

**TOYOTA**

**BEYOND ZERO**



**2025**

**SUSTAINABILITY REPORT**

**TOYOTA MOTOR PHILIPPINES CORPORATION**



## “Achieving zero, and adding new value beyond it”

The global imperative for sustainability demands bold action.  
TOYOTA is committed to shaping a future where mobility and environmental stewardship advance together, ensuring that its operations benefit both society and the planet.

Guided by this ‘Beyond Zero’ vision, the company aims for more than just carbon neutrality.  
TOYOTA’s goal is a net positive impact: to actively give back more than it takes, fostering a healthier environment for communities.

This commitment drives innovations across the value chain—from advancing electrified mobility solutions and cleaner manufacturing, to promoting resource circularity.  
‘Beyond Zero’ is TOYOTA’s promise to contribute positively to the world.

[READ MORE ON PAGE 13](#)

# Toyota Motor Philippines Corporation 2025 Sustainability Report

**11<sup>th</sup> YEAR ISSUE**

## UPDATE HISTORY

|                 |            |  |   |
|-----------------|------------|--|---|
| August 26, 2025 | p. 4       | Subsidiaries, Affiliates, Non-profit Organizations | Removed Toyota Bicutan, Paranaque (branch of Toyota Makati, Inc.) |
| August 27, 2025 | pp. 12, 23 | All Toyota Green Wave Project                      | Corrected total NGP Adopted Area from 110 ha to 108 ha            |

## EDITORIAL BOARD

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## ACKNOWLEDGMENTS

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Toyota Motor Philippines Foundation, Inc.  
Toyota Motor Philippines Logistics, Inc.  
Toyota Motor Philippines School of Technology, Inc.

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TMP Corporate Affairs Group  
TMP General Administration Division  
TMP Manufacturing Division  
TMP Marketing Division  
TMP Purchasing Division

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Corporate Planning and Public Relations Department  
Toyota Motor Philippines Corporation

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or call +63 2 8825 8888 local 23059.



# OVERVIEW OF SUSTAINABILITY REPORT

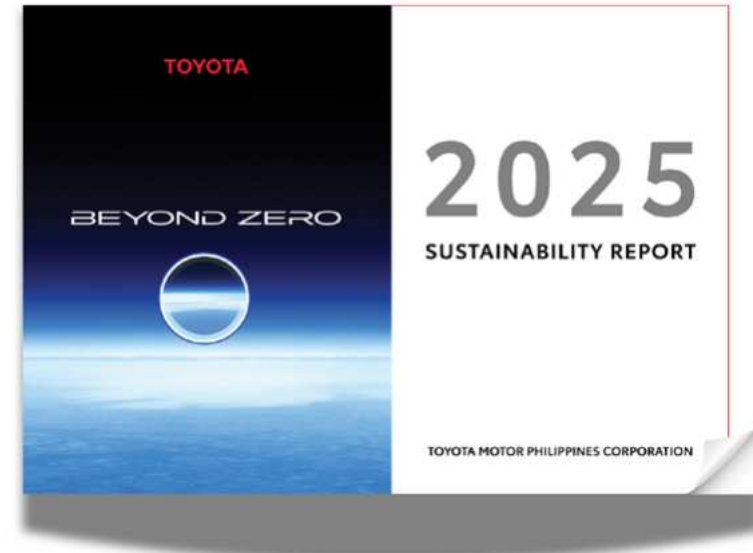
## About the Report

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

The contents of the report are divided into four main sections, covering sustainability management approaches and topic-specific disclosures.

- 1) Promoting Sustainability;
- 2) Environmental Performance;
- 3) Economic Performance; and
- 4) Social Performance.

In the beginning of the report, an overview of TMP's business in the country, including its latest product line-up, services, as well as dealer and supplier networks, is provided.



### Editorial Policy

The Sustainability Report explains TMP's sustainability approach and policies for ESG initiatives along with practical cases and numerical data, as a medium for specialists and those who are particularly interested in sustainability issues.

Since 2015, the Sustainability Report has been conventionally released every year. Updated versions are released whenever necessary so that the information can be disclosed in a timely manner.

### Period Covered

Focusing mainly on the results of initiatives implemented during the previous calendar year, the contents are updated as necessary throughout the year.

### Scope of Report

This report introduces the initiatives and activities of TMP, some of its wholly-owned

subsidiaries, local dealers and suppliers in the Philippines. The scope of data covered is described in each section.

For some company information on products, services, supplier network, and dealer network, the status updates are as of end-May 2024.

### Publication

This report was published by TMP in June 2024. Including the past years' publications, this report is available in digital version on TMP's website ([www.toyota.com.ph/sustainability](http://www.toyota.com.ph/sustainability)).

### Reporting Standards and Framework

This report follows the standards recommended by the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and United Nations Sustainable Development Goals (UN SDGs). The report also has references to the International Integrated Reporting <IR> Framework, covering topics and non-financial indicators that are important to

TMP and its stakeholders. Each section of the report references the relevant codes to these standards and framework.

### Disclaimer

This report includes not only past and current facts pertaining to TMP and other companies within the scope of coverage of the report, but also plans and targets at the time of its publication as well as forecasts based on management policies and strategies. These targets are assumptions or determinations based on information available at the time they are stated, and the actual results of future business activities and events may differ from the forecasts due to changes in various conditions. In cases where information provided in prior reports is corrected or restated and in cases where material changes occur, the details thereof will be indicated in this report. The readers' understanding about this point would be appreciated.

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## Message from the President

An excerpt from TMP's Introduction of 'Beyond Zero' initiative to the Philippine media in October 26, 2024 at Toyota Manila Bay, Pasay City

Most of you have already seen our exhibit at the Philippine International Motor Show 2024. For today, we will help you get a deeper understanding and appreciation of Toyota's 'Beyond Zero' initiative.

But first, let me talk to you about an exciting highlight of today's event. You, our media friends, have the privilege of being among the first to experience the Corolla Cross Hydrogen (H2) Concept, not just in the Philippines, but maybe even most of the world.

Toyota's hydrogen development is a huge milestone, not just for the company, but for the whole industry. No less than Toyota Motor Corporation Chairman Akio Toyoda (AKIO) is involved in this effort to make our multi-pathway approach more expansive and real.

Today's activity proves we are no longer in the "conceptual" or "experimental" phase. Toyota has been having physical results and outcomes. In fact, AKIO has raced in Super Taikyu with a hydrogen racecar, the Corolla H2 Concept.

In 2021, AKIO drove Corolla H2 Concept as a Rookie Racing racer and completed the 24 Hours of Fuji Super Taikyu.

In 2022, AKIO brought Corolla H2 Concept to the Chang International Circuit, Buriram, Thailand and completed the 25-Hour Endurance Race. AKIO started its activities in Asia.

In 2023, the Corolla H2 Concept saw its hydrogen evolve from gaseous to liquid.

**"All these go to show that hydrogen has potential. Our goal is to reduce CO<sub>2</sub> emissions through various solutions beyond just electrification. Toyota hopes to bring more possibilities for the Philippines, too."**

**MASANDO HASHIMOTO**  
TMP President



This year, thanks to AKIO, TMP is holding this carbon neutrality demo in Manila. This was prompted by AKIO's promise to the Philippine President Ferdinand Marcos, Jr. when they spoke last year (2023), committing that "in the future, I will show my hydrogen engine car to you, Mr. President."

The head of Global Toyota, AKIO, continues to drive this hydrogen-powered engine as a driver himself. This fact has led to a growing awareness and perception among the public that hydrogen is a "safe fuel," "fun to drive," and can achieve zero carbon dioxide (CO<sub>2</sub>) emissions.

Just very recently at the Paris Olympics, Toyota also held many hydrogen demonstrations, including hydrogen buses, hydrogen boats, and hydrogen bicycles – again proving real-world use cases of the technology at one of the world's biggest events.

All these go to show that hydrogen has potentials. Our goal is to reduce CO<sub>2</sub> emissions through various solutions beyond just electrification. Toyota hopes to bring more possibilities for the Philippines, too.

In closing, I would like to once again appreciate your active participation today. When hydrogen further progresses in the country in the future, you can say that you have experienced it from the very beginning.

*Maraming salamat po.*



# OVERVIEW OF ORGANIZATION

- Message from the President
- Corporate Profile
- Local Supply Chain Network
- Global Supply Chain Network
- Dealer Network
- Products and Services

|     |             |
|-----|-------------|
| GRI | 102-1-9, 18 |
|-----|-------------|

|      |               |
|------|---------------|
| SASB | TR-AU-000.A-B |
|------|---------------|

|  |  |
|--|--|
| Company Name   | Toyota Motor Philippines Corporation   |
| President and Representative Director                    | Masando Hashimoto  |
| Company Address  | Toyota Special Economic Zone,<br>Santa Rosa-Tagaytay Highway, Barangay Pulong Sta. Cruz<br>Santa Rosa City, Laguna 4026, Philippines |
| Main Business Activities                                 | Automotive and parts manufacturing, distribution, sales and service  |
| No. of Employees<br><small>(as of end-Dec. 2024)</small> | Total Workforce: 4,383<br>Permanent Employees: 2,035   |

## Board of Directors

Alfred V. Ty, Chairman

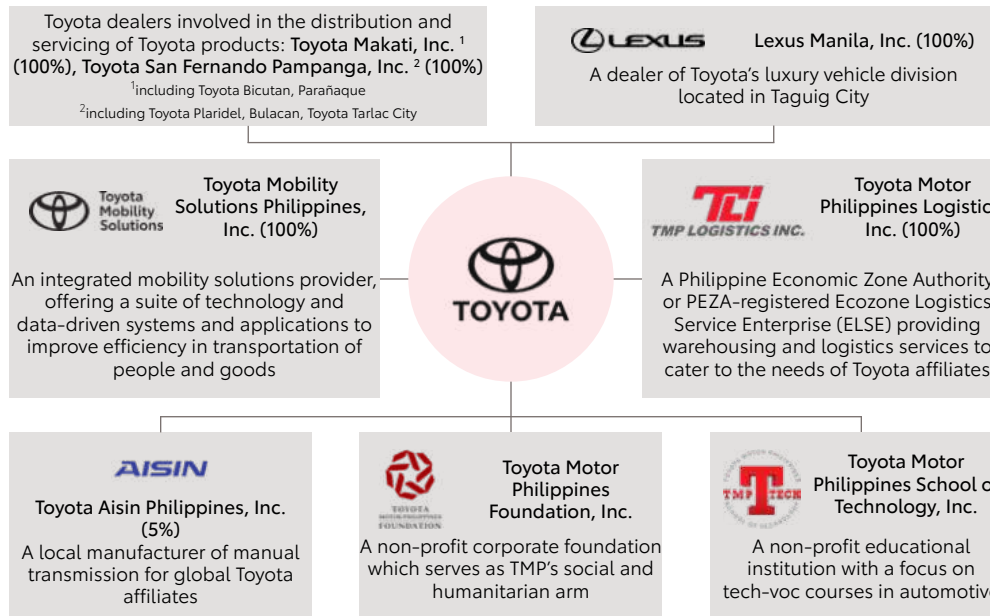
David T. Go, Vice Chairman

Masando Hashimoto, President

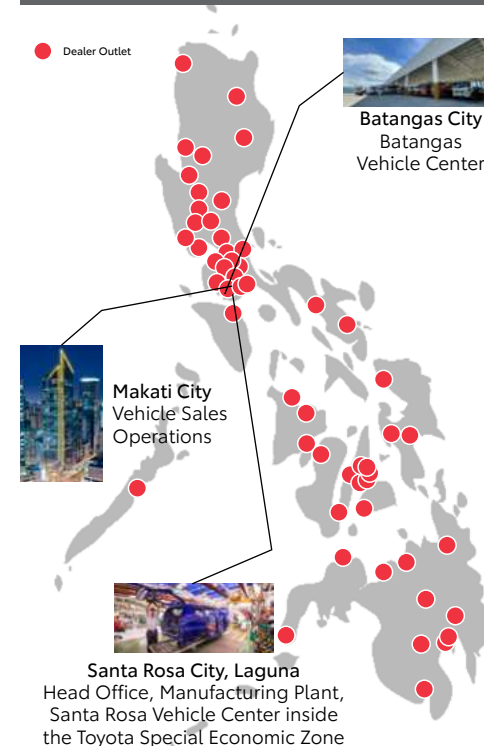


- Carmelo Maria L. Bautista
- Vicente Jose S. Socco
- Yasuhiro Kutsuki
- Salvador Medialdea
- Jose Maria M. Atienza
- Amando M. Tetangco Jr.
- Masahiro Haoka
- Toshiyuki Kojima

## Subsidiaries, Affiliates, Non-profit Organizations



## LOCATION OF OPERATIONS



**Toyota Network Workforce**  
**69,000+**  
(TMP, Dealers, Suppliers, Subsidiaries, Affiliates)

**No. of Vehicles Produced**  
**60,098**  
(2024)

**No. of Vehicles Sold**  
**215,756**  
(2024)



# Toyota Global Vision

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

Through our commitment to quality, ceaseless innovation, and respect for the planet, we strive 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.

## Value

# The Toyota Way

Combining software, hardware and partnerships to create unique value that comes from the Toyota Way

### Software

Applying imagination to improve society through a people-first design philosophy. Practicing Genchi Genbutsu to understand operations at their essence

### Hardware

Creating a physical platform to enable the mobility of people and things. A flexible system that changes with the software

### Partnerships

Expanding our abilities by uniting the strength of partners, communities, customers and employees to produce mobility and happiness for all

## Toyota Philosophy

### Founding Spirit

Toyoda Principles: Five Main Principles of Founder Sakichi Toyoda

- Always be faithful to your duties, thereby contributing to the company and to the overall good.
- Always be studious and creative, striving to stay ahead of the times.
- Always be practical and avoid frivolousness.
- Always strive to build a homelike atmosphere at work that is warm and friendly.
- Always have respect for spiritual matters, and remember to be grateful at all times.



Philosophy Cone

## 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

## Mission

# Producing Happiness for All

- We make the happiness of others our first priority.
- We make better products more affordable.
- We value every second and every cent.
- We give all our effort and offer all our ingenuity.
- We look forward, not backward.
- We believe the impossible is possible.

## Vision

# Creating Mobility for All

In a diverse and uncertain world, Toyota strives to raise the quality and availability of mobility. We wish to create new possibilities for all humankind and support a sustainable relationship with our planet.

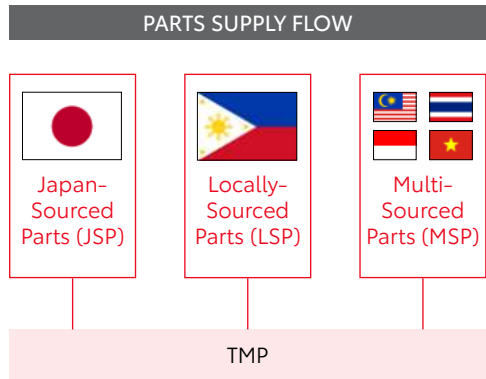


## Local Supply Chain Network

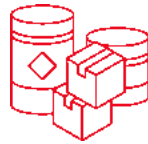
The supply chain serves as one of the foundations of the automotive industry, playing a crucial role in ensuring the viability of the company. In the rapidly changing business landscape, Toyota firmly believes that supplier development is instrumental for driving sustainability and value-creation within the automotive manufacturing industry which further contributes to economic vitality.

### TMP Supply Base

As a multinational Japanese company, Toyota's supply chain maintains a strong presence across the Asia Pacific region. While leveraging an extensive overseas supplier network, Toyota in the Philippines also recognizes the support of local suppliers whose businesses display capacity to have competitive advantage in the region.



**46**  
Local Parts Suppliers



**388**  
Non-parts Suppliers

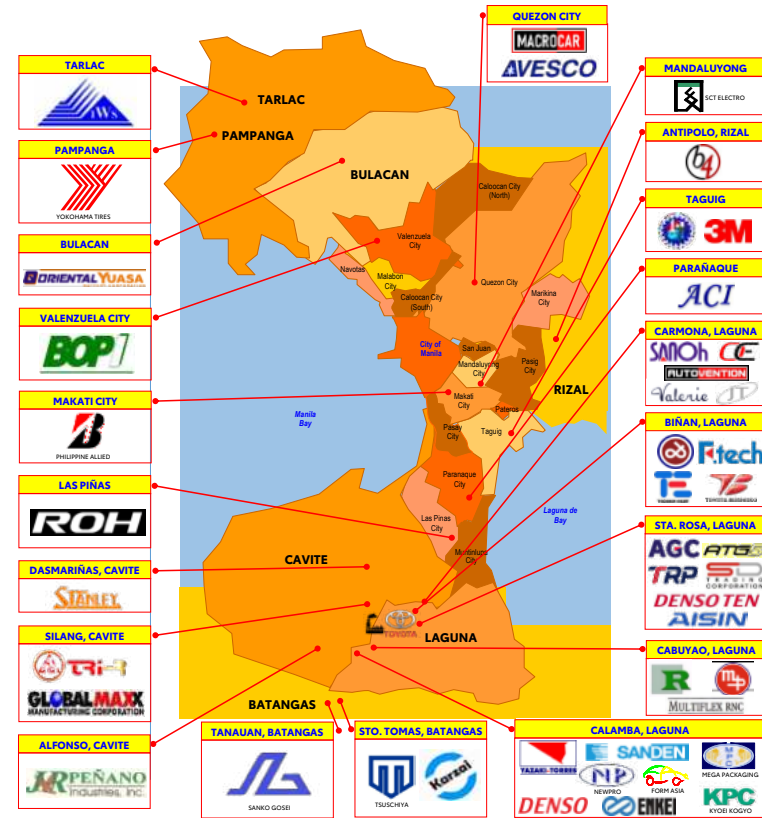


**100**  
Toyota Suppliers Club Member Companies

### Local Parts

| Commodity             | Parts   | Suppliers |
|-----------------------|---|-----------|
| Electricals & Systems | Aircon, Wiring Harness, Meter Combination   | 11        |
| Chassis               | Transmission, Tires, Alloy Wheel, Exhaust Pipe, Pedal, Brake Tubes, Asphalt Sheet | 8         |
| Interior              | Seat Assy, Door Trim, Carpet Assy   | 8         |
| Resin                 | Bumper, Console Box, Door Trim  | 5         |
| Stamped/Forged        | Reinforcement Instrument Panel Cluster, Hood Lock, Insulator                      | 5         |
| Rubber                | Weather Strip, Hoses, Moldings  | 1         |
| Others                | Glass, Sticker, Battery   | 5         |
| Conversion Vehicle    |   | 2         |
|                       | <b>Total</b>  | <b>46</b> |

### LOCAL PARTS SUPPLIERS LOCATION MAP



\*supplier data as of end-May 2025

### Participation in Industry Organizations

Industry-wide collaboration is integral to strengthening the resilience and competitiveness of the automotive manufacturing industry. TMP is an active member of the Chamber of Automotive Manufacturers of the Philippines, Inc. (CAMPI) and Truck Manufacturers Association, Inc. (TMA), which are both widely recognized as few of the leading automotive industry organizations in the Philippines. CAMPI and TMA actively participate in the formulation of government policies, programs, regulations, and standards for the Philippine automotive industry.





## Global Supply Chain Network

The Toyota network continues to provide critical support to the local automotive industry and the global parts supply chain.

Exports of Original Equipment Manufacturer (OEM) parts produced by Toyota Export Suppliers is estimated at USD 1.18 billion in 2024, accounting to 29% of the total Philippine exports of automotive parts and components. These Toyota Export Suppliers supply OEM parts and accessories to numerous global destinations.

Of these exports of OEM parts for the Toyota Global Network, around 15% is exclusively handled by Toyota Motor Philippines Logistics, Inc., or TLI.

