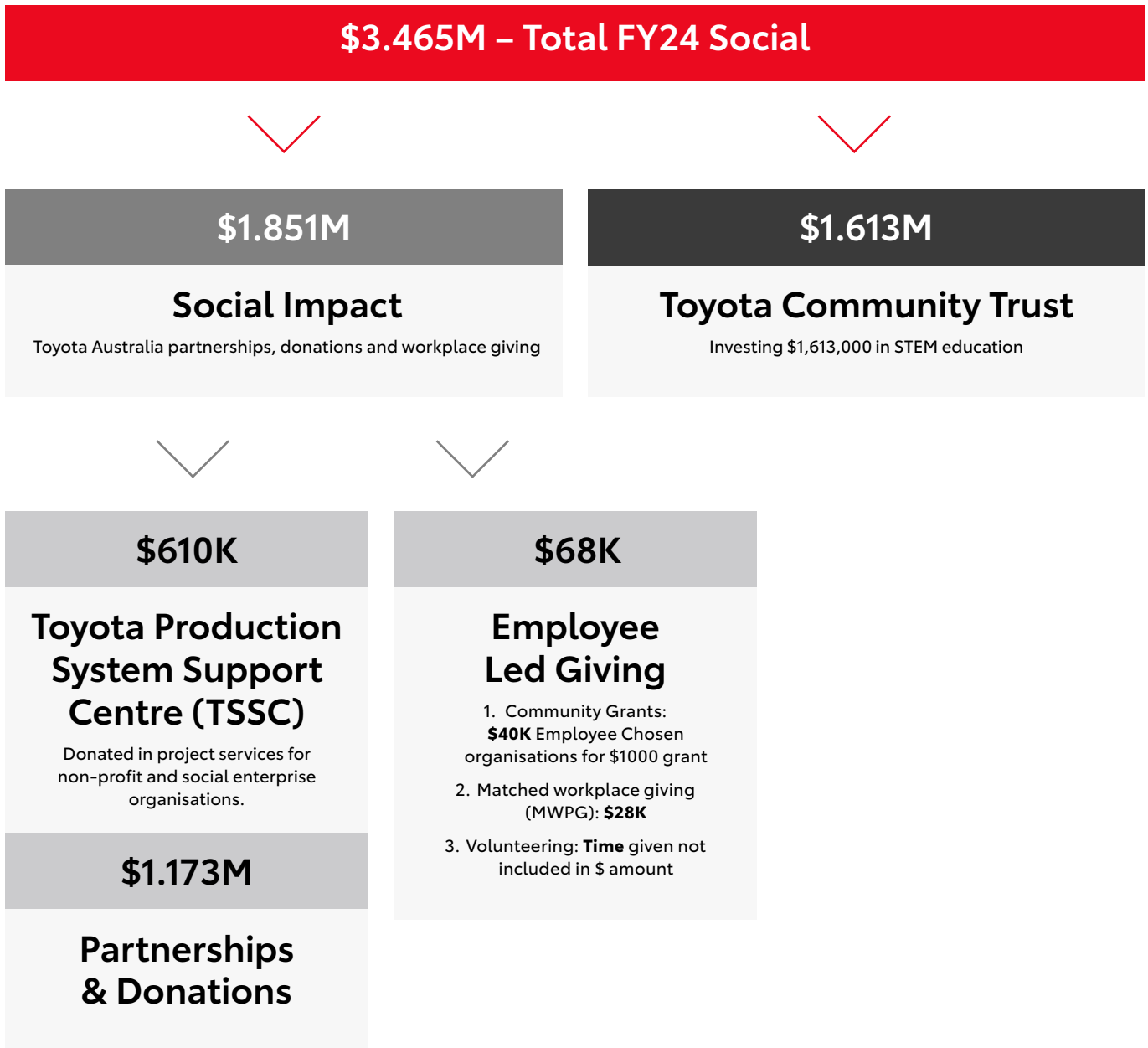
Corporate Social Contribution Best Practice – Strategy

1% Pre tax contribution to Social impact activities



GIVING BACK IN FY24












In FY21 our President declared a target of 1% of pre-tax profits to be donated to social contribution and community impact programs each year. The visual below outlines the structure of our community giving and the breakdown of the FY24 contribution across our community activities.





DETAILS OF TOTAL FY24 SOCIAL CONTRIBUTION

- \$ Monetary
- T Time
- + In Kind

	\$1,613,284	\$	<p>TOYOTA COMMUNITY TRUST STEM education organisations</p>
	\$609,923	T	<p>TSSC Various projects, see table over page</p>
	\$350,000	\$	<p>ROAD SAFETY AUSTRALIA Youth driver awareness program</p>
	\$309,233	T	<p>ALEX MAKES MEALS Ingredients, labour and packaging Toyota Australia bistro staff prepare and deliver meals with AMM</p>
	\$188,196	+	<p>REMARKABLE in-kind support Funding and pro-bono product design expertise to assist developing products to positively impact people with a disability</p>
	\$256,812		<p>RESEARCH – DISABILITY MOBILITY CONVERSION Assisted mobility study</p>
	\$60,000	\$	<p>LOCAL COUNCIL GRANTS - HOBSONS BAY & CITY OF PORT PHILLIP Equipment and resource grants to Hobsons Bay City Council and City of Port Philip</p>
	\$40,000	\$	<p>EMPLOYEE COMMUNITY GRANTS Employee led - various</p>
	\$28,329		<p>TEAMMATE MWPG \$30,994 donated by Teammates, \$28,329 matched by Toyota Australia Employee led - various</p>
	\$4,879	+	<p>BICYCLES FOR HUMANITY MELBOURNE Vehicle to collect and drop-off used bicycles to donate to third world communities. Continued in-kind support, providing on-site premises for operations.</p>
	\$4,000	\$	<p>FRIENDS OF LOWER KOROROIT CREEK (FOLKC) Vehicle maintenance support</p>



Accelerating inclusion through tech

In FY24, our Product Planning and Design (PPD) team again leveraged their capabilities and expertise by partnering with Remarkable, a division of the Cerebral Palsy Alliance. Their aim was to remove barriers and solve real-world societal problems for people living with a disability.

Remarkable was launched in 2016 as Australia's first Disability Tech accelerator empowering start-ups creating technology that positively impacts people with a disability. Remarkable achieves this by providing these innovators with the training programs, investment, networks and connections with industry partners needed to create a future that is accessible, equitable and inclusive for all.

Toyota Australia supported Remarkable by providing funding and 839 in-kind hours by the Toyota Product Design team. As part of Remarkable's global Design-athon competition, a selection of design teams had the unique opportunity to be supported by Toyota Australia's design team through mentoring, development and prototyping of their products.

As a mobility company, Toyota Australia is excited to be involved with organisations like Remarkable who share our vision of raising the quality and availability of mobility for all.



In addition, as part of Remarkable's 'Launcher' program, our PPD team also provided support with a group of product designers & engineers. This involved a unique opportunity for start-ups to not only visit our Product Design Centre in Altona, but to access Teammates' insights, experience, capability and mentorship related to their product.

The partnership also involved exciting research with the Cerebral Palsy Research Institute, PhD engineering students, a Toyota Australia engineer, and something called a 'soft robotic exoskeleton'! Our Teammate, Thanh Nuyen worked on providing a micro-compressor and housing for this rewarding research project, helping to design and prototype the early-intervention assistive piece of tech for young kids living with cerebral palsy.

As a mobility company, Toyota Australia is excited to be involved with organisations like Remarkable who share our vision of raising the quality and availability of mobility for all.

For more information on Remarkable, please visit their [website](#).

