

TOYOTA MOTOR PHILIPPINES CORPORATION
2020 Sustainability Report

BETTER LIFE
onward



About the Report

This report showcases Toyota Motor Philippines Corporation's (TMP) accomplishments and initiatives in promoting sustainable growth, not only for the company but also for society.

The contents of the report are divided into three main sections, as guided by the Global Reporting Initiative (GRI) standards covering the following:

1. Economic Performance;
2. Social Performance; and –
3. Environmental Performance

This report also gives an overview about TMP's business in the country, including its latest product line-up, dealer and supplier network.

PERIOD COVERED:

This report covers highlights of TMP's 2019 initiatives.

For some company information on products, dealer network and major milestone events, the status update as of August 2020 has been included.

This report is available in digital version only, which can be accessed in TMP's website (www.toyota.com.ph).

SCOPE OF REPORT:

The report contains TMP's initiatives with mention of its dealers and suppliers, as well as Lexus dealership operations.

About the Cover

Toyota Motor Philippines Corporation remains steadfast to provide "Better Life Onward." It continues its journey towards the upliftment of the Philippine economy – society, and environment through sustainable business operations and social responsibility initiatives.

While challenges along the way are inevitable, TMP will continue to fulfill its commitment in providing a more sustainable and brighter future for everyone.



2019 Sustainability Report



2018 Sustainability Report



2017 Environment Report

previous reports

View or download TMP reports from previous years. Visit www.toyota.com.ph/Sustainability# or scan QR code.



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Message from the **TMP PRESIDENT**



Atsuhiko Okamoto

It is with great honor to have been assigned President of the No. 1 automotive company in the Philippines starting this year 2020. Thank you all for making me feel warmly-welcomed!

Looking back at 2019

I am pleased to have taken over a company with such a strong solid performance. Last year, TMP remained the country's top automaker, capturing its 18th consecutive Triple Crown with a 39.5% market share.

As such, I would like to thank all of you – our customers, business partners, and all our other stakeholders, as these achievements will not be possible without your strong support to Toyota. It is your unwavering trust that inspires us to be always better in everything we do.

Moving onward

The Year 2020 certainly greeted all of us with unexpected challenges, which now pose many uncertainties. In January, Taal Volcano erupted. TMP's operations temporarily stopped for a few days. But upon resumption, we needed to thoroughly clean our facilities and the affected vehicles in our stockyards. For our customers who were affected, we extended Special Service Support to them. Moreover, we were also able to provide financial contribution which supported the evacuees displaced by the eruption in various centers in the province of Batangas and the City of Santa Rosa.

Just as everything was starting to normalize in March, a pandemic was declared due to rise in COVID-19 cases worldwide, necessitating a government-mandated Enhanced Community Quarantine (ECQ) in order to reduce the spread of the virus. Establishments were closed. People stayed home. The once busy streets were empty. With such drastic changes, our daily lives have been altered, the economy has slowed down, and many have been and continues to get sick.

Despite the looming dark cloud hovering in the horizon, I am humbled and inspired by Toyota Team Philippines' indomitable spirit to be a positive force in the midst of these challenges. As the saying goes, "the light shines brightest in the darkness."

With concerted effort, ideas came pouring in on how to better serve our customers and even various sectors of society needing help. TMP quickly moved on, not only to prepare for restart of operations, but also to provide assistance when and where it is needed. It has been TMP's privilege to provide Toyota mobility services for frontliners through several vehicle lend outs, free shuttle services and donation of Vios units to various public hospitals in Metro Manila and Laguna to help healthcare workers in their transportation needs. Moreover, TMP Foundation and some Team Members donated cash, rice and other grocery items to needy families.

Today, we continue to move forward to reach the light at the end of the tunnel. As we all do so, I strongly encourage everyone to make a difference by contributing selflessly for the good of others. Let us keep our focus with fervent hope that the road ahead will lead to a better life.

“I am pleased to have taken over a company with such a strong solid performance. Last year, TMP remained the country's top automaker, capturing its 18th consecutive Triple Crown with a 39.5% market share.”



Assisting in Taal Eruption Relief Efforts

When Taal volcano erupted early this year, TMP quickly responded to the needs of affected communities through a Php2 million donation to the local government of Batangas and Santa Rosa City.



Handover of 1.5-million peso donation to the Provincial Government of Batangas



Handover of 500,000-peso donation to the City Government of Santa Rosa

Responding to the COVID-19 Situation: #BetterDaysAhead

The first quarter of the year 2020 has been met with challenges not only for Toyota but the whole world, as every nation wrestle the onslaught of the COVID-19 Pandemic.

Toyota Motor Philippines Corporation was quick to respond alongside the country's efforts in fighting COVID-19 by helping communities move forward through mobility services and special assistance to sectors and communities who need help most.

Vehicle Donation to Hospitals

Starting June, TMP started its vehicle donation to public hospitals in Metro Manila and Laguna. A total of thirty (30) locally-produced Vios units will be turned over to various Department of Health (DOH) and local government unit (LGU) hospitals.



Donation to City of Santa Rosa



Donation to DOH hospitals

Vehicle Lend-Out to Hospitals

With public transportation suspended starting the Enhanced Community Quarantine in March, it has become a challenge for most frontliners, especially healthcare workers to report for duty in their respective hospitals. To address this urgent need, TMP promptly offered its company vehicles to various hospitals to serve as transportation services.

Forty-nine (49) Toyota vehicles have been lent out to hospitals, while several units were lent to volunteer groups distributing personal protective equipment to healthcare workers in various hospitals.



Free Shuttles to Healthcare Workers at PGH

On top of these vehicle lend outs, TMP, in partnership with Toyota Mobility Foundation (TMF), has also provided ten (10) Hiace units as free shuttle service to the Philippine General Hospital (PGH) health workers from May to August. All shuttles are in compliance to the “new normal” guidelines to ensure that healthcare workers are well-protected.



Donation to Communities

Toyota Motor Philippines Foundation (TMPF), TMP's social and humanitarian arm, also gave assistance to health care workers and families who needed support. PPEs such as isolation gowns, surgical gowns and surgical gloves were donated to the Santa Rosa Community hospital. Sacks of rice and grocery packages were distributed to some communities, including the Toyota-Santa Rosa-Gawad Kalinga (GK) Village.



Face Mask Production for Donation to Various Stakeholders

In June, TMP started production of reusable face masks in its manufacturing plant. The face masks produced are distributed to TMP's various stakeholders, e.g. Team Members, dealers, members of the GT Capital and Metrobank group, various government offices, and partner communities.

TMP turned over reusable face masks produced in its manufacturing plant to Inter-Agency Task Force Chief Implementer (IATF) on Emerging Infectious Diseases, Secretary Carlito Galvez, Jr. (3rd from left).

“As a strong partner for nation building, we are committed to heed the call of Filipinos as they begin to rebuild their lives. We need to help them get back to work every day. We have to make sure that we can take them to the hospital when they need care. We must ensure that essential workers can transport themselves to their work places to care for our loved ones. When we can once again move freely, we will be there to bring families and friends together.”

—TMP Chairman Alfred V. Ty

New Mobility Solutions

As TMP continues to transform its business, the company is a step closer to realizing Toyota's vision of Mobility for All. New services are being introduced to provide as much flexibility as possible to customers based on their needs, lifestyle and preferences.

TOYOTA KINTO ONE

With continuously changing customer demands, Toyota has geared up to provide a new customer experience for Filipino consumers who are exploring to shift from conventional car ownership to usership. Whether it is hassle-free personal transportation, moving of goods from point A to B, or the privilege of driving a new car every three or four years, "KINTO One" is the mobility service of the next generation.

"KINTO One", the product package launched in June 2020 by Toyota Financial Services Philippines, allows customers to select from Toyota models and drive the car for three or four years. It is a full service lease package with no down payment required.

The fixed monthly subscription already covers vehicle registration, annual comprehensive insurance, and regular periodic and preventive maintenance. Once the lease term is completed, the customer simply returns the vehicle to Toyota Financial Services and everything else is taken care of; such a great worry-free option for customers.

KINTO One offers basic level of customization to suit the customer's lifestyle.



Car Model	Mileage Options	Subscription Terms
<ul style="list-style-type: none"> Vios 1.5 G CVT Rush 1.5 G CVT Fortuner 4x2 G CVT (Diesel) Corolla Altis 1.8 V HV 	<ul style="list-style-type: none"> Light Package at 15,000 km/year Standard package at 20,000 km/year Maximum package at 30,000 km/year 	<ul style="list-style-type: none"> Three (3) years Four (4) years

CONNECTED AUTO LOAN

For Toyota customers who availed of their auto loans through Toyota Financial Services Philippines (TFSPH) starting July 2020, an accessory is installed to the Toyota vehicle as part of the "Connected Auto Loan" program. This is a new approach in auto loan credit approval that makes it easier for customers to own a Toyota vehicle. The device attached to the Toyota vehicle is capable of location tracking for better asset management of both customers and TFSPH.

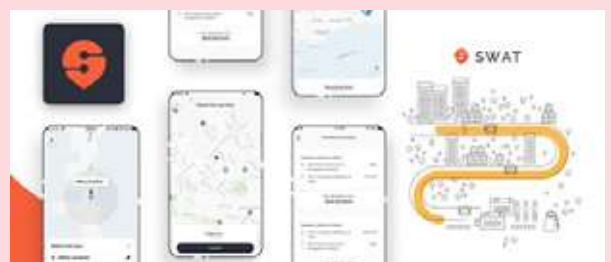


FREE BOOKING SERVICE APP TO P2P COMMUTERS

TMP partnered with SWAT Mobility in providing a free booking service application, SWATRide, for point-to-point (P2P) buses plying the UP Town Center – Glorietta 3 route from July to October 2020 as part of its efforts to improve the commuting experience of Filipinos, especially as they transition and fully integrate into the "new normal".

SWATRide allows a convenient booking experience, as passengers can view seat availability and directly book their trip with preferred seats in advance. Likewise, this mobility solution enables precautionary controls that help both the public and the government in controlling the spread of COVID-19. SWATRide is readily available for download from mobile app stores.

During the ECQ earlier this year, TMP and Toyota Mobility Foundation provided ten (10) free shuttles equipped with the app, SWATBiz, for use of around 200 healthcare workers of the Philippine General Hospital daily under the DOTr's 'Free Ride for Health Workers Program'. SWATBiz is the app for exclusive use of companies/ organizations for on-demand shuttle.



TOYOTA GLOBAL VISION

The 'Toyota Global Vision' announced in March 2011, is in articulation of what kind of company we want to be – what kind of company we ought to be. It clarifies our value, "we want Toyota to be a company that customers choose and brings a smile to every customer who chooses it." The 'Toyota Global Vision' is a distillation of our resolve at Toyota for the future.

Rewarded with a smile by exceeding your expectations

Toyota will lead the way to the future of mobility,
enriching lives around the world
with the safest and most responsible ways
of moving people.

Through our commitment to quality,
constant innovation and respect for the planet,
we aim to exceed expectations
and be rewarded with a smile.

We will meet challenging goals by engaging
the talent and passion of people,
who believe there is always a better way.