### Exports Breakdown

Toyota Parts Exports (2024 Est.)  
**USD 1.18 Billion**

Toyota Group Supplier\* (50%)



Non-Toyota Group Supplier (50%)

Coursed through TLI (15%)

Direct Export (85%)

### Toyota Export Suppliers

| No. | Supplier Name                                 | Location                   | Parts / Components                           |
|-----|---|----------------------------|--|
| 1   | Aichi Forge Philippines, Inc.*                | Santa Rosa City, Laguna    | Steel Forged Products                        |
| 2   | Denso Philippines Corporation*                | Calamba City, Laguna       | Meter, Air-con, Radiator/E-fan, Sonar Sensor |
| 3   | Denso Ten Philippines Corporation*            | Santa Rosa City, Laguna    | Car Infotainment, Automotive Electronics     |
| 4   | JTEKT Philippines Corporation*                | Malvar, Batangas           | Bearing, Steering                            |
| 5   | Philippine HKR, Inc.*                         | Santa Rosa City, Laguna    | Universal Joints, Gear Sleeves               |
| 6   | Technol Eight Philippines Corporation*        | Biñan City, Laguna         | Stamped Parts                                |
| 7   | Toyota Aisin Philippines, Inc.*               | Santa Rosa City, Laguna    | Manual Transmission                          |
| 8   | TRP, Inc.*                                    | Santa Rosa City, Laguna    | Automotive Switches                          |
| 9   | Autoliv Cebu Safety Manufacturing Inc.        | Lapu-Lapu City, Cebu       | Seatbelt                                     |
| 10  | EDS Manufacturing, Inc.                       | General Trias City, Cavite | Wiring Harness                               |
| 11  | Furukawa Electric Autoparts Philippines, Inc. | Biñan City, Laguna         | Wiring Harness                               |
| 12  | International Wiring Systems Phils. Corp.     | Tarlac City, Tarlac        | Wiring Harness                               |
| 13  | Sumi Philippines Wiring Systems Corp.         | Hermosa, Bataan            | Wiring Harness                               |
| 14  | Yazaki-Torres Manufacturing, Inc.             | Calamba City, Laguna       | Wiring Harness                               |
| 15  | F-Tech Philippines Manufacturing, Inc.        | Biñan City, Laguna         | Support Assy, Brake Pedal                    |
| 16  | JAE Singapore PTE Ltd.                        | Biñan City, Laguna         | Wiring Sub Assy, Radio                       |
| 17  | Karzai Corporation                            | Calamba City, Laguna       | Handle Pantograph Jack                       |

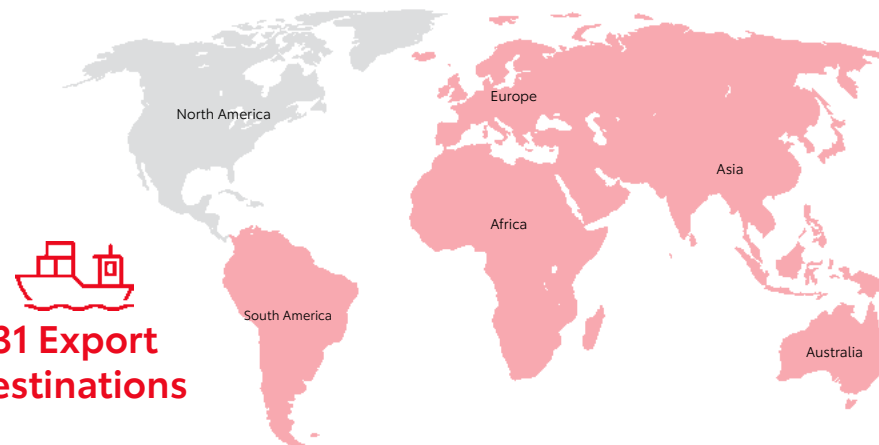
\*member of the Toyota Group; has business affiliation with Toyota Industries and Toyota Motor vehicle manufacturing facilities (as of end-December 2024)



TLI, a wholly-owned subsidiary and warehousing and logistics services arm of TMP, handles the majority of the exportation of OEM parts, spare parts, and accessories for the Toyota Global Network. TLI exports to over 31 destinations on five continents. Top destinations in 2023 included Thailand, South Africa, Brazil, Taiwan, and India.

TLI is a Philippine Economic Zone Authority or PEZA-registered Ecozone Logistics Service Enterprise (ELSE) located in Santa Rosa City, Laguna. Since its incorporation in 2016, it has already established its role in Toyota's supply chain as a warehousing and logistics services provider, catering to the needs of Toyota affiliates worldwide.

### TLI's Toyota Global Network Export Destinations



31 Export Destinations

#### Top 5 Countries



Thailand



Brazil



Taiwan



India



Indonesia



## Dealer Network

\*as of end-May 2025

**74 Toyota**  
dealer outlets nationwide

**+1 Lexus**  
dealer outlet



**Toyota Ilocos Sur**  
74<sup>th</sup> Toyota dealer outlet inaugurated in April 2025

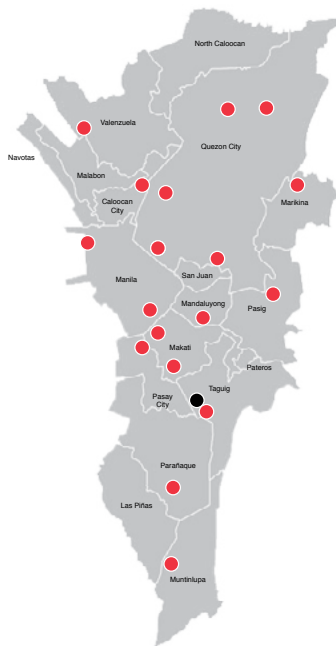
### +8 Service Centers

- Toyota Alabang Service Center
- Toyota Danao Service Center
- Toyota Davao City Body & Paint Center
- Toyota Davao City Service Center
- Toyota Koronadal Service Center
- Toyota Negros Occidental Service Center
- Toyota North EDSA Service Center
- Toyota Shaw Service Center

### +3 Lifestyle Centers

- Toyota Mabolo Lifestyle Center Cebu
- Toyota Talisay Lifestyle Center Cebu
- Toyota Balintawak Lifestyle Center

## METRO MANILA DEALERS



### Toyota

1. Toyota Abad Santos, Manila
2. Toyota Alabang, Inc.<sup>2</sup>
3. Toyota Balintawak, Inc.<sup>2</sup>
4. Toyota Bicutan, Parañaque<sup>2</sup>
5. Toyota Commonwealth, Inc.
6. Toyota Cubao
7. Toyota Fairview, Inc.
8. Toyota Global City, Inc.<sup>2</sup>
9. Toyota Makati, Inc.<sup>2</sup>
10. Toyota Manila Bay Corp.<sup>2</sup>
11. Toyota Marikina
12. Toyota North EDSA
13. Toyota Otis, Inc.
14. Toyota Pasig<sup>2</sup>
15. Toyota Pasong Tamo, Inc.<sup>2</sup>
16. Toyota Quezon Avenue<sup>2</sup>
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 Bacoor, Cavite, Inc.<sup>2</sup>
4. Toyota Baguio City
5. Toyota Bataan, Inc.<sup>2</sup>
6. Toyota Batangas City, Inc.<sup>2</sup>
7. Toyota Calamba, Laguna, Inc.<sup>2</sup>
8. Toyota Calapan City, Inc.<sup>2</sup>
9. Toyota Camarines Sur, Inc.
10. Toyota Dagupan City, Inc.<sup>2</sup>
11. Toyota Dasmariñas-Cavite
12. Toyota Ilocos Sur
13. Toyota Ilocos Norte
14. Toyota Iloilo, Inc.<sup>2</sup>
15. Toyota Isabela, Inc.
16. Toyota La Union<sup>1,2</sup>
17. Toyota Lipa, Batangas, Inc.<sup>2</sup>
18. Toyota Lucena City, Inc.
19. Toyota Marilao, Bulacan, Inc.
20. Toyota Nueva Ecija, Inc.
21. Toyota Plaridel, Bulacan<sup>2</sup>
22. Toyota Puerto Princesa City, Inc.
23. Toyota San Fernando, Pampanga, Inc.<sup>1</sup>
24. Toyota San Jose del Monte, Bulacan
25. Toyota San Pablo, Laguna, Inc.<sup>2</sup>
26. Toyota Santa Rosa, Laguna, Inc.<sup>1,2</sup>
27. Toyota Silang, Cavite<sup>2</sup>
28. Toyota Subic, Inc.
29. Toyota Tarlac City
30. Toyota Taytay, Rizal, Inc.<sup>2</sup>
31. Toyota Tuguegarao City

### Visayas

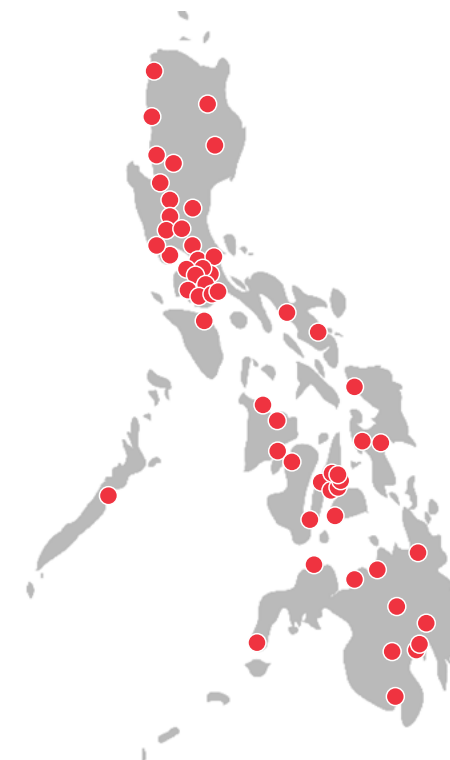
1. Toyota Aklan, Inc.
2. Toyota Calbayog, Samar
3. Toyota Cebu City, Inc.<sup>2</sup>
4. Toyota Dumaguete City
5. Toyota Lapu-Lapu, Cebu<sup>2</sup>
6. Toyota Mabolo, Cebu, Inc.<sup>2</sup>
7. Toyota Mandaue North, Cebu<sup>2</sup>
8. Toyota Mandaue South, Cebu<sup>1,2</sup>
9. Toyota Negros Occidental
10. Toyota Ormoc, Leyte
11. Toyota Roxas City
12. Toyota Tacloban, Leyte, Inc.<sup>2</sup>

13. Toyota Tagbilaran City
14. Toyota Talisay, Cebu<sup>2</sup>

### Mindanao

1. Toyota Butuan City
2. Toyota Cagayan De Oro City, Inc.<sup>2</sup>
3. Toyota Davao City, Inc.<sup>1</sup>
4. Toyota Dipolog City
5. Toyota General Santos, Inc.
6. Toyota Iligan City, Inc.
7. Toyota Kidapawan City
8. Toyota Matina, Davao
9. Toyota Tagum City
10. Toyota Valencia City, Inc.
11. Toyota Zamboanga City

<sup>1</sup>with Lexus Accredited Service Center  
<sup>2</sup>with T-Sure Retail Business





## Products & Services

as of end-May 2025

### SERVICES

#### T-SURE

Previously known as Toyota Certified Used Vehicle (TCUV), T-Sure offers an alternative to consumers who are looking for worry-free car purchase options without compromising quality, value, safety, and excellent service



#### TOYOTA INSURE

Exclusive insurance service program for those who are buying a new vehicle or renewing their insurance policies



#### TOYOTA QUALITY SERVICE

Provides maintenance services and privileges for a worry-free and delightful ownership experience



#### TOYOTA GENUINE PARTS

Offers parts of superior quality, made to fit the exact specifications of a Toyota vehicle

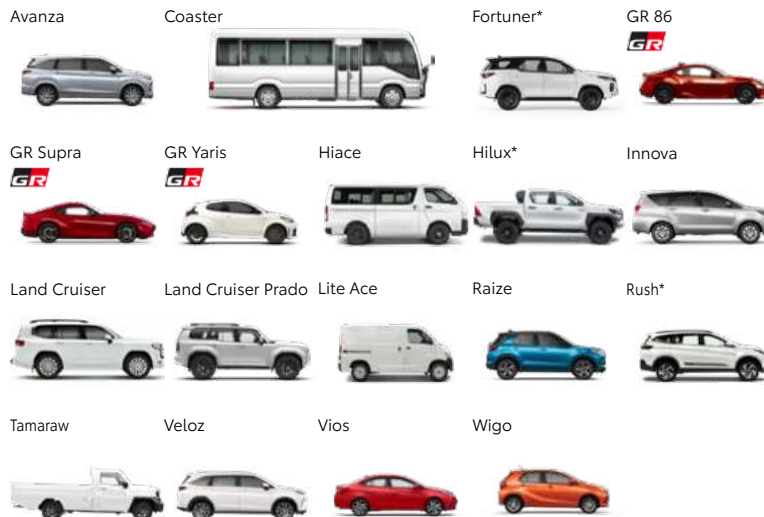


#### TOYOTA GENUINE ACCESSORIES

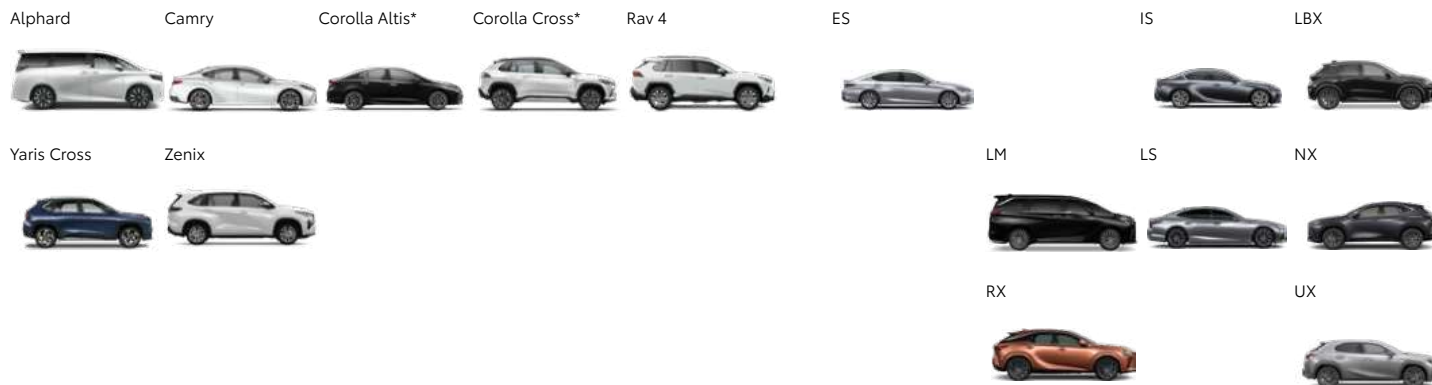
Provides a 'waku doki' driving experience by offering a wide range of products for vehicle customization and merchandize in local dealer outlets



### TOYOTA MODEL LINE-UP



#### Hybrid Electric Vehicle (HEV)

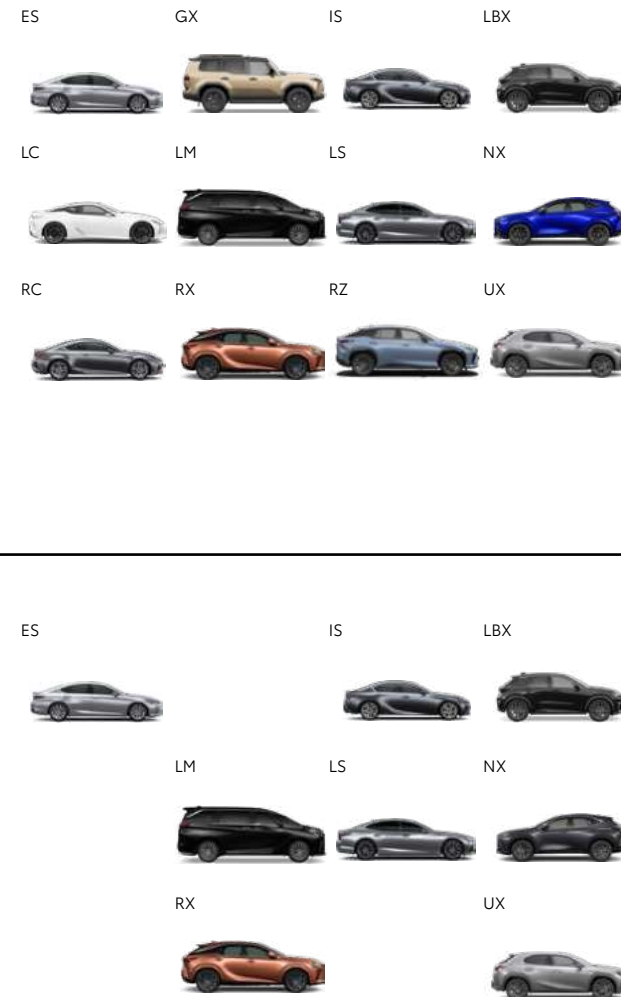


#### Battery Electric Vehicle (BEV)



\*available in Toyota GAZOO Racing Sport (GR-S) variant

### LEXUS MODEL LINE-UP





# PROMOTING SUSTAINABILITY

Fundamental Approach

Materiality Assessment Process

Material Topics

UN Sustainable Development Goals

Business Review

|     |        |
|-----|--------|
| GRI | 102-47 |
|-----|--------|

## Fundamental Approach

### Aim:

- Contributing to the creation of a prosperous society through our business activities based on the Guiding Principles at Toyota while continuing to uphold the spirit of the Toyoda Principles, which we have inherited since our foundation
- Aiming to be the "best company in town" that is both loved and trusted by local people to achieve the mission of "Producing Happiness for All" under the Toyota Philosophy compiled in 2020
- Contributing to the sustainable development of our society and planet by promoting sustainability under the Toyota Philosophy

### Initiative:

- Advancing TMP initiatives based on Toyota's global Sustainability Fundamental Policy and individual policies and guidelines

[TMC Sustainability Fundamental Policy](#)

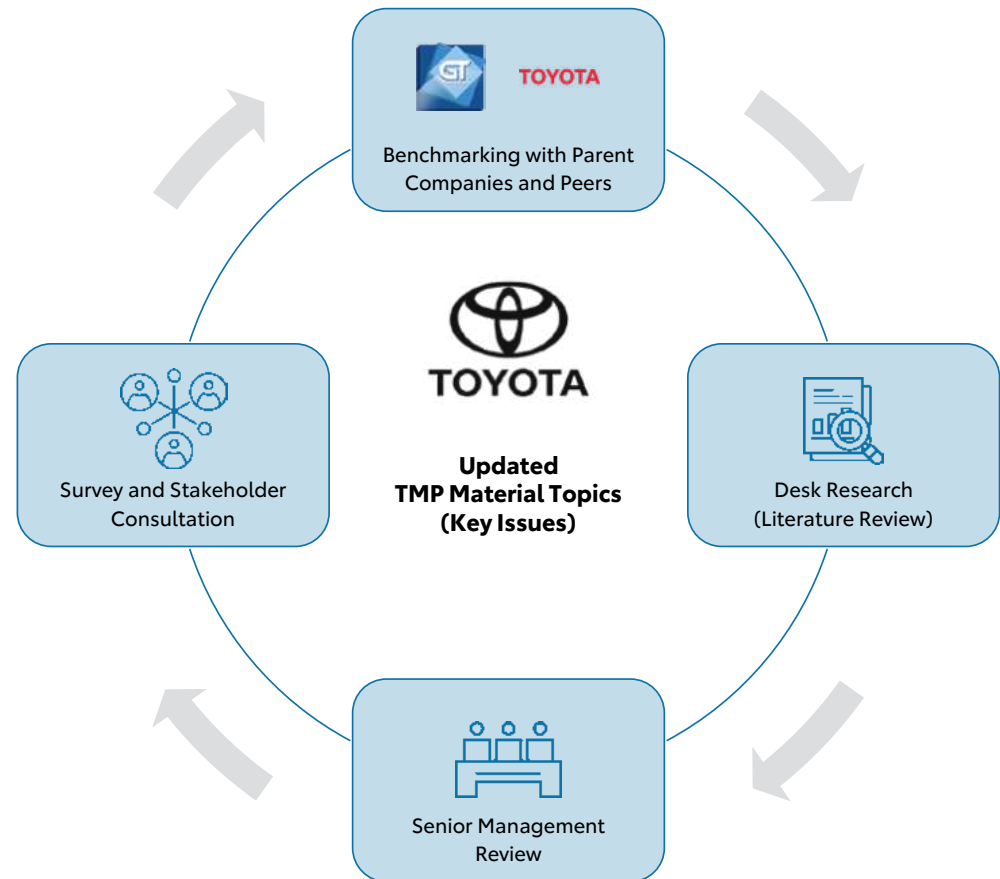
## Materiality (Key Issues)

Identifying key issues to sustainability enhances TMP's own corporate value while contributing to society in view of the ever-changing social and economic trends, external voices, and increasingly diversified, complicated issues.

