

# SUSTAINABILITY JOURNEY

**MONICA PEREZ LOBO** [SHE/HER]

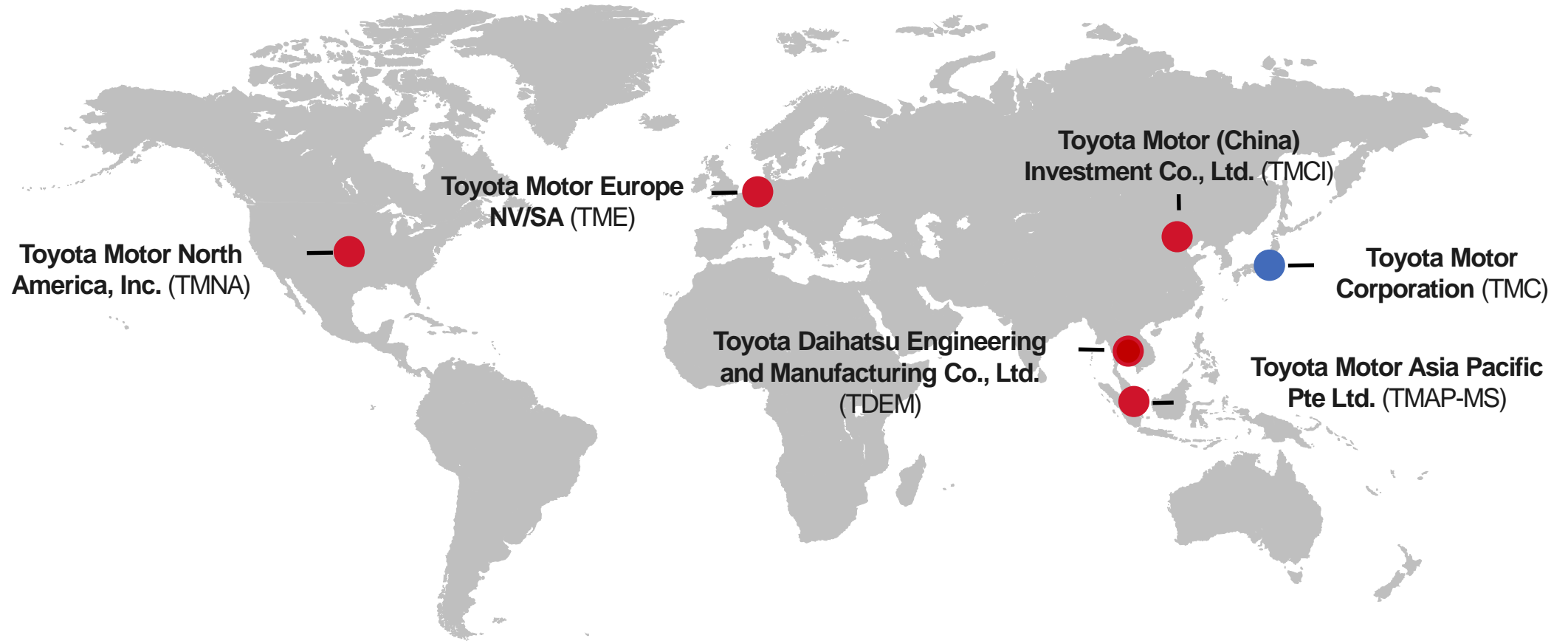
VICE PRESIDENT CORPORATE AFFAIRS & SUSTAINABILITY, TOYOTA MOTOR EUROPE

My Safety and DE&I Commitment is “to promote safety first taking care of others and myself and build a safe working environment for people to be their authentic self.”