TOYOTA AUSTRALIA PARTNERSHIPS AND DONATIONS

Using our skills and systems to drive social impact – Toyota Production System Support Centre (TSSC)

In FY24, more than 17% of Toyota Australia’s annual 1% social contribution came from pro-bono work completed by experienced Teammates in the Toyota Production System Support Centre (TSSC), namely a team in our Toyota Production System (TPS) Operations division that spends a portion of their time on in-kind projects. This TSSC team engages with not-for-profit organisations and

social enterprises to develop people to solve an identified business need. Using the proprietary TPS and knowledge sharing to solve these problems, the TSSC team guides these organisations to cultivate a culture of continuous improvement supporting sustained organisational change. The long-term aim is to create positive societal impact through building the capability of community-focussed organisations to make a difference.

TSSC PROJECTS FY24

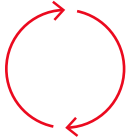
ORGANISATION	WHAT WE SUPPORTED
Western Bulldogs Community Foundation	Increase graduation rate and week 1-3 attendance with ‘Daughters of the West’
South Eastern Melbourne Primary Health Network (SEMPHN) Project # 2	Building quality into health program commissioning process
Foundation for Rural and Regional Renewal (FRRR)	Reduce rural community grant processing lead time
Scope	Improve output with existing resources to meet customer weekly demand
Recycle4 Change	Establish efficient layout that allows for future expansion
St Kilda Community Housing	Increase response rate for urgent and non-urgent repairs for community housing residents
Green Connect	Increase fruit and vegetable box packing output capacity



TEAMMATE-LED WORKPLACE GIVING

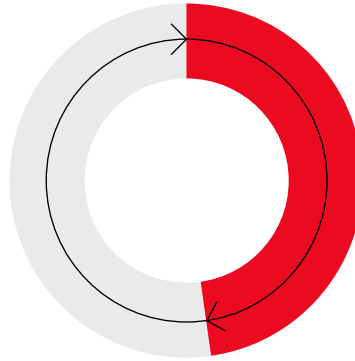
Toyota Australia encourages purpose-led workplace giving, providing programs and initiatives that support our Teammates to decide what is important to them and amplifying their impact.

Matched Workplace Giving (MWPG)



TEAMMATE DONATIONS

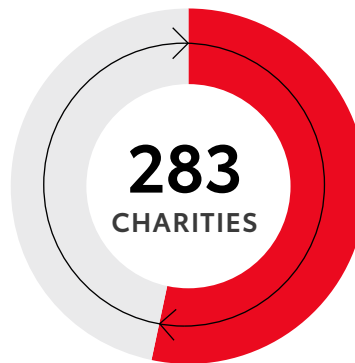
FY24 DONATIONS
\$30,994



TOYOTA AUSTRALIA MATCHED WORKPLACE GIVING

FY24 MATCHED
\$28,329

TOTAL DONATED SINCE 2013
\$370,000



TOTAL MATCHED SINCE 2013
\$420,000

pre-tax earnings, were matched by Toyota Australia, up to a maximum of \$1,000 per employee

Volunteering



VOLUNTEERS

2023/24

105

2022/23

89

HOURS

753*

608

Employee Community Grants



TOTAL COMMUNITY GRANTS SINCE 2013

\$420,000



FY24 COMMUNITY GRANT RECIPIENTS

40

* This data only includes current employees, hence those who have left since 1 April 2024 are not captured.

THE TOYOTA COMMUNITY TRUST

The Toyota Community Trust (TCT) was established following the closure of Toyota’s Australian manufacturing operations as a \$32 million endowment. The TCT is a discretionary trust managed by the (voluntary) Directors of Toyota Community Foundation Australia Pty Ltd (TCFA). It is wholly owned by Toyota Australia, although operates as a separate entity.

Directors are appointed for two years by Toyota Australia and currently include:

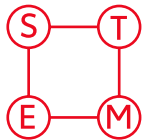
Mike Rausa (Toyota Australia’s Senior Advisor to the Board), Vera Ignjatovic (a leader in paediatric medical researcher and innovation), Stephanie Ooi (a Toyota Finance Australia Risk and Data specialist, and Flora Hui (an optometrist and scientist).

The goal of the Trust is to leave a legacy providing long term benefits to the Australian community by encouraging and enabling more young Australians to pursue further study and careers in STEM. The initial focus of support was on the Western suburbs of Melbourne (the former home of Toyota’s Australian manufacturing plant), however the Board recognised the importance of broadening its focus to address STEM challenges at a national level.

TCT currently funds projects across Australia that assist students pursuing STEM studies to overcome socio-economic barriers and supports teachers to strengthen their STEM teaching skills.

TOTAL GIVEN THIS YEAR

\$1,613,284



SOCIAL VENTURES AUSTRALIA

\$100,000

Funds the work of The Connection – STEM and Digital Literacies program in 3 low socio-economic schools



TEACH FOR AUSTRALIA

\$300,000

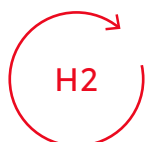
Support Leadership Development Program for STEM teachers (Capacity)



TEACH FOR AUSTRALIA

\$120,000

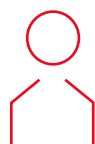
Support Leadership Development Program for Equity STEM teachers



HORIZON EDUCATIONAL

\$100,000

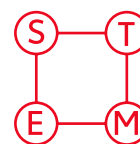
Funds 10 Low socio-economic schools to participate in the Victorian Hydrogen Grand Prix 2024



AUSTRALIAN MATHEMATICAL SCIENCES INSTITUTE

\$100,000

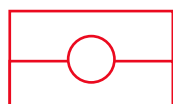
Funds a teacher learning in Industry project aimed at improving maths education



SCHOOLS PLUS

\$273,284

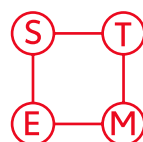
Supports low socio-economic primary schools to sustain STEM subject uptake through primary and into high school



MELBOURNE UNIVERSITY SCIENCE GALLERY

\$120,000

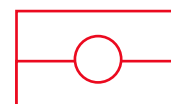
Supports a First Nations STEM excursion program – high schools visit a gallery to learn from first nations facilitators



PUBLIC EDUCATION FOUNDATION

\$100,000

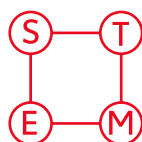
Charity dedicated to providing STEM education scholarships to young people in the Australian public education, their teachers, and principals



ATSIMA

\$100,000

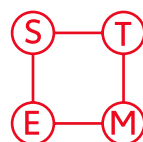
Supports the only national Indigenous led non-profit focused exclusively on ensuring mathematics is accessible to Aboriginal and Torres Strait Islander learners in pursuing their aspirations



EQUITY TRUSTEES- MARY JANE LEWIS SCHOLARSHIP FOUNDATION

\$100,000

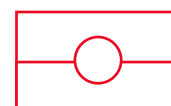
Supports 3 females to attend university and complete undergraduate STEM degrees plus a one-off scholarship for a post-graduate STEM degree



MACQUARIE UNIVERSITY – NISEP PROGRAM

\$100,000

Supports the building of STEM capacity, enhancing resources and establishing new university partnerships, as well as addressing barriers to STEM studies for students with equity barriers



DEADLY CODERS

\$100,000

Fully subsidises First Nations to build autonomous vehicles and learn coding language to manoeuvre them. Reduces barriers to participation, encouraging and enabling more First Nations Australians to pursue further study and careers in STEM

COMMERCIAL SPONSORSHIPS WITH HEART

Beyond our annual 1% donations, Toyota Australia continued to support the community through several partnerships in FY24, outlined below.

'GOOD FOR' GRASSROOTS SPORT

Toyota Australia is proud to support grassroots sporting clubs through our 'Good for' programs, through which we've donated more than \$18 million to local football and cricket clubs since 2008. This year was a record-breaking year for our two initiatives:

1. The 'Good for Footy' raffle in partnership with the Australian Football League (AFL). Our aim was to raise \$1 million for 700 AFL clubs, which we exceeded by raising \$1,187,650 million for 745 clubs.
2. The 'Good for Cricket' raffle in partnership with Cricket Australia. Our goal was to raise \$1 million for 800 cricket clubs, which we exceeded by raising \$1,013,670 for 1,074 clubs. With an increase in sales of more than 4% and club involvement of more than 8% compared to the previous season, it was our most successful cricket raffle to date.