### Materiality Assessment Process

TMP's materiality review process is designed to be comprehensive and coordinated, aiming for continuous improvement in sustainability management. To achieve this, TMP conducts desk reviews of external trends and literature, incorporates stakeholder inputs through surveys and consultations, and utilizes relevant sustainability frameworks. The results are then aligned on recognized sustainability reporting instruments for comparability, as well as with the objectives of its parent companies.

Using the lens of Toyota's mobility business, TMP re-examines the key issues and shares insights about its strategies and impacts with both internal and external stakeholders. Engaging with stakeholders of diverse backgrounds provides TMP with a broad spectrum of perspectives. This helps identify gaps in understanding, refine communication strategies, and highlight areas where TMP's unique approach is well received. By integrating these insights, TMP enhances its sustainability initiatives and effectively communicates its progress and goals through publications and other media platforms.





**Material Topics**

TMP has identified and clustered its key issues into 20 material ESG topics, which are reported in respective sections of this report using the recommended indicators of international sustainability standards.

| Material Topic                  | Impact on the United Nations Sustainable Development Goals |   |   |   |   | ESG Reporting Instrument / Metric | Discussion/Page No.  |
|---------------------------------|--|---|---|---|---|-----------------------------------|----------------------|
|                                 |  |   |   |   |   |                                   |                      |
| <b>Environmental</b>            |  |   |   |   |   |                                   |                      |
| Biodiversity                    |  |   |   |   | ● | GRI                               | p. 23                |
| Climate Action                  |  |   |   |   | ● | GRI                               | pp. 12, 17           |
| CO <sub>2</sub> Emissions       |  |   |   |   | ● | GRI, SASB                         | pp. 12-13, 17-20, 24 |
| Energy                          |  |   |   |   | ● | GRI                               | pp. 20, 24           |
| Environmental Compliance        |  |   |   | ● |   | GRI                               | p. 16                |
| VOC Emissions                   |  |   |   |   | ● | GRI                               | p. 24                |
| Waste                           |  |   |   | ● |   | GRI                               | pp. 22, 24           |
| Water                           |  |   |   | ● |   | GRI                               | pp. 21, 24           |
| <b>Social</b>                   |  |   |   |   |   |                                   |                      |
| Diversity, Equity and Inclusion |  |   | ● |   |   | GRI                               | p. 26                |
| Employment                      | ●  |   | ● |   |   | GRI                               | p. 25                |
| Human Rights                    |  |   | ● |   |   | GRI                               | p. 27                |
| Labor Relations                 |  |   | ● |   |   | GRI, SASB                         | p. 27                |
| Local Communities               | ●  | ● | ● |   |   | GRI                               | pp. 32-35            |
| Marketing and Labeling          |  |   |   |   |   | MSCI Index ESG Metrics            | p. 31                |
| Non-discrimination              |  |   | ● |   |   | GRI                               | p. 27                |
| Occupational Health and Safety  | ●  |   | ● |   |   | GRI                               | p. 29                |
| Product Safety and Quality      |  |   |   |   |   | MSCI Index ESG Metrics, SASB      | p. 31                |
| Training and Education          |  | ● |   |   |   | GRI                               | p. 27                |
| <b>Economic</b>                 |  |   |   |   |   |                                   |                      |
| Economic Performance            |  |   | ● |   |   | GRI                               | p. 36                |
| Indirect Economic Impact        |  |   | ● |   |   | GRI                               | p. 37                |



## Global Toyota's SDGs

Aim:

- Producing happiness for all individuals in the era of diversification, with a "YOU perspective" that sees the other side of the story

Initiative:

- Promoting initiatives based on the desire of working for the benefit of others, which has been passed on since Toyota's founding

TMC SDGs, Initiatives

## TMP's SDGs

### Priority SDGs

TMP has a strong awareness of its impact to the industry and communities it belongs to. Therefore, sustainability has been an important facet of its business strategy. It has managed its key company activities, as well as its key network stakeholders, to be aligned with its focus on SDGs, which are closely connected to those of its parent companies. TMP identified its own five priority SDGs, which are herein reported with recent accomplishments in no particular order.



### SDG 3: Good Health

TMP recognizes the importance of the health and well-being of its Team Members as well as the communities it belongs to.

Annual regular health check-ups for team members

Medical, dental, and surgical operations with 101,908 community patients served as of end-2024

### SDG 4: Quality Education

Recognizing the importance of education for future employment, TMP actively promotes lifelong learning through its Toyota Motor Philippines School of Technology (TMP Tech) that provides top-tier automotive technical training to the Filipino youth.

2,561 TMP School of Technology graduates as of end-2024

1,154 scholars

### SDG 8: Decent Work and Economic Growth

TMP's commitment to the local automotive manufacturing industry creates a significant multiplier effect throughout the Philippine economy. The company's business activities generate thousands of employments across the nation.

Over 60,000 employees in TMP network nationwide

PHP 5.5 billion additional investments to locally produce the Next Generation Tamaraw

46 locally-sourced parts suppliers

### SDG 12: Responsible Consumption and Production

TMP recognizes the responsibilities that come with its production activities and remains steadfast in ensuring sustainable and responsible operations through minimizing environmental impact.

Following suit from Toyota Global's fast-tracked Toyota Environmental Challenge 2050 (TEC 2050) to zero out CO<sub>2</sub> emissions by 2035 (previously 2050), TMP follows a clear roadmap of actions on this commitment to the planet. TMP welcomed the challenge of 'Plant Carbon Neutrality,' geared to execute it through expanded use of renewable energy, and process and technological optimization for energy efficiency.

TMP also implements water treatment and recycling to prevent the discharge of hazardous wastewater into the environment and conserve water resources and promote circular use within its operations.

100% Renewable Energy utilized for manufacturing operations

### SDG 13: Climate Action

The continuous burning of fossil fuels releases greenhouse gases, contributing to global warming and increasing the risk of environmental disasters. Toyota has been actively promoting climate adaptation initiatives to address these urgent global issues. Through the Toyota Environmental Challenge 2050 (TEC 2050), the company aims to go beyond zero emissions and create a net positive impact in the communities it serves. TMP, along with global affiliates, supports this vision by working toward six key environmental goals.

17 xEVs in Toyota & Lexus line-up

108 hectares of adopted national reforestation sites

### Non-Priority SDGs

Beyond its core focus areas, TMP remains committed to supporting its broader spectrum. TMP recognizes that all SDGs are interconnected, and its operations inevitably contribute to many of the remaining goals besides the identified priorities.

#### SDG 1: No Poverty

TMP indirectly supports poverty reduction primarily through its employment generation. Through this, the company ensures that 100% of its direct employees receive compensation that is above the mandated minimum wage. This practice promotes decent work and aids in securing financial stability for all their team members and their families, consequently demonstrating a commitment to inclusive economic growth and poverty reduction, starting within the organization.

#### SDG 6: Clean Water and Sanitation

In promoting sustainable sanitation and water management, TMP established a wastewater treatment plant. The plant uses a comprehensive 3-step treatment process-chemical, biological, and physical-to ensure that wastewater generated within TMP facilities is safely treated before being released or re-purposed, preventing environmental contamination and protecting local water bodies. Moreover, the treated water is recycled and re-used throughout TMP operations, reducing the overall water consumption and ensuring water conservation.

#### SDG 7: Affordable and Clean Energy

Supporting access to sustainability, TMP's initiatives include incorporating renewable technologies particularly for solar energy. In 2024, TMP started sourcing 100% of its energy requirements from renewable energy to power all its operations across the Santa Rosa Plant. This effort reduces dependence on fossil fuels and promote environmentally conscious practice within its community.



Toyota's 'Beyond Zero' initiative focuses on advancing sustainability and creating a future where mobility has a positive impact on society and the environment. In 2024, TMP established its vision with its full commitment towards carbon neutrality (CN).

This vision entails the philosophy of eliminating the issues faced by the society and their impact to people and environment; "Achieving Zero" and not stopping with this goal but creating a greater value by continuously seeking ways to improve lives and society for the future, essentially going 'Beyond Zero.'

TMP embraces Beyond Zero, focusing on the three pillars of Toyota's mobility concept: Electrification, Diversification, and Intelligence.



### COMMITMENT STATEMENT

"We not only aim to solve various issues (rising CO2 levels, environmental problems, challenges regarding safety and freedom of movement, etc.) faced by society and individuals, but also to create and provide new value (going Beyond Zero)."

## Electrification

Toyota embraces a multi-pathway approach to vehicle electrification, offers low to zero-emission options. It has the widest line-up of technologies composed of electrified vehicles (xEVs) and alternative-energy powertrains, tailored to every market's needs and situation. Toyota does not focus on one single solution, believing that each has its role, and that CN should remain the end-goal.



### 3 Lens for Electrification & Decarbonization



Toyota tackles vehicle electrification in a holistic and practical manner, considering the combination of these factors in every market.

**REDUCING LIFE CYCLE EMISSIONS.** Toyota aims to minimize the environmental impact of every vehicle throughout its life cycle, from production to their disposal.

**CUSTOMER ACCEPTANCE.** Toyota prioritizes understanding the needs of its customers, making vehicles accessible and appealing to everyone.

**MANAGING ECONOMIC IMPACTS.** In line with the transition to electric vehicles, Toyota considers its economic implications ensuring that sustainability aligns with economic growth.

## Diversification

'Mobility for All' is the idea of Toyota's diversification, which emphasizes the need for multiple sustainable mobility solutions to address the various needs and preferences of the market.

**DIVERSIFIED ENERGY RESOURCES.** Toyota also has a multi-pathway approach in energy, which aims to be strategically based on a country's resources. This is then paired with multi-pathway vehicle technologies – from ICEVs to FCEVs – enabling a more effective energy security and carbon neutrality strategies for each market.

| Energy Source           | Energy Storage | Station          | Vehicle Powertrain      |
|-------------------------|----------------|------------------|-------------------------|
| NG, Water, Biomass      | Hydrogen       | H2 Liquid/ Gas   | FCEV, HICEV             |
| Renewable               | Battery        | Charging         | PHEV/BEV                |
| Fossil Fuel             | Gasoline       | Gasoline         | HEV                     |
| Bio-waste/ Agri-product | Bio-fuel       | Diesel/ Gasoline | ICEV/Bio-fuel           |
| Fossil Fuel             | Natural Gas    | Gas              | CNG/Natural Gas Vehicle |

**DIVERSIFIED MOBILITY SOLUTIONS.** TMP aims to diversify mobility beyond the domain of traditional vehicle ownership by introducing vehicle usership solutions (ride-hailing, car rental, vehicle leasing). TMP also allows collaboration with companies outside its value chain for easier, safer, and cleaner mobility.



## Intelligence

This concept harnesses the power of data and connected technologies to create a smarter, more efficient, and more sustainable mobility ecosystem.

**CO<sub>2</sub> DATA ANALYTICS.** Decarbonization starts with awareness and measurement, so TMP aims to incorporate emission analytics into its vehicle fleet management system.



**ROUTE OPTIMIZATION.** Smarter routes saves energy and cuts emissions, which can be scaled up through the use of Toyota systems for managing vehicle fleets for transporting people or goods.



| Clean Technology    | PC  | CV                                    |
|---------------------|---|---------------------------------------|
| FCEV, HICEV (H2)    | --  | Point-to-Point Logistics/Ride Sharing |
| BEV                 | City Use/Island Mobility/ Public Transportation |                                       |
| PHEV                | Luxury/Mid-size                                 | --                                    |
| HEV                 | Mass Electrification                            |                                       |
| ICEV / CNG Bio-fuel | Conventional Transportation                     |                                       |



## Business Review

### External Environment

**STRONG ECONOMIC GROWTH.** High consumer spending helped spur the Philippine economy's 5.6% growth, benefiting automotive sales. TMP recorded its highest annual sales volume in its 36-year history, securing its 23rd consecutive Triple Crown.\*

The growing small business sector, with its significant impact on the local economy, presents an opportunity for TMP's third Completely Knocked-Down (CKD) model, the Next Generation Tamaraw. This iconic model is re-imagined to serve multi-purpose needs in moving people and goods for Micro, Small and Medium Enterprises (MSMEs) and individuals.

**CLIMATE ACTION.** Climate change concerns escalated in 2024, with more frequent and severe weather events impacting economies and societies worldwide. More consumers are factoring environmental impact into purchasing decisions, which has led to increased demand for fuel-efficient and electric vehicles.

As part of Toyota's multi-pathway approach to achieving carbon neutrality through its Beyond Zero movement, TMP's innovations in Electrification, Diversification, and Intelligence are key factors in supporting Toyota's commitment to sustainability. TMP also offers the widest Hybrid Electric Vehicle (HEV) model line-up and has launched a Lexus Battery Electric vehicle (BEV) model.

#### FROM MOTORIZATION TO MOBILITY SERVICES.

The Philippine automotive industry witnessed a growing focus on mobility solutions beyond traditional vehicle ownership. Congestion and parking challenges have driven the increased attractiveness of alternative mobility solutions. Additionally, prioritizing affordability, convenience, and access over vehicle ownership has become increasingly popular.

TMP continued the implementation of the Toyota Community Shuttle program as a CSR

activity in selected cities, demonstrating the benefits of new mobility solutions. A growing demand has been observed for various mobility services business units.

### Outlook

#### ELECTRIFICATION AND MARKET ADVANTAGE.

With the projected economic growth of 5% to 6% in 2025, a positive outlook is promising for the auto industry. However, continued fluctuations in fuel prices are likely, which could further increase demand for fuel-efficient vehicles.

TMP is joining Toyota's global thrust for carbon neutrality by expanding its hybrid model line-up and introducing accessible full electric vehicles to the Philippine market. TMP aims to contribute to Toyota Motor Corporation's targets to sell 3.5 million BEVs under the Toyota brand and 1 million BEVs under the Lexus brand by 2030 globally.

Toyota's reputation for reliability and focus on HEVs positions it well to lead in sustainable mobility solutions. Incorporating sustainable practices and solutions demonstrates a proactive approach to climate change, which can future-proof Toyota Motor Philippines' business model and uphold its brand reputation.

As market leader, TMP is further strengthening its dealership network with the addition of new dealerships and service centers, catering to the growing customers' needs.

In line with Toyota's global shift from being a vehicle manufacturing firm to a mobility company, TMP has increasing opportunities to expand its mobility solutions, including on-demand shuttle service, fleet management, and vehicle leasing.

Faced with escalating competition and the entry of more aggressive Chinese and South Korean brands, TMP remains vigilant in protecting its market share and strengthening

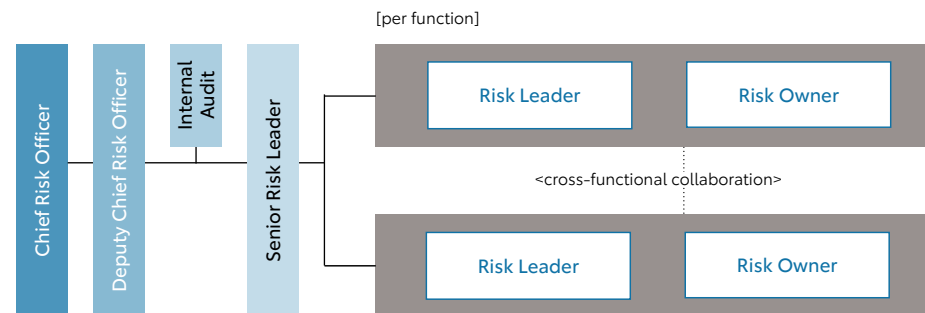
its brand. Toyota continues to deliver products that resonate with customers' needs and offers new and diverse business models.

### Key Risks

|  | Impact |   |   | Likelihood |   |   | Source of Risk |      |
|--|--------|---|---|------------|---|---|----------------|------|
|  | L      | M | H | L          | M | H | Int.           | Ext. |
| <b>Forex and Inflation Risk</b><br>The volatility of foreign exchange and interest rates, as well as inflation's impact on the prices of raw materials, freight, and other factors, can affect the company's operating profit. This can lead to reduced profitability and increased financial statement volatility, making it challenging to evaluate the organization's financial well-being. |        |   | ○ |            |   | ○ |                | ○    |
| <b>Manpower Risk</b><br>Lack of skilled workers mainly in sales and service may hinder dealer operations. This can result to decrease in Customer Satisfaction and Retention, low productivity, and necessity to monitor talent headhunting by competitors.  |        |   | ○ |            |   | ○ | ○              |      |
| <b>Information and Cybersecurity Risk</b><br>Phishing emails that when handled improperly may result to introduction of viruses in the system, leading to loss of information and system failure.  |        |   | ○ |            |   | ○ | ○              | ○    |

### Risk Management

The primary objective of TMP's Risk Management Policy is to provide Team Members with guidance on effectively addressing potential risks related to the business in line with the overall corporate goals. This policy sets forth a systematic method for recognizing, assessing, strategizing, and overseeing risks that are in accordance with the Toyota Global Risk Management Standard.