**TOYOTA**

# TOYOTA IN THE WORLD

REGIONAL HEADQUARTERS ●



# HEADQUARTER OPERATIONS



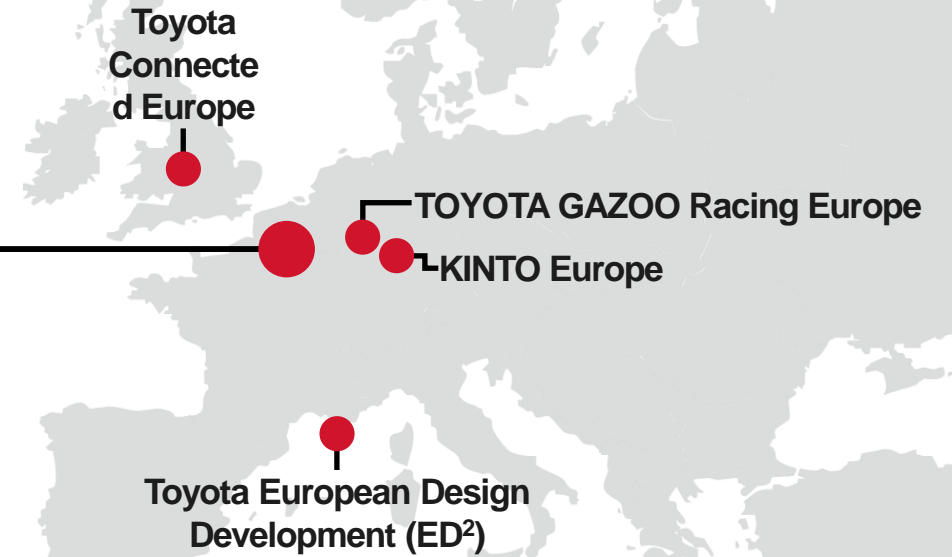
Technical centre



Training centre



TME Head Office



# TOYOTA IN EUROPE



**€11B+**  
invested  
since 1990

**€6B+**  
spent with 400 European-  
based suppliers p/year

Approx.  
**25k+**  
Direct employees



Began selling  
cars in  
**1963**

**1,080,975**  
Vehicles sold in  
CY2022

MARKET SHARE  
**7.3%**  
in CY2022



**4.7M**  
Toyota & Lexus  
Electrified vehicles  
sold

**74%**  
Electrified mix in CY2022 sales  
(Western Europe)

**66%**  
Electrified mix in CY2022 sales  
(TME sales territory\*)

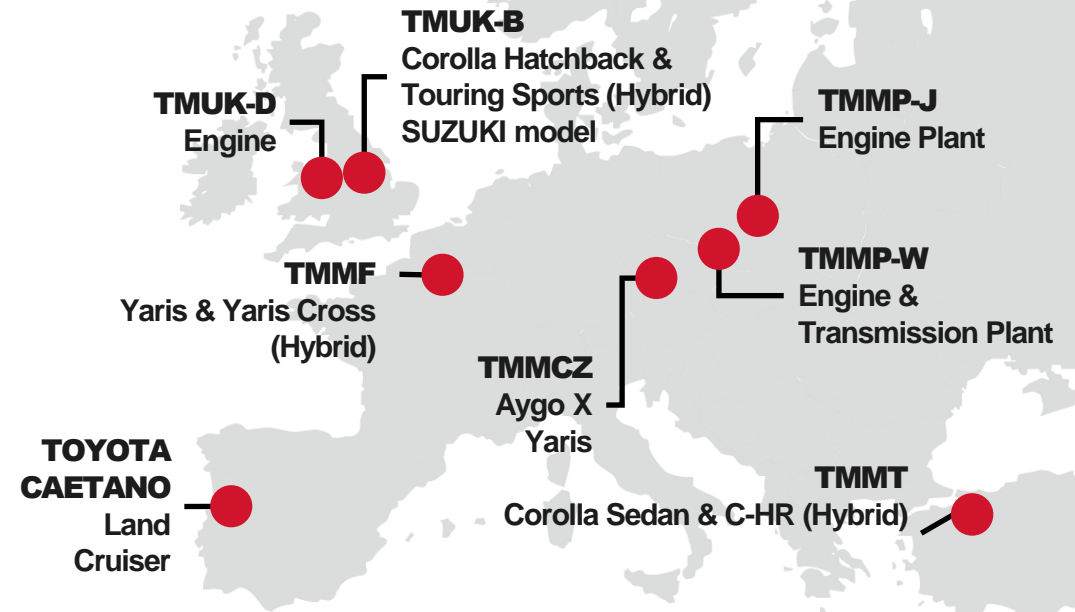
\*All Western, Central & Eastern European countries  
incl. Turkey, Russia, Israel; some Central Asian  
markets (part of Caucasus & Kazakhstan)