NATIONAL TREE DAY

Toyota Australia has supported Planet Ark's National Tree Day for a long time. National Tree Day has been running since 1996 with 27 million trees planted by 5 million Australians. We are proud to have contributed to that. This year, 135 Toyota Dealers registered to receive a National Tree Day Kit.

TAMWORTH COUNTRY MUSIC FESTIVAL

At Tamworth Country Music Festival, we raised \$48,980 for Lifeline New England West from the sale of hats and pins, which will continue to support counsellor training for the new crisis centre in Tamworth.

COWBOYS COMMUNITY FOUNDATION & COWBOYS HOUSE

Toyota Australia continued to support Cowboys Community Foundation and Cowboys House who provide accommodation in Townsville for Aboriginal and Torres Strait Islander students from disadvantaged North Queensland communities. We provided Cowboys House with a Toyota Coaster bus to enable transport to and from school for the students, opening better access to education.

GO FOUNDATION

During 2023, Toyota Australia replaced the Toyota commercial logo with the GO Foundation's logo on footy ovals during rounds 10 and 11 of the AFL season to raise awareness and interest in their cause.

AUSTRALIA OLYMPIC INDIGENOUS COACHES SCHOLARSHIP PROGRAM

Through a partnership with the Australian Olympic Committee (AOC) and Indigenous Basketball Australia (IBA), we provide funding enabling them to provide high-level professional development, education, and formal training to Aboriginal and Torres Strait Islander Olympic sport coaches. Upon completion, they are accredited to deliver ongoing coach development courses and pass on their knowledge in Indigenous communities across Australia. Other key collaborators on this project included Basketball Australia (BA), University of Canberra, Kokoro Consulting, and the Centre for Healing and Justice Through Sport.

TOUR DE CURE

Lexus has been proud to partner with Tour de Cure since the charity's inception in 2007. Tour de Cure has raised millions of dollars for cancer research through inspirational tours and events across Australia. During the 2024 tour, Lexus donated another \$50,000 to support their incredible ongoing efforts.



Governance

MATERIAL TOPIC	DESCRIPTION	MATERIALITY RATING
Data protection	Maintaining and improving strong data privacy and security protocols in line with global best practice, to protect customers' safety	High
Ethics and integrity	Maintaining excellent corporate governance processes and performance and the highest levels of integrity in everything we do. Communicating transparently as a business on our impacts and sustainability activities	Medium
Compliance and government engagement	Remaining compliant with legislation in our jurisdiction	Medium

Our governance

Our approach to sustainability governance sits within our overall governance framework, with sustainability a regular agenda item in our Executive Management Committee and General Manager Committee meetings. The diagrams below depict our governance structure and explain the responsibilities of our governance committees.

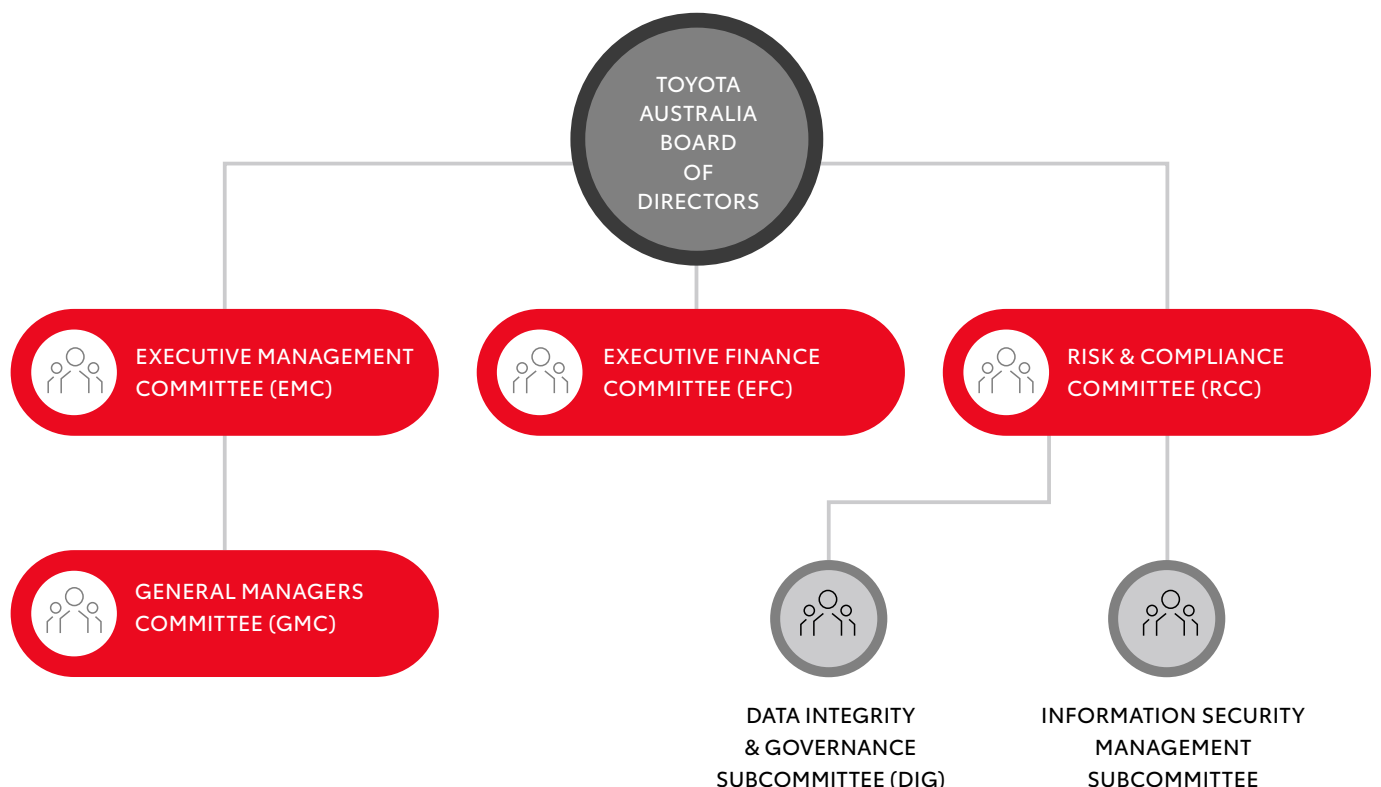
Changes to our governance structure within the reporting period included:

- Michael Rausa, Director and Vice President Guest, Aftersales & Corporate Operations and Finance Operations, was appointed Senior Advisor to the Board

- Jack Hobbs was promoted to Vice President Finance & Procurement Operations and Quality & Service Operations. Thus, joining the Board of Directors, as Vice Presidents across the business provide operational representation on the Board.

For further details on Toyota Australia’s Directors, please see the [Appendix](#).