## Business Strategy

### Short-term Objective: Strengthen business fundamentals towards competitiveness and sustainability

| Strategy   | KPIs and Targets  | 2023 Achievements   |
|--|---|---|
| Maintain leadership in the Philippine market   | <ul style="list-style-type: none"> <li>No. 1 ranking in passenger car, commercial vehicle, and overall sales ('Triple Crown' Achievement)</li> </ul>  | <ul style="list-style-type: none"> <li>Achieved the 23rd consecutive Triple Crown for maintaining the position as number 1 in passenger car, commercial vehicle, and overall sales</li> <li>Garnered 46.5% market share with 218,019-unit sales (9% higher vs. 2023)</li> </ul> |
| Cost control measures for financial resilience against external shocks and for sustainable profitability | <ul style="list-style-type: none"> <li>Stable revenue growth and income<sup>1</sup></li> </ul>  | <ul style="list-style-type: none"> <li>8% year-on-year growth in consolidated revenues (2024 vs. 2023)</li> </ul>   |
| Strengthen fundamentals  | <ul style="list-style-type: none"> <li>Overall safety, quality, efficiency competitiveness</li> <li>Performance excellence through the Philippine Quality Award's (PQA) principles of Total Quality Management</li> </ul> | <ul style="list-style-type: none"> <li>Achieved all Safety KPIs, including Zero Fire Incident and Zero Critical Incident</li> </ul>   |

### Medium to Long-term Objective: Boost local manufacturing

|  |  |   |
|--|--|---|
| Participation in the Philippine Government's CARS program with the Toyota Vios (see p. 38)   | <ul style="list-style-type: none"> <li>200,000 Vios units produced by 2026 (starting 2018)</li> <li>Positive impact to manufacturing output and national economy</li> </ul>                          | <ul style="list-style-type: none"> <li>Achieved 100% of the 200,000 CARS volume requirement</li> </ul>  |
| Local production of TMP's third CKD model, the IMV 0 (Zero) or 'Next Generation Tamaraw' Light Commercial Vehicle (LCV) <sup>1</sup> | <ul style="list-style-type: none"> <li>Net positive impact to manufacturing output and national economy</li> <li>Share of locally produced IMV 0 (Tamaraw) in the LCV segment<sup>1</sup></li> </ul> | <ul style="list-style-type: none"> <li>Establishment of PHP 1.1-billion TMP Conversion Factory, a first-of-its-kind automotive body conversion facility for Toyota in the ASEAN region</li> <li>PHP 500 million planned new investments by local Toyota parts suppliers and body builders</li> <li>Start of Production (SOP) and official launch of the Next Generation Tamaraw in the Philippine market</li> </ul> |

### Medium to Long-term Objective: Expand through new mobility business

|  |   |   |
|--|---|---|
| Transformation of traditional business (automotive manufacturing and distribution) | <ul style="list-style-type: none"> <li>No. 1 ranking in customer satisfaction and retention</li> <li>Introduction of 'new mobility solutions' based on the areas of Connected Cars, Autonomous Driving, Shared, Electrified (CASE)</li> <li>MSMEs reached to support operational efficiency and overall growth</li> <li>Wider demographic reach leading to less urban congestion and balanced economic growth nationwide</li> </ul> | <ul style="list-style-type: none"> <li>98% Sales Satisfaction Index</li> <li>94% Customer Satisfaction Index</li> <li>Extension to one year of the free 'Toyota Community Shuttle' program in the cities of Santa Rosa and Pasay, further demonstrating the app-based (myToyota Shuttle PH) on-demand shuttle system to public</li> <li>94 Philippine MSMEs enabled and supported through TMSPH products and services</li> <li>Successful transition of KINTO One full-service vehicle leasing from Toyota Financial Services Philippines Corporation (TFSPH) to Toyota Mobility Solutions Philippines, Inc. (TMSPH) to streamline value proposition to MSME customers</li> </ul> |
| Organizational transformation  | <ul style="list-style-type: none"> <li>Increased number of experts and trainers</li> <li>National recognition for being "one of the best employers/workplaces in the Philippines"</li> </ul>  |   |
| Decarbonization and multi-pathway electrification                                  | <ul style="list-style-type: none"> <li>Zero carbon dioxide emissions at TMP's manufacturing plant by 2035</li> <li>100% Renewable Energy (RE) use before 2035</li> <li>Electrified mobility<sup>1</sup> product line-up expansion across various segments</li> </ul>  | <ul style="list-style-type: none"> <li>Avoidance of Scope 2 CO<sub>2</sub> emissions at TMP's manufacturing plant by sourcing 100% renewable energy</li> <li>Introduction of Lexus LBX HEV and UX300e BEV in the company's electrified product line-up</li> <li>14,057 xEV units sold: 6.5% share of TMP sales in 2024, 95% higher than xEV units sold in 2024</li> </ul>   |

<sup>1</sup>Updated/revised versus the previous year's report (2025 TMP Sustainability Report)



# ENVIRONMENTAL PERFORMANCE

- Fundamental Approach
- Environmental Management System
- Compliance
- Toyota Environmental Challenge 2050
- Environmental Data

|     |  |
|-----|--|
| GRI | 303-5; 304-3; 305-1-3, 5; 306-1-5; 307-1 |
|-----|--|

|      |                            |
|------|----------------------------|
| SASB | TR-AU-410a.2; TR-AU-440a.1 |
|------|----------------------------|

## Fundamental Approach

### Aim:

- Reduce the environmental footprint and contribute to the sustainable development of society and the world throughout all areas of our business activities
- Build close, cooperative relationships with a wide spectrum of individuals and organizations involved in environmental preservation

### Initiative:

#### Toyota Earth Charter

- Conducting continuous environmental initiatives since the 1960s
- Established the Toyota Earth Charter in 1992 (revised in 2000)
- Formulated long-term initiatives for the global environment by 2050 as the TE 2050 in 2015, subsequently advancing various initiatives centered on this

## Environmental Management System

TMP remains focused in accomplishing its commitments under the 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 the 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 its environmental initiatives.

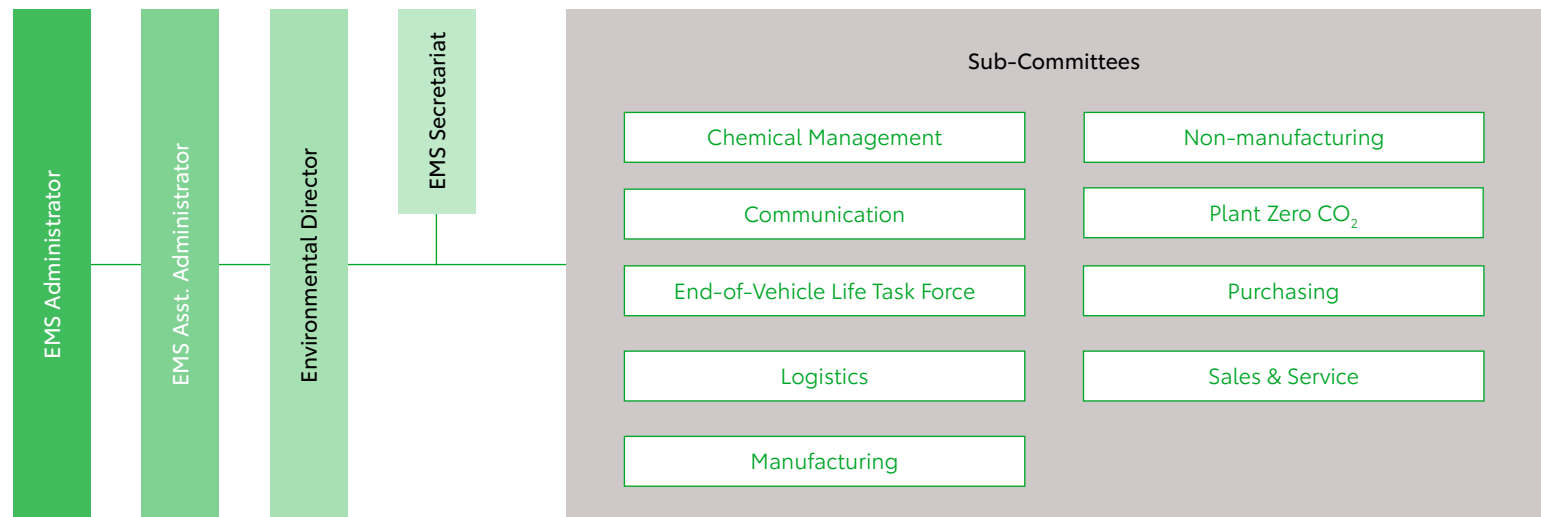
## Compliance

TMP secures all regulatory requirements necessary to continue its operations. TMP has existing permits and licenses:

| Certifying Organization                                | Permit/License  |
|--|---|
| Department of Environment and Natural Resources (DENR) | <ul style="list-style-type: none"> <li>• Permit to Operate</li> <li>• Environmental Compliance Certificate – Expansion</li> <li>• Permit to Transport</li> <li>• Treatment Storage Disposal Permit</li> </ul> |
| Laguna Lake Development Authority (LLDA)               | <ul style="list-style-type: none"> <li>• LLDA Clearance – Expansion</li> <li>• Discharge Permit</li> </ul>  |
| National Water Resources Board                         | <ul style="list-style-type: none"> <li>• Water Rights Permit</li> </ul>   |

In 2024, TMP recorded zero incidence of non-compliance on any environmental parameters set by the above-mentioned authorities.

## Organizational Structure





## Toyota Environmental Challenge 2050

Toyota has been continuously following trends and customers' opinions and considering what issues should be focused, and working on environmental issues with new ideas and technologies in anticipation of future issues. However, global environmental issues such as climate change, water shortages, resource depletion and loss of biodiversity are continuing to grow and increase in seriousness every day.

Toyota formulated the TEC 2050 in October 2015 and the 2030 Milestone in 2018 so that each affiliate can face these challenges from a long-term perspective of the world 20 and 30 years ahead. By establishing a vision and implementing specific measures in collaboration with key partners around the world, Toyota pursues the development of a sustainable society.



| TEC | 2050 Goal  | 2030 and 2035 Milestones (Global)           | UN SDGs being addressed:  |   |   |    |    |    |   |
|-----|--|---|---|---|---|----|----|----|---|
|     |  |   | 6   | 7 | 9 | 12 | 13 | 15 |   |
|     | Achieve CN for GHG emissions throughout the entire vehicle life cycle by 2050  | Achieve Zero CO <sub>2</sub> Emissions      | <ul style="list-style-type: none"> <li>By 2030: Reduce average GHG emissions from new vehicles* Passenger Light Duty Vehicles and Light Commercial Vehicles - by 33.3%* Medium and Heavy Freight Trucks - by 11.6%*</li> <li>By 2035: Reduce average GHG emissions by more than 50% from new vehicles (compared to 2019 levels)*</li> </ul>   |   | ● |    |    | ●  |   |
|     | Achieve CN for average GHG emissions from new vehicles by 2050   |   | <ul style="list-style-type: none"> <li>By 2030: Reduce global average CO<sub>2</sub> emissions (TtWg/km) from new vehicles by 35% or more, which may vary depending on market conditions</li> </ul>   |   |   |    | ●  | ●  |   |
|     | Achieve zero CO <sub>2</sub> emissions at global plants by 2050  |   | <ul style="list-style-type: none"> <li>By 2035: Achieve CN for CO<sub>2</sub> emissions from production at plants</li> </ul>  |   | ● | ●  |    | ●  |   |
|     | Minimize water usage and implement water discharge management according to individual local conditions               | Achieve a Net Positive Environmental Impact | By 2030: <ul style="list-style-type: none"> <li>Complete water quantity measures at the 4 Challenge-focused plants in North America, Asia and South Africa</li> <li>Complete water quality impact and measures at all of the 12 plants where used water is discharged directly to river in North America, Asia and Europe</li> <li>Disclose information appropriately and communicate actively with local communities and supplier</li> </ul> | ● |   |    |    |    |   |
|     | Promote global deployment of End-of-life vehicle treatment and recycling technologies and systems developed in Japan |   | By 2030: <ul style="list-style-type: none"> <li>Complete establishment of battery collection and recycling systems globally</li> <li>Complete setup of 30 model facilities for appropriate treatment and recycling of End-of-life vehicles</li> </ul>   |   |   | ●  | ●  |    |   |
|     | Connect the reach of nature conservation activities among communities, with the world, to the future                 |   | By 2030: <ul style="list-style-type: none"> <li>Realize Plant in Harmony with Nature (12 in Japan and 7 in other regions)</li> <li>Contribute to biodiversity conservation activities in collaboration with NGOs and others</li> <li>Expand initiatives both in-house and outside to foster environmentally conscious persons responsible for the future</li> </ul>   |   |   |    | ●  |    | ● |

\*Following TMC's Sustainability Subcommittee meeting in March 2023, the deviation from the original targets caused by the CN declaration and the acquisition of Science Based Targets certification is corrected.



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

While motorization is expected to continue as the Philippine economy grows, TMP takes on the challenge to reduce the CO<sub>2</sub> that are indirectly emitted at pertinent points of occurrence across its value chain. With the huge support and strong involvement of its stakeholders such as logistics service providers, suppliers, and dealers, it is possible for TMP to reduce the CO<sub>2</sub> emissions throughout a Toyota vehicle's life cycle.

### Scope 3 Emissions

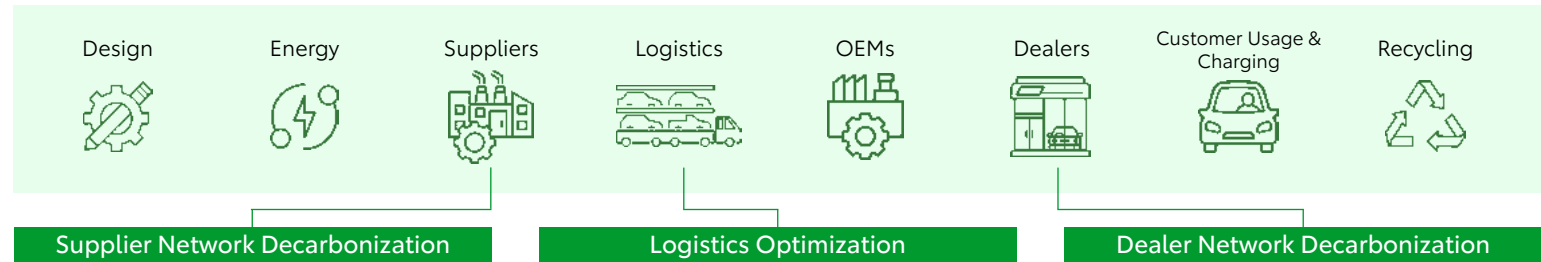
Currently, TMP's indirect CO<sub>2</sub> emissions are measured from its logistics operations, as well as the electricity consumption from both supplier and dealer networks.

The processes that largely contribute to carbon footprint are the delivery of Toyota vehicles by outsourced logistics service providers using car carrier trucks, automotive parts production and delivery, as well as sales and service operations at Toyota dealerships nationwide.

In 2024, indirect CO<sub>2</sub> emissions from these sources amounted to 247,174 tons.

| 2024 Indirect Emissions that occurred in TMP's Value Chain |                                   |
|--|-----------------------------------|
| Logistics  | 18,470 ton-CO <sub>2</sub>        |
| Supplier Network   | 208,635 ton-CO <sub>2</sub>       |
| Dealer Network   | 20,069 ton-CO <sub>2</sub>        |
| <b>Total</b>   | <b>247,174 ton-CO<sub>2</sub></b> |

### Appropriate Vehicle Life Cycle Action



As electricity consumption is a major contributor to CO<sub>2</sub> emissions, TMP encourages its suppliers with the benefits of renewable energy through investments in solar power facility or by procurement under the Department of Energy's (DOE) Green Energy Option Program (GEOP).

To further support sustainability, TMP also promotes efficient use and management of energy, water, waste, critical materials, and harmful substances while being considerate of the suppliers' capability. Additionally, TMP has a requirement to suppliers to conduct tree-planting and coastal clean-up activities, heightening their environmental stewardship.

In further greening the supply chain, TMP implements the Toyota Green Purchasing Guidelines to its suppliers. Part of it is the requirement for suppliers to obtain and maintain ISO 14001 certification. Currently, 52 suppliers are certified.

[Toyota Green Purchasing Guidelines](#)

**13 suppliers**  
engaged in RE utilization  
**9 suppliers**  
at 100% RE ratio  
\*as of end-December 2024



TMP implements several kaizen or process improvement activities to optimize its logistics operations – from the transportation of raw materials and parts to the transportation of vehicles to the dealerships.

A major milestone in TMP's logistics system is the construction of the Batangas Vehicle Center (BVC) which started operating in July 2021. One of the objectives of the BVC is to reduce 128 kilometers of travel distance in transporting Completely Built-up Units (CBU) or imported vehicles previously between the Port of Batangas and TMP's Santa Rosa Vehicle Center. Now, the route is shortened with CBUs being transported only within Batangas City.

While fresh and quality vehicles are assured, TMP is also able to lessen the carbon footprint using the faster route in delivering them to Toyota customers nationwide.



The dealer network operations continue to expand with the market, and TMP monitors its environmental compliance with all Toyota and government regulations through the ECO Dealership Program. Apart from complying with Toyota's standards, all dealers are also encouraged to attain ISO 14001 certification.

The dealer network also contributes to the achievement of TEC 2050 through the implementation of numerous sustainable initiatives. Among these are the use of energy-saving equipment such as LEDs for lighting and inverter-type air conditioning units, as well as the installation of solar energy facilities. Same as with the TMP suppliers, the dealers are encouraged by TMP to participate in the DOE's GEOP for greater reduction of CO<sub>2</sub> emissions.

**34 dealers**  
engaged in RE utilization  
**73 dealers**  
with ISO 14001 certification  
\*as of end-December 2024



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

As carbon knows no borders, finding ways to reduce CO<sub>2</sub> emissions is an issue that cannot wait. Toyota believes that it should be urgently done with the practical solutions that can be done now.

### Multi-pathway Technologies

To spread the use of electrified vehicles (xEV) as quickly and many vehicles as possible, Toyota is attentive to the specific needs of customers, taking into account the diverse ways of usage and local electrification progress of varied markets.

Toyota currently offers the widest array of sustainable powertrain technologies including Hybrid Electric Vehicle (HEV), Plug-in Hybrid Electric Vehicle (PHEV), Battery Electric Vehicle (BEV), Fuel Cell Electric Vehicle (FCEV), and even Internal Combustion Engine Vehicles (ICEV) that can be powered by Hydrogen (H<sub>2</sub>) or Carbon-Neutral Fuel (CN Fuel) such as bio-fuel.



In helping achieve a country's carbon neutrality goals, these technologies work best in complementation with the energy strategy, infrastructure readiness, and market readiness.

Without focusing on a single technological solution, Toyota continues to develop existing powertrains while balancing the practicalities of product attractiveness and competitiveness.

In 2024, TMP communicated this approach vehicle emissions decarbonization through various activities with stakeholders such as the showcase of HEV, BEV, and Hydrogen-powered ICEV (HICEV).



HICEV powertrain technology showcase to Philippine President Ferdinand Marcos Jr. and First Lady Liza Araneta Marcos at the Malacañan Palace



Corolla Cross H2 Concept and Hydrogen Refueling Station (HRS) demonstration to Philippine media



xEV exhibitions (Kayoibako BEV; bZ4X BEV) at the 2024 Philippine International Motor Show in Pasay City

In the Philippines, TMP notably pioneered the vehicle electrification in the country by introducing the Hybrid Electric Vehicle (HEV) technology through the Toyota Prius back in 2009.

To date, TMP has the widest line-up of HEV models. As an alternative to conventional Internal Combustion Engine vehicles, it offers the functional advantage of seamless switching from using gasoline engine to electric motor to power the vehicle, significantly reducing emissions.

While the future of mainstreaming various types of xEVs is shaped by local policies such as the Electric Vehicle Industry Development Act (EVIDA) enacted in 2022, HEVs remain to be the most practical and best transition technology considering the market conditions, infrastructure readiness and energy security concerns.

In view of positive developments in the local Battery Electric Vehicle (BEV) infrastructure, TMP introduced its second pure electric model, the Lexus UX 300e in March 2024.

TMP further demonstrated the benefits of HEVs and BEVs by shuttling the international delegates of the 2024 Asia-Pacific Ministerial Conference on Disaster Risk Reduction (APMCDRR) hosted in the Philippines. This was as part of TMP's mobility partnership with the Department of Environment and Natural Resources (DENR) and United Nations Office for Disaster Risk Reduction (UNDRR).

2024 recorded an outstanding 95% growth in TMP's xEV sales, having sold a total of 14,057 units while also maintaining the xEV market leadership with 72% market share.



### xEV Model Introduction Timeline

|      |  |
|------|--|
| 2009 | Toyota Prius (HEV)*  |
| 2012 | Toyota Prius c (HEV)*  |
| 2014 | Lexus NXh Executive (HEV)<br>Lexus NXh Premier (HEV)   |
| 2019 | Toyota Corolla Altis (HEV)<br>Lexus LSh (HEV); Lexus RXh (HEV)   |
| 2020 | Toyota Corolla Cross (HEV)<br>Lexus ISh Executive (HEV)<br>Lexus ISh Premier (HEV)   |
| 2021 | Toyota Camry (HEV)<br>Lexus ESh HEV<br>Lexus NXh (HEV)   |
| 2022 | Toyota Rav 4 (HEV)<br>Lexus NX 350h (HEV)<br>Lexus NX 350h Premier (HEV)<br>Lexus UX 250h Premier (HEV)<br>Lexus UX 250h F Sport (HEV)<br>Lexus ES 300h Luxury (HEV)   |
| 2023 | Lexus RZ 450e (BEV)<br>Lexus RX 350h Executive (HEV)<br>Lexus RX 350h Premier (HEV)<br>Lexus RX 500h F Sport Perf. (HEV)<br>Lexus LS 500h Executive (HEV)<br>Lexus LM 350h (HEV)<br>Toyota Yaris Cross (HEV)<br>Toyota Zenix (HEV)<br>Toyota Alphard (HEV) |



Lexus LBX (HEV)

2024



Lexus UX300e (BEV)

\*unavailable/discontinued offering



TMP has taken significant steps to reduce the carbon footprint at the TMP-Santa Rosa (SR) manufacturing plant, which produces two of the country's bestselling models, the Vios and Innova.