# EUROPEAN MANUFACTURING COMPANIES

8 manufacturing plants in 6 countries

8 out of 10 Toyota vehicles sold in Europe  
are manufactured in Europe



TOYOTA

# OUR MISSION



“

What is required of us now is that each Toyota person takes actions that lead to the happiness of humankind, including concerning the global environment.

**AKIO TOYODA**

**TOYOTA**



# PRODUCING **HAPPINESS** FOR ALL





# 2030 SUSTAINABILITY VISION

## 2030 VISION

Become a role model for sustainable business transformation



**Go beyond compliance**

## KEY PRIORITIES

**ENVIRONMENTAL**

**SOCIAL**

**GOVERNANCE**

Carbon  
Neutral 2040

Just Transition  
& Social  
Leadership

Compliance  
&  
Disclosure

Circular  
Economy

Human  
Rights

# TRANSPARENCY & COMMUNICATION ESSENTIAL TO CREATE IMPACT

## STAKEHOLDER ENGAGEMENT

2022 Sustainability Forum &  
1:1 stakeholder engagements



Learn, be challenged, improve



## TRANSPARENCY

Be open & transparent

Share progress & communicate



TME installs a wind turbine  
and solar panels at Brussels  
HO

Toyota Motor Europe strengthens its  
commitment to sustainability by  
generating renewable electricity on-  
site.

20/05/2020

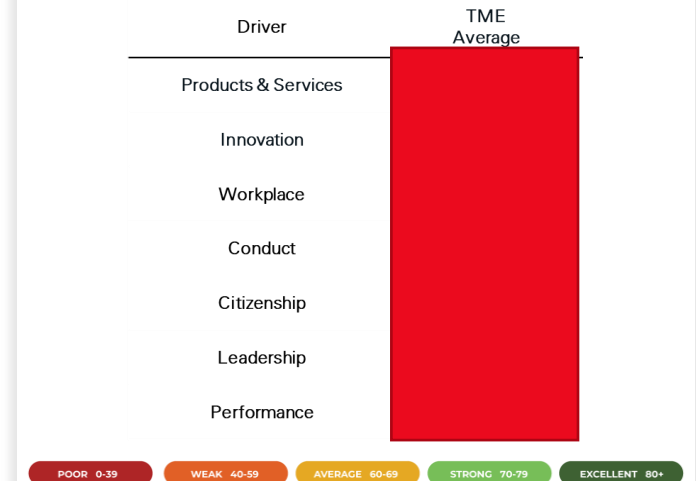


Humanitarian support for  
Ukrainian refugees

It is critical for children to keep up their  
education even in the most difficult  
times

## REPUTATION

Sustainability drives  
corporate reputation



RepTrak, Toyota in UK, Germany, France, Spain, Italy, Norway, Netherlands 2022

# TOYOTA ENVIRONMENTAL CHALLENGE

**AMBITION: CARBON NEUTRAL NO LATER THAN 2050**

# TOYOTA ENVIRONMENTAL CHALLENGE 2050

New Vehicle Zero  
CO<sub>2</sub> Emissions  
Challenge

Challenge



Plant Zero CO<sub>2</sub>  
Emissions  
Challenge

Challenge



Life Cycle Zero  
CO<sub>2</sub> Emissions  
Challenge

Challenge



Challenge of Minimizing  
and Optimizing Water  
Usage

Challenge



Challenge of Establishing  
a Recycling-based  
Society and Systems

Challenge



Challenge of  
Establishing a Future  
Society in Harmony  
with Nature

Challenge



**TOYOTA**

# GLOBAL COMMITMENTS



2030:

8 million electrified sales of which more than 3.5 million zero-emission vehicles



2030:

-25% CO<sub>2</sub> emission or more throughout the entire vehicle life cycle vs. 2013 levels



2035:

All Manufacturing Plants to reach Carbon Neutrality, globally

# GLOBAL TARGETS COMMITMENT

## Science Based Target Initiative (SBTi):



**TMC Global Commitment:**  
(Toyota, Lexus; Hino, Daihatsu):

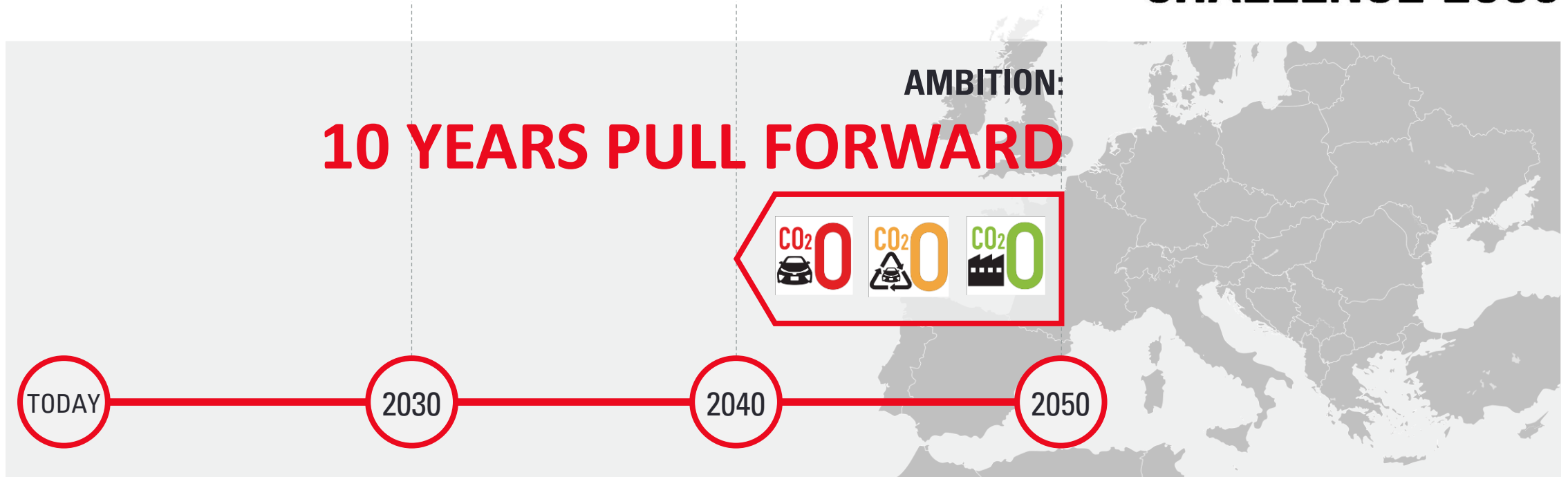
Scope 1&2:  
**-68% towards 2035\***  
w/o offsetting\*