Backdrop and Progress

In the backdrop of this vision, there is our fall into the red after the Lehman Brothers collapse, as well as our reflection over a series of quality problems.

To unite all Toyota together to advance our efforts for the recovery of business performance, we came to realize the necessity of having a dream or a path that we should take that all people who work for Toyota could have in common, one that would define what kind of company we want to be – what kind of company we should be.

We also keenly felt the importance of making what kind of company we are and what kind of values we hold known to all customers. Based on our ideal for Toyota, the members of our team gathered to discuss and finalize the vision. This is a distillation of our resolve at Toyota.

Toyota Visionary Management

The image of a tree has been chosen to symbolize the Toyota Global vision – its "roots to fruits."

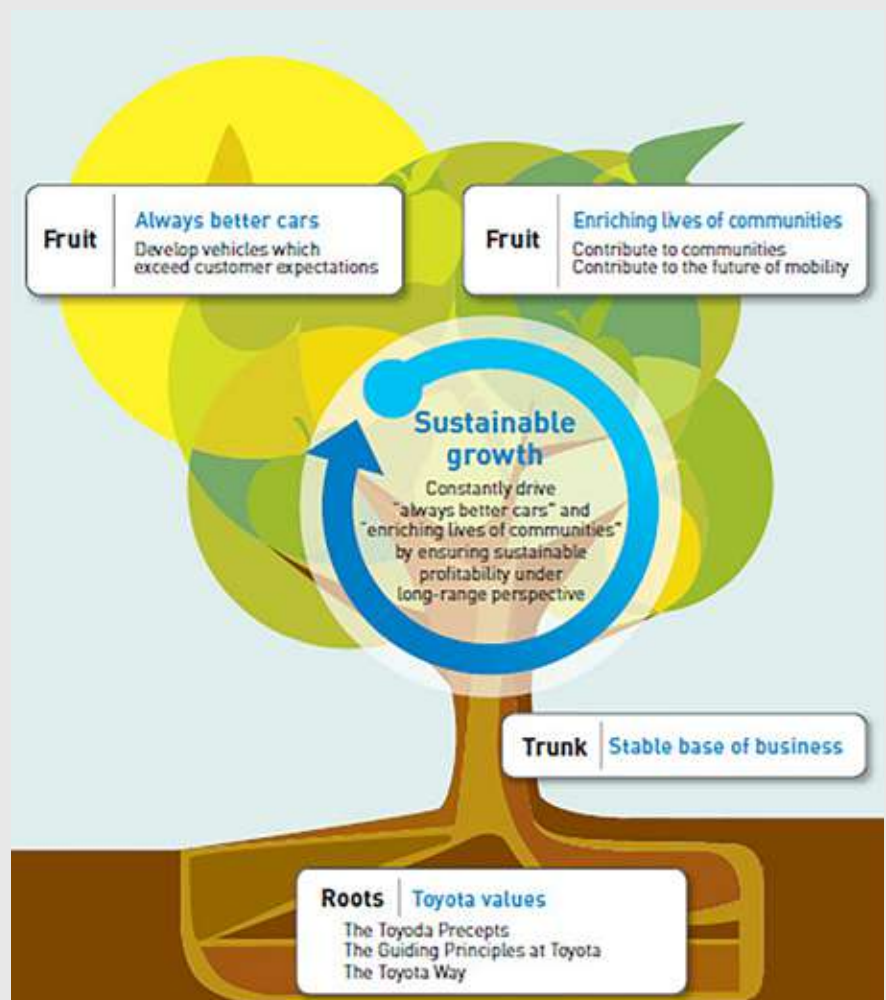
The roots of the tree are the shared values that have steered Toyota from the beginning and that have underlain our monozukuri. They are values expressed in the Toyota Precepts, in the Guiding Principles at Toyota, and in the Toyota Way, which are the bases of our business.

The "fruit" that Toyota provides for customers is creating "always better cars" and enriching lives in communities.

Through the efforts, we aim to become an admired and trusted company in the various regions where we conduct businesses.

The "trunk" of the tree, the underlying support for Toyota's creation of products that earn smiles from our customers, is the stable base of our business.

Toyota's business activities are based on the concept of ensuring sustainable growth by fostering the virtuous circle, **Always better cars → Enriching lives of communities → Stable base of business.**



The Business of TMP



Corporate Profile

Toyota Motor Philippines Corporation (TMP) is the largest automotive company in the country, with the widest vehicle line-up of 21* Toyota models. It has 71* dealers nationwide, including Lexus Manila, Inc., for its sales distribution and service centers.

TMP was incorporated on August 3, 1988 as a joint venture of GT Capital Holdings, Inc., Toyota Motor Corporation, and Mitsui & Co., Ltd.

TMP's head office and manufacturing plant are located inside the 82-hectare Toyota Special Economic Zone (TSEZ) in Santa Rosa City, Laguna. TSEZ is also home to a number of investors performing strategic roles in the manufacture and export of automotive products to ASEAN, Japan and other parts of the world. The Marketing Office of TMP is located at the 28th and 31st floors, GT Tower International, Makati City.

TMP currently produces the best-selling Innova and Vios. Its existing manufacturing plant has the capacity to produce over 55,000* units per year on two-shift production operations.

TMP operates with ten (10) organizational units: Marketing, Manufacturing, Production Control & Logistics, General Administration, Comptrollership, Treasury, Purchasing, Corporate Affairs, Vehicle Logistics and Affiliate Operations Support & Audit.

The company's regular and outsourced manpower is composed of 3,695* Team Members.

*as of end-December 2019

TMP VISION

To be the No. 1 automotive company where GREAT PEOPLE work as a TEAM to provide the BEST products and service to our CUSTOMERS

TMP MISSION

Driven by the will to serve, we, hereby, commit ourselves:

- *To dominate our markets through dynamic selling and timely delivery of attractive products, with excellent customer service and continuous product improvement*
- *To produce vehicles and components of outstanding quality, using advanced technology, continuously improving methods and environment-friendly processes while maintaining safe working conditions*
- *To sustain Company profitability, stability, productivity, and growth by efficiently engaging in effective financial and resource management for the collective gain of the Toyota Family and the society we serve*
- *To sustain Team Members' morale and productivity by developing their full potential and total well-being, and by establishing mutual trust, mutual responsibility and harmony through open communication*

PASSENGER CARS

Sub-compact



Vios

Low-Cost



Wigo

Compact



Corolla Altis

hybrid

Hatchback



Prius c

hybrid



Prius

hybrid



Yaris

Medium



Camry

Performance



86



GR Supra

COMMERCIAL CARS

Multi-purpose



Innova



Avanza

Utility Van



Alphard



Hiace

Pick-up



Hilux

Bus



Coaster

Sports Utility



Corolla Cross

hybrid



RAV4



FJ Cruiser



Rush



Fortuner

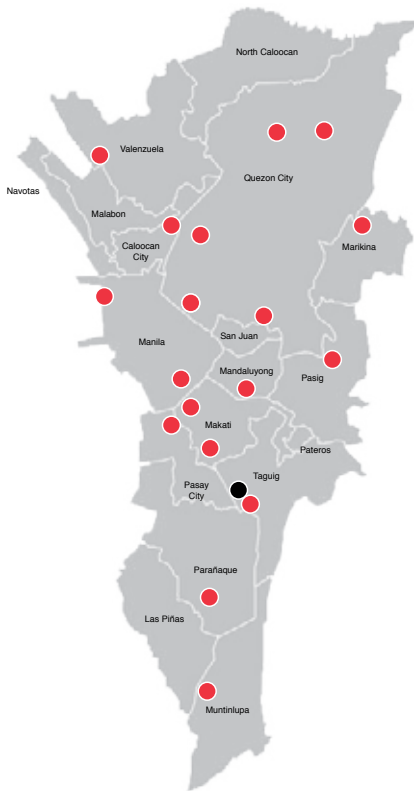


Land Cruiser



Prado

Dealer Network



70 Toyota
Dealer Outlets Nationwide

+1 Lexus
Dealer Outlet

as of August 2020

METRO MANILA DEALERS

TOYOTA

1. Toyota Abad Santos, Manila
2. Toyota Alabang, Inc.
3. Toyota Balintawak, Inc.
4. Toyota Bicutan, Parañaque
5. Toyota Commonwealth, Inc.
6. Toyota Cubao, Inc.
7. Toyota Fairview, Inc.
8. Toyota Global City, Inc.
9. Toyota Makati, Inc.
10. Toyota Manila Bay Corp.
11. Toyota Marikina Service Station
12. Toyota North EDSA
13. Toyota Otis, Inc.
14. Toyota Pasig
15. Toyota Pasong Tamo, Inc.
16. Toyota Quezon Avenue
17. Toyota Shaw, Inc.
18. Toyota Valenzuela, Inc.

LEXUS

1. Lexus Manila, Inc.

PROVINCIAL DEALERS

LUZON

1. Toyota Albay
2. Toyota Angeles, Pampanga, Inc.
3. Toyota Bacoar, Cavite, Inc.
4. Toyota Baguio City
5. Toyota Bataan, Inc.
6. Toyota Batangas City, Inc.
7. Toyota Calamba, Laguna, Inc.
8. Toyota Calapan City, Inc.
9. Toyota Camarines Sur, Inc.
10. Toyota Dagupan City, Inc.
11. Toyota Dasmariñas-Cavite
12. Toyota Iloilo, Inc.
13. Toyota Ilocos Norte
14. Toyota Isabela, Inc.
15. Toyota La Union
16. Toyota Lipa, Batangas, Inc.
17. Toyota Marilao, Bulacan, Inc.
18. Toyota Nueva Ecija, Inc.
19. Toyota Plaridel, Bulacan
20. Toyota Puerto Princesa City, Inc.
21. Toyota San Fernando, Pampanga, Inc.
22. Toyota San Jose del Monte, Bulacan
23. Toyota San Pablo, Laguna, Inc.
24. Toyota Santa Rosa, Laguna, Inc.
25. Toyota Silang, Cavite
26. Toyota Subic, Inc.
27. Toyota Tarlac City
28. Toyota Taytay, Rizal, Inc.
39. Toyota Tuguegarao City

VISAYAS

30. Toyota Aklan, Inc.
31. Toyota Calbayog, Samar
32. Toyota Cebu City, Inc.
33. Toyota Dumaguete City
34. Toyota Lapu-Lapu, Cebu
35. Toyota Mabolo, Cebu, Inc.
36. Toyota Mandaue North, Cebu
37. Toyota Mandaue South, Cebu
38. Toyota Negros Occidental
39. Toyota Roxas City
40. Toyota Tacloban, Leyte, Inc.
41. Toyota Tagbilaran City
42. Toyota Talisay, Cebu

MINDANAO

43. Toyota Butuan City
44. Toyota Cagayan De Oro City, Inc.
45. Toyota Davao City, Inc.
46. Toyota General Santos, Inc.
47. Toyota Iligan City, Inc.
48. Toyota Kidapawan City
49. Toyota Matina, Davao
50. Toyota Tagum City
51. Toyota Valencia City, Inc.
52. Toyota Zamboanga City

Supplier Network

The supply chain plays an integral part in achieving sustainability of the company, especially with a rapidly-changing business environment. For Toyota, supplier development is essential in creating greater value for the automotive manufacturing industry which further contributes to economic vitality.