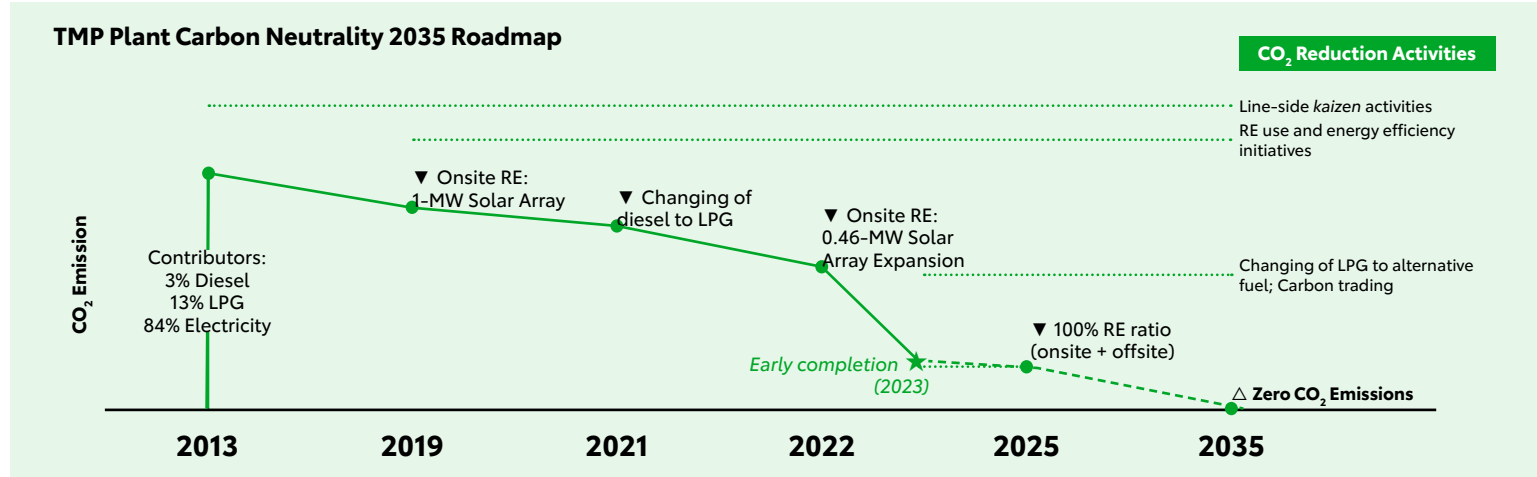
### TMP Plant Carbon Neutrality (PCN)

In a bid to tackle climate change, Toyota pledged in 2021 to make all its manufacturing plants carbon-neutral by 2035. This target is 15 years ahead of the previous goal of TEC 2050. To achieve this global target, Toyota intends to introduce new methods for painting, coating, and casting that will significantly reduce or eliminate CO<sub>2</sub> emissions. Additionally, Toyota will maximize the use of Renewable Energy (RE) from both onsite and offsite sources to power its plants.

In line with this global goal, TMP has intensified its efforts to reduce or eliminate its manufacturing plant's Scope 1 and 2 Emissions from the 2013 levels. TMP's approach is to elevate its RE usage and adopt energy-efficient solutions for its production operations. Like other Toyota manufacturing plants overseas, TMP is also committed to reaching PCN by 2035. This will also involve a two-pronged approach, including maximizing RE usage while continuing to apply energy-efficient and sustainable production solutions.



**28,037 ton-CO<sub>2</sub>**  
 TMP-SR Manufacturing  
 Plant Emissions  
 (Scope 1 and Scope 2)



### Scope 1 Emissions

TMP constantly monitors its direct CO<sub>2</sub> emissions at various controllable sources, such as the manufacturing plant's diesel-fueled generators and boilers, LPG-fueled ovens at the painting shop, and company-owned vehicles. Progressive reduction milestones are set to ultimately achieve a goal of zero CO<sub>2</sub> emissions. TMP optimizes every possible manufacturing process, using simple machines or alternative energy sources. If necessary, the company invests in new technology or facilities after a thorough study.

In its continuous improvement to fully scope and aptly measure company-wide fuel consumption, TMP added new lines of emission sources in its company monitoring. These include the gasoline and diesel consumptions at the TMP-Batangas Vehicle Center (BVC), initial fueling of locally produced Vios and Innova units prior to distribution, and fueling of trucks for in-land parts delivery.

| Company-wide Scope 1 CO <sub>2</sub> Emissions |                                  |
|--|----------------------------------|
| TMP-SR Manufacturing Plant                     | 8,717 ton-CO <sub>2</sub>        |
| TMP-BVC  | 3,487 ton-CO <sub>2</sub>        |
| <b>Total</b>                                   | <b>12,204 ton-CO<sub>2</sub></b> |

### Scope 2 Emissions

TMP is addressing indirect emissions from electricity use by sourcing RE. The company aims to achieve a 100% RE ratio at its manufacturing plant before its internal 2025 target. To this end, TMP reached such milestone two years earlier in December 2023.

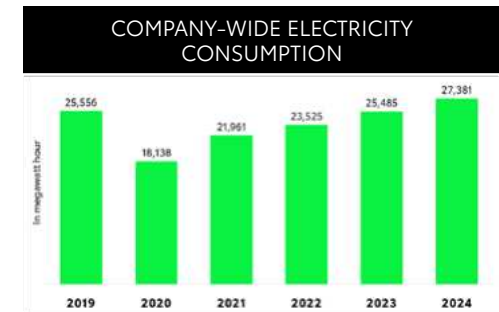
TMP's manufacturing plant in Santa Rosa City started sourcing in December 2023 its electricity from a local Retail Electricity Supplier (RES) backed with an International Renewable Energy Certificate (IREC). This is under a Retail Supply Contract (RSC), which was renewed in 2024 to last until December 2026, helping TMP's manufacturing plant avoid Scope 2 CO<sub>2</sub> emissions for the entire calendar year in 2024.

To date, approximately 90% of the manufacturing plant's power needs come from the RES while the remaining 10% is sourced onsite from its existing 1.46-megawatt rooftop solar power system.

As an improvement in the total measurement of company-wide CO<sub>2</sub> emissions, TMP started recording in 2023 in its ESG database the electricity consumption at the TMP-BVC in Batangas City and offices at the GT Tower International in Makati City.



1.46-MW TMP Solar Array



| Company-wide Scope 2 CO <sub>2</sub> Emissions                        |                                  |
|---|----------------------------------|
| TMP-SR Manufacturing Plant  | 19,320 ton-CO <sub>2</sub>       |
| TMP-BVC   | 1,397 ton-CO <sub>2</sub>        |
| GT Tower International (28 <sup>th</sup> and 31 <sup>st</sup> floors) | 458 ton-CO <sub>2</sub>          |
| <b>Total</b>  | <b>21,175 ton-CO<sub>2</sub></b> |



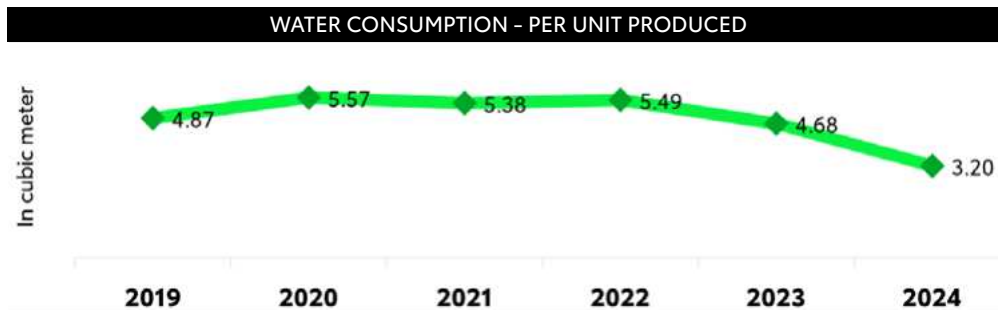
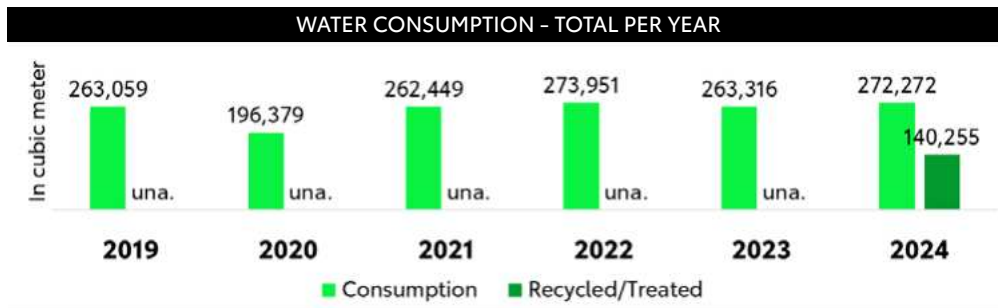
## Challenge of Minimizing and Optimizing Water Usage

TMP continues to source from Santa Rosa City’s underground water for its manufacturing operations. This water source, however, may become scarce by 2025, based on the study conducted by the World Wide Fund (WWF) for Nature. To mitigate the forecasted scenario, TMP started using alternatives such as rainwater and recycled water.

Through the use of Waste Water Treatment Plant, TMP can ensure that the water released back to the Laguna Lake is contaminant-free and compliant 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.

TMP’s overall water consumption in 2024 increased by 3% from 2023 due to facility construction activities.

| Company-wide Water Consumption  |                              |
|---|------------------------------|
| TMP-SR Manufacturing Plant  | 257,235 m <sup>3</sup>       |
| TMP-BVC   | 14,855 m <sup>3</sup>        |
| GT Tower International (28 <sup>th</sup> and 31 <sup>st</sup> floors) | 184 m <sup>3</sup>           |
| <b>Total</b>  | <b>272,274 m<sup>3</sup></b> |



### Water Recycling

Through the Wastewater Treatment Plant (WWTP), TMP’s processed water is treated and recycled for refill of water in the man-made lagoon, replenishment of sludge pool at the painting maintenance shop, and watering of plants at the TMP Nursery and Toyota Forest.

To reduce the consumption of raw water, TMP maximizes the use of treated water to watering of plants and trees inside the company’s premises aided by a Mobile Water Tanker.

In line with the completion of the TMP Conversion Factory, a new manufacturing facility for the local production of the Next Generation Tamaraw, TMP also completed the Reverse Osmosis (RO) facility. This enables the a portion of treated water from the WWTP to be purified and used for painting shop.

This RO facility can purify 5 m<sup>3</sup> of water per hour, conserving 264 m<sup>3</sup> of treated water from WWTP per day (79,000 m<sup>3</sup> per year). In the process of RO water purification, first pass of reject water amounting to 20 µS per centimeter are utilized for boilers and water-cooled compressors in the main manufacturing plant.



### Rainwater Harvesting

TMP has two units of Rainwater Collector Tank that can hold 21 cubic meters (m<sup>3</sup>) of rainwater. One tank supplies 3 m<sup>3</sup> for car-washing motorpool vehicles. The other tank, which was installed in 2022 at the Scrapyard, has a 4-m<sup>3</sup> capacity. This is used to collect rainwater for cleaning waste drums and forklifts.

In 2024, TMP harvested and consumed 16 m<sup>3</sup> of rainwater.



## Challenge of Establishing a Recycling-based Society and Systems

As the demand for Toyota vehicles remains high in the country, managing air emissions and reducing wastes remain a challenge in automotive manufacturing. Nevertheless, TMP looks for better ways to implement a more sustainable waste management system in the company.

### Air Quality Management

In its production operations, TMP uses boilers and ovens. There are also several units of diesel generator sets that serve as backup units in case of power interruption or failure. These equipment are subjected to regular emission sources sampling (at all stack sources and ambient sites) to ensure compliance to the Republic Act 8749 or Philippine Clean Air Act.

TMP remains committed in following all air emission parameters and keeping all equipment and facilities within the limits set by the DENR. On a quarterly basis, TMP reports its air emission sampling data through a 'Self Monitoring Report' submitted to the DENR - Environmental Management Bureau (DENR-EMB).

In 2024, there was no recorded violation at any sampling sources within TMP based on the government standards for Total Suspended Particles, Particulate Matter, Nitrogen Dioxide, Sulfur Dioxide, and Carbon Monoxide.

### Waste Management

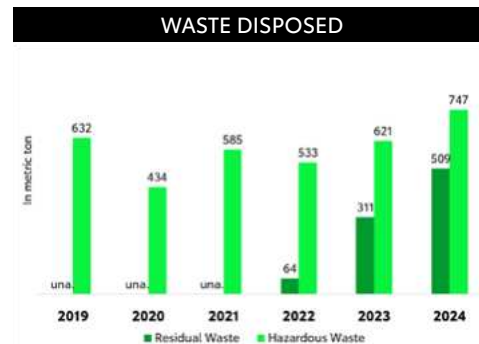
TMP also maintains its environmental compliance through proper management of wastes from both manufacturing and non-manufacturing activities. Residual and Hazardous Wastes generated are handled in accordance with the mandates of the Republic Act 9003 (Ecological Solid Waste Management Act) and Republic Act 6969 (Toxic Substance and Hazardous and Nuclear Waste Control Act).

TMP's Residual Wastes have scrap value and are only transported by a DENR-accredited hauler after being sold. On the other hand,

TMP's Hazardous Wastes are properly hauled, treated, stored and disposed to a sanitary landfill.

For waste generated by Team Members, TMP continues to promote proper segregation (using color-coded trash bins) and 'Zero Single-use Plastics.'

Due to higher production volume, new facility construction, and desludging activities in 2024, total Residual and Hazardous Wastes disposed climbed up by 64% and 20%, respectively, from 2023.



\*una. = unavailable/measures not yet placed or established



### End-of-Life Vehicle Management

Toyota's Life Cycle Action plan has a significant focus on End-of-Life Vehicle (ELV) management, which applies the principles of 4Rs: Reduce, Reuse, Recycle, and Recover. This involves designing for easier dismantling, increasing recyclable material use, developing advanced recycling for components like hybrid batteries, and establishing proficient ELV dismantling facilities worldwide to maximize resource recovery and minimize waste.

Demonstrating this commitment in the Philippines, Toyota endorsed the nation's first model ELV dismantling facility, En Tsumugi ELV Dismantler Corporation in Pampanga, in September 2024. This initiative, part of Toyota's "Global 100 Dismantlers Project" and supported by TMP through technical aid and vehicle donations for training. This milestone marked a significant step towards a circular economy and responsible automotive waste management in the country.



TMP President Masando Hashimoto (leftmost) hands over Toyota's endorsement certificate to En Tsumugi ELV Dismantler Corporation during its inauguration.



### Food Waste Management

TMP integrates food waste management into its broader strategy for total waste management and resource conservation. The company employs a systematic approach in its canteen operations, which covers the improvement of food waste segregation, implementation of half-serving options to reduce leftovers, and optimization of food preparation by practices like thinner peeling of vegetables. A cornerstone of their strategy is the donation of unavoidable food waste to employees for livestock feed, alongside streamlining menu options to minimize spoilage and excess.

Based on its canteen food waste reduction efforts, TMP saw positive results in 2024. The company's target for the year was 5,358 kg or 30% reduction from its base year waste of 7,512 kg. TMP's actual food waste in 2024 was at 3,711 kg, equivalent to a 50% reduction from the base year and far exceeding the target.

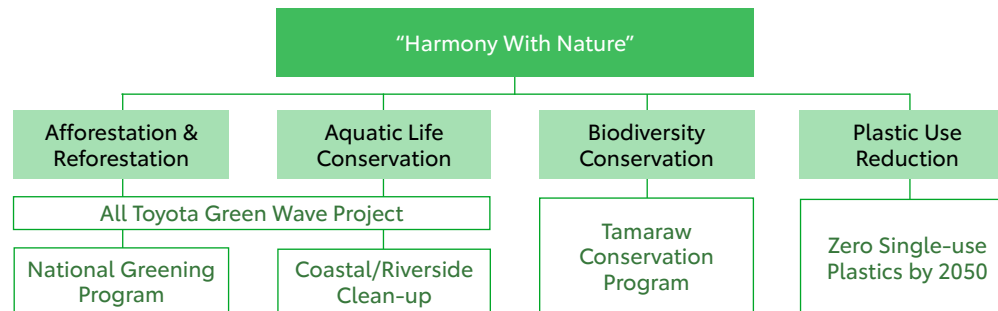




## Challenge of Establishing a Future Society in Harmony with Nature

Toyota aims to create a society in harmony with nature by engaging various stakeholders to collaborate on nature-positive initiatives. To this end, all Toyota affiliates globally are tasked with actively contributing their resources and expertise to promote the protection and prosperity of local ecosystems.

Toyota's 'Harmony with Nature' programs encourage Toyota Team Members to connect with nature and communities, raising their environmental consciousness and empowering them to find practical solutions.



Upland tree-planting led by TMP President Masando on a NGP site in Siniloan, Laguna in June 2024

### All Toyota Green Wave Project

Since 2015, TMP has been implementing the All Toyota 'Green Wave' Project, a global initiative that aims to connect the company's internal network (including TMP Team Members, dealers, and suppliers) to nature and communities.

Aside from its owned and controlled locations, TMP has adopted a total of 108 hectares (ha) of coastal and upland sites for reforestation across the Region IV-A (CALABARZON) under the Department of Environmental and Natural Resources or DENR's National Greening Program (NGP) as of 2024. In these areas, TMP aims to contribute to the larger conservation effort for megadiverse ecosystems including the Sierra Madre mountain range, home to the country's oldest forests and terrestrial wildlife, as well as the Verde Island Passage, known as the world's 'center of the center' of marine shorefish biodiversity.

| Location                    | NGP Adopted Area | Status                 | Success Rate | Seedlings Planted |                |
|-----------------------------|------------------|------------------------|--------------|-------------------|----------------|
|                             |                  |                        |              | 2024              | Cumulative     |
| Siniloan, Laguna (NGP)      | 50 ha            | Ongoing                | --           | 5,000             | 25,000         |
| Maragondon, Cavite (NGP)    | 40 ha            | Ongoing                | --           | 7,000             | 22,000         |
| Calatagan, Batangas (NGP)   | 8 ha             | Ongoing                | --           | 2,000             | 17,100         |
| Lian, Batangas (NGP)        | 10 ha            | Graduated; Maintaining | --           | 1,000             | 24,000         |
| TMP Batangas Vehicle Center | N/A              | Ongoing                | --           | 1,000             | 2,804          |
| TMP Dealers' sites & others | N/A              | Ongoing                | --           | 58,415            | 102,194        |
| TMP Suppliers               | N/A              | Ongoing                | --           | 9,693             | 9,893          |
| Other Sites                 | N/A              | N/A                    | --           | 0                 | 5,000          |
| <b>Total</b>                | <b>108 ha</b>    |                        |              | <b>74,415</b>     | <b>198,098</b> |

### Biodiversity Conservation

TMP aims to direct its conservation initiatives in the right areas while observing the appropriate ecological procedures. With this, the Company closely collaborates with the local authorities and community organizations to identify the sites to do species-matching at, create circular economy opportunities, and ensure area maintenance.