Scope 3 (Use of Sold Products):  
**-33% towards 2030\***

(\*) Base Year: 2019

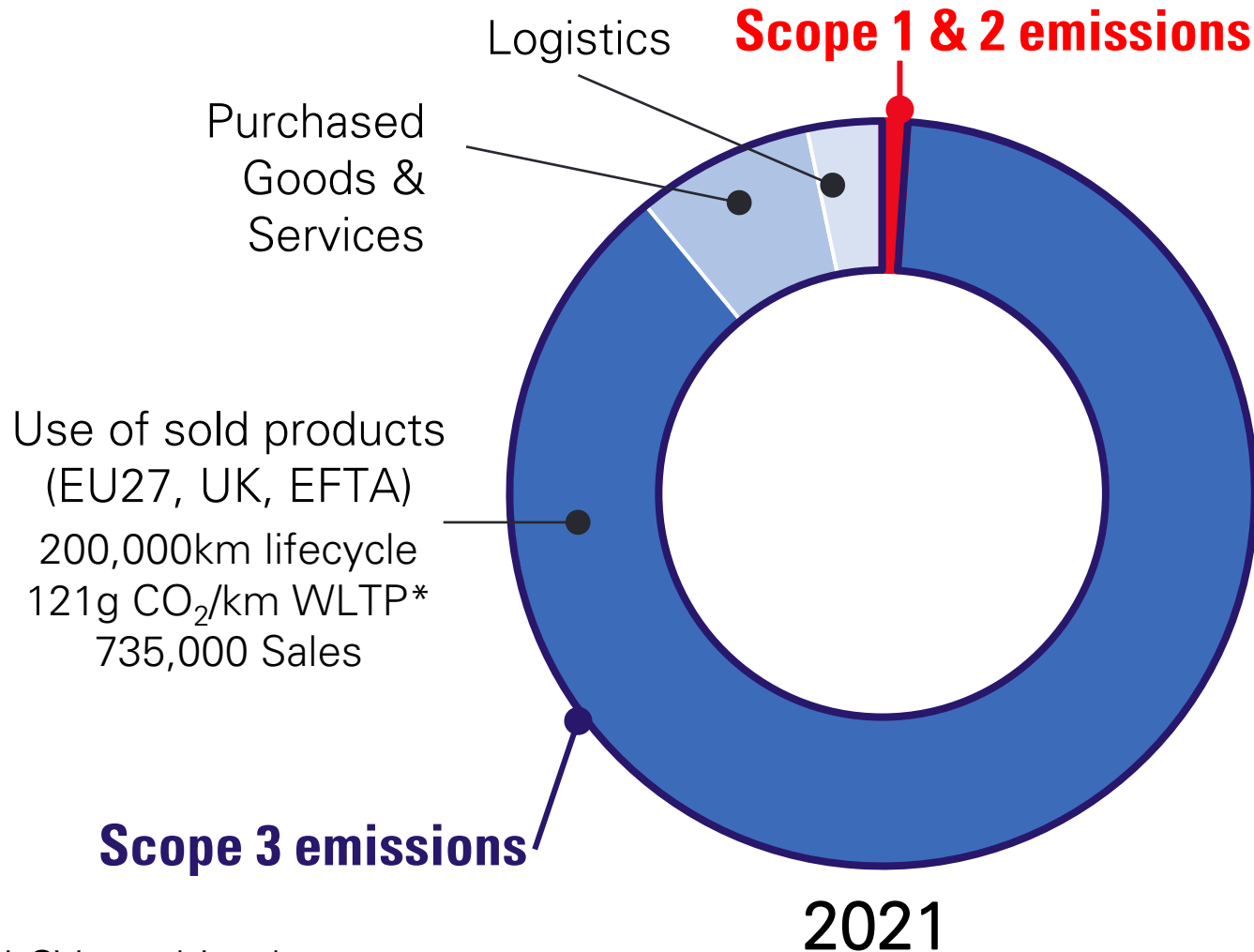
# CARBON NEUTRALITY IN EUROPE BY 2040

**TOYOTA**   
**ENVIRONMENTAL  
CHALLENGE 2050**



# TME CORPORATE CO<sub>2</sub> FOOTPRINT (2021)

## VERIFIED EXTERNALLY IN 2022 (LIMITED ASSURANCE)



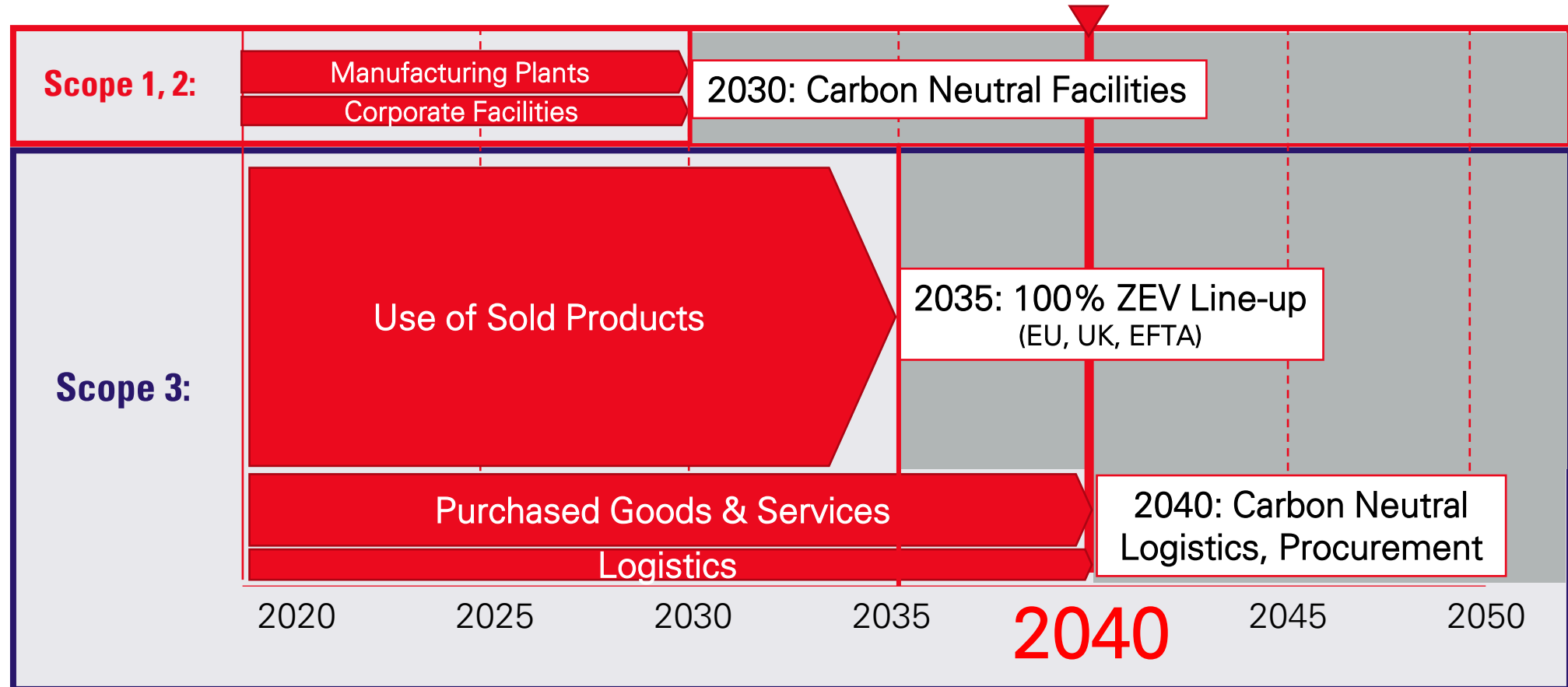
### Priority areas to decarbonize:

Area:	Scope:
Use of sold products	3
Purchased goods & services [Steel, Aluminium, Batteries]	3
EMC direct emissions	1
Upstream & downstream Logistics, Dealers	3
TME & NMSC direct emissions	1
Other (travel, commuting...)	1



# 2040 TME ROADMAP ESTABLISHED

## 3 STEP APPROACH TOWARDS CARBON NEUTRALITY



# OUR APPROACH TO TACKLE

Area of emissions	Associated areas	Main strategy	Examples of improvement
<b>Scope 1</b> Direct emissions from owned or controlled sources	Manufacturing Plants All TME Facilities Affiliated Distributors	Energy reduction and investment towards fossil fuel elimination	<ul style="list-style-type: none"> <li>Energy efficiency / Building insulation</li> <li>Heat pump heating</li> <li>On-site renewables</li> <li>Gas substitution to CO<sub>2</sub> free bio-gas / Bio-methane / H<sub>2</sub></li> </ul>
<b>Scope 2</b> Indirect emissions from generation of purchased energy	All TME facilities	Continuously keep 100% Renewable Electricity supply in all operations	<ul style="list-style-type: none"> <li>Power Purchase Agreements where relevant (EMCs)</li> <li>100% renewable community related energy</li> </ul>
<b>Scope 3</b> Indirect emissions of uncontrolled sources in the value chain of TME	New product development	Multipath line-up electrification (HEV, PHEV, BEV, FCEV)	<ul style="list-style-type: none"> <li>Battery technology improvement</li> <li>Line-up by TMC x TME</li> </ul>
	Purchasing	Enhance collaboration with partners on environmental activities	<ul style="list-style-type: none"> <li>Low carbon commodities (e.g. steel)</li> <li>LCA Approach (CO<sub>2</sub> hotspots)</li> <li>Modal shift / Zero Emission Technology implementation</li> </ul>
	Logistics	Short term: focused projects / trials	