TMP SUPPLY BASE

Toyota, as a Japanese company, has a strong presence across the Asia Pacific region. But aside from having an access to overseas supplier network, TMP recognizes the support of local suppliers whose businesses have potentials to become more competitive in the region.

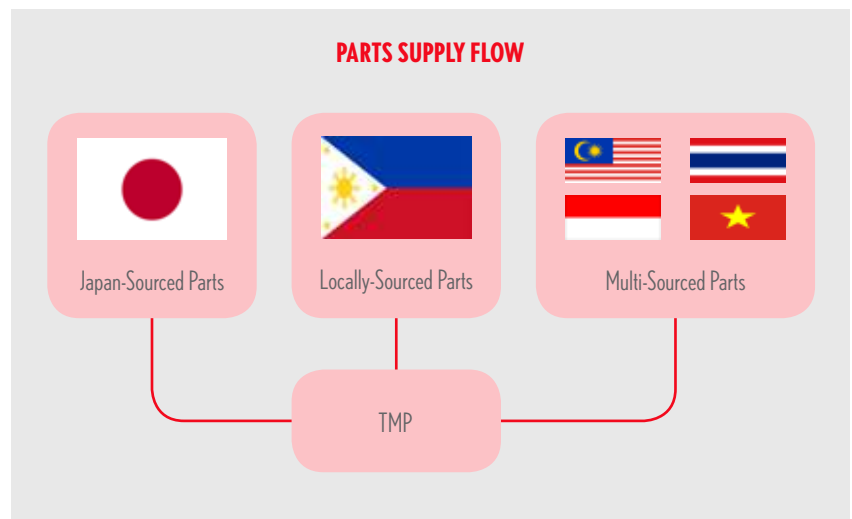
Locally-sourced Parts:

43 Suppliers

Indirect Materials:
446 Suppliers

Toyota Suppliers Club:
95 Member Companies

LOCALLY-SOURCED PARTS		
Commodity	Parts	No. of Suppliers
Electricals & Systems	Aircon, Clock, Wiring Harness, Meter Combination	11
Chassis	Tires, Alloy Wheel, Exhaust Pipe, Pedal, Fuel Tank, Brake Tubes, Asphalt Sheet	7
Interior	Seat Belt, Door Trim, Visor, Carpet Assy	7
Resin	Bumper, Instrument Panel, Cluster Lover	6
Stamped/ Forged	Reinforcement Instrument Panel Cluster, Hood Lock, Insulator	5
Rubber	Weather Strip, Hoses, Moldings	1
Others	Glass, Sticker, Battery	6
Total		43



Economic Performance

Economic Contributions

Over the years, TMP has been an advocate of automotive production as a catalyst for national development. It has maintained and enhanced local assembly of best-selling models, providing employment and sustaining many small and medium-scale enterprises that are the backbone of the Philippine economy.

As part of its commitment, Toyota's business activity in the country continues to contribute to the Philippine economy and society.

Revenues Generated

In 2019, TMP's consolidated revenues (including its subsidiaries) amounted to **Php 168 Billion**. These came from: 1) locally-manufactured vehicle sales, 2) imported vehicle sales, 3) local sales of service parts and 4) services and 5) export sales of Original Equipment Manufacturer (OEM) parts and service parts.

Direct Economic Value Distributed

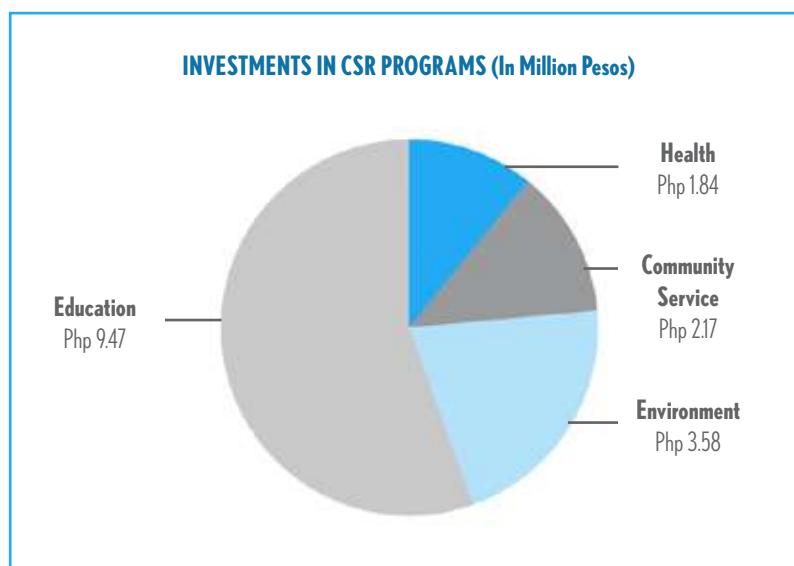
Toyota's business in the Philippines continues to invest in expanding domestic operations, boosting procurement from its local supply base. Likewise, with such economic activities, necessary taxes and duties are remitted to the Government.

	2019	Cumulative (1988-2019)
Toyota Group Investments	Php 3.5 Billion	Php 66 Billion
Procurement from Local Suppliers	Php 17.56 Billion	Php 216 Billion
Total Duties and Taxes Paid	Php 46.8 Billion	Php 384 Billion
Toyota Group Auto Parts Exports	USD 1.02 Billion	USD 15.5 Billion

Investments in CSR Programs

TMP and its social and humanitarian arm, Toyota Motor Philippines Foundation (TMPF), continue to contribute to society through its various Corporate Social Responsibility (CSR) Programs that are anchored on 4 pillars: Health, Education, Environment and Community Service.

In 2019, major investments were on Education programs such as scholarship funding for deserving tech-voc students in 20 partner schools nationwide, as well as various support to its adopted elementary school in Santa Rosa City.





Social Performance

Employment

TMP's workforce in 2019 showed a minimal 2% increase in regular manpower. This was in response to organizational needs, especially as the company transitions to provide revolutionary and competitive new ways of delivering products and services in the value chain.

Being in the manufacturing and distribution business for over three decades, majority of TMP's workforce remains to be males who are assigned in vehicle production.

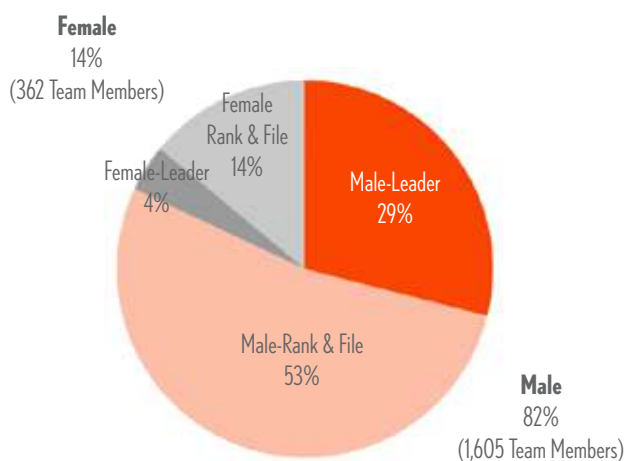
Manpower profile and other work dynamics are considered by TMP to ensure that human and intellectual capital in different areas of operations are assigned appropriately in order to create a workplace that nurtures career fulfillment among Team Members.

3,695 Manpower

**1,967 Regular +
1,728 Outsourced**

**as of end-2019*

REGULAR MANPOWER BY GENDER

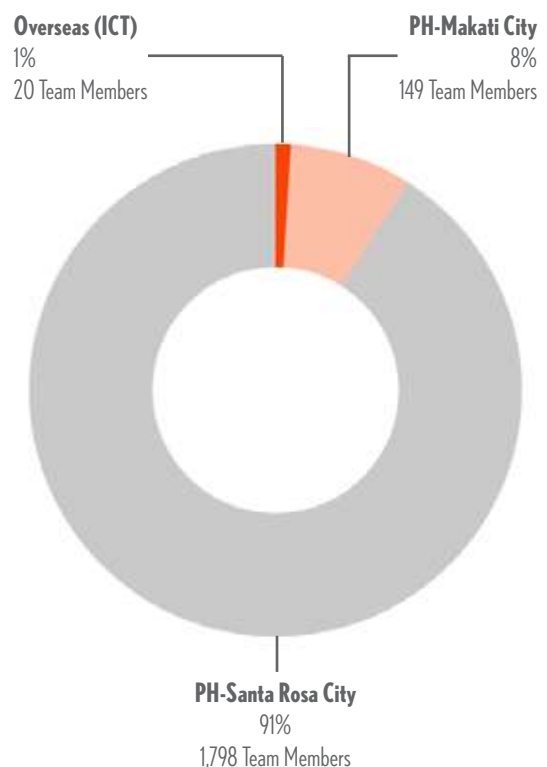


WORK LOCATIONS

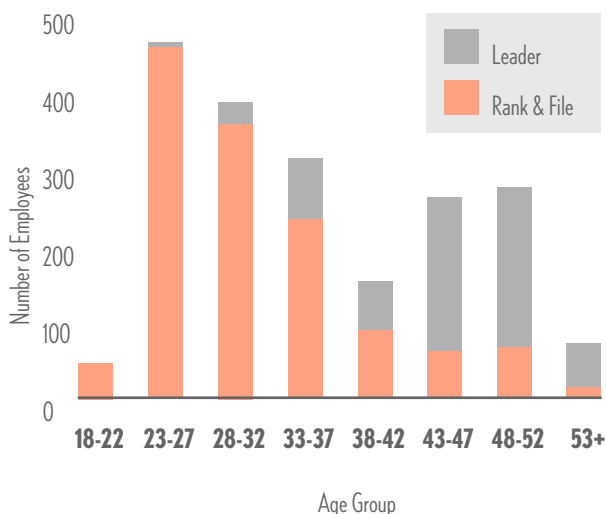
TMP Team Members are assigned in various locations depending on their work functions. Those who are locally-based are assigned either at TMP's head office and manufacturing plant in Santa Rosa City, Laguna, or at marketing offices at GT Tower International in Makati City.

Those who are overseas are sent to countries where Toyota's global and regional bases are present such as Japan, Singapore and Thailand. This is under the Intra-Company Transfer (ICT) Program as part of Toyota's effort to sustain cross-affiliate exposure and development training of human resource.