TOYOTA AUSTRALIA’S GOVERNANCE STRUCTURE



Governance explained

TOYOTA AUSTRALIA GOVERNANCE COMMITTEES

GOVERNANCE COMMITTEES	MEETING FREQUENCY	MEMBERS	RESPONSIBILITIES
Board of Directors	Three times per year	Six directors, listed on opposite page	<ul style="list-style-type: none"> Establish a robust governance framework, set strategic direction, and provide alignment with TMC and learnings from the global approach
Executive Management Committee (EMC)	Monthly, chaired by the President and CEO	Toyota Australia Executive members and Non-Executive members from Toyota Finance Australia, Toyota New Zealand and Toyota Motor North America	<ul style="list-style-type: none"> Decision making and endorsement Monitor key organisational structural changes Provide input into and approval of Toyota Australia's strategic direction and budgets Direct, monitor and assess Toyota Australia's performance against strategic and business plans Approve and monitor capital management Receives monthly reports from GMC on operational issues related to Hoshin plans Regular discussion on sustainability topics
Risk & Compliance Committee (RCC)	Bi-monthly, chaired by VP of Information, Digital & Corporate Services Operations Chief Executive (Lexus Australia)	Toyota Australia Executive members and General Counsel	<ul style="list-style-type: none"> Assist the Board to fulfil its risk management and oversight responsibilities Act with due care and diligence in relation to: <ul style="list-style-type: none"> Risk management, including risks related to sustainability Internal and external audits Compliance and maintaining ethical standards Fraud Information security and data management
General Managers Committee (GMC)	Monthly, chaired by VP of Information, Digital & Corporate Services Operations Chief Executive (Lexus Australia)	General Managers from across Toyota Australia's business units	<ul style="list-style-type: none"> Ensure collaboration and strategy alignment across divisions Monitor and manage the implementation of strategic company-wide projects Manage resources to support Hoshin and Company projects Translate operating Hoshin into divisional strategies and priorities Provide a forum for operational issues to be escalated for higher consideration Facilitate learning and cross-divisional collaboration

Data protection

Protecting our customers' personal information is a fundamental responsibility and essential to maintain customer trust.

New and emerging product offerings in our industry increasingly rely on technology and data to provide convenience and functionality to customers. As such, we maintain strong data governance and management matched by secure and resilient digital infrastructure.

In FY24, we strengthened our data management practices and governance. Our Data Integrity and Governance (DIG) Committee, a subcommittee of Toyota Australia's Risk and Compliance Committee (RCC), oversees our data strategy, standards, expectations, and responsibilities for managing data and information assets.

During FY24, the Data Governance team achieved a significant uplift in key data governance policies, procedures and frameworks, built on the company's inventory of data processing activities, and continued to implement data management activities to complement the data governance framework. The focus for FY25 is continued implementation of stronger governance through the DIG Committee.

DATA SECURITY

Our cyber security optimisation continued during FY24, improving our security posture and the reliability of our IT environment through:

- Performing cyber-attack simulations.
- Validating our security controls.
- Introducing new cloud security software and protection mechanisms.
- Continuing to remove unsupported and legacy platforms from our environment.

Toyota Australia manages data privacy and security through a combination of strong policies, strategic activities, stakeholder involvement, risk mitigation, and monitoring. As a result, data protection activities are dynamic, effective, and aligned with the growing world of cyber threats and best practice.

We are prepared to manage the challenges of tomorrow's digital landscape while keeping the highest standards of data protection by embracing technology, advancing a culture of awareness, partnering with leading cyber security providers and being adaptable. We will continue improve and strengthen our data privacy and security safeguards.

DATA COMPLIANCE

When it comes to protecting people's personal information, we're establishing sustainable data protection reflecting the global standard. We are open and honest with customers about how their information is collected and used (even when it's on an aggregated or de-identified basis).

We are committed to being transparent about how we handle customers' personal information, giving customers the ability to control the collection and use of their information. For example, customers can manage the Connected Services¹ they want to access, electing to receive Connected Services via the app and opt out at any time. The safety and security services (SOS emergency assistance, automatic collision notification and stolen vehicle tracking) come fitted to the vehicle at the time of delivery and can be deactivated at the owner's request at any time. Prior to purchasing a vehicle, customers are informed in the dealership about Connected Services features and how they work. Further information on Toyota's privacy practices in relation to Connected Services can be found at www.toyota.com.au/privacy-connected and www.lexus.com.au/smallprint/connected-services-privacy.

Toyota strives to resolve customer privacy concerns efficiently and effectively, always in accordance with their rights under the *Privacy Act* (1988) (Cth).

¹ Fees and limitations apply; see the terms and conditions by clicking [here](#)

OUR POLICIES

Toyota Australia's internal data governance policies and procedures support our data security program. Our publicly available Privacy Policies are available on www.toyota.com.au/privacy and www.lexus.com.au/privacy. They provide external stakeholders with detailed information about how we collect, use and disclose personal information in accordance with the Australian Privacy Principles. Stakeholders can also access privacy information via Toyota FAQs.

DATA INCIDENT MANAGEMENT

In FY24, Toyota Australia had one notifiable data breach and one voluntary notification to the Office of the Australian Information Commissioner (OAIC).

The notifiable breach was quickly contained, and Toyota Australia notified affected individuals and the OAIC of our actions to contain and remediate the incident. And while we did voluntarily notify the OAIC of an additional data incident, there was no evidence that any Australian individuals were affected.

All incidents are taken seriously, even when they do not represent notifiable data breaches. They are used to improve our framework for investigation and management of data incidents in compliance with the Notifiable Data Breaches Scheme under the Privacy Act.

Ethics and integrity

ENSURING INTERNAL COMPLIANCE WITH OUR POLICIES

To complement the global launch of TMC's revised Toyota Global Code of Conduct in October 2023, we aligned and refreshed our local, Toyota Australia Code of Ethics. This serves as a guide for our Teammates to understand Toyota Australia's values and policies, while clearly articulating the standards that we uphold. Our Code of Ethics was endorsed by the Risk and Compliance Committee in October 2023 and Teammates are completing updated training, complimenting the new changes.

Toyota Australia Teammates receive formal ethical behaviour training on our Conflict of Interest, Fraud and Corruption Control, Code of Ethics, Whistleblower Protection and Modern Slavery Policies on a two-year rolling basis. This helps ensure all Teammates work in line with Toyota Australia's values and principles, identify scenarios which would breach our policies, and understand their obligations to act with integrity as described in our local and global codes.

This year, we delivered training on our refreshed Code of Ethics and 1,209 corporate Teammates, inclusive of 244 managers and all executives, completed the training. For non-corporate roles, such as our parts warehouse staff, we will complete this important training in FY25.

We manage regulatory and ethical compliance through our Risk and Compliance Committee, which provides oversight of enterprise compliance and risk, where emerging or actual risks and non-compliance are monitored, actioned, and countermeasures to reduce future reoccurrence.

GOVERNANCE PROGRESS WITHIN THE REPORTING PERIOD

On an annual basis, Toyota Australia's policies are reviewed to update content, ownership, and relevance every 2 years, at a minimum. Policies are accessible to Teammates on our intranet – aiming to further drive compliance, accountability, and responsibility.

We are committed to promoting integrity and ethical conduct. If current or former Teammates, dealers and contractors, suppliers, or their family members, have concerns about Toyota Australia's business conduct, they can contact a third party-operated whistleblower hotline without fear of reprisal.

IN FY24, TOYOTA AUSTRALIA HAD:

- No investigations required for risks related to corruption in our operations.
- No significant corruption-related risks identified.
- Zero confirmed incidents of corruption
- Zero confirmed incidents in which employees were dismissed or disciplined for corruption.
- Zero confirmed incidents when contracts with business partners were terminated or not renewed due to corruption-related violations.
- Zero public legal cases regarding corruption brought against the organisation or our employees.

In FY24, Toyota Australia made no political donations, and there were no legal actions for anti-competitive behaviour, anti-trust, or monopoly practices.

Toyota Australia continues to operate in line with the following internal policies:

- Business Continuity Management Policy.
- Code of Ethics.
- Conflict of Interest Policy.
- Crisis Management Policy.
- Customer Master Data Policy.
- Diversity, Equity, Inclusion and Belonging Policy.
- Environment Policy.
- Fraud and Corruption Control Policy.
- Information and Data Retention Policy.
- Information Security Management System Policy.
- Information Technology (IT) Security Policy.
- Intellectual Property Policy.
- IT Solutions Policy.
- Modern Slavery Policy.
- Policy Framework – Governing Policy.
- Privacy Policy.
- Procurement Policy.
- Quality Policy.
- Ringi (Delegation Authority) Policy.¹
- Risk Management Policy and Procedure.
- Safety Risk Management Policy.
- Safety, Health & Well-being Policy.
- Site Incident Management Policy.
- Social Impact Policy.
- Whistleblower Protection Policy.