In 2024, TMP, through its social and humanitarian arm, TMP Foundation, signed a Memorandum of Understanding (MOU) with the DENR to protect the Tamaraw, a critically endangered draw buffalo species found on Mindoro Island. Announced during the public

launch of the Next Generation Tamaraw, the company pledged its support to the agency's Tamaraw Conservation Program (TCP) through a planned donation of a brand-new Tamaraw vehicle, PHP 500,000-worth of ranger gears and supplies for 'Bantay Tamaraw', and a PHP 3-million conservation fund for the patrolling, monitoring, research and education initiatives.



MOA Signing Ceremony between TMP Foundation and DENR for the Tamaraw Conservation Program

### Zero Single-use Plastics by 2030

Toxic materials dumped into the seas and rivers harm all forms of aquatic life. With the goal of realizing 'Plant in Harmony with Nature,' TMP spreads awareness among its Team Members about the negative impacts of single-use plastics to the environment.

In view of the 'Zero Single-use Plastics' 2030 target set for Toyota Asia Region, TMP implements a company-wide banning of selling and issuance of single-use plastics such as foam, plastic bags, straws and paper cups. TMP Team Members are encouraged to use more environment-friendly materials such as metal or wooden straws, reusable food containers and paper bags or eco bags.



## Environmental Data

### A CO<sub>2</sub> Emissions GRI 305-1-3, 305-5

|                | Unit                | 2023   | 2024   |
|----------------|---------------------|--------|--------|
| Scope 1        | ton-CO <sub>2</sub> | 8,442  | 12,203 |
| Stationary     | ton-CO <sub>2</sub> | 2,605  | 2,513  |
| Mobile         | ton-CO <sub>2</sub> | 5,837  | 9,690  |
| Scope 2        |                     |        |        |
| Location-based | ton-CO <sub>2</sub> | 19,870 | 20,222 |
| Market-based   | ton-CO <sub>2</sub> | 19,870 | 952    |

### B Energy GRI 302-1

|                         | Unit   | 2023      | 2024      |
|-------------------------|--------|-----------|-----------|
| Electricity Consumption | MWh    | 25,485    | 27,381    |
| Monthly average         | MWh    | 2,124     | 2,282     |
| Renewable Energy        |        |           |           |
| Onsite RE utilized      | MWh    | 1,558     | 1,738     |
| Cost savings from RE*   | Mn PHP | 7.89      | 12        |
| Diesel Consumption      | L      | 1,037,576 | 988,958   |
| Monthly average         | L      | 86,465    | 69,548    |
| Gasoline Consumption    | kg     | 1,468,741 | 1,698,558 |
| Monthly average         | kg     | 122,395   | 141,547   |
| LPG Consumption         | kg     | 882,216   | 854,632   |
| Monthly average         | kg     | 73,518    | 71,219    |

### C Waste GRI 306-4-5

|                          | Unit | 2023  | 2024  |
|--------------------------|------|-------|-------|
| Residual Waste Disposed  | t    | 311   | 509   |
| Monthly average          | t    | 26    | 42    |
| Residual Waste Recycled  | t    | 4,822 | 6,249 |
| Hazardous Waste Disposed | t    | 621   | 747   |
| Hazardous Waste Recycled | t    | 24    | 0     |

### D Water GRI 303-3, GRI 303-5

|                             | Unit           | 2023    | 2024    |
|-----------------------------|----------------|---------|---------|
| Fresh Groundwater Withdrawn | m <sup>3</sup> | 263,316 | 272,274 |
| Recycled/Treated            | m <sup>3</sup> | N/A     | 7,418   |
| Harvested (Rainwater)       | m <sup>3</sup> | 12      | 21      |

### E VOC Emissions GRI 305-7

|                      | Unit             | 2023 | 2024 |
|----------------------|------------------|------|------|
| Direct VOC Emissions |                  |      |      |
| Body                 | g/m <sup>2</sup> | 54   | 53   |
| Bumper               | g/m <sup>2</sup> | 951  | 982  |

### Conversion Factors

| Referenced Emission Factors: |  |            |
|------------------------------|--|------------|
| Electricity                  | 0.0007797 ton-CO <sub>2</sub> per kWh  | IEA 2021   |
| Diesel                       | 0.00270553 ton-CO <sub>2</sub> per L   | BEIS, 2021 |
| Gasoline                     | 0.0023397 ton-CO <sub>2</sub> per L  | BEIS, 2021 |
| LPG                          | 0.0029393 ton-CO <sub>2</sub> per kg   | BEIS, 2021 |
| Others:                      |  |            |
| Cost Savings from RE         | Onsite RE Utilized in kWh x *2024 Meralco Average Electricity Price in PHP per kWh |            |



# SOCIAL PERFORMANCE

- Employment
- Diversity, Equity and Inclusion
- Human Rights and Non-discrimination
- Labor Relations
- Training and Education
- Developmental Programs
- Occupational Health and Safety
- Product Safety and Quality
- Marketing and Labeling
- Local Communities

|            |  |
|------------|--|
| <b>GRI</b> | 401-1-3; 402-1; 403-6; 404-1-2; 405-1-2; 406-1; 412-2; 413-1 |
|------------|--|

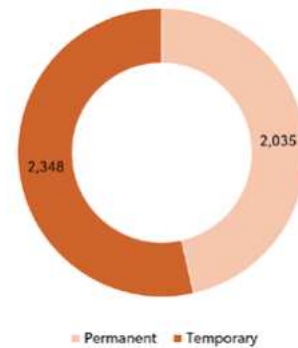
|             |              |
|-------------|--------------|
| <b>SASB</b> | TR-AU-250a.1 |
|-------------|--------------|

## Employment

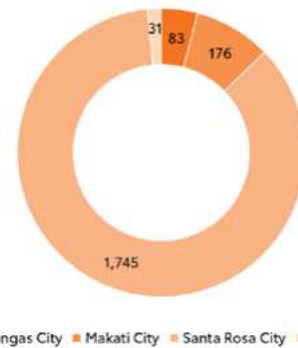
TMP takes account of its workforce composition and other work dynamics to optimize distribution of human and intellectual capital across various operational areas. This approach allows the company to maximize diverse talents, strengths, and abilities of each Team Member to foster a conducive workplace that ensures a balanced allocation of responsibilities, promotes professional growth, and supports career fulfillment.

As the largest automotive manufacturing company in the country, TMP has a predominantly male workforce engaged in vehicle production.

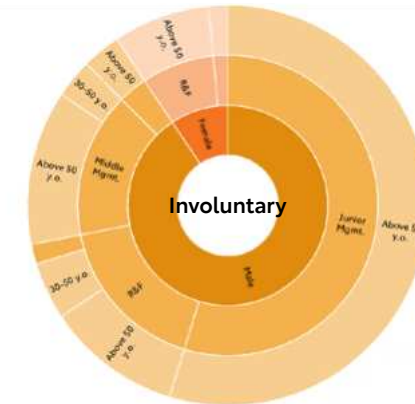
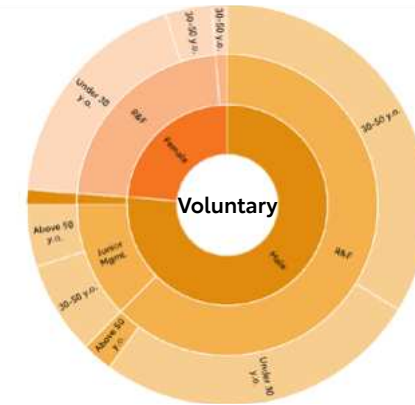
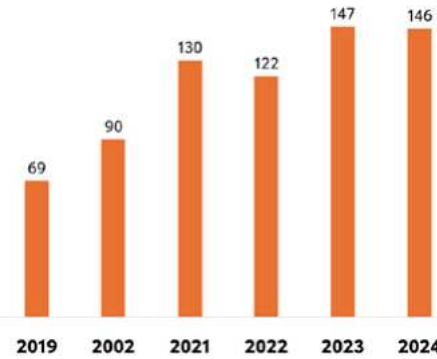
TMP WORKFORCE



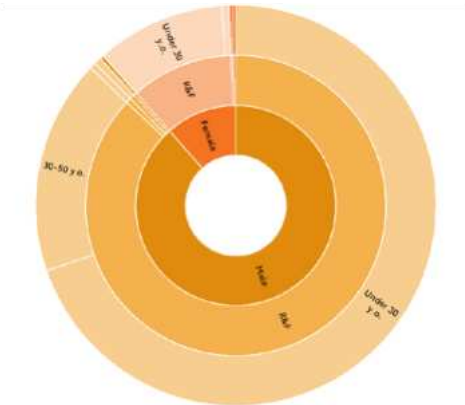
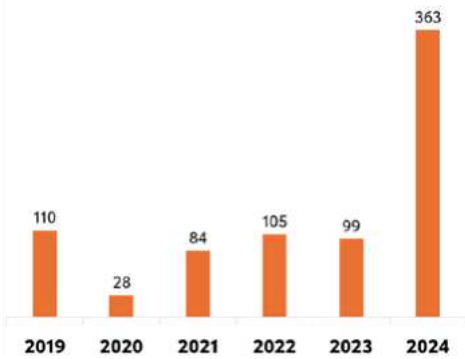
DISTRIBUTION BY LOCATION



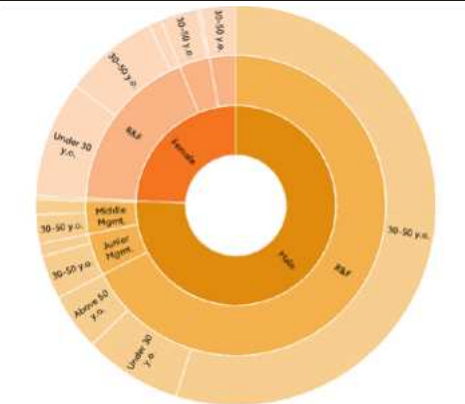
TURNOVER



NEW HIRES



PROMOTIONS





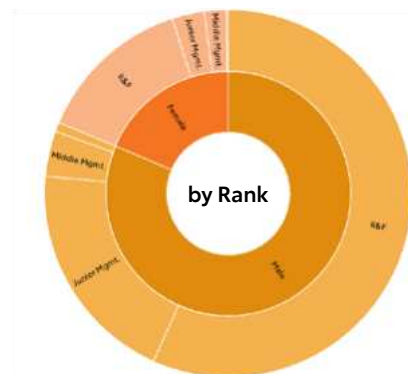
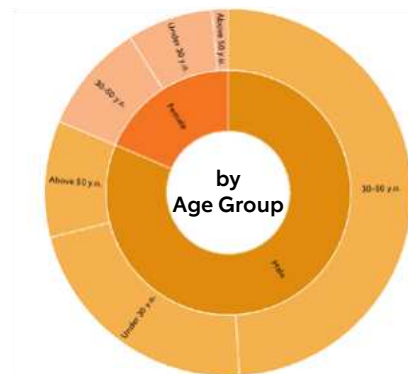
## Diversity, Equity & Inclusion



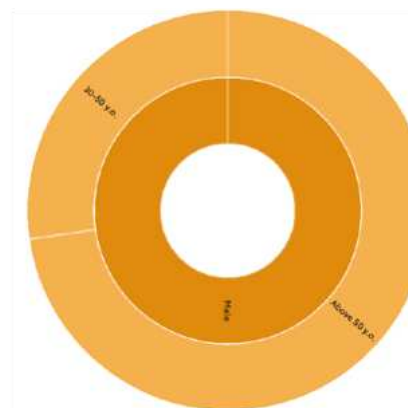
TMP cultivates a diverse workplace to harness a wide breadth of ideas and perspectives, fostering creativity, collaboration, and innovation to meet the evolving needs of our customers. Furthermore, the company continues to nurture a supportive and inclusive working environment so that all Team Members feel empowered to contribute their full potential and have equal opportunities.

In 2024, TMP introduced its Diversity, Equity, and Inclusion (DE&I) Policy, which underscores the company's commitment to creating a workplace where all Team Members are valued, treated with respect, and empowered to contribute to shared success. The policy outlines the roles and responsibilities of TMP Officers and Team Members in ensuring its effective implementation in the workplace as well as its application across different human resource functions, organizational culture, and spaces within the company.

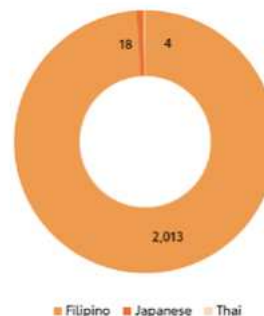
### GENDER



### BOARD DIVERSITY



### NATIONALITY



### Salary and Remuneration Ratio

TMP envisions being the No. 1 automotive company where 'great people work'. Anchored in this vision, the company continues to cultivate a workplace where talent, hard work, and contributions are valued, recognized, and rewarded.

The company provides competitive compensation and benefit packages that are designed to support the needs of Team Members at every stage of their lives. Moreover, TMP extends law-mandated special leave benefits for eligible male and female Team Members.

To further elevate employee satisfaction and motivation, TMP rewards all Team Members based on individual and organizational performance, recognizing and compensating both individual achievements and collective efforts in driving the company's success.

|  |     |
|--|-----|
| Ratio of basic salary and remuneration of women to men   | 1:1 |
| Ratio of the basic salary and remuneration of women to men for each employee category, by significant locations of operation |     |
| Rank & File  | 1:1 |
| Junior Management  | 1:1 |
| Middle Management  | 1:1 |
| Senior Management  | 1:1 |

### Parental Leaves and Employee Benefits

|   |      |
|---|------|
| Total number of employees that were entitled to and took parental leave, by gender  |      |
| Female  | 20   |
| Male  | 60   |
| Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work, by gender |      |
| Female  | 20   |
| Male  | 60   |
| Return to work and retention rates of employees that took parental leave, by gender   |      |
| Female  | 100% |
| Male  | 100% |

### Benefits provided to full-time employees that are not provided to temporary or part-time employees

- Medical Benefits:
- Group Life Insurance
  - HMO, Chronic/Critical Illness, & Daily Hospitalization Income Benefit
  - Medicine Allowance
  - Disability and Invalidity Insurance Coverage (under Group Life Insurance)
- Others:
- Allowance (for transportation)
  - Gratuity/Financial Assistance (death, calamity, marriage, maternity, paternity)
  - Vehicle Acquisition/Car Plan
  - Service Loyalty Incentive
  - Perfect Attendance Incentive
  - Retirement Plan



## Human Rights and Non-Discrimination

'Respect for People' is one of the core values of the Toyota Way. It serves as one of the guiding principles for creating a work environment where all feel welcome, safe, and heard, which empowers Team Members to contribute their best toward company goals. This fundamental value is ingrained in all Toyota Team Members to uphold human rights in the workplace and foster a culture and environment free from discrimination.

TMP consistently enforces company policies and TMP's Code of Conduct among Team Members to ensure strict compliance and safeguard human rights. Trainings and learning sessions are conducted to keep Team Members informed of any changes in the company's policies and procedures.

Moreover, the company reinforces the implementation of internal policies and promotes workplace transparency by providing a mechanism for employees to report fraud-related violations anonymously or confidentially through the TMP Responsible Reporting Program (TRRP). In 2021, as part of a regional initiative to promote respect and diversity in the workplace, TMP began its roll-out of a refresher activity for this program.

Further efforts of the company to promote human rights awareness include consistently implementing the TMP Code of Conduct Orientation for its new hires and leaders, as well as several Leadership Coaching Series modules tailored for leaders.



**453 hours**  
total Human Rights training hours

|   |     |
|---|-----|
| Team Members Trained                        | 14% |
| No. of recorded incidents of discrimination | 0   |

## Labor Relations

TMP's history underpins a series of events that underscored the importance of strong labor-management relations. This also served as one of the foundations for the company's commitment to fostering positive relationships between the workforce and management.

TMP builds on this legacy by cultivating a relationship with Team Members based on mutual respect and trust, demonstrated through its active coordination with established labor unions representing the company's Team Members.

Two (2) labor unions represent TMP's workforce. The Toyota Motor Philippines Corporation Labor Organization - Philippine Metalworkers' Alliance (TMP-CLO-PMA) for Rank & File Team Members and the TMPC-Supervisory Union (TMPC-SU) for Supervisory Team Members. Confidential and non-union certified Team Members are represented by the TMP-Labor Management Council (TMPLMC) to address the gap in the employee representation and engagement of Team Members.

Collective bargaining between the labor unions and management is carried out to negotiate fair and equitable terms and ensure a balance of the interests of labor and management. Any new or planned changes in the organizational structure, rules, and regulations are communicated to stakeholders with a thirty-day (30) advance notice to provide reasonable lead time for smooth implementation.

Integrated into past and recent Collective Bargaining Agreements (CBAs) are the negotiations between TMP Management and its labor sector unions, which are grounded on mutual respect and understanding. In 2024, the management and labor unions reached a successful agreement on a new CBA, demonstrating continued harmonious relations and mutual cooperation.

One hundred percent of TMP's Team Members are covered by a collective bargaining agreement, regardless of union membership.



Successful conclusion of negotiations between the labor sector unions and TMP Management

|   |      |
|---|------|
| CBA Coverage <sup>1</sup>   | 100% |
| Percentage of Union Members   | 97%  |
| Percentage of Union-eligible Rank-and-file Team Members                 | 97%  |
| Minimum number of days' notice prior to significant operational changes | 30   |

<sup>1</sup>CBA provisions are also applicable to confidential or non-union affiliated Team Members except for member-specific terms.

## Training and Education

Human capital remains central to the success and operations of TMP. With this in mind, TMP continues to invest in the development of Team Members through different training programs that enhance employees' understanding of Toyota's operations, their specific roles, and their capacity to navigate changes in the industry and business landscape.

The company uses a targeted career development approach tailored to specific levels, roles, and functions, which helps build and nurture a strong talent pipeline, as well as provide employee motivation.

### Team Member Trainings

The journey of new TMP Team Members begins with the introduction of the 'Toyota Way,' which will serve as their foundation as a Toyota employee. During the development phase, they will undergo comprehensive corporate training programs, involving classroom learning and workshop simulations focused on learning about Toyota's core values and business practices. This training process provides the new Team Members with an opportunity to learn and deeply understand Toyota's philosophies, values, and approaches to work.

Lessons about company history and policies, as well as plant, office, and dealership tours, are also integrated into the training to further familiarize new Team Members with the company's network and businesses. The HR department evaluates training programs not only by attendance rating and frequency but also by their impact on Toyota's productivity. The corporate training program for new Team Members includes output-based tasks designed to apply learnings from the classroom sessions. The quality of turnout activities is assessed in report-out sessions using proposed concepts and actual projects implemented by Team Members in their respective areas and functions.

Training programs are continually assessed



through post-training surveys to collect feedback and pinpoint opportunities for improvement. New training initiatives are developed and launched in accordance with the company's business focus and employee development priorities.

Meanwhile, a ladderized training curriculum is designed for leaders and tenured/regular Team Members to enhance their knowledge and skills primarily on Toyota's global business practices and standard ways of communication. TMP also invests in sending Team Members to external or public seminars to acquire specific expertise and technical skills needed for certain functions.

As part of TMP's digitalization strategy, TMP has its Learning Management System (LMS) called 'TMP e-Learning.' This online platform provides Team Members with flexible learning opportunities, enabling access to training materials on any mobile device, anytime, and anywhere. It uses a software application and web-based technology designed for the creation, delivery, and tracking of online courses and programs.

Toyota's approach to training and development also includes regular performance reviews and feedback sessions, allowing Team Members to map out their development strategies and pinpoint areas for improvements.

Continuous improvement or, *kaizen*, is fundamental to Toyota's business operations. Guided by this principle, TMP supports and encourages Team Members to seek, pursue, and participate in external training opportunities or seminars that would enhance their expertise and stay aligned with evolving industry standards, which also drive growth and continuous advancements within the company.