REGULAR MANPOWER BY LOCATION

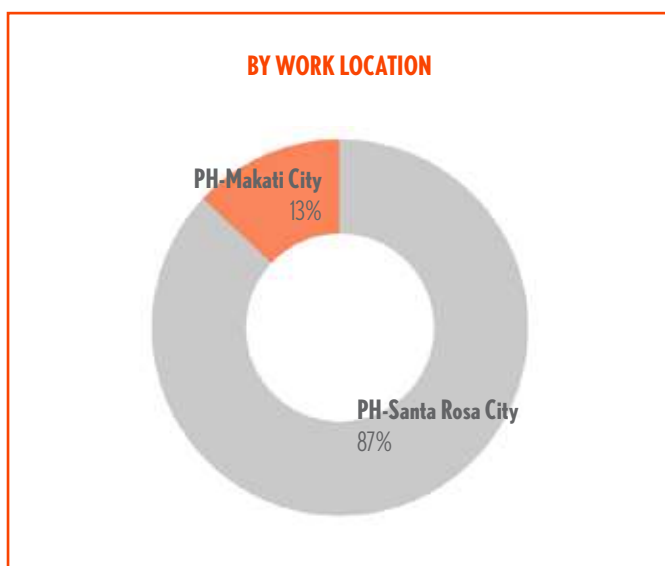
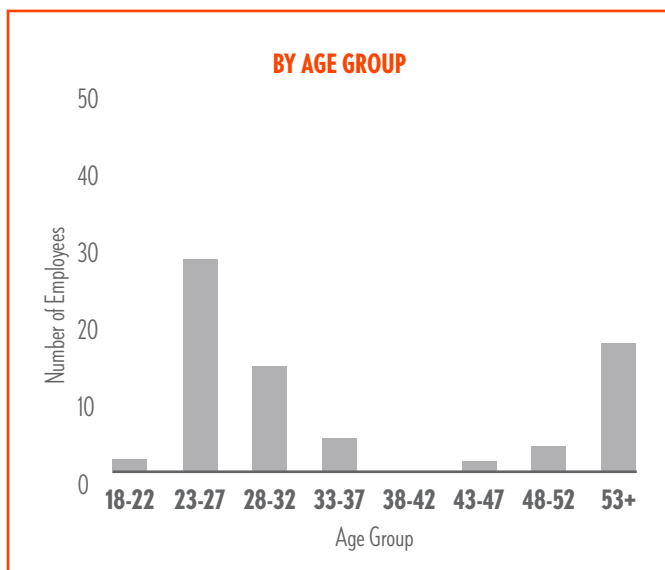
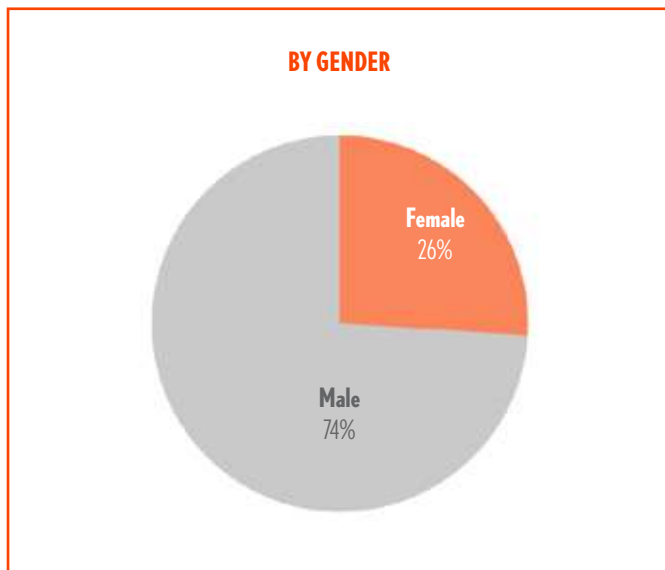


REGULAR MANPOWER BY AGE GROUP

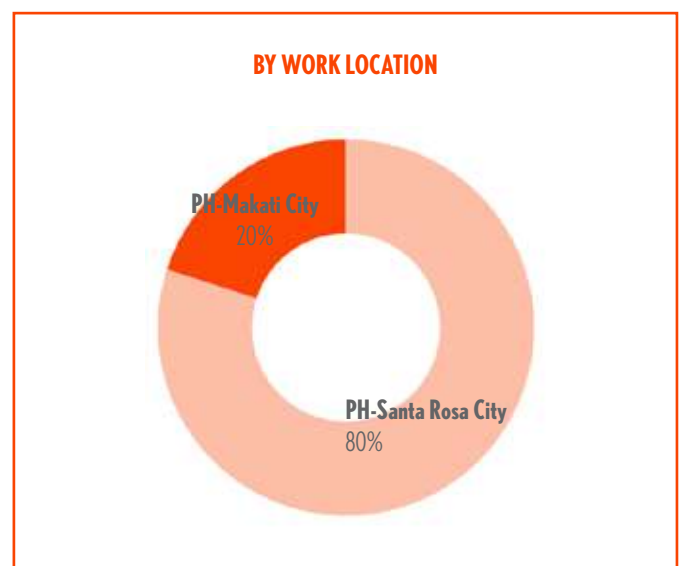
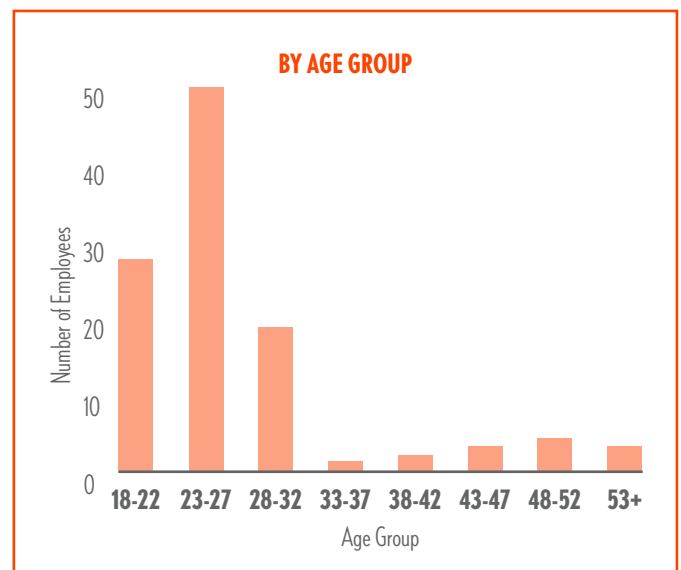
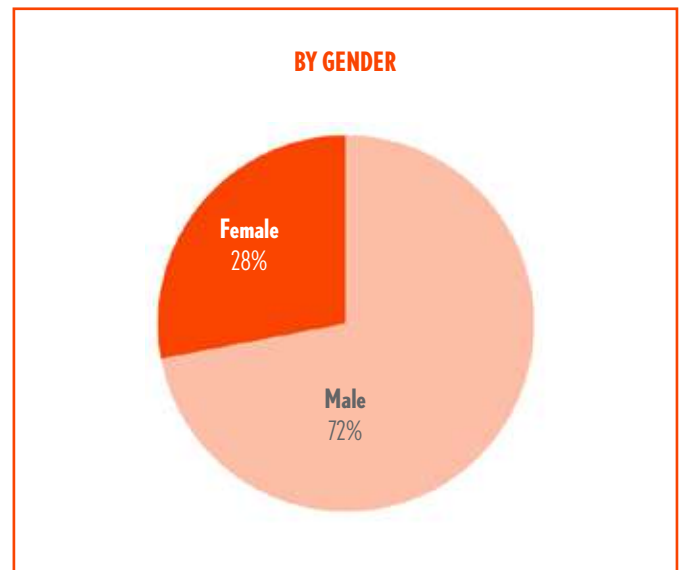


For the automotive industry, turnover is normally highest among the younger age groups. For those above 50, reason for separation is due to retirement. To ensure that the organization is able to operate, appropriate human resource (HR) allocation and development interventions are implemented so that new hires and the next generation of leaders are prepared to handle their tasks and productively contribute to the company.

Employee Turnover



New Hires



Training & Education

Human capital remains as an important element in TMP's success. The company continues to invest in the development of its Team Members to enable them to adapt to the rapidly-evolving business landscape. TMP's approach to career development varies on certain levels and according to specific roles and functions.

Team Member Trainings

When new Team Members start their journey with TMP, they are introduced to the Toyota way which will serve as their foundation. This development phase covers substantial hours of corporate training programs focusing on Toyota Core Values in a classroom or workshop simulation, as well as the close guidance of superiors on the job.

For leaders and tenured/regular Team Members, a ladderized training curriculum is designed to increase their knowledge and skills, usually in relation to Toyota's global business practices and standard ways of communication. For specific expertise and technical skills required in some functions, the company also invests in sending Team Members to external/public seminars.

The HR Department does not only evaluate training programs by the attendance rating and frequency, but more

importantly by its applied impact to Toyota's productivity. The quality of turnout activities are assessed in report-out sessions using concepts proposed and actual projects implemented by Team Members in their respective areas and functions. Moreover, post-training surveys are administered to get feedback and determine points for improvement. New training programs are also developed and implemented following the company's business focus and human development priorities.

Training	No. of Participants	Training Hours
IN-HOUSE - Corporate Trainings	2,199	29,560
EXTERNAL - Functional Trainings (Trainings & Public Seminars)	109	1,344
Total 2019 Training Hours		30,904

Development Programs for Future Leaders

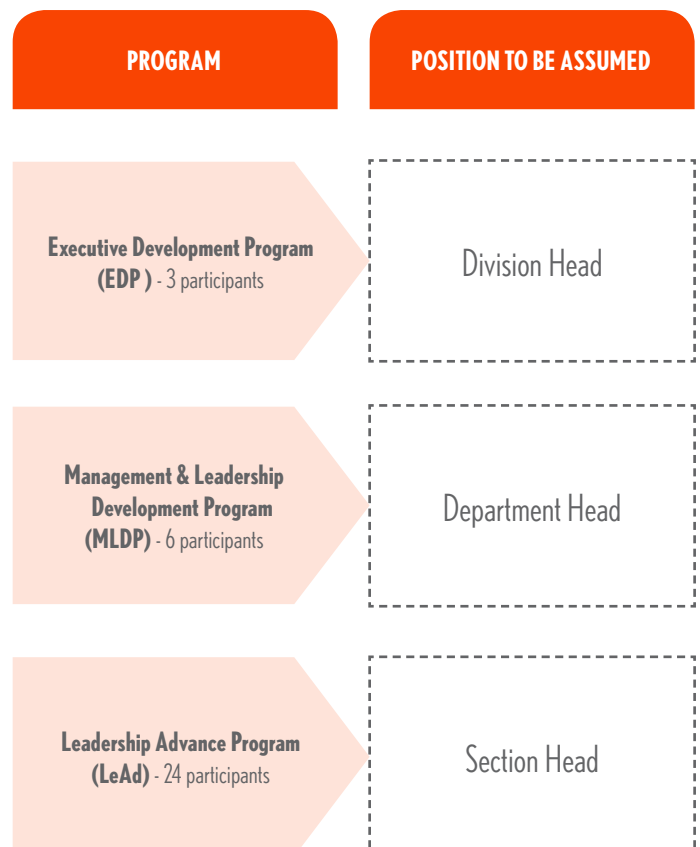
TMP strengthens the organization by ensuring the availability and readiness of next generation of leaders.

DEVELOPMENTAL PROGRAMS

Successors are identified for key leadership positions and will undergo respective developmental programs to broaden their competencies. The HR Department, in close collaboration with the concerned division, identifies the focus of training and development activities.

Generally, succession candidates follow a competency model that is holistic and progressively challenging, enabling them to enhance their management, leadership, and interpersonal skills. Methods used are through one-on-one coaching, mentoring, as well as participation in internal and/or external trainings. Depending on specific functional requirements the successor is being prepared for, he/she may also be required to undergo job rotation, immersion, job scope expansion, or cross-functional assignment.