# SUSTAINABILITY FORUM – OCT 2022

## 45 PARTICIPANTS FROM 36 ORGANISATIONS



### Feedback from Participants:

*"Strong leadership commitment, ambitious and clear plan for Net Zero in the plenum"*

### Discussion outcome: (Scope 3 related)

*"Ensure **supplier engagement** for accuracy, visibility and trust"*

*"Provide direction and assistance to Tier1 first"*

*"Don't move CN target – think differently how to manage energy crisis"*

# KENSHIKI FORUM IV

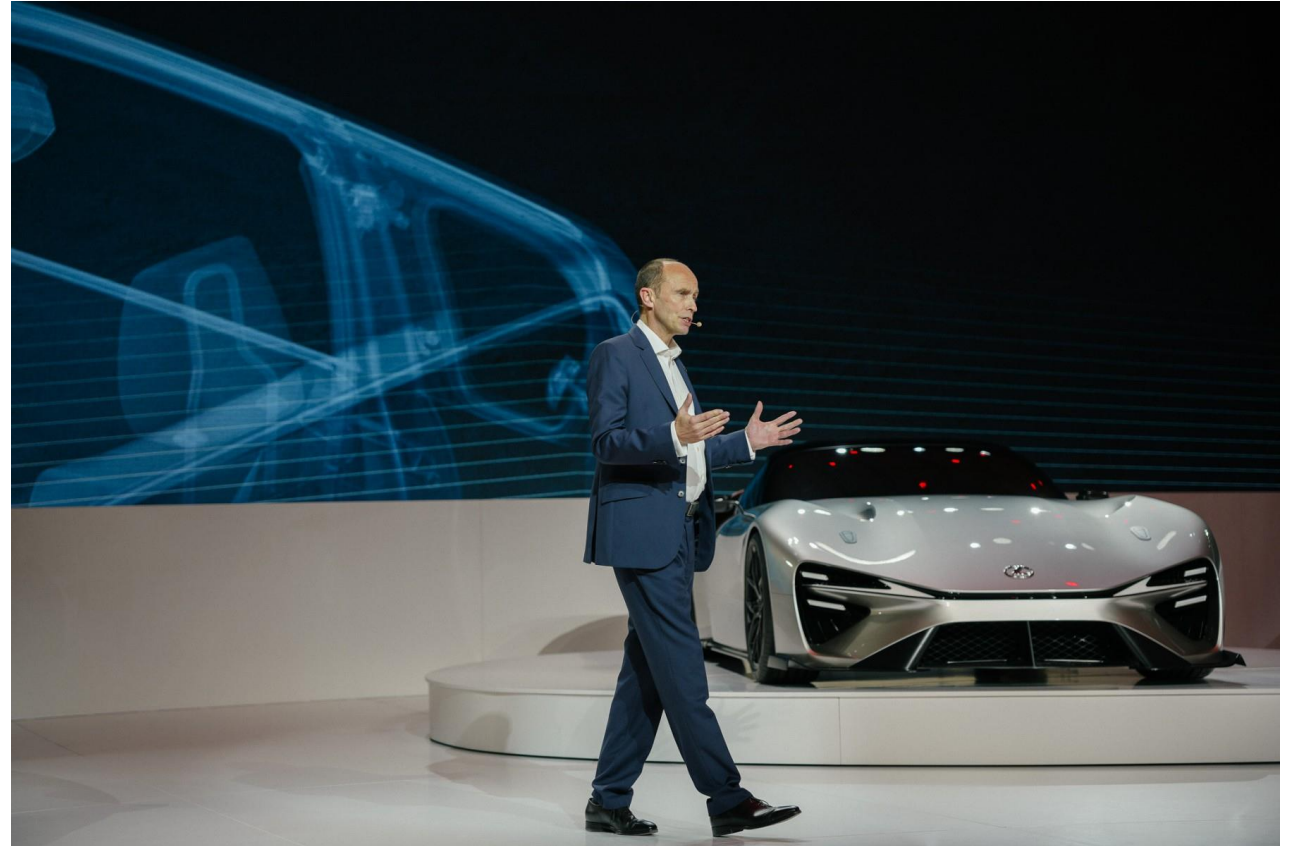
## EXTERNAL DISCLOSURE

# AUTOCAR

*“Toyota Motor Europe on track to achieve carbon neutrality by 2040”*

Automotive News Europe

December 2022



# TOYOTA

# TMUK-D: FIRST CARBON ZERO MANUFACTURING

## CARBON ZERO PLANNED IN 2025

**100% Green Electricity**  
**On-site renewables**

**Bio-methane**  
(Anaerobic digestion from adjacent  
production facility)

**Green Hydrogen \***  
(Rainwater + Green Electricity)



**Potential First Carbon Zero Manufacturing**  
(-2,531 tonnes of CO<sub>2</sub> abatement from 2021 values)

\* Hydrogen TBC. depending on future users / applications



# GLOBAL PAINT LINE BOOTH AIR SUPPLY

## GAS SUBSTITUTED BY HEAT-PUMP AND HEAT-RECOVERY SOLUTION

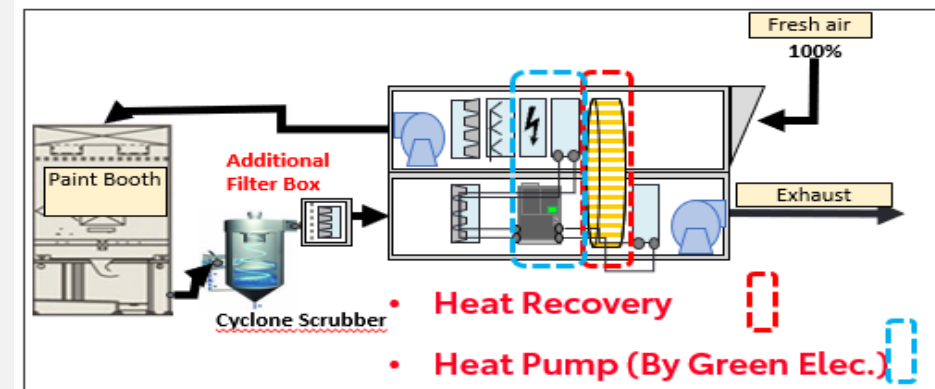