In 2024, TMP's total training hours doubled compared to 2023 due to the inclusion of training hours for Safety and the 3-day Corporate Orientation for Probationary Team Members, significant increase in new hires, and higher external training participation.



Orientation of newly hired Team Members



**24,035 hours**  
total training hours<sup>2</sup>



**12 hours**  
average training per year  
per Team Member<sup>2</sup>

| 2024 Average Training Hours <sup>2</sup> |          |
|--|----------|
| <b>Gender</b>                            |          |
| Female                                   | 13 hours |
| Male                                     | 12 hours |
| <b>Age Group</b>                         |          |
| Under 30 years old                       | 21 hours |
| 30-50 years old                          | 8 hours  |
| Over 50 years old                        | 3 hours  |
| <b>Rank</b>                              |          |
| Rank & File                              | 13 hours |
| Junior Management                        | 9 hours  |
| Middle Management                        | 9 hours  |
| Senior Management                        | 0 hours  |

<sup>2</sup>Calculation excludes the number of respective external training hours rendered by Team Members from various departments.

## Developmental Programs

Consistent, reliable, and capable leadership remains crucial in ensuring the sustainability, growth, and success of TMP. It contributes to creating a conducive working environment that provides direction, guidance, and support for Team Members. Leader also drive employee empowerment and development, which then improve operational outcomes.

To secure a strong pipeline of well-equipped next-generation leaders, TMP implements a strategic approach to succession planning through the close collaboration of key divisions and the company's HR department to determine the leadership lineup that involves identifying successors for key leadership positions who will undergo developmental programs to enhance their knowledge and capabilities.

### Leadership Development Programs

To enhance their management, leadership, and interpersonal skills, succession candidates undergo a comprehensive competency model that is both holistic and progressively challenging. The program includes one-on-one coaching, mentoring, and participation in internal and/or external training sessions. Additionally, successors may experience job rotation, immersion, expanded job responsibilities, cross-functional assignments, or exposure to regional operations, tailored to the specific functional areas for which they are being prepared.

| Program:                              | Position to be assumed: |
|---------------------------------------|-------------------------|
| Leadership Advancement Program (LeAd) | Section Head            |
| Management Development Program (MDP)  | Department Head         |
| Executive Development Program (EDP)   | Division Head           |

### Exposure to Regional Operations

Overseas training is part of TMP's career development approach, especially for preparing future leaders. In line with this, the company harnesses its connection with its mother company in Japan and regional headquarters in Asia Pacific to enable not only the transfer of technologies, but also of talent and skills. Chosen Team Members are given the opportunity to participate in various programs to enhance their skills, experience Toyota's multinational operations firsthand, and deepen their cross-cultural understanding.

### Intra-Company Transfer (ICT) Program

The Intra-Company Transfer (ICT) Program is one of Toyota's developmental programs for Office Team Members. It serves as the formal channel to facilitate talent exchange among Toyota affiliates which aims to make use of global human resources to support overseas affiliates in achieving self-reliance by developing their local staff. The program participants gain the opportunity to exchange and benchmark best practices among affiliates, which they will then share with their fellow Team Members and apply within their respective local operations upon returning from their assignments.

In 2024, seven (7) ICTs from TMP were dispatched to Singapore and Thailand, where Toyota's regional headquarters are located.



### Global Skill-up Training (GST) Program

The Global Skill-up Training (GST) Program offers on-the-job training for Line Leaders by enabling them to be immersed in TMC’s plant operations. The TMP trainees are assigned to different manufacturing worksites in Japan to enhance their practical experience in the areas of safety, quality, productivity, teamwork, and *mendomi* (mentoring).

By the end of the program, they are expected to have developed a stronger understanding of advanced worksite, as well as greater sense of leadership and ownership in manufacturing operations.

For this program, TMP sent fifteen (15) Filipino Team Members to Japan in 2024.

| Country      | ICT       |          | GST       |
|--------------|-----------|----------|-----------|
|              | Out-bound | In-bound |           |
| Japan        | 0         | 0        | 15        |
| Singapore    | 1         | 0        | N/A       |
| Thailand     | 6         | 4        | N/A       |
| <b>Total</b> | <b>7</b>  | <b>4</b> | <b>15</b> |



ICTs in Thailand



GSTs in Japan

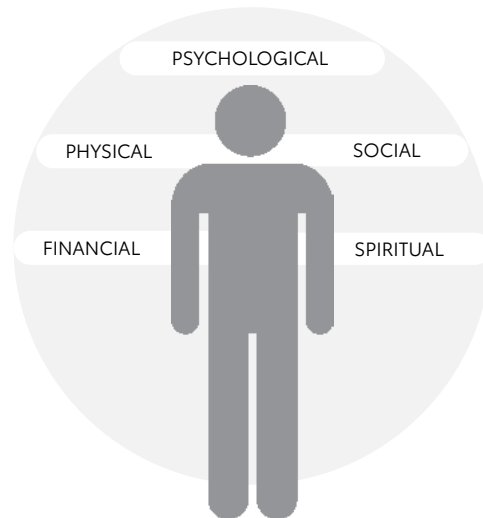
### Retirement Preparation Program

TMP further demonstrates its value for its Team Members by providing them support before their journey beyond employment in the company through a program that prepares them for a more productive and fulfilled life at retirement.

Launched in 2016, the “TMP Re-Tire Program” is designed for Team Members approaching the retirement age of 50. 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 2024, there were 60 Team Members who reached retirement.

#### Pre-retirement Interventions



Before Interventions

- Financially-dependent
- Oblivious about retirement
- Clueless about what to prepare for

---

After Interventions

- Financially-independent
- Empowered/Contented
- With well-planned life



2024 retirees during the company's appreciation program

## Occupational Health and Safety

### Fundamental Approach

TMP upholds safety as a top priority in the workplace to ensure the welfare of all Team Members. The company’s Safety and Health Section (SHS) helps in creating and maintaining a safe and accident-free workplace in compliance with the standards of the Department of Labor and Employment’s (DOLE) Occupational Safety and Health Standards (OSHS). Accordingly, SHS organizes safety promotion activities guided by three (3) pillars:



**HUMAN SAFETY**  
Level up each Team Member’s safety awareness and mindset through trainings and safety promotions



**MACHINE & CONSTRUCTION SAFETY**  
Audit and inspection of machines/equipment using safety standards

Implementation of construction safety management by contractors



**WORKSITE SAFETY**  
Establishment of standard procedures in respective operations to ensure a safe work environment

To further educate and help Team Members in preventing workplace hazards, SHS provides trainings related to Occupational Safety and Health (OSH):

**Defensive Driving Seminar** - for Team Members who use company vehicles in their operations to further improve their driving skills by



anticipating risks and utilizing safe driving strategies;

**Occupational Safety and Health Management System (OSHMS) Training & Workshop** – aims to promote awareness and prevention of unsafe acts and conditions in the workplace that are extended to every Team Member’s household;

**Lock Out, Tag Out, Try Out (LOTOTO)**

**Training** – 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.

**Safety and Disaster Risk Mitigation**

Apart from educating Team Members on how to mitigate workplace hazards and uphold a culture of safety, TMP also recognizes the importance of strengthening the preparedness of employees for different disruptive situations or events by equipping them with essential knowledge and response skills to ensure their safety. In line with this, TMP stays committed to constantly sharing the importance of having a safety mindset through company-wide activities related to fire, earthquake, and workplace safety.

**Industrial Firefighting Trainings** – aims to train emergency responders, security personnel, and service contractors the basics of fire safety.

**Earthquake Drill** – equips Team Members with the proper behavior and evacuation response during an earthquake.

**Chemical Drill** – aims to train Team Members and develop their skills in responding to chemical spill incidents.

**Fire Drill** – aims to equip Team Members with the proper behavior and evacuation response in case of a fire.

**First-Aid Training** – aims to equip Team Members with knowledge and skills to respond to an accident and medical emergencies

TMP continuously monitors the number of

incidents under each Safety Key Performance Indicators (KPIs). In 2024, TMP scored zero incidents in 5 areas, namely Fatal Accident, Stop 6 Type Injury, Lost Workday Case, AP All Toyota Fatal Accident, and Fire. However, there was one (1) incident of Total Injury Case.

In 2024, TMP achieved eight (8) million safe man-hours without lost work accident. The company also recorded zero fatalities and a total of 3,712 safety training man-hours in the same year.

| General KPI                                   | Unit              | 2024 |
|---|-------------------|------|
| Work-related Fatalities - Employees           | No. of fatalities | 0    |
| Work-related Fatalities - Contractors         | No. of fatalities | 0    |
| Lost-Time Injury Frequency Rate - Employees   | LITR              | 0    |
| Lost-Time Injury Frequency Rate - Contractors | LITR              | 0    |



**3,712 hours**  
total OSH  
training hours  
**8 million**  
safe man-hours

**Safety and Health Month**

To reinforce the value of workplace safety to Team Members every year, the company also observes and celebrates ‘TMP Safety and Health Month’.

In 2024, the TMP Safety and Health Month was celebrated with the theme of “Safety & Health Engagement: Personal Responsibility as Strategy for the Workplace”, which focused on encouraging Team Members to identify and mitigate hazards in the workplace. In line with the celebration’s theme and goals, the activities during the safety month highlighted the importance of leading by example, taking personal responsibility for safety, compliance with safety rules, and improving hazard recognition. Moreover, the activities emphasized the importance of the application of the STOP-CALL-WAIT rule when encountering abnormalities and promoted readiness to first-aid responses, healthy food intake, and taking care of one’s well-being.



TMP Team Members participating in a blood donation activity during the TMP Safety and Health Month

**Mental Health Promotion**

Beyond ensuring the physical safety of every Team Member, TMP places equal importance on the mental health of its employees to holistically support their overall well-being.

TMP’s Mental Health Program (MHP) “Kumusta Ka?” promotes awareness and understanding of mental health. It provides mental health support to Team Members through activities that educate on mental health and empower employees to share their thoughts and feelings in “safe space” communication venues.

TMP observes ‘Mental Health Month’ every October and conducts special activities to promote mental health awareness. In 2024, Mental Health Month was celebrated with the theme “Health Minds, Happy Lives,” which focused on strengthening mental wellness through activities that promote happiness, positivity, and a healthy mind-body connection. Team Members engaged in various uplifting activities, including talk therapy sessions, art contest, yoga session, stress & anxiety management workshop, Zumba class, lunchtime karaoke sessions, and an exhibit that advocates for a healthy mind and body.



**Other Health Promotion Activities**

TMP also cultivates a culture of wellness among Team Members by providing access to activities and facilities that can help improve their health. These include free consultations with TMP doctors, dentist, and nutritionist, fitness activities (e.g., dance, aerobics, yoga), free health seminars, and sports and fitness facilities.



## Product Safety and Quality

Toyota is a global automaker that has solidified its brand image as a hallmark of quality and safety, building a trusted and globally respected brand.

Toyota has created and employed the Toyota Quality Management (TQM) System that involves the application of quality management standards across all functions, including Safety and Quality. It is based on Toyota's principles of 'customer first,' kaizen or 'continuous improvement,' and 'total participation.' All of Toyota's affiliates and manufacturers worldwide, including TMP, closely adhere to this system.

In addition to adhering to Toyota's principles of customer first, kaizen or continuous improvement, and full participation, TMP produces its vehicles in compliance with global and national standards.

Even Toyota dealerships uphold the same commitment to quality. For its dealerships, 72 out of 75 dealers for both Toyota and Lexus have earned the Department of Trade and Industry (DTI) Bagwis Accreditation. The accreditation is given to organizations adhering to Fair Trade laws, encouraging practices that uphold business ethics, service excellence, and self-regulation.

TMP's commitment to quality and safety continues to translate into customer satisfaction. In 2024, its recorded average satisfaction level of customers with new vehicle purchases hit 99%. Meanwhile, the average satisfaction level of customers with vehicle servicing reached 94%.

### Customer Satisfaction Score (CSAT)

| KPI                         | Target Respondents            | 2024 |
|-----------------------------|-------------------------------|------|
| Sales Satisfaction Index    | New Car Customers             | 99%  |
| Customer Satisfaction Index | Service/After-sales Customers | 94%  |

### Product Testing

Before introduction in the Philippine market, all Toyota vehicles undergo fuel efficiency and emissions testing in Japan using the Toyota standards.

Parts and components of Toyota vehicles, such as safety belts, safety glass, pneumatic tires, and lead-acid batteries, are tested by the respective part/component manufacturers in compliance with the Philippine national standards set by the Bureau of Philippine Standards of the Department of Trade and Industry (DTI-BPS). TMP also complies with the Philippine regulations on fuel efficiency and emissions where testing follows the Euro Standards (as prescribed in the Economic Commission for Europe of the United Nations or ECE Regulation N 94 or ECE Regulation N 94).

Various Toyota models are also submitted for voluntary New Car Assessment Program (NCAP) for Southeast Asian Countries (ASEAN NCAP), Japan (JNCAP), and Australia (ANCAP). The ASEAN NCAP's standards evaluate Adult Occupant Protection, Child Occupant Protection, and Safety Assist. Meanwhile, JNCAP tests car active safety performance, car passive safety performance, car automatic emergency call systems equipment, and child restraint system performance and usability.

As of writing, there are nine (9) out of 25 Toyota vehicle models in TMP's product line-up have NCAP ratings either from ASEAN, Japan, or Australia.



## 9 Toyota models with 5-star safety rating in ASEAN, Japan, Australia



Camry

ASEAN NCAP, Australasian NCAP\*

Corolla Altis

ASEAN NCAP

Corolla Cross

ASEAN NCAP

Land Cruiser

Japan NCAP



Land Cruiser Prado

Australasian NCAP\*

Raize

ASEAN NCAP

Rav 4

Japan NCAP

Veloz

ASEAN NCAP

Vios

ASEAN NCAP

\*New addition in 2024

## Marketing and Labeling

Being a world-renowned brand, Toyota protects its image by being principled in its marketing and advertising activities. Truthfulness, responsibility, and ethics are at the heart of TMP's advertising materials.

TMP upholds truth. Different internal departments align and check its advertising materials to verify the accuracy of their product information and imagery, so they faithfully meet customer expectations.

It takes extra steps to ensure its branding and communications guidelines, policies, and expectations of quality are followed at all times. Marketing and advertising departments of authorized dealerships are periodically trained. Through its marketing services, dealer development, and sales training teams, it monitors its presence in social media. Toyota reinforces its positive brand image to the best of its ability.

In 2024, TMP has no significant incidents of non-compliance related to marketing and labeling.





## Local Communities

### Toyota Motor Philippines Foundation

As TMP continues to thrive, it remains grounded in the belief that its success is made possible by the society it serves. In line with this, the company remains committed to driving sustainability and producing “happiness for all” by creating and providing opportunities to support the growth and progress of communities and their people.

Toyota Motor Philippines (TMP) Foundation, the social and humanitarian arm of TMP, continues to uplift people’s lives and create lasting value for society through its various Corporate Social Responsibility (CSR) initiatives focusing on Health, Education, Environment and Community Service.

#### Health

##### Medical-Surgical Outreach Program (MSOP)

The Foundation continues to support patients who need immediate outpatient surgical services in Santa Rosa City, Laguna, through its Medical-Surgical Outreach Program (MSOP), which started in 2018. In 2024, three (3) outreach runs were conducted and served a total of 30 patients.

The first run of the program was conducted in May and served thirteen (13) beneficiaries, including patients that needed Thyroidectomy and a patient that had a case of Hernia. The second stretch of the program was carried out in August, serving twelve (12) patient beneficiaries that needed Thyroidectomy, Lobectomy, and Fistulectomy. The last run was held in November which focused on serving five (5) patients with cases of Anal Fistula and Hernia.



Surgical operation at Makati Medical Center

##### LAB For ALL

In 2024, the TMP Foundation, together with the Metrobank Foundation, began its support to the “LAB for ALL: Laboratoryo, Konsulta, at Gamot Para sa Lahat” program of the Office of the First Lady Louise Araneta-Marcos. One of the to the Municipality of Sta. Catalina, Ilocos Sur. The program aims to provide free and accessible healthcare services to Filipinos using a mobile laboratory that is equipped with modern medical devices such as ECG machines, ultrasound, and x-ray technology, and delivers on-the-go diagnostic and consultation services to deserving communities.



Turnover of Toyota Coaster mobile clinics to “LAB for ALL” program. One (1) unit was donated by TMP Foundation to the municipal government of Santa Catalina, Ilocos Sur.

#### Education

##### Automotive Education Program (AEP)

The Foundation continues to support the Philippine automotive industry and help improve Filipinos’ quality of life through education by providing scholarships to young Filipinos who want to pursue automotive technical education. The Automotive Education Program (AEP) is an initiative established by the Foundation and TMP’s Customer Service Operations (CSO) Group in 1990 to complement the Toyota Technical Education Program (T-TEP), a global program of Toyota Motor Corporation (TMC) in Japan which provides its partner institutions with automotive training packages.

Through the program, scholarship grants are given to underprivileged but deserving students and give them the opportunity to learn automotive technical knowledge and skills in 20 AEP partner schools. Upon completion of the course, graduated scholars may work at Toyota dealerships nationwide.

In 2024, fifteen (15) new scholars from various partner schools were selected to join the program, while twenty-three (23) scholars successfully graduated.



Five (5) new scholars from University of Mindanao in Davao City

##### Adopt-a-School Program

TMP Foundation continued to implement programs and provide support to its adopted school, Pulong Sta. Cruz Elementary School (PSCES), and its stakeholders in 2024.

##### Supporting Health and Wellness

Good health and well-being of learners and teachers are fundamental to achieving positive academic outcomes. In 2024, TMP Foundation continued its health-related programs for the teachers and students of PSCES.

The Foundation remained consistent in caring for the health and wellness of PSCES faculty and staff by sponsoring their Annual Physical Examination (APE). One hundred thirty-five (135) teachers and staff benefitted from this service in 2024.

Another initiative aimed to serve the Male students of PSCES was “Operation Manhood” which conducted free circumcision services done by 18 volunteer doctors and nurses from Mandaluyong Medical Center. Forty-five (45) Male students from Grades 4 to 6 were accommodated.

##### Support in Promoting and Sustaining Academic Excellence

The Top 5 graduates of PSCES in 2024 were also awarded by TMPF with gift certificates, recognizing the students’ diligence and efforts towards their education.



Refurbishing School Facilities

TMP Foundation has been supporting the Department of Education’s annual ‘Brigada Eskwela’ since 2009 by supporting PSCES in preparing the school facilities for the school year. In 2024, TMP Foundation provided painting and sanitation materials to enhance the school’s facilities and volunteers from the Foundation helped carry out cleaning and refurbishment activities.



*TMP Foundation volunteers together with PSCES staff during the 2024 ‘Brigada Eskwela’*



Paying Tribute to Educators

In celebration of National Teacher’s Day, tokens of appreciation were distributed to teachers of PSCES for their dedication in educating the youth.



*2024 Teacher’s Day Celebration*

**Environment**

Championing Environmental Stewardship

In line with Toyota’s thrust for sustainability and establishing a society in harmony with nature, TMP Foundation continues to support and drive initiatives that create a positive impact on the planet.

In 2024, the TMP Foundation participated in the International Coastal Clean Up Day at Barangay Caingin, Santa Rosa City, Laguna. The volunteers collected 137 kilograms of trash composed of Polyethylene Terephthalate (PET) bottles, plastic laminates, and residual and special wastes.

In 2024, TMP Foundation supported the SILAKBO (Sikad-Lakad-Takbo) initiative of the City Government of Santa Rosa and Save Silang Santa Rosa River Foundation, Inc. (S3R2), which aims to raise funds for the conservation projects of the Silang-Santa Rosa River sub-watershed, through financial sponsorship. Moreover, Team Members from TMP and TMP Foundation also participated in the activities of the event.