In 2019, a total of 33 Team Members were actively undergoing the LeAd, MLDP, and EDP.






EXPOSURE TO REGIONAL OPERATIONS

TMP's close ties with its mother company in Japan and regional headquarters in Asia Pacific not only allow the transfer of technologies but also of talent and skills. Overseas training forms part of TMP's holistic career development, especially for its future leaders. Team Members who are selected to participate in various programs can broaden their knowledge in their specific function, immerse in Toyota's multinational scale of operations, and strengthen leadership potentials.

a) Intra-Company Transfer (ICT) Program

This development program is a project-based talent exchange among Toyota affiliates that aims to make use of global human resources to support overseas affiliates in achieving self-reliance through development of local staff. Designed for Office Team Members, the ICT allows the participants to benchmark best practices from other Toyota affiliates, which they would eventually cascade to their co-Team Members and apply in their local operations when they return home from their assignment.

Country	No. of Trainee	
	Outbound	Inbound
 Japan	1	0
 Singapore	10	0
 Thailand	15	5
Total	26	5

In 2019, TMP has 26 Team Members assigned in Japan, Singapore and Thailand, where Toyota's global and regional headquarters are located. TMP also accommodated five Thai nationals who were assigned in different departments.

b) Global Skill-up Training (GST) Program

As a training program intended for Line Leaders, GST is on-the-job development which allows trainees to be immersed in TMC's plant operations. TMP's trainees are assigned as members in different manufacturing worksites in Japan to enrich their practical experience in the areas of safety, quality, productivity, teamwork and *mendomi* (mentoring). At the end of the program, the trainees are expected to have heightened awareness of a worksite with more sophisticated capabilities, as well as a strong sense of leadership and ownership in manufacturing operations. In 2019, TMP sent 2 Line Leaders to Japan.

Transitioning Program for Retirees

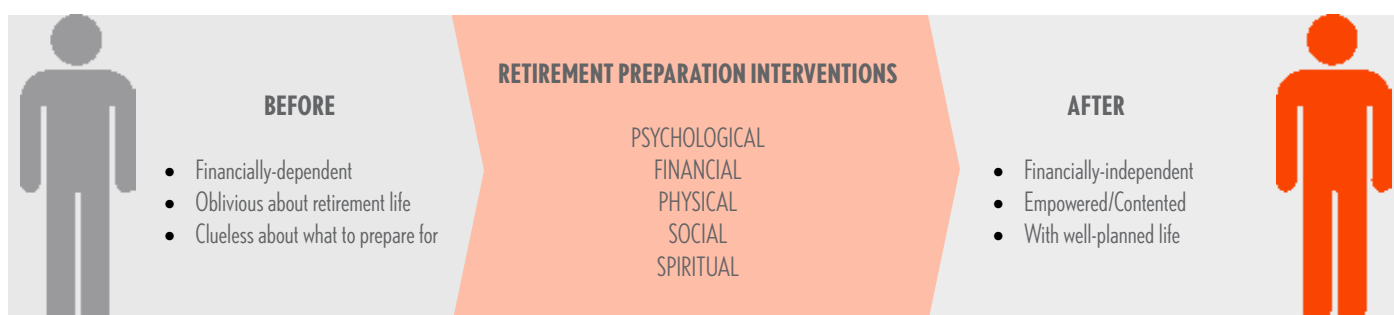
Recognizing the increasing number of retirees every year, TMP devised a program that will better prepare Team Members for a more fulfilled and productive life even after employment in TMP.

Launched in 2016, the "Re-Tire Program" was designed for Team Members approaching the retirement age of 50 to cover several aspects of life planning: psychological, financial, physical, social and spiritual. From the age of 45, retiring Team Members are enlisted in various interventions and learning enrichment options in consideration of their personal interests. Every year, a recognition program is also dedicated to retirees to recognize their contributions to the company.

In 2019, there were 16 Team Members who retired.



2019 Retirees during an appreciation ceremony held for them



Transform, Reform, Perform

The global automotive industry has now entered a “once-in-a-century” transformational period. Given such a scenario, Toyota has announced that it will transition from an automobile company to a mobility company. Hence, in 2018, Toyota Motor Corporation President Akio Toyoda rallied its global affiliates towards this transformation, taking a business model anchored on Connectivity, Automation, Sharing, and Electrification or CASE. These concepts will play a vital role in the constant shifting of today’s customer demand and industry landscape.

TMP welcomed this global direction and started by challenging itself to “Transform, Reform, Perform”. With this challenge, TMP established its 5 Guiding Principles:

1. Always have a sense of crisis
2. Abandons the sense of keeping only the status quo
3. Acts with a sense of speed without fear of failure
4. Accepts unfamiliar jobs with a sense of challenge
5. Activates sense of safety at all times

Employee Representatives signed the commitment board to seal their acceptance of the President’s challenge



President’s Scrap and Build Competition



In 2018, TMP launched the President’s “Scrap and Build” Competition as a way to strengthen Team Members’ Toyota Way mindset and engage them into the transformative approach in work optimization. The company-wide activity enabled the workforce to be highly involved in sustainable development of the Company, especially with exceptional ideas and projects that promote built-in quality in process, cost efficiency, and effective daily job management.

Under the Scrap and Build, each staff is tasked to determine improvements in routine tasks. By scrutinizing each existing process to deliver the work, gaps and waste are carefully identified. Team Members then develop a single project that uses more efficient processes and less resources to deliver greater results. Leaders are engaged in developing representative Scrap and Build projects of their teams. Each project was judged based on potentials and positive contribution to productivity and sustainability. The best projects are awarded at the section, department, division, and company level.

Company-level Winning Projects			
Rank	Scrap and Build Project	Proponent	Division
1st Place	“Improvement of Unpacking Plan to Reduce Processing Time”	Ma. Irish Viceral	Production Control & Logistics
2nd Place	“Improvement of Vehicle Acquisition Program Initial Computation”	Maria Theresa Sawairi	General Administration
3rd Place	“Development of System for Online Viewing & Approval of Infraction”	Elizabeth Arceo	Corporate Affairs

Safety & Health

Manpower plays an important role in any business operations. Hence, investing resources and time to establish the optimal working environment where everyone feels and stays safe is vital to ensure business sustainability.

TMP, through its Safety and Health Section (SHS), continuously promotes Safety Culture and Mindset among all Team Members. Aside from complying with the Department of Labor and Employment's (DOLE) Safety and Health Codes, TMP's SHS is guided by three (3) safety pillars to ensure an accident-free workplace: Human Safety, Machine and Construction Safety and Worksite Safety.

Human Safety	Machine and Construction Safety	Worksite Safety
<ul style="list-style-type: none"> Level up each Team Member's safety awareness and mindset through trainings 	<ul style="list-style-type: none"> Audit and inspection of machines/equipment using safety standards Implementation of construction safety management by contractors 	<ul style="list-style-type: none"> Establishment of standard procedures in respective operations to ensure a safe work environment

Team Members are highly-encouraged to participate in available safety trainings to enhance Occupational Safety and Health (OSH) in the workplace. Among these include:

1. Lock out, Tag out, Try out (LOTOTO) and Occupational Safety and Health Management System (OSHMS) Training and Workshop are new trainings introduced in 2019. LOTOTO aims to prevent injury of servicing and /or maintenance employees due to the unexpected energization or startup of machines, equipment or processes after long periods of machine shut off. Meanwhile, OSHMS Training and Workshop was introduced to shop floor safety personnel and auditors to align with Toyota Daihatsu Engineering and Manufacturing's (TDEM) regional safety assessment requirements.
2. The Behavioral-Based Safety (BBS) Training, is a mandatory two-day training tailor-fitted to TMP's operations. This is designed to influence Team Members' actions towards safer outcomes, ideally by preventing an accident or injury.
3. TMP also offers the Defensive Driving Training for Team Members who use company vehicles in their operations to further improve their driving skills by anticipating driving risks and utilizing safe driving strategies.

In 2019, TMP was able to conduct 35,840 total safety training man-hours, with an average of 14 training hours per participant.

Training	No. of Participants	Training Hours	Training Man-Hours
Behavioral Based Safety Training	1,850	16	29,600
Defensive Driving Seminar	629	8	5,032
Lock out, Tag out, Try Out (LOTOTO)	130	8	1,040
OSHMS Training and Workshop	21	8	168
TOTAL	2,630	40	35,840

TMP also closely monitor accidents that happen inside company premises. In 2019, these are the recorded incidents in the following KPIs:

Safety Key Performance Indicators	No. of Incidents
Fatal Accident	0
Stop 6 Type Injury ¹	0
Lost Work Day Case	0
Total Injury Case	0
Fire ²	1

One of TMP's safety milestone in 2019, was the achievement of three (3) million safe man-hours for having zero non-lost work day from January – September 2019. To show appreciation for all great efforts in ensuring a zero accident TMP, Team Members were given a free meal in celebration of this milestone.

¹The Stop 6-type accidents are identified as most likely to cause death and disability of the Team Member:

1) caught in/ pinched by machine 2) contact with heavy objects 3) vehicular accident 4) falling accident 5) electrocution 6) contact with hot object

²Non-lost work day

Social Contribution

TOYOTA MOTOR PHILIPPINES FOUNDATION

TMP, through its social and humanitarian arm Toyota Motor Philippines Foundation (TMPF), continues to implement Corporate Social Responsibility (CSR) initiatives which are anchored on four pillars: Health, Education, Environment and Community Service.

HEALTH

a. Medical-Surgical Outreach Program

The Medical-Surgical Outreach Program (MSOP) was launched by TMPF in 2018 as requested by the City of Santa Rosa. Patient-beneficiaries with cases of Cholecystolithiasis, Hernia, breast mass and breast abscess underwent surgical procedures. In 2019, a total of 30 patients were served.

b. Medical Equipment Donation

Furthering its support, TMPF also donated equipment for health screening such as electrocardiogram (ECG) machines, stethoscopes, blood pressure apparatus and a cardiac monitor to the Santa Rosa Community Hospital.

MSOP Cases	Donated Medical Equipment
13 Cholecystolithiasis	1 Cardiac monitor
5 Hernia	2 ECG machines
2 Breast mass	3 Stethoscopes (Adult)
1 Breast abscess	2 Stethoscopes (Pedia)
9 Thyroid	3 Blood Pressure apparatus (Adult)
	3 Blood Pressure apparatus (Pedia)



Health screening equipment Donation Ceremony

EDUCATION

a. Automotive Education Program (AEP)

Together with TMP's Customer Service Operations, TMPF initiated the Automotive Education Program (AEP). Through TMPF's 20 partner schools, scholars are given opportunities to study automotive technical education.

Opportunities to work at Toyota dealerships are also made available to them upon completion of the course. Likewise, TMPF donates engine simulators to its partner schools to upgrade their know-how on the latest Toyota technology.

20 AEP Partner Schools
11 Scholars

b. Adopt-a-School Program

TMPF continues to support its adopted school, Pulong Sta. Cruz Elementary School (PSCES).