### TMMF GPL Paint booth air supply concept



### Objective:

1. Achieve Zero CO<sub>2</sub> by innovative design
2. Cost effective technical solution

### Technical overview:



### Results:

	Before	New Design
CO <sub>2</sub>	940 tonnes / year	0 tonnes / year





# SUSTAINABLE MANUFACTURING

## 2030 TARGETS AND ROADMAP

	TARGET	STRATEGY
OFFICE	Female ratio:	<p>Focus on 4 areas to support gender diversity goals</p> <ol style="list-style-type: none"><li><b>1. Attraction and Hiring</b> Appeal outside traditional hiring pool</li><li><b>2. Ergonomic Improvement</b> Don't allow process design to become the blocker</li><li><b>3. Facilities</b> Ensure suitable environment</li><li><b>4. Inclusive Culture</b> Retain members and engage to full potential</li></ol>
MANUFACTURING	Female ratio:	

# ERGONOMIC IMPROVEMENT

## ENSURE PROCESSES ARE SUITABLE FOR ALL

### Approach & System

- Create “Any Member Any Process” criteria and map condition

### Engagement

- Empower Management and Members

### Improvement

- Implement Kaizen

# ERGO IMPROVEMENT –TURKIYE EXAMPLE

**Before**



**After**



**Push-pull force = 11 kgF**

×

**4 kgF**

○

**Bending outside of acceptable standard**

×

**No Bending**

○

**THANK  
YOU**