Toyota Australia is also aligned with the following external charters, standards and principles:

- Occupational Health and Safety (OHS) National Audit Tool for OHS Management Systems certified to AS/NZS ISO 45001:2018.
- Environmental Management System ISO14001 (Port Melbourne Office and Altona Toyota Parts Centre).
- Federal Chamber of Automotive Industries (FCAI) Codes of Practice for:
 - Access to Service and Repair Information for Motor Vehicles.
 - Conducting an Automotive Safety Recall.
 - Motor Vehicle Advertising.
 - Recycling of Traction Batteries.
 - Automotive Data and Privacy Protection.
 - New Vehicle Receiving and Inspection Procedures.
 - Electromagnetic Compatibility Code.
 - Technical Statement on EV Charging Standards for Public Recharging Infrastructure.
- Australian Hydrogen Council.
- Social Licence Principles.
- Regulatory Principles.
- Worksafe Self-Insurance (Victoria).

¹ Ringi: The seeking of approval from the appropriate authority level to commit to an activity.

Ringi process: The process for delegating authority from the Board of Directors to enable the appropriate approval, by level.

Compliance and government engagement

In an evolving regulatory environment, with greater expectations emerging on sustainability, Toyota Australia continues to provide an industry voice to government. We advocate for policy and investment to support the transition to a lower-carbon transport sector.

Working with governments is critical to delivering the safest and most sustainable automotive mobility for Australians. Our External Affairs team closely monitors policies, issues and developments for our sector allowing us to constructively engage with government, industry associations and other partners. We support ongoing contributions to policy discussions, including advisory (e.g. submissions to government consultation papers), strategic engagement and advocacy functions, both directly and in partnership with industry organisations.

In FY24, we continued to engage with government directly through our External Affairs team, and through associations, including the Committee for Economic Development of Australia (CEDA), the Australian Industry Group (AIG) and the Committee for Melbourne (CfM). Toyota Australia also continues to work with our industry body, the FCAI, on a variety of emerging regulations and issues such as the New Vehicle Efficiency Standards (NVES) (see the 'Low Carbon Transport' section on pages 22-23).

MANAGING ENVIRONMENTAL RISK

Our operations comply with applicable regulatory requirements and our Environmental Management System (EMS) at the Corporate Headquarters in Port Melbourne and the Toyota Parts Centre in Altona are certified to the international standard for EMS, ISO 14001.

The decentralisation of our business operations as a result of ceasing local manufacturing in Australia, led to inconsistent application of policies and procedures, as mentioned in the 'Health, Safety and Wellbeing section' on page 35. In turn, this led to a greater reliance on contractors within each division, reducing internal knowledge of our responsibilities in relation to environmental risks.

Having identified room for improvement and wanting to make the EMS more relevant to post-manufacturing operations, in 2023 we updated it in line with ISO 14001. The system was successfully rolled out across Toyota Australia operations for the first time, recognising the shared accountability and responsibility required for environmental risks and incidents.

We also wanted to empower Teammates to proactively identify and mitigate environmental risk, levelling up environmental risk management practices across the board (including contractors). The refreshed Toyota EMS was accompanied by a revamped Environment Policy,

a dedicated EMS Teammate, updated procedures for Toyota Australia operations, and a network of TEMS representatives across the business. With no non-conformances, we are now looking into expanding the certification to our parts centres in Sydney and Brisbane.

During FY24, our Procurement and Corporate Property teams identified a contractor working on site with poor environmental practices. An alternative supplier was engaged alongside the introduction of rigorous contractor induction and compliance monitoring. To read more about how we manage the compliance of our suppliers, see the Governance section on pages 54-62.

During FY24, there were zero reportable environmental incidents.

MODERN SLAVERY

For detail on how we manage modern slavery risk, please refer to our latest Anti-Modern Slavery Statement on page 42.

Appendix

Data tables

Reducing our environmental impact

Sales of hybrid and zero tailpipe emissions vehicles (Toyota and Lexus combined)

SOURCE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Hybrid Sales	11,135	16,102	38,139	60,699	73,099 [^]	69,126	93,993
Total Sales	229,258	223,096	215,722	220,403	234,090 [#]	221,273	246,397
Hybrid % of total sales	4.9%	7.2%	17.7%	27.5%	31.1%	31.2%	38.15%
BEV[^] vehicles #	0	0	0	0	72	68	743
FCEV^{**} vehicles #	0	0	0	15	17	9	8

[^] Battery Electric Vehicles (BEV) introduced in 2021/22 and 2023/24; Lexus UX 300e and Toyota bZ4X.

^{**} Hydrogen Fuel Cell Electric Vehicle (FCEV(=) Mirai figure includes sales to large fleet customers, Toyota Australia's company fleet and KINTO.

[^] FY22 Hybrid Sales: 72 units (NX400H model) incorrectly omitted from total hybrid sales.

[#] FY22 Total Sales: 10 units incorrectly omitted.

Solar power generation (kWh)

LOCATION	2020/21	2021/22	2022/23	2023/24
Sydney Toyota Parts Centre	795,985 [*]	1,065,921	1,060,442 ^{**}	1,087,420
Brisbane Toyota Parts Centre	76,711	74,765	60,745	74,643
Altona Centre of Excellence	669,516	705,708	797,309	4,231,903
TOTAL	1,542,212	1,846,394	2,536,954	5,393,965.86

^{*} Estimated generation using 2018 and 2019 monthly average from August to March. The amount has been estimated due to issues with on-site monitoring equipment preventing accurate data collection. COVID-19 restrictions meant that work to repair data loggers was unable to take place for up to six months.

^{**} Restatement of FY23 Solar power generation at Sydney Toyota Parts Centre to 1,060,442 kWh compared to 1,678,900 kWh due to more comprehensive checks and access to the correct data via the relevant portal.

Reducing our environmental impact continued

GRI 305 -1, 305-2 & 304-3 Greenhouse gas emissions (tCO₂-e)

SOURCE	2017/18*	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Scope 1	33,066	9,836	9,431	10,826	11,877	6,855	6,429
Scope 2	57,588	13,306	13,947	12,083	11,921	10,634	7,998
Scope 3	17,039	71,607	50,484	99,691	100,358	103,030**	184,126
TOTAL	107,693	94,749	73,862	122,601	124,156	120,519	198,553

*From FY14–FY18, Toyota Australia was required to report under the NGER Act, but since the closure of Altona manufacturing facility, which reduced the company's scope 1 and 2 emissions, Toyota Australia no longer meets the NGER Act reporting threshold. This table reflects the baseline.

** Please see the "Emissions sources inclusion table" below for more details.

2023/24: Scope 1 emissions include fuel combustion - mobile (fuel use in vehicles), fuel combustion - stationary (fuel for heating at TPCs) and fugitive emissions (refrigerants).

Scope 2 emissions include purchased electricity.

Scope 3 emissions include:

- Cat 1: Purchased goods and services (not including aftermarket products, vehicles and parts).

- Cat 2: Purchased capital goods.

- Cat 3: Fuel-and energy-related emissions.

- Cat 4: Upstream transport.

- Cat 5: Waste generated in operations.

- Cat 6: Business travel.

- Cat 7: Employee commuting.

The following sources are still under consideration/development and therefore not yet included:

- Cat 11: Use of sold products.

- Cat 12: End-of-life sold products.

- Cat 14: Franchises.

The following sources were determined not to be material and therefore not included:

- Cat 8: Upstream leased assets.

- Cat 9: Downstream transportation and distribution.

- Cat 10: Processing of sold products.

- Cat 13: Downstream leased assets.