Stimulating Academic Excellence

TMPF launched PSCES as the first digital public elementary school in CALABARZON in 2019. Through the Toyota Computerization Project which was started in 2016, PSCES' learning and teaching methods were upgraded as Information Technology (IT) was integrated into the classroom set-up. The project was implemented in three phases: 1.) Digital Equipment Provision, 2.) Set-up of School-wide Internet Connection and 3.) Content-Oriented Teaching-Learning Environment. Over 3,000 students benefit from the program.

Phase 1 (2016)	Phase 3 (2018-2019)
Provided smart TVs, laptops and printers	Library was refurbished
Phase 2 (2017)	Computers, advanced learning materials (Reading, Math, Science) were provided
Set-up internet connection and Wi-fi connectivity	E-learning modules were provided
	Lego robotic kits were provided
	Continuous teacher's trainings



PSCES Digital School marker unveiling ceremony

Since 2009, TMPF has provided assistance in increasing PSCES' students' knowledge by holding the annual Quest for the Best Quiz Bee, a competition gauging how much was learned in the areas of Mathematics, Science, English, HEKASI and Current Affairs among students from Grades 3 to 6. Quiz champions and runners-up received medals, certificates and cash prizes. Also held annually is the Lakbay Aral Educational Tour, which provides students with out-of-the-classroom experience and information by visiting educational sites and landmarks.

28 Participant of Quiz Bee 51 Participants of Lakbay Aral



PSCES Quiz Bee champions and runners-up



PSCES students at the Mind Museum during the Lakbay Aral Tour

Supporting Health and Wellness

TMPF continues to support PSCES' faculty and staff through the conduct of the Annual Physical Examination (APE).

Free APE Services

Comprehensive check up
Blood test
Urine test
Chest X-ray
ECG test

86 Employees Served



PSCES teachers undergoing their APE

Refurbishing School Facilities

TMPF continues to take part in the Department of Education's (DepEd) "Brigada Eskwela" held annually. Scholars and staff from Toyota Motor Philippines School of Technology (TMP Tech) volunteer in refurbishing and maintaining the school's facilities using the cleaning and painting materials donated also by TMPF.

22 Toyota Volunteers



Toyota volunteers during the Brigada Eskwela

ENVIRONMENT

TMP held a Nationwide Coastal Clean-up and Mangrove Planting activity at Lian Mangrove Park in Batangas under the “Start Your Impossible” (SYI) initiative. A total of 1,900 pax comprising of volunteers from TMP’s dealer network, NGO, and LGU partners participated and planted 40,000 mangrove propagules and collected 1,200 sacks of waste.

**40,000 Mangrove
Propagules Planted**
1,200 Sacks of Waste Collected
1,900 Volunteers



Toyota volunteers during the National Coastal Clean-Up and Mangrove Planting Activity together with former TMP president Satoru Suzuki (middle)

TMP continues to support its adopted forest by conducting a tree-planting activity at the 10-hectare Makiling Botanic Gardens (MBG) inside the University of the Philippines Los Banos (UPLB) in Laguna where a total of 40 volunteers from TMP and TMPF planted 320 seedlings.

40 Volunteers
320 Seedlings Planted



COMMUNITY SERVICE

In 2019, TMP made a donation amounting to Php2 Million to help earthquake victims in Mindanao through Metrobank Foundation’s (MBFI) Helping Hands Mindanao Mission. A total of 1,000 retractable tents were purchased which served as temporary shelters for the affected families from Northern Cotabato and Davao del Sur.



(from left) TMPF Assistant Vice President Ronald Gaspar, TMP Vice Chairman Dr. David Go during the turnover ceremony together with MBFI President Aniceto Sobrepena and MBFI Executive Director Nicanor Torres.

CSR Cumulative Performance Highlights

COMMUNITY SERVICE	
	Toyota-City of Santa Rosa-GK Village
	<ul style="list-style-type: none"> 8,000 sqm land area Turned over 160 houses to Santa Rosa City constituents Built a Multi-purpose Hall inside the village Provided funds for livelihood support to residents
	Donation to Mindanao earthquake victims
	<ul style="list-style-type: none"> Provided funds for purchase of 1,000 retractable tents

ENVIRONMENT	
	Coastal/River Clean-up
	<ul style="list-style-type: none"> 22 Coastal and River Clean-up activities participated in since 2007
	Mangrove-planting
	<ul style="list-style-type: none"> 300 mangrove propagules planted in 2019
	Toyota Adopt-a-Forest at Makiling Botanic Gardens
	<ul style="list-style-type: none"> 10-hectare Reforestation Area 9,890 trees planted 3.5-hectare Toyota Palm Garden 1,304 trees planted

EDUCATION	
	Automotive Education Program
	<ul style="list-style-type: none"> 20 Automotive Education Program (AEP) Partner Schools; among these, 6 are Toyota Technical Education Program (T-TEP) Partner Schools 1,025 Graduated TMPF Scholars since 1990
	Adopt-a-School Program at PSCES
	<ul style="list-style-type: none"> 308 students participated in the Quest for the Best Quiz Bee since 2009 490 students participated in the Lakbay Aral Educational Tour since 2009
	Computerization Program
	<ul style="list-style-type: none"> 30 LED TVs installed in all PSCES classrooms 54 units of Notebook computers provided Provided internet wi-fi connection Provided Lego robotic kits Provided books and Learning modules Provided Teachers' Trainings Benefits over 3,000 students

HEALTH	
	Medical and Dental Outreach Program
	<ul style="list-style-type: none"> 101,734 beneficiaries served from the cities of Parañaque, Taguig and Santa Rosa since 1992
	Medical-Surgical Outreach Program
	<ul style="list-style-type: none"> 67 beneficiaries from Santa Rosa city served since 2018

2019 CSR Awards and Recognition

From Society of Philippine Motoring Journalists "Driven to Serve" Award

The Society of Philippine Motoring Journalists (SPMJ) is a non-profit organization which consists of broadcasters, editors and journalists who cover automotive events and stories (print, broadcast, online). Through the "Driven to Serve" Awards, SPMJ gives recognition to automotive companies with excellent Corporate Social Responsibility (CSR) programs.

Award	Category	Program
Gold	Environment	Rehabilitation of the Riparian Zone in Quiaoit River
Gold	Community Development	Toyota Medical and Surgical Outreach Program
Gold	Education and Training	Automotive Education Program



TMPF Assistant Vice President Ronald Gaspar (middle) during the awarding ceremony with (from left) Employers Confederation of the Philippines (ECOP) President Sergio Ortiz-Luis Jr., and SPMJ President Pinky Colmenares

Toyota Motor Philippines School of Technology (TMP Tech)

TMP Tech is a technical-vocational training institution geared towards developing Filipino youth to become highly-competent Toyota automotive professionals. It was founded by TMP Founding Chairman George S.K. Ty and Toyota Motor Corporation Honorary Chairman Shoichiro Toyoda. Since it started in 2013, TMP Tech has been a premiere automotive school for students who aim to join the local and global Toyota Network, especially in the field of after-sales service.



In 2019, a total of 215 graduated from various courses of TMP Tech.

Moreover, TMP Tech together with its scholarship partners support financially-challenged but deserving students. In 2019, the school sponsored 116 new scholars from Luzon, Visayas and Mindanao.

Course	No. of Graduates
Toyota General Job Automotive Servicing Course (GJ)	134
Automotive Body Repairing Course (ABR)	38
Automotive Body Painting and Finishing Course (ABP)	38
Specialized Training Programs (STATP, QST, TITP)	5
2019 Total	215

1,220 Graduates since 2013
474 Scholars since 2013



Toyota General Job Automotive Servicing Course Batch 10 Class of 2019



Environmental Performance

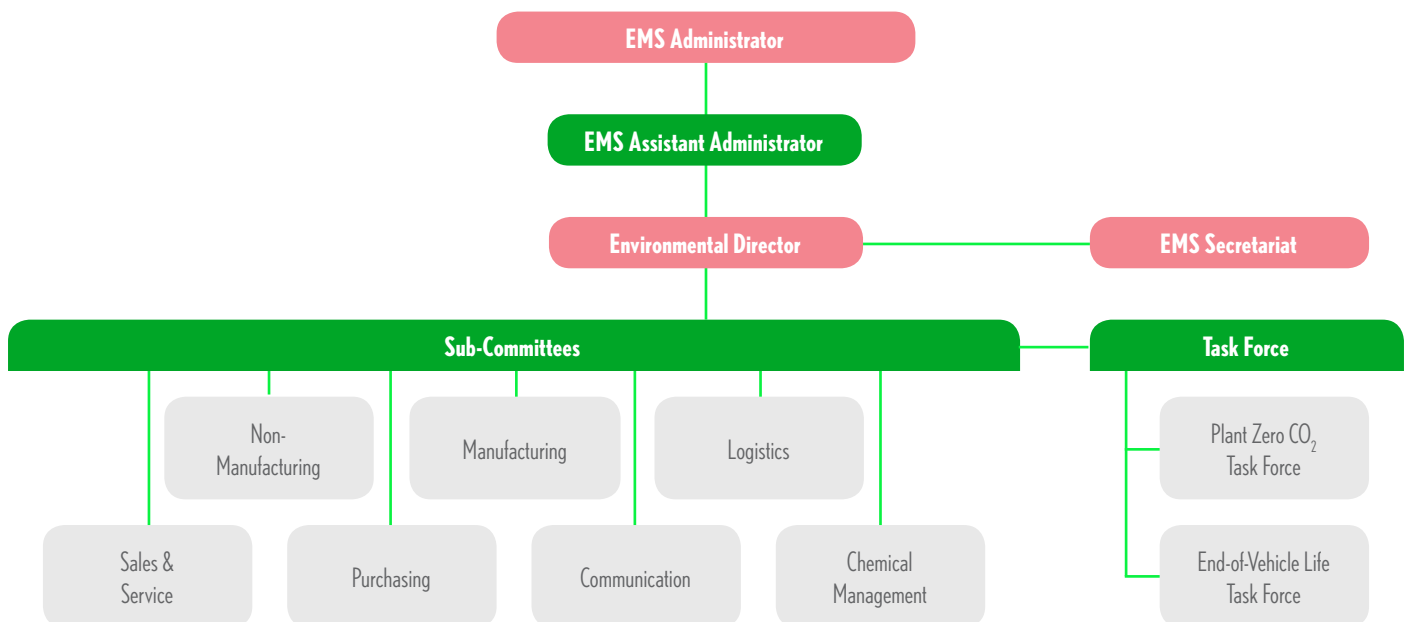
Environmental Management

TMP's Environmental Management System

TMP remains focused in accomplishing its commitments under the Toyota Environmental Challenge (TEC) 2050. Aside from this global direction, TMP is also involved in planning, implementing and monitoring environmental activities through its Environmental Management System (EMS).

In accordance with ISO 14001:2015, TMP's EMS was established to contribute to the protection of the environment and towards the continual improvement of the company's environmental performance. TMP's Environment Organization ensures that all facets of its operations continue to improve environmental initiatives that make the company more sustainable in the years to come.

COMPANY-WIDE ENVIRONMENT ORGANIZATION



COMPLIANCE WITH GOVERNMENT REGULATIONS AND GLOBAL TOYOTA STANDARDS

TMP complies with all regulatory requirements and ensures timely submission of documents necessary to continue its operations.