*Volunteers at the Coastal Clean-up*



*TMP Team Members participating in SILAKBO 2024*

**Community Service**

Support for Children’s Welfare

During the celebration of National Children’s Month, TMP Foundation provided one hundred fifty (150) bags of goods to children during the Area Based Standards Network (ABSNET) Department of Social Welfare and Development (DSWD) Laguna’s Fun Day at Santa Rosa City Sports Complex.





### Disaster Relief

In October 2024, the Philippines faced the onslaught of Severe Tropical Storm “Kristine” which affected thousands of Filipinos.

TMP was quick to provide aid to calamity-stricken communities by donating 1,953 cavans of rice, equivalent to PHP 5 million, through the Department of Social Welfare and Development (DSWD).



Turnover of PHP 3-million worth of rice donation to DWSW for Typhoon Kristine victims

### Toyota Community Shuttle

With a steadfast commitment to create mobility for all, TMP enhanced its Toyota Community Shuttle (TCS) program by adding stops and providing vehicles to its partner cities, Santa Rosa and Pasay. The company provided an additional Hiace unit for Pasay City and another Lite Ace unit for the City of Santa Rosa, on top of the initial fleet of five (5) Toyota Lite Ace provided for each city government when the program was first launched in 2014.

The shuttle service was accessible to the public through the ‘myToyota Shuttle PH’ mobile application, which allowed efficient on-demand shuttle management, as well as optimized route planning and seat booking. With the use of this application service by Toyota Mobility Solutions Philippines (TMSPH), the TCS contributed to providing easy, safe, and greener mobility to daily commuters while supporting the Smart City goals of Santa Rosa and Pasay.



Deployment of additional Toyota Hiace unit for the expansion of TCS program in Pasay City



### TMPF Programs Cumulative Highlights

| Pillar          | Program   | Year Started                         | Contributions  |
|-----------------|---|--------------------------------------|--|
| Health          | Medical and Dental Outreach Program (MSOP)                      | 1992                                 | 101,781* beneficiaries served from the cities of Parañaque, Taguig and Santa Rosa  |
|                 | Medical-Surgical Outreach Program (MSOP)                        | 2018                                 | Served 127* beneficiaries from the City of Santa Rosa  |
| Education       | Automotive Education Program (AEP)                              | 1990                                 | <ul style="list-style-type: none"> <li>19 partner schools; among these, 5 are Toyota Technical Education Program (T-TEP) Partner Schools</li> <li>1,203* Graduated TMP Foundation Scholars</li> </ul>  |
|                 | Adopt-a-School Program (at Pulong Santa Cruz Elementary School) | 2003                                 | <ul style="list-style-type: none"> <li>336 student participants in the Toyota Quest for the Best Quiz Bee</li> <li>511 student participants in the “Lakbay Aral” Educational Tour</li> </ul>   |
|                 | Computerization Program   | 2016                                 | Provision of the following for the benefit of roughly 4,000 students of PSCES: <ul style="list-style-type: none"> <li>53* LED TVs installed in all PSCES classrooms</li> <li>54 units of notebook computers</li> <li>46 units of laptop computers during pandemic</li> <li>Internet (Wi-Fi) connection</li> <li>Robotic kits</li> <li>Learning modules, books</li> <li>Teachers’ trainings</li> <li>30 sets of tables and chairs for Special Science Elementary School (SSES) at PSCES*</li> </ul> |
|                 | Environment   | Coastal/River Clean-up Activities    | 2007   |
| Environment     | Mangrove and Tree-planting Activities                           | 2016                                 | <ul style="list-style-type: none"> <li>2,700* mangrove propagules planted</li> <li>4,212* trees planted composed of native, fruit-bearing, flowering species</li> </ul>  |
|                 | Toyota Adopt-a-Forest Project (at Makiling Botanic Gardens)     | 2013                                 | <ul style="list-style-type: none"> <li>10-hectare reforestation area</li> <li>9,190* trees planted inside the adopted forest block</li> <li>95* palm seedlings planted inside 3.5 hectares Toyota Palm Garden</li> </ul>   |
|                 | Community Service   | Toyota-City of Santa Rosa-GK Village | 2013   |
| Disaster Relief | Disaster Relief   |                                      | <ul style="list-style-type: none"> <li>Provided funds for purchase of 1,000 retractable tents to Mindanao earthquake victims</li> <li>Provided 900 meal packs to DOTR personnel to Department of Transportation’s (DOTr) Free Ride Service Program during the pandemic</li> <li>Donated 150 sacks of rice to affected families to victims of typhoon Paeng</li> </ul>  |

\*updated as of end-2024



### Toyota Motor Philippines School of Technology

Established in 2013 by TMP Founding Chairman George S.K. Ty and Toyota Motor Corporation Honorary Chairman Shoichiro Toyoda, TMP Tech is a world-class technical-vocational institution dedicated to developing the Filipino youth into highly skilled automotive technicians.

By offering diverse training programs and equipping students with industry-relevant knowledge and skills, the institution continues to contribute to the advancement of the Philippine automotive industry and helps sustain a pipeline of qualified after-sales Toyota service professionals for local and overseas Toyota dealerships.

Since the start of its operations, TMP Tech has produced 2,561 graduates and supported 1,154 scholars through various technical-vocational courses as of end-2024.



**2,561**  
Cumulative no. of graduates since 2013



**1,154**  
Cumulative no. of scholars since 2013  
(173 new recipients in 2024)



Class of 2024 graduates during TMP Tech's 13<sup>th</sup> Commencement Exercises



# ECONOMIC PERFORMANCE

- Direct Economic Value Generated
- Direct Economic Value Distributed
- Community Investments
- Direct and Indirect Economic Impact

|     |            |
|-----|------------|
| GRI | 201-1; 203 |
|-----|------------|

TMP has always been committed towards contributing positively to the local automotive manufacturing industry and Philippine economy. In over 30 years of operations, TMP's investments have driven innovation in the industry, continuous transfer of technology, skills improvement of workers, and employment opportunities.

With its strong forward and backward linkages, TMP remained resolute in value-creation for the benefit of not only the basic industries but also the industrial processes in many sectors.

The unwavering commitment to quality excellence also ensured that Toyota customers nationwide continued to enjoy top-quality products and services without any drawbacks.



Toyota Motor Asia and TMP officials' visit to Philippine President Ferdinand Marcos Jr. at the Malacañan Palace where TMP also announced its donation of the first five (5) units of Tamaraw ambulances to the "LAB For ALL" health initiative of First Lady Louise Araneta-Marcos

## Economic Value Generated (EVG)

In 2024, TMP's consolidated revenues amounted to Php 241.96 billion. These were generated through:

- locally-manufactured vehicle sales,
- imported vehicle sales,
- local sales of service parts
- services, and–
- export sales of Original Equipment Manufacturer (OEM) parts and service parts.

TMP's positive growth allows it to consistently position itself as one of the leading corporations in the country.

In the latest "Top 1000 Corporations in the Philippines" by gross revenue ranking list for the year 2023 released by BusinessWorld, TMP ranked fifth across industries with 216.1 billion consolidated revenues. In the same list under the manufacturing industry category, TMP ranked third.



## Economic Value Distributed (EVD)

In growing its business, TMP continue to invest in expanding domestic operations, boosting procurement from its local supply base. Likewise, economic activities are stimulated while necessary taxes and duties are remitted by TMP to the Philippine government.

In 2024, TMP's EVD amounted to PHP 261.32 billion. These resources were channeled through TMP's operating costs, employee wages and benefits, payments to providers of capital, payments to government, and community investments.

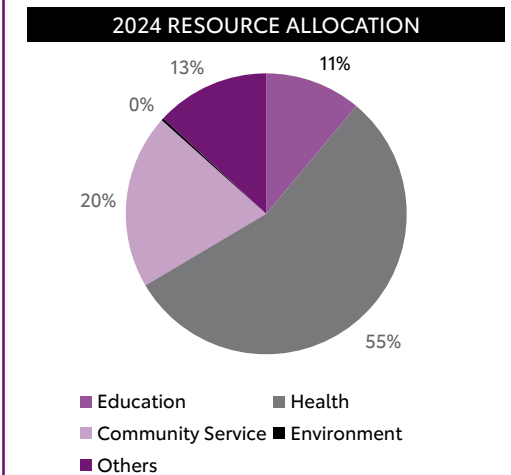


|                               |        |
|-------------------------------|--------|
| Operating Costs               | 208.44 |
| Employee Wages and Benefits   | 3.61   |
| Payments to Capital Providers | 13.88  |
| Payments to Government        | 35.38  |
| Community Investments         | 0.04   |

## Community Investments

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

In 2024, the Foundation, alongside TMP, focused on Health, Community Service, and Education, implementing programs to improve the quality of education, learning outcomes, and health at its adopted school. The dental and surgical outreach program was also part of the health initiatives.





### Galing ng Gawang Pilipino: Next Generation TAMARAW

In 2024, TMP reaffirmed its commitment to nation-building and strengthening the local economy with the ceremonial roll-off of the Next Generation Tamaraw, its newest locally produced model. This initiative represents a significant investment in the Philippine automotive manufacturing industry, creating a ripple effect of direct and indirect economic benefits that empower local businesses, particularly Micro, Small, and Medium Enterprises (MSMEs).

#### Investment and Job Creation

The local production of the Next Generation Tamaraw at TMP's plant Santa Rosa City, Laguna was made possible by a total investment of PHP 5.5 billion. A key component of this investment is the PHP 1.1 billion allocated for a new 1.5-hectare 'TMP Conversion Factory,' a state-of-the-art facility dedicated to converting the vehicle into various body types to meet diverse customer needs. This facility is the first of its kind in the Southeast Asian region, marking a significant milestone in technology transfer and enhancing local manufacturing capabilities.

The introduction of the Tamaraw as the third Completely Knocked-Down (CKD) model—alongside the Vios and Innova—at the Santa Rosa plant underscores TMP's dedication to local production. The project has led to the expansion and upskilling of TMP's workforce, creating employment opportunities and fostering skills development within the country.



**PHP 5.5 Billion**  
Total Investment

|                    |     |
|--------------------|-----|
| Vehicle Production | 3.2 |
| Parts Localization | 1.2 |
| Vehicle Conversion | 1.1 |



Newly established TMP Conversion Factory

### Strengthening the Local Supply Chain and Supporting MSMEs

The economic significance of the Next Generation Tamaraw extends deep into the local supply chain. The project has spurred an additional PHP 500 million in planned investments from Toyota's suppliers for plant expansion and equipment procurement. It engages 33 local parts suppliers and has brought 26 new Tier 2 suppliers into the network, bolstering the parts manufacturing sector. Furthermore, the project revitalizes the country's automotive body conversion industry by partnering with body builders who were involved with the previous-generation Tamaraw.

A core objective of the Next Generation Tamaraw is to provide an inclusive, versatile, and affordable mobility solution for Filipino entrepreneurs. Designed as a multi-purpose people and goods mover, the Tamaraw caters to a wide range of business and personal uses. Its customizability allows it to be configured as a drop-side pickup, utility van, aluminum cargo, or specialized vehicles like ambulances, food trucks, and mobile service vehicles.

Recognizing the financial considerations of its target market, TMP aims to make the Tamaraw accessible. A gas-powered, short-wheelbase variant is planned to be introduced with a starting price below PHP 800,000, providing a reliable and cost-effective workhorse for MSMEs. By offering a durable, versatile, and locally-made commercial vehicle, TMP directly supports the backbone of the Philippine economy, empowering small businesses to advance and thrive.



Local production roll-off ceremony at TMP's manufacturing plant in Santa Rosa City, Laguna





## Direct & Indirect Economic Impact

### Automotive Resurgence through TMP-made Vios

TMP successfully concluded its participation in the government’s Comprehensive Automotive Resurgence Strategy (CARS) Program for the Vios model in July 2024, exceeding the program’s minimum requirements. The initiative delivered significant direct and indirect economic impacts, bolstering the Philippine automotive industry.

TMP made actual investments with a total amount of PHP 5.5 billion. Of this, PHP 2.9 billion was allocated to in-house production enhancements, including new capabilities for body shell, bumper, instrument panel, and side member manufacturing. This supported the cumulative production of over 204,000 Vios units by July 2024, surpassing the 200,000-unit requirement. TMP also exceeded its localization targets, achieving 64% local content for the Vios body shell against a 50% target, and expanding the localization of large plastic parts and strategic components.

TMP channeled PHP 1.3 billion of its total investment into out-house production development with local parts manufacturers. This supported the growth and enhanced capabilities of local suppliers involved. These investments aimed to enable new automotive manufacturing capabilities within the Philippines, thereby helping to boost the industry’s competitiveness in the ASEAN region.



**Investments:**  
**PHP 5.5 Billion**  
(Vehicle + Parts Production as of end-December 2024)



Vios side member produced at TMP’s A Zero-class press stamping shop

#### New In-house Parts Manufacturing Capabilities:

- Localization of large plastic parts - bumper & instrument panel
- Localization of large press parts (including Side Member) equivalent to 58.77% of total body shell (by weight)

#### Participating Parts Makers in TMP’s CARS Project

##### Body Shell

- F Tech Philippines Manufacturing, Inc.
- Technol Eight Philippines Corporation
- Valerie Products Manufacturing, Inc.

##### Plastic Parts

- Manly Plastics, Inc.
- Toyota Boshoku Phils. Corp. (TBPC)

##### Strategic Parts

- Denso Philippines Corporation



Vios door trim production at TBPC

## Milestones, Awards & Recognitions

In 2024, TMP continued its strong growth trajectory, recording full-year retail vehicle sales of 215,756 units. This outstanding performance reaffirms Toyota’s sustained market leadership. TMP secured its 23<sup>rd</sup> consecutive Triple Crown, once again finishing the year as the number one in passenger car sales, commercial vehicle sales, and overall sales.



TMP’s operational excellence and significant economic contributions were recognized through multiple high-level awards from national and local government bodies.

At the national level, the Bureau of Customs (BOC) conferred several key honors upon the company. TMP was granted the prestigious Authorized Economic Operator (AEO) Level 2 Accreditation, certifying that the company passed a rigorous validation process and met the standards of the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade. This top-level accreditation grants TMP significant benefits, including simplified customs processes, a dedicated processing lane for priority clearance, and expedited handling of exports, all of which enhance the security and efficiency of its international supply chain.

In addition to this accreditation, the BOC also named TMP the country’s 2<sup>nd</sup> Top Importer for its substantial revenue contributions, which included the remittance of PHP 43.91 billion in duties and taxes. This was further highlighted by specific recognition from the BOC - Port of Batangas (POB) as the number one revenue contributor to the Port, for remitting PHP 18.7 billion in duties and taxes in the first semester of 2024 alone.

At the local level, the City Government of Santa Rosa recognized TMP’s impact within the community with the bestowment of two prestigious “Lion Awards,” namely the “Top Business Taxpayers’ Hall of Famer” and “Top 1 Manufacturer.” These awards acknowledge TMP’s significant and consistent contributions to the city’s robust fiscal performance and its leading role in the industrial sector.



Philippine President Ferdinand Marcos Jr. (left) and BOC Commissioner Bienvenido Rubio (middle) give 2<sup>nd</sup> Top Importer recognition to TMP Senior Vice President Dennis Ben-hur Escuro



TMP receives the BOC’s AEO Level 2 Accreditation



TMP receives Santa Rosa City’s Lion Awards



## Financial Highlights

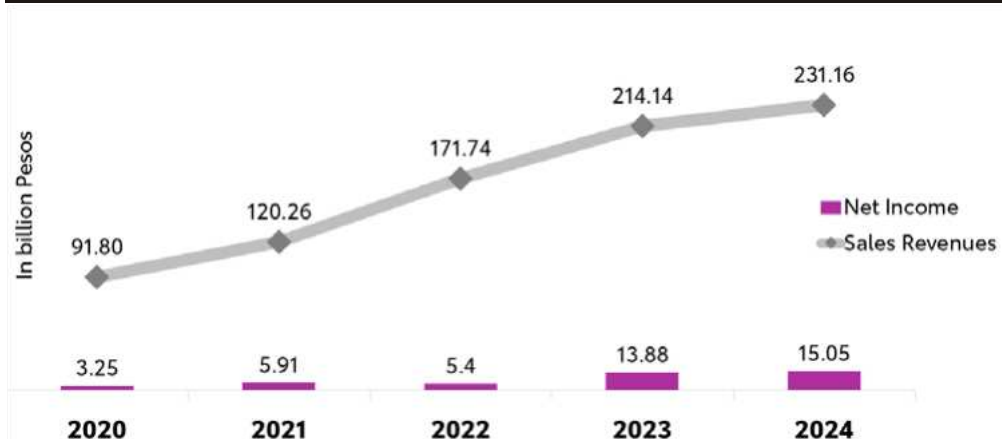
|                               | 2020    | 2021    | 2022    | 2023    | 2024    | YOY Growth (2024 vs. 2023) |
|-------------------------------|---------|---------|---------|---------|---------|----------------------------|
| Sales Revenues (in PHP Bn)    | 91.8    | 120.26  | 171.74  | 214.14  | 231.16  | 8%                         |
| Net Income (in PHP Bn)        | 3.25    | 5.91    | 5.40    | 13.88   | 15.05   | 8%                         |
| Total Assets (in PHP Bn)      | 39.4    | 38.78   | 38.09   | 61.18   | 61.78   | 1%                         |
| Total Equity (in PHP Bn)      | 6.81    | 9.99    | 9.41    | 17.86   | 19.02   | 6%                         |
| Vehicle Sales (in units)      | 100,019 | 129,667 | 174,106 | 198,188 | 215,756 | 9%                         |
| Vehicle Production (in units) | 35,226  | 48,758  | 49,862  | 56,298  | 60,098  | 7%                         |

### Post-pandemic Trajectory

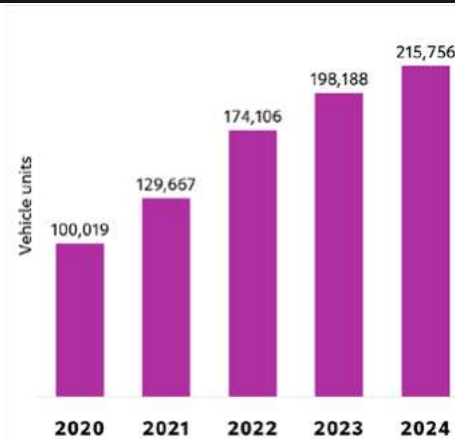
TMP has demonstrated exceptional financial resilience and a strong growth trajectory in the post-pandemic era, culminating in a landmark performance in 2024. The company achieved its highest-ever sales revenues, reaching PHP 231.16 billion, and a robust net income of PHP 15.05 billion, with both metrics reflecting an impressive 8% year-on-year growth. This financial success was directly fueled by record-breaking vehicle sales of 215,756 units and a corresponding increase in local vehicle production to an all-time high total of 60,098 units.

The consistent upward trend in revenues, income, and operational output since 2020 underscores TMP's sustained recovery and its significant contribution to economic momentum.

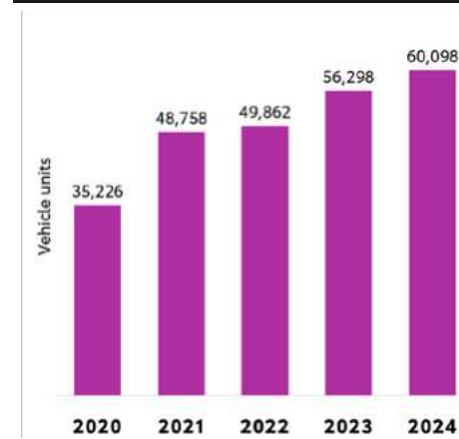
SALES REVENUES & NET INCOME



VEHICLE SALES



VEHICLE PRODUCTION





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