- Cat 15: Investments.

SCOPE 3 CATEGORY (TCO ₂ -E)	FY23	FY24	CHANGE
Cat 1: Purchased goods and services (vehicles and parts; supply chain) FY23: 93,400 Not reported	Not reported	101,315	101,315 increase
Cat 2: Purchased capital goods	34,666	7,239	27,427 decrease
Cat 3: Fuel-and energy-related emissions	2,588	2,280	308 decrease
Cat 4: Upstream transport	58,584	67,407	8,823 increase
Cat 5: Waste generated in operations	2,639	1,120	1,519 decrease
Cat 6: Business travel	3,502	3,744	242 increase
Cat 7: Employee commuting	1,051	1,020	31 decrease
Total	103,030 Not Inc Cat 1	184,125	81,095 increase

Reducing our environmental impact continued

GRI 305 FY24 emissions sources inclusion

	INCLUDED	OMITTED
Scope 1	Fuel Combustion Fugitive emissions	
Scope 2	Purchased electricity (location-based)	
Scope 3	Cat *1-7	Cat 8-15

Scope 3 emissions include:

*Cat 1: Purchased goods and services (not including aftermarket products, vehicles and parts).

GRI 306 – 4 FY24 waste diverted from landfill by composition

TYPE	FY 23 TOTAL (TONNES)	FY 24 TOTAL (TONNES)
Paper/cardboard Recycling	576	985
Soft plastics	186	11
Comingled Recycling	198	124
Wood recycling	8,400	412
TOTAL	9,360	1532

GRI 306 – 5 FY24 waste disposed by composition

TYPE	FY 23 TOTAL (TONNES)	FY 24 TOTAL (TONNES)
General waste to landfill	1,480	593
Organics	26	16
Inert mixed waste	473	0
Hazardous waste	13	0
Wood waste	609	0
TOTAL	2,601	609

Customer safety and quality

FY24 recalls breakdown

In the reporting year there were 92,980 recall campaigns in total.

CAMPAIGN #	BRAND	UNITS AFFECTED	DATES
ZGG04 Design issue, uncontrolled transmission module, potential for loss of vehicle control and accidents. (Toyota and Lexus)	Toyota and Lexus	1360 (L) 28491 (T)	27 February 2024
YGGA0 Durability issue, cracked/corroded front-lower suspension arm during exposure to road snow melting agents, potential for loss of steering control and accidents.	Toyota	8815	8 February 2024
TAKATA SUPRA1 Safety issue, mis-deployment of airbag due to faulty airbag inflator, potential for serious injury/death.	Toyota	10	21 December 2023
YGG89 Tyres fitted to vehicles non-compliant to ADR requirements resulting in increased fuel consumption.	Toyota	245	18 December 2023
YGG74 Detaching of lower resin bumper if damaged during operation, potential for road hazard and serious injury.	Toyota	30205	8 November 2023
YGG72 Wearing/fracturing of fuel pump's welded area, potential for fuel leak and fire in engine compartment.	Toyota	14480	23 October 2023
YGG39 Loosening of driver-side airbag over time leading to airbags not deploying, potential for serious injury/death.	Toyota	625	18 October 2023
YGG27 Manufacturing error, short circuiting/overheating of DC-DC converter that charges battery, potential for vehicle fire.	Lexus	154	20 July 2023
YGG34 Manufacturing error, cracks forming in front lower suspension arms when driving on rough roads, potential for loss of vehicle control.	Toyota	7633	28 June 2023
XGG56 Software issue, Electronic Parking Brake (EPB) not operating as intended, potential for serious injury/death.	Toyota	962	1 June 2023
TOTAL		92,980	



Our Teammates

Workforce overview at 31 March 2024*

EMPLOYMENT TYPE	FTE			EMPLOYEE HEADCOUNT		
	MALE	FEMALE	UNSPECIFIED	MALE	FEMALE	UNSPECIFIED
Part-time employees	7.2	30.5	–	13	44	–
Full-time employees	1083	453	2	1083	453	2
Part-time contractors	1.5	1.6	–	3	2	–
Full-time contractors	92	22	–	92	22	–
TOTAL HEADCOUNT*	1,183.7	507.1	2	1,191	521	2

*The headcount covers all Toyota Australia employees including full-time employees, part-time employees, employees on fixed-term contracts, and casual and temporary employees. It also includes employees on leave of more than eight weeks, apprentices, tour guides, expatriates (Toyota Australia employees who are working overseas at affiliate Toyota locations), inpatriates (employees from Toyota affiliates working at our locations) and TMC subsidised employees. Full-time equivalent (FTE): Part-time and casual employees are counted according to the proportion of full-time hours they work. For example, if an employee works four days a week, they are considered 0.8 FTE.

GRI 2-7 Employment by type at 31 March 2024*

EMPLOYMENT TYPE	FTE			EMPLOYEE HEADCOUNT		
	MALE	FEMALE	UNSPECIFIED	MALE	FEMALE	UNSPECIFIED
Permanent	967	413.9	2	969	424	2
Fixed term	97.2	63.6	–	101	67	–
Contract	93.5	23.6	–	95	24	–

*These figures do not include employees who are on leave of longer than eight weeks, apprentices, tour guides, expatriates and inpatriates.

Percentage female employees by category at 31 March 2024

		2019/20	2020/21	2021/22	2022/23	2023/24
Exec	Board	0%	0%	0%	0%	0%
VP	Vice Presidents	0%	0%	0%	0%	0%
M1	General Managers	13%	14%	16%	31%	38%
M2	Senior Managers	23%	22%	27%	24%	23%
M3	Managers	20%	19%	21%	25%	28%
P1	Senior Professionals	29%	31%	32%	32%	32%
P2	Professionals	48%	50%	51%	49%	51%
All others	Staff (other levels including contractors)	24%	17%	29%	19%	18%
	TOTAL	29%	28%	29%	30%	30%

Our Teammates continued

Total new employees hired during the reporting period

	FTE	HEADCOUNT
Male employee	91	94
Male contingency	36.4	38
Female employee	65.1	68
Female contingency	15	15
TOTAL	207.5	215

GRI 401 Employee engagement and enablement survey results (% favourable)

MEASURE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24*
Engagement	78	79	78	81	82	76	78*
Target	74	78	79	78	81	82	82
Enablement	66	67	65	70	72	68	N/A
Target	64	68	69	65	70	71	N/A
Response rate %	-	-	85	95	93	92	92
Belonging Score %							68 [^]

* Toyota Australia now measures only

Engagement as the overall score from FY24 onwards with revised questions set. FY24 results sets a new Engagement score baseline due to change in question set and provider.

[^] From FY24 Belonging score included as overall index.

Work-related injuries

	2021/22	2022/23	2023/24
Lost Time Injury*	16	15 [^]	13
Disease	0	0	0

*Work injury resulting in inability to work for at least one rostered working day or shift after an incident. Note: Prior to 2022 we reported Lost time injury frequency rate. In a post-manufacturing environment in which hours are not tracked, we are now just reporting lost time injury numbers.

[^]Most of LTI comes from Toyota Australia operational areas (TPC/SRCS).



Our partners

Number of suppliers

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Service parts and accessories	100	134	135	95	71	72	62	61
Other goods and service	1513	1800	1531	1361	1127	1174	1189	1090
TOTAL	1613	1934	1666	1456	1198	1246	1251	1151

Supplier spend (\$ billion)

	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Service parts and accessories	0.3	0.4	0.3	0.3	0.3	0.3	0.3	0.3
Other goods and service	0.9	0.9	0.9	0.9	0.8	0.8	0.9	1
TOTAL	1.2	1.3	1.2	1.2	1.1	1.1	1.2	1.3

Proportion (%) of suppliers based in Australia

Breakdown per state	%
% in Victoria	55
% in New South Wales	29
% other	16
TOTAL	100

Number of complaints of discrimination

	2022/23	2023/24
	1	0

Dealer Satisfaction Index

	2019/20	2020/21	2021/22*	2022/23	2023/24
Toyota	8.5	8.5	8.4	8.1	8.54
Lexus	9.1	9.1	8.5	9.1	9

*Note: correction of figures for 2021/22 period.