TOYOTA ENVIRONMENTAL CHALLENGE

2050

With the continuous burning of fossil fuels to power different industries, the presence of greenhouse gases—specifically carbon dioxide (CO₂), in the atmosphere continue to rise. As an effect, global temperature also increases which could lead to catastrophic environmental disasters in the future. This emergency prompts an immediate response from different organizations to prevent these from happening and possibly reverse the effects of Global Warming for a more livable future.

Toyota is aware of its environmental impact, and has been continuously promoting a wide range of initiatives to address increasingly severe global environmental issues, such as extreme weather, biodiversity depletion, and water shortages.

Through the Toyota Environmental Challenge (TEC) 2050, Toyota aims to go beyond zero environmental impact and achieve a net positive impact in the communities it serve. Toyota affiliates around the globe step up and work together with like-minded organizations to achieve the six (6) environmental goals and ultimately build a more sustainable future for the next generations.



Challenge 1 New Vehicle Zero CO₂ Emissions Challenge



As an alternative to traditional motor vehicles, Toyota offers Hybrid-Electric Vehicles (HEVs) to its customers, which emit lower CO₂ to the environment. The HEV technology was first introduced by Toyota in 1997, with the launch of the Prius. At present, more HEV models are continuously added to the Toyota vehicle line-up.

In 2019, TMP introduced the new Corolla Altis HEV in the Philippines, making it the 3rd HEV model available in the country, in addition to the Prius and Prius-c.



(L-R) TMP Marketing First Vice President Cristina Arevalo, TMP Vice Chairman Dr. David Go, TMP Chairman Alfred V. Ty, former TMP President Satoru Suzuki, TMP Marketing Executive Vice President Kei Mizuguchi, TMP Marketing Senior Vice President Jing Atienza

To increase the public's awareness about the Toyota HEV technology, TMP also launched several promotional activities in 2019. The **Toyota HEV Technology Conference** was held to openly discuss the consequential effects of HEVs in the local and current landscape, aimed at promoting wider adoption of hybrids in the future.



(L-R) Toyota Daihatsu Engineering & Manufacturing (TDEM) Vice President Yukio Yoshida, TMP Vice Chairman Dr. David Go, Department of Trade and Industry Undersecretary Dr. Rafaelita Aldaba, former TMP President Satoru Suzuki, former Toyota Motor Asia Pacific Executive Vice President Vince Socco, and Clean Air Asia Deputy Executive Director Atty. Glynda Bathan

TMP also brought Toyota's HEVs to Mapua University, De La Salle University, Don Bosco Technical College – Mandaluyong and University of the Philippines-Diliman for the **Toyota HEV Campus Tour** in 2019. The students learned about HEV Technology through lectures given by TMP's Technical Experts and through an up-close experience with the Prius, Prius-c and Corolla Altis HEV.



Toyota HEV Campus Tour in De La Salle University

Also, for the very first time, TMP launched the **Toyota HEV Drive Expo**, where Toyota and Lexus HEVs were displayed and made available for test drives for the interested public. The Toyota Mirai also made an appearance in the expo, as the future of environment-friendly vehicle technology.



(L-R) TMP Marketing Senior Vice President Jose Maria Atienza, GT Capital Auto Dealership Holdings Chairman Vince Socco, TMP Vice Chairman Dr. David Go, TMP Chairman Alfred V. Ty, former TMP President Satoru Suzuki, TMP Marketing Executive Vice President Kei Mizuguchi

Challenge 2

Life Cycle Zero CO₂ Emissions Challenge



TMP involves its entire value chain in efforts to reduce and ultimately eliminate carbon footprint in every aspect of the vehicles' life cycle.

IMPROVED TRANSPORT EFFICIENCY

TMP takes proactive measures to improve transportation efficiency in the delivery operations of production parts, service parts and vehicles by involving its logistics partners in the process. Through the implementation of the following kaizen activities, TMP's logistics operation was able to reduce 649 ton-CO₂ in 2019.

Activity	
Vehicle Transport Operation (Car Carrier)	<ul style="list-style-type: none"> Establishment of closer repair destination to reduce car carrier trips and fuel consumption Consolidated car carrier trips from port to TMP, utilizing car carrier's full capacity to transport vehicles
Service Parts Delivery	<ul style="list-style-type: none"> Implementation of heijunka (per order basis) in dealerships for service parts delivery to reduce number of trips
Parts Exports and Imports (Freight)	<ul style="list-style-type: none"> With localization/in-house production of Vios Side Member, truck trips from port to TMP have been eliminated Consolidated trucking schedule for air shipments

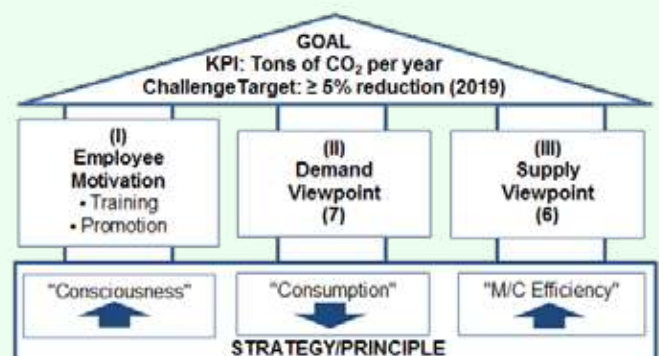
SUPPLIER NETWORK'S GREEN PRACTICES

In 2019, TMP established the Toyota Suppliers Club (TSC) – Environment Society. Through this group, TSC members are encouraged to share their best practices and continuously enhance their respective environmental performance by introducing initiatives that reduce CO₂ emission, VOC emission, water consumption, solid waste generation, and pollution discharge.



Aside from the TSC Environment Society, ten (10) pioneer suppliers started the implementation of Energy Reduction-Innovation (ER-I), as benchmarked from Toyota Daihatsu Engineering & Manufacturing Co. Ltd (TDEM). TMP suppliers are guided by the three (3) ERI pillars to continuously reduce their CO₂ emissions. These are the following: Employee Motivation, Demand Viewpoint and Supply Viewpoint. Strategies/principles under these include: increasing employee consciousness, reducing consumption and increasing operational efficiency.

As a result of these activities, the Toyota Supplier Network was able to reduce its CO₂ emissions by 5.20% or 4,400 ton-CO₂ in 2019.



DEALER NETWORK ENVIRONMENTAL INITIATIVES

TMP's dealer network continues to adapt greener practices in their respective operations. Through TMP's Dealer Environment, Safety and Health (DESH) Group, all dealerships are monitored and urged to comply with all Toyota and government environment regulations.

To reduce electricity consumption, select dealership have already started utilizing natural lighting and ventilation in their facilities. In Toyota Baguio, exhaust pipes were also installed in their workshop to reduce air pollution within the dealership.



Toyota Baguio installed exhaust pipes in their workshop

The dealer network also participates in environmental activities in their respective communities, such as tree- and mangrove planting, and coastal and river clean-up drives. In 2019, the Toyota Dealer Network was able to reduce 109.737 ton-CO₂ as a result of their collective efforts.



Toyota Dealer Network environment activities

Challenge 3

Plant Zero CO₂ Emissions Challenge

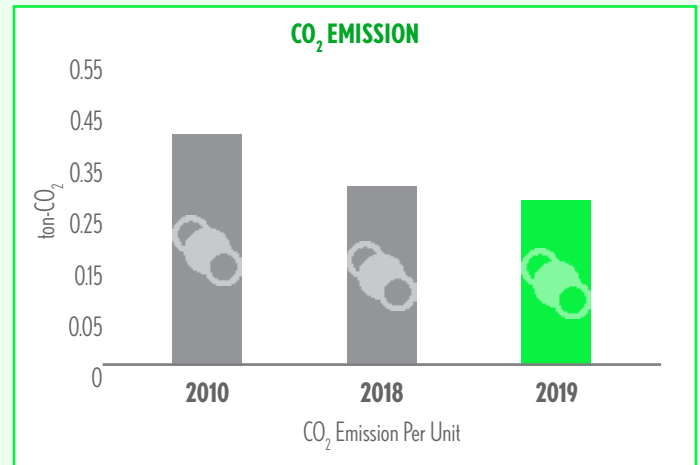


TMP has started to utilize renewable energy in its manufacturing operations to lower its electricity consumption, which resulted to reduction in CO₂ emission. The 1-megawatt (MW) Solar Array offsets around 7% of TMP's total energy requirement.

After a full-year of harvesting over 1.3 million kWh solar energy, TMP was able to reduce its CO₂ emissions per unit produced by 8% or a total of 725.25 ton-CO₂ in 2019. This also generated energy cost savings of over PhP 9 million in the same year.

TMP has been consistently reducing its CO₂ levels. From 2010 to 2019, TMP was able to achieve 36% reduction of its CO₂ emissions per unit produced.

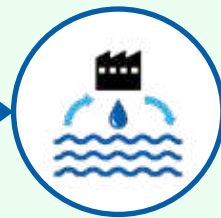
The company continues to explore alternative energy sources that would help to further reduce and eliminate CO₂ emissions in TMP's manufacturing operations in the future.



TMP's 1-MW Solar Array Facility

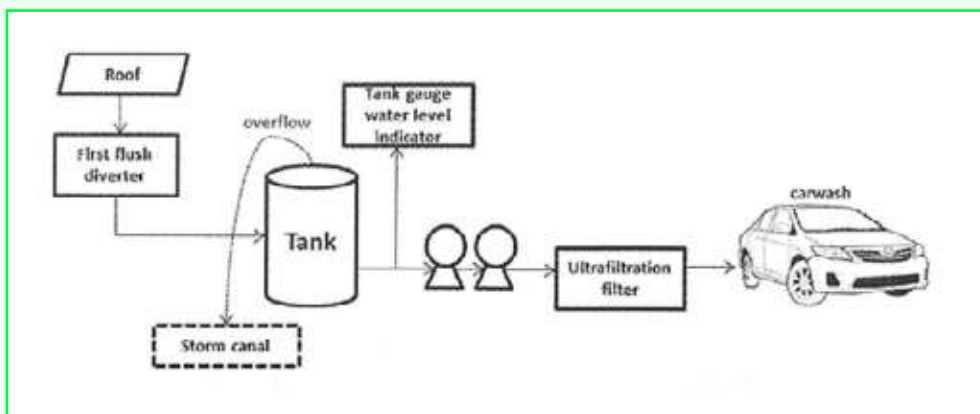
Challenge 4

Challenge of Minimizing and Optimizing Water Usage

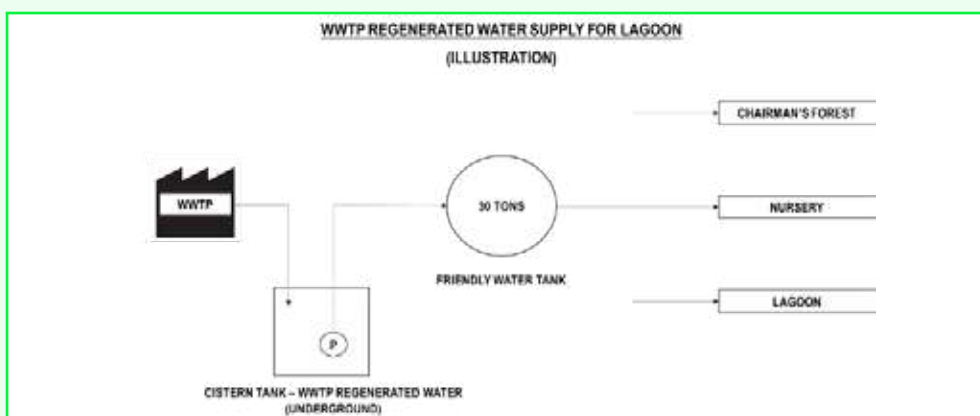


According to the study conducted by World Wide Fund (WWF) for Nature, Santa Rosa City's underground water supply may turn scarce by 2025. Because of this, TMP's thinks of new ways to minimize drawing underground water and optimize other renewable sources.