Our community

Profits, sales and taxes paid (includes Toyota and Lexus vehicles)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Net profit after tax (million)	137	206	129	332	249.5	137	341.6
Sales (number)	229,258	223,096	215,733	220,403	234,090	217,069	246,389
Net sales (billion)					10.1	9.7	12.7
Tax paid (million)					95.7	103	155.9

Community contributions (\$ million)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Toyota community activities	1.6	1.6	2.2	1.91	2.46	2.64	1.85
Toyota Community Trust	0.2	0.9	0.6	0.75	0.93	0.83	1.61
TOTAL	1.8	2.5	2.8	2.66	3.39	3.47	3.465

Community contributions by category (\$)

	2019/20	2020/21	2021/22	2022/23	2023/24
Environment	8,000	0	0	0	0
Environment (Friends of Lower Kororoit Creek)	350,000	350,000	350,000	350,000	350,000
Road Safety (Road Safety Australia)	1,141,000	1,199,000	1,229,000	980,000	1,613,284
Education (Toyota Community Trust)	573,000	370,000	320,000	200,000	445,008
Health & human services (Remarkable & Disability Mobility Conversion)	100,000	108,000	853,000	1,112,000	378,112
Civic & community (Local Council Grants, Bicycles for Humanity & Alex Makes Meals)	640,000	640,000	640,000	830,000	678,252
OTHER (TSSC & matched giving, employee grants, regions)	2,812,000	2,667,000	3,392,000	3,472,000	3,464,656

Community contributions: Volunteer leave

2021/22		2022/23		2023/24	
People	Hours	People	Hours	People	Hours
23	224	89	608	105	753

External engagement

GRI 201-4 Financial assistance received from the government

2017/18	2018/19	2019/20	2020/21*	2021/22	2022/23	2023/24
\$36.347M	\$12.491M	\$1.714M	\$20.912M	\$1.513M	\$0	\$0

* 2020/21 includes \$18 million in JobKeeper payments, which Toyota Australia has since returned to the Federal Government

POLITICAL LOBBYING

Toyota is apolitical and does not make political contributions.

Information on Directors

The qualifications, experience and responsibilities of Toyota Australia's current Directors are detailed below.

NAME & QUALIFICATIONS	EXPERIENCE	CURRENT ROLE
Matthew Callachor Bachelor of Foreign Business, Marketing	<ul style="list-style-type: none"> Joined Toyota Australia in 1982. Worked as National Sales & Marketing Executive Director. Formerly General Manager of Lexus Planning Division, Lexus International. Vice President, Toyota Australia (1/6/2016 – 31/12/2017) 	<ul style="list-style-type: none"> President & Chief Executive Officer Non-Executive Director – Toyota New Zealand Ltd (effective 01/07/2020) Director – Toyota Finance Australia Ltd (effective 02/11/2017) Director SCT Pty Ltd (effective 01/01/2018) Director – Federal Chamber of Automotive Industries (FCAI) (effective 01/01/2018)
Akitoshi Takemura Bachelor of Foreign studies, Major in Arabic Diploma of Executive Management Program	<ul style="list-style-type: none"> Joined TMC in 1994. Worked as Head of Toyota operation – Lexus India at Toyota Kirloskar Motor India (01/01/2014 – 31/12/2017) Formerly, General Manager in Middle East & Central Asia Division (01/06/2018 – 31/12/2021) Chief Executive Officer – East Asia, Oceania & Middle East Region, Middle East & Central Asia Div. (1/1/2022– 31/12/2023) Chairman – Toyota Accessories Development ME India Private Ltd (2022/12–2023/6) 	<ul style="list-style-type: none"> Chief Executive Office – Oceania & Middle East Region (effective 01/01/2022) General Manager – Middle East & Central Asia Division (effective 1/01/2022) Board of Directors (as Non-Executive Chair) – Toyota New Zealand Limited (effective 2022/7) Chairman – Toyota Accessories Development ME India Private Ltd (effective 2022/12) Deputy Chief Executive Officer India, Middle East, East Asia & Oceania Region (effective 1/1/2024)

NAME & QUALIFICATIONS	EXPERIENCE	CURRENT ROLE
John Pappas Bachelor of Engineering (Mechanical)	<ul style="list-style-type: none"> Joined Toyota Australia in 1997. Formerly, General Manager of National Sales and National Marketing, Vice President of Information & Digital Services Operations in (01/01/2022 - 01/01/2023) Area Operations General Manager (Singapore / Brunei) and Sales & Marketing Regional Fleet General Manager, TMAP-MS 2015-2016) 	<ul style="list-style-type: none"> Chief Executive Lexus Australia (Effective 1 January 2022) Vice President, Information, Digital & Corporate Services Operations (Effective 1 January 2023) Director, Toyota Finance Australia Ltd (effective March 2022) Director – S.C.T. Pty Ltd (effective 1/1/2024) Director – Revolution Software Limited (effective 1/1/2024) Director – MLAN Computer Solutions (Aust) Pty Ltd (effective 1/1/2024) Director – OTS (Australia) Pty Ltd (effective 1/1/2024)
Jack Hobbs Bachelor of Engineering (Honours) (Mechanical)	<ul style="list-style-type: none"> Joined Toyota Australia in 1989. 	<ul style="list-style-type: none"> Vice President, Quality & Aftersales Operations and Finance & Procurement Operations
Kane (Takayuki) Kanno Bachelor of Business Accounting	<ul style="list-style-type: none"> Joined TMC in 1999. Worked in Product Planning division and Global Lexus Products (01/04/1999 – 31/12/2008) Executive Coordinator at Toyota Motor Sales USA (01/01/2009 – 31/12/2012) Worked as Group Manager in Product Planning at TMC. (01/01/2013 – 31/03/2016), in Lexus brand management (01/04/2016 – 30/11/2017) Worked as Project Manager in Secretariat Division (01/12/2017 – 31/03/2018) Worked as Project General Manager in Middle East & Central Asia Division (01/04/2018 – 31/12/2021) 	<ul style="list-style-type: none"> Vice President, New Business Solutions & Product Planning Operations (effective 1/01/2022) Chief Coordinating Executive (effective 1/01/2022)
Sean Hanley	<ul style="list-style-type: none"> Joined Toyota Australia in 1989. Held various Toyota management and executive positions within regional operations, new vehicle sales, parts & accessories, and regional management in locations around Australia Formally Chief Operating Officer - Lexus Australia (2013), Vice President National Sales & Marketing Operations (to 31/3/2021) 	<ul style="list-style-type: none"> Vice President, National Sales, Marketing & Franchise Operations
Simone Zerial Double degree: Arts (International Studies) / Laws Master in Development, Innovation & Change Graduate Diploma in Applied Corporate Governance	<ul style="list-style-type: none"> 2015 - Senior Solicitor / Legal Manager 2016 - Risk and Compliance Manager (in addition to Legal Manger role) 	<ul style="list-style-type: none"> Head of Legal – 2018 General Counsel (effective November 2019) Company Secretary (effective 1/1/2021) Chair of the FCAI Legal Committee. (effective 1/1/2024) Director & Company Secretary – SCT Pty Ltd (effective 9/3/2021) Company Secretary – Revolution Software Limited (to 31/12/2020) Company Secretary – MLAN Computer Solutions (Aust) Pty Ltd (to 31/12/2020) Company Secretary – OTS (Australia) Pty Ltd (to 31/12/2020)