As rain water becomes abundant during the wet season, TMP installed, in 2019, a recovery system at the roof of selected buildings to harvest water. The new facility can store up to 1,500 liters of rain water, which TMP uses for car washing of motorpool vehicles.

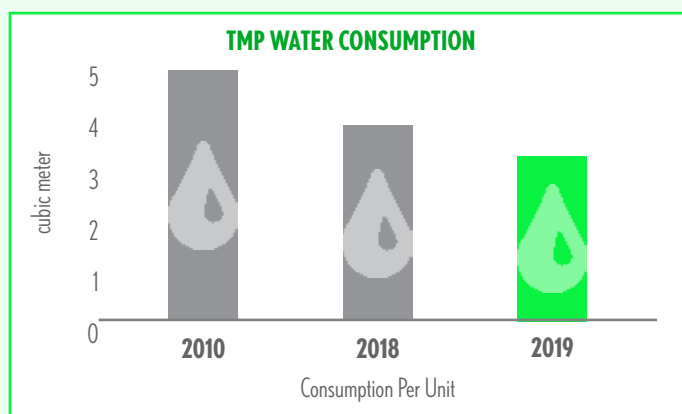


Likewise, TMP also started recycling treated water from the Wastewater Treatment Plant (WWTP). Up to thirty (30) tons of recycled water can be stored at the Friendly Water Tank, which is used for watering plants at the TMP nursery and the Toyota Forest, as well as replenishing the water in the man-made lagoon. Because of these activities, TMP's water consumption per unit produced decreased by 13% in 2019, versus its 2018 level.



Furthermore, with continuous efforts since 2010, TMP has been able to reduce its water consumption per unit produced by around 40%.

TMP also ensures that the quality of water to be discharged back to Laguna Lake is in compliance with all regulations pertaining to the following parameters: Biochemical Oxygen Demand (BOD5), Chemical Oxygen Demand (COD), Total Suspended Solids (TSS), pH level, Oil and Grease and Heavy Metals.



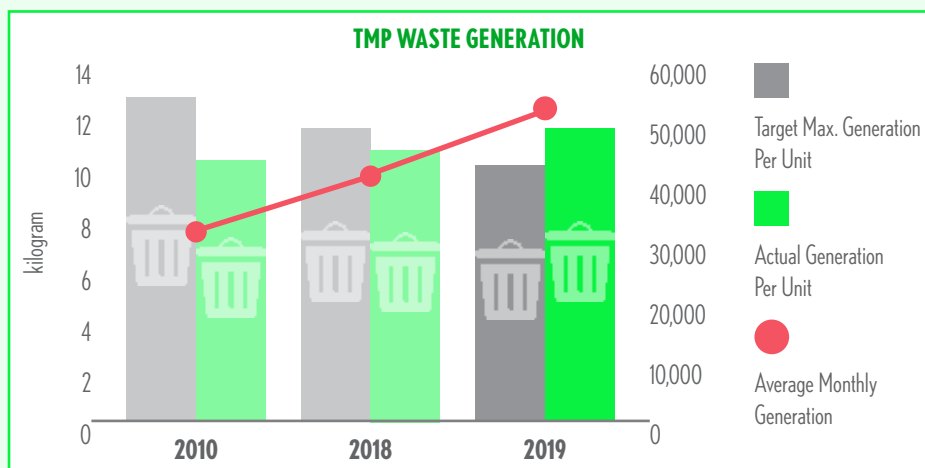
Challenge 5

Establishing a Recycling-Based Society



As the demand for Toyota vehicles remains high in the country, reducing wastes continues to be a challenge. However, TMP looks for better ways to implement a more sustainable waste management system in the company.

In 2019, TMP's average monthly waste generation by 30% versus its 2018 level. Likewise, TMP's actual generation per unit produced also increased by 11%. This can be attributed to the increase of production demand, due to slight market recovery, compared to the previous year.



TMP strictly implements proper wastes segregation in manufacturing and office settings. Manufacturing-generated wastes are categorized into three: hazardous wastes, recyclable wastes, and general wastes. In 2019, TMP generated 641,236 kg. of hazardous wastes such as, sludge, oil, thinner and batteries. These are turned over to a third party service provider for treatment and proper disposal, while TMP's recyclable & general wastes, are properly segregated, reused and disposed.

For wastes generated by team members during their work day, trash are segregated into plastics bottles, leftover foods, as well as food containers and packaging. These wastes are properly disposed to avoid blockage in the water system, which can cause flash floods in the community.

Summary of Resource Consumption, Emission, and Waste Performance				
Energy		2018	2019	Variance
	Electricity (in kWh)			
	Average Monthly Consumption	1,781,690.59	1,927,921.77	8%
	Consumption Per Unit Produced	463.70	428.21	(8%)
	LPG (in kg)			
	Average Monthly Consumption	54,841.24	58,626.13	7%
	Consumption Per Unit Produced	14.27	13.02	9%
	Diesel (in L)			
	Average Monthly Consumption	23,289.30	20,192.07	(13%)
	Consumption Per Unit Produced	6.06	4.48	(26%)
Emissions				
	VOC Emissions Per Unit Produced (in g/m ²)	47.86	48.06	0.4%
	CO ₂ Emissions Per Unit Produced (in ton-CO ₂)	0.30	0.28	(8%)
Water				
	Average Monthly Consumption (in m ³)	15,574.87	15,857.13	2%
	Consumption Per Unit Produced (in m ³)	4.05	3.52	(13%)
Waste				
	Target Max. Generation Per Unit Produced	11.75	10.35	(12%)
	Average Monthly Generation	41,205.50	53,653.30	30%
	Actual Generation Per Unit Produced	10.72	11.92	11%

Challenge 6






Establishing a Society in Harmony with Nature



In 2019, TMP heightened its efforts in tree- and mangrove-planting, as well as cleaning shorelines all over the country. These deliberate efforts further support the All-Toyota Green Wave Project, an initiative by all Toyota affiliates around the world, which aims to contribute to the restoration and enhancement of biodiversity and ecosystems in nearby communities.

As Toyota envisions to Create a Future Society in Harmony with Nature, TMP gathered volunteers composed of employees, scholars, and members from dealers and suppliers in environmental activities under the Start Your Impossible global initiative. It enables and empowers people to move past challenges and defy limits in order to reach their goals and make a difference in society.

As a result of the collective efforts of Team Toyota Philippines in 2019, significant results have been recorded.

No. of Volunteers	3,241	
No. of Man Hours	14,585	
No. of Mangroves Planted (ave. 4.5 hours/activity)	42,625	
Garbage Collected (kilogram)	10,093	
Number of Sites	38	

"START YOUR IMPOSSIBLE" NATIONAL COASTAL CLEAN-UP AND MANGROVE PLANTING

In September 2019, TMP gathered 1,900 volunteers from fifty-seven (57) Toyota dealers and planted 40,000 mangroves in 35 locations all over the country. The planted mangroves will not only help protect shorelines from damaging storms, waves, and floods, but will, likewise, maintain water quality and clarity by filtering pollutants and trapping sediments coming from land. Aside from planting mangroves, Toyota volunteers also participated in a coastal clean-up where a total of 1,200 sacks or 10 tons of garbage were collected.

The activity was conducted simultaneously along the coastal areas of Metro Manila and the following provinces: Batangas, Bulacan, Rizal, La Union, Pangasinan, Zambales, Bataan, Ilocos Norte, Camarines Sur, Albay, Mindoro, Negros Oriental, Samar, Bohol, Cebu, Bukidnon, Davao, Agusan del Norte, Zamboanga del Sur, Misamis Oriental, Lanao Del Norte, South Cotabato.



TOYOTA ADOPT-A-RIVER PROJECT

In 2019, TMP conducted regular clean-up activities along the Silang-Santa Rosa River near the company's vicinity. By cleaning up the river, TMP hopes to prevent further pollution and improve its waterways. The Silang-Santa Rosa River is connected to Laguna Lake, which is one of the primary water sources for livelihood of nearby communities.

TOYOTA AISIN PHILIPPINES

CORPORATE PROFILE

Toyota Aisin Philippines, Inc. or TAP (formerly Toyota Autoparts Philippines, Inc.) is the first manual transmission hub developed outside Toyota Motor Corporation of Japan established in August 3, 1990. TAP is a joint venture of Aisin Seiki Japan, Toyota Motor Corporation-Japan, and Toyota Motor Philippines Corporation. Its products are composed of Manual Transmissions (5 and 6 -Speed Types) used for the Innova, Hilux and Fortuner; while the Constant Velocity Joints (CVJ) are used for the Corolla Altis and Vios. About 95% of the products are exported to various Toyota affiliate companies in the Asia Pacific region, South Africa and South America. The remaining percentage is allocated for local Toyota Innova and Vios production line up.



Towards Sustainable Development

Global Toyota continues to evolve its Social Contribution Activities into various facets of advocacy, making adjustments to the needs of the immediate community it serves. In line with this, TAP continuously supports the uplifting of Traffic Safety and Waste Management Education in the City of Santa Rosa in Laguna through Intellectual Property Rights compliance seminar, aligning the curriculum to K-12 program in Science and Social Studies subjects. TAP also calls to protect and conserve the environment to resolve the challenges brought by Climate Change.



Intellectual Property Rights Compliance Seminar

One of TAP's flagship programs, the school-based Ecological Solid Waste Management Program (SESWMP), is being practiced among selected schools in Santa Rosa City. After learning the technical know-how of proper waste management, application in their own campuses are ensured by TAP through school monitoring. This activity aims to promote students' ownership to protect the environment and expect them to exercise the same diligence in their own homes.



Balibago Elementary School



Santa Rosa Elementary School Central 1

In June 2019, TAP participated in the 10th Environment Month celebration with the theme: *"Toyota Environmental Challenge 2050, Let's Do It for the Future!"*.

TAP conducted Bike for a Cause with total participation of 60 bikers. The activity aimed not only to promote environmental and health awareness to team members, but also to support environmental activities of the company. Funds collected from registration of participants were used for the improvement and maintenance of TAP's Mini ECO Park. Moreover, 237 team members also planted vegetables and fruit-bearing trees inside the TAP zone, as part of the Environment Month Celebration.



TAP Bike for a Cause



TAP Tree-planting Activity

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