GRI index

GRI STANDARD	DISCLOSURE	LOCATION	
GRI 2: General Disclosures 2021	The organisation and its reporting practices		
	2-1	Organisational details	P12
	2-2	Entities included in the organisation's sustainability reporting	P15
	2-3	Reporting period, frequency and contact point	P06
	2-4	Restatements of information	N/A
	2-5	External assurance	P77-78
	Activities and workers		
	2-6	Activities, value chain and other business relationships	P13-14
	2-7	Employees	P35
	2-8	Workers who are not employees	P37
	Governance		
	2-9	Governance structure and composition	P55-56
	2-11	Chair of the highest governance body	P55-56
	2-12	Role of the highest governance body in overseeing the management of impacts	P55-56
	2-13	Delegation of responsibility for managing impacts	P55-56
	2-15	Conflicts of interest	P59-60
	2-19	Remuneration policies	P36
	2-20	Process to determine remuneration	P36
	2-21	Annual total compensation ratio	P69
	Strategy, policies and practices		
	2-22	Statement on sustainable development strategy	P07
	2-23	Policy commitments	P59
	2-24	Embedding policy commitments	P59
	2-26	Mechanisms for seeking advice and raising concerns	P35
	2-27	Compliance with laws and regulations	P59
	2-28	Membership associations	P61

GRI STANDARD	DISCLOSURE	LOCATION
	Stakeholder engagement	
	2-29 Approach to stakeholder engagement	P15
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P17
	3-2 List of material topics	P19-20
GRI 201 Economic Disclosures	201-1 Direct economic value generated and distributed	P45
GRI 204: Procurement Practices	204-1 Proportion of spending on local suppliers	P41
GRI 205: Anti-Corruption	205-1 Operations assessed for risks related to corruption	P60
	205-2 Communication and training about anti-corruption policies and procedures	P59
	205-3 Confirmed incidents of corruption and actions taken	P59
GRI 206: Anti-competitive Behavior	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P59
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	P26
	305-2 Energy indirect (Scope 2) GHG emissions	P26
	305-3 Other indirect (Scope 3) GHG emissions	P26
GRI 306: Waste	306-1 Waste generation and significant waste-related impacts	P29
	306-2 Management of significant waste related impacts	P29
	306-4 Waste diverted from disposal	P29
	306-5 Waste directed to disposal	P29
GRI 308: Supplier Assessment 2016	308-1 New suppliers that were screened using environmental criteria	P41
	308-2 Negative environmental impacts in the supply chain and actions taken	P41
GRI 403: Occupational Health and Safety 2018	401-1 New employee hires and employee turnover*	P68
	401-3 Parental leave	P38
	403-1 Occupational health and safety management system	P35
	403-2 Hazard identification, risk assessment, and incident investigation	P35
	403-6 Promotion of worker health	P35
	403-8 Workers covered by an occupational health and safety management system	P35
	403-9 Work-related injuries	P69
	403-10 Work-related ill health	P69

GRI STANDARD	DISCLOSURE	LOCATION	
GRI 404: Training and education	404-2	Programs for upgrading employee skills and transition assistance programs	P36
	404-3	Percentage of employees receiving regular performance and career development reviews	P36
GRI 405: Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	P38-39
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	P70
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	P41
GRI 415: Public Policy	415-1	Political contributions	P59
GRI 416: Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	P31
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	P31-32
GRI 417: Marketing and Labeling	417-2	Incidents of non-compliance concerning product and service information and labeling	P32
	417-3	Incidents of non-compliance concerning marketing communications	P32
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	P59

Materiality counts independent assurance report to Toyota Australia

SCOPE OF WORK

Materiality Counts was engaged by Toyota Australia to provide independent limited assurance of its 2024 Sustainability Report (the Report) to the scope of work outlined below. This assurance report was prepared for Toyota Australia and its stakeholders. The Report covers Toyota Australia's operations from 1 April 2023 to 31 March 2024, unless stated otherwise in the text. This work was performed using Materiality Counts' assurance methodology to ISAE 3000, the International Standard on Assurance Engagements Other than Audits or Review of Historical Financial Information. Materiality Counts interviewed Toyota Australia employees and reviewed relevant information and data collation processes, including sighting a sample of original records, interrogating spreadsheets and re-performing some calculations. The subject matter for the assurance consisted of performance information relating to the following material issues (ranked high: "highest impact"): Low carbon transport, life cycle impacts of our cars, product safety and quality, and data protection; plus the following issue ranked medium: community impact, as related performance information was not included in last year's scope. The criteria for the assurance consisted of the provision of a balanced representation of these material issues in the Report and the reliability of performance information relating to these material issues in the Report.

MATERIALITY COUNTS' INDEPENDENCE

Toyota Australia was responsible for preparing the Report. Materiality Counts was responsible for expressing assurance conclusions in line with the scope of work agreed with Toyota Australia. During the reporting period, Materiality Counts did not work with Toyota Australia on other consulting engagements. Materiality Counts is an independent consultancy specialising in Sustainability and Integrated Report development and assurance, materiality determination, stakeholder engagement and strategy development.

OUR CONCLUSION

Materiality Counts concludes that, based on the scope of work and related limitations, for the specified subject matter, Toyota Australia's 2024 Sustainability Report provides a balanced representation of the selected material issues concerning Toyota Australia and reports reliable performance information on these material issues for 1 April 2023 to 31 March 2024. In addition, Materiality Counts has provided a management report to Toyota Australia.

KEY OBSERVATIONS

Based on the scope of work, and without affecting our assurance conclusion, Materiality Counts makes the following observations:

GOOD PRACTICE

- **Low carbon transport:** Waste and solar dataset completeness has improved, with more data checks implemented, including solar invoice spot checks.
- **Lifecycle impact of our cars:** Hybrid battery recycling data is more accurate, with the use of invoices rather than warranty claims as the data source.
- **Product safety and quality:** Ability to provide evidence for recall campaign data as part of the assurance process improves year-on-year, becoming more proactive and thorough.
- **Community impact:** Inclusive engagement has been achieved across the business re: contribution to community impact and the provision of related data.
- **Data protection:** Data governance policies, procedures and frameworks remain comprehensive with regular updates based on learnings from incidents.

AREAS FOR IMPROVEMENT

- **Low carbon transport:** Improve carbon database transparency with greater clarity on methodologies, assumptions, inclusions and exclusions, emissions factors and units.
- **Lifecycle impacts of our cars:** Extend the use of invoices as the data source from hybrid batteries to all batteries recycled for a more accurate dataset.
- **Product safety and quality:** When data included in the assurance scope is changed during the Report development process, notify the assurance provider as soon as possible.
- **Community impact:** Use actual versus planned community spend data in the Report, evidenced via invoices and timesheets, as reporting timeframes continue to be aligned between Japan and Australia.
- **Data protection:** When making statements in the Report about publicly available information ensure accuracy across both Toyota and Lexus websites.

Materiality Counts congratulates Toyota Australia on its continued commitment to sustainability reporting.

JO CAIN
CHIEF EXECUTIVE OFFICER, MATERIALITY COUNTS

13 November 2024, Melbourne, Australia

Materiality Counts

Materiality Counts has prepared this statement for Toyota Australia in accordance with the standard practiced by members of the consulting profession performing this type of service at the same time. No other warranty, express or implied, is given by Materiality Counts as a result of the provision of this statement. To the extent permitted by law, this statement is provided for informational purposes only, without the right to rely, and Materiality Counts will not be liable for any reliance which may be placed on this statement by a third party. This statement may not be used by any third party without Materiality Counts' express written permission.

COPIES OF THE REPORT

The 2024 Sustainability Report can be viewed online at www.toyota.com.au/sustainability

FEEDBACK

Please provide us with your feedback so we can continue to improve on our approach to sustainability and reporting.

If you have any comments, ideas or questions, please contact us [here](#).

CONTACT

Head Office

Toyota Motor Corporation Australia Limited
155 Bertie Street, Port Melbourne VIC 3207
