



Toyota's Views on Climate Public Policies 2024

Main Changes from 2023 Edition

- Increased number of industry associations reviewed from 12 to 15 (added three organizations in the major regions of Japan, the U.S., and Europe)
- Communicated with domestic industry associations regarding the items that were not "Aligned" in last year's evaluation
- Worked to improve transparency in third-party evaluations (added explanations for the evaluation criteria)

CONTENTS

Introduction	2
Toyota's Perspective on Public Policy	4
Toyota's Stance on Climate-Related Policies	6
Toyota's Stance on Individual Policies	9
Toyota's Climate-Related Public Policy Activities	12
Review of Industry Associations	23
List of our Industry Association Memberships	34

Introduction

Toyota is striving to provide substantial information to our stakeholders so that they can better understand Toyota's efforts to achieve carbon neutrality. In doing so, we are referring to the standards presented by major investors.

In Toyota's Views on Climate Public Policies 2024, we aim to disclose our basic stance on important climate-related policies and specific activities, and to provide an overview of our industry associations. We have also promised to update the content of this disclosure annually, while listening to feedback from our stakeholders.

Environmental Initiatives

In 1992, we first published the Toyota Earth Charter and updated it in 2000, which for the first time announced publicly the broad policies by which we would engage with the world, cooperate and contribute to society and pursue environmental technologies. It also announced broad action guidelines for product design and manufacturing, choosing business partners, participating as a member of society, and for public disclosure. Lastly, it outlined a corporate governance structure.

We took a further step step by announcing the Toyota Environmental Challenge 2050 in October 2015, before the Paris Agreement was adopted. The six challenges within the Toyota Environmental Challenge 2050 are: life cycle zero CO₂ emissions, new vehicle zero CO₂ emissions, plant zero CO₂ emissions, minimizing and optimizing water usage, establishing a recycling-based society and systems, and establishing a future society in harmony with nature. These six specific challenges acting together will guide us toward our aim of achieving zero CO₂ emissions and a net positive environmental impact, and will assist us to contribute to the realization of a sustainable society.

In 2020, we announced the Seventh Toyota Environmental Action Plan—2025 Target, a new five-year action plan to achieve the Toyota Environmental Challenge 2050. Under this new target, we will accelerate environmental initiatives and contribute to the realization of a sustainable society including the Sustainable Development Goals (SDGs). We also formulated regional 2025 targets for six regions in line with the 2025 Target.

The following pages explain Toyota's views on climate public policies, which are a natural extension of what we have deeply believed for a long time on environmental and social contribution.



In the area of vehicle development, we began our fuel cell electric vehicle (FCEV) development efforts in 1992, and started lease sales of the first FCEV vehicle in either Japan or the U.S. in 2002 (top picture: 2008 Toyota FCHV-adv). Our battery electric vehicle (BEV) development started with the establishment of the Electric Vehicle Development Division in 1992, and we introduced the RAV4 EV to the market in 1996 (bottom picture).



Toyota Aiming to Be Carbon Neutral by 2050

As part of efforts to pass our beautiful “Home Planet” to the next generation, Toyota has identified and is helping to solve issues faced by individuals and overall society, which Toyota calls “Achieving Zero,” hoping to help reduce the negative impacts caused by these issues to people and the environment to zero. Additionally, we are also looking “Beyond Zero” to create and provide greater value by continuing to diligently seek ways to improve lives and society for the future. We leverage strengths fostered through manufacturing, producing technological innovation in application to CASE to expand the potential of cars, striving to provide services that provide freedom of mobility to all, in an effort to contribute to the achievement of the SDGs. Solving environmental challenges is an urgent issue that we must seriously tackle, and we are doing our utmost to achieve carbon neutrality by 2050. Furthermore, we are targeting carbon neutrality by 2040 in Europe, and have already established bold commitments for our manufacturing plants, vehicles, purchased goods and services, and logistics operations.

Toyota is committed to leaving no one behind and delivering the freedom of mobility for all to achieve carbon neutrality by 2050, taking into account various energy situations in each region around the world. We will continue our efforts to steadily reduce CO₂ emissions through a variety of options based on a multi-pathway approach, including battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs).

We believe in the idea of “introducing sustainable vehicles practically” and are developing a full line-up of electrified vehicles—comprising hybrid electric vehicles (HEVs), plug-in hybrid electric vehicles (PHEVs), battery electric vehicles (BEVs), and fuel cell electric vehicles (FCEVs)—in preparation to offer our customers a wide range of choices. We have sold a cumulative total of more than 27.01 million electrified vehicles since 1997. Those electrified vehicles over their lifetime, have prevented an estimated 197 million tons of greenhouse gas (GHG) from entering the atmosphere (as of March 2024).

The latest Sixth Assessment Report (2022) of the United Nations Intergovernmental Panel on Climate Change (IPCC), a scientific review of the world’s latest findings, states that in addition to BEVs powered by low emissions electricity, the use of sustainable biofuels, low emissions hydrogen, and derivatives (including synthetic fuels), and fuel efficiency improvements are also effective ways to mitigate GHG emissions. We believe that our approach to providing diverse options is consistent with such scientific findings.

Also, in September 2022, Toyota was certified by the Science Based Targets initiative (SBTi) as meeting the 1.5°C standard for its Scope 1 and 2 GHG emissions reduction targets. In addition to this certification, our GHG emissions reduction targets for new vehicles were approved as meeting the well below 2°C standard. The evaluation from SBTi confirms that our approach is consistent with scientific findings.

Carbon neutrality in the automotive industry requires an integrated approach between renewable energy policy, charging infrastructure, electrified vehicle purchase incentives, supplier support, and battery recycling systems. It requires a holistic whole-of-economy effort. Success will be critically dependent on collaboration with, and contributions by, various stakeholders including governments, industry associations, fuel and infrastructure providers, customers, and NGOs. We cannot achieve carbon neutrality on our own - we truly need everyone’s support. Therefore, we will continue to strengthen cooperation between all stakeholders.



Cumulative Sales of electrified vehicles

27.01 million

Cumulative CO₂ emissions reduction effect

Approx. 197 million tons

※ As of March 31, 2024

Validation and approval of Toyota's emissions reduction targets by the SBTi
<https://global.toyota/en/sustainability/esg/environmental-policy/>

Toyota's Perspective on Public Policy

Toyota's mission is to provide goods and services that make people throughout the world happy, or in other words, to "Producing Happiness for All". We aim to be the "best-in-town company" that is loved and relied upon by everyone in the community.

In the area of climate change, it is extremely important to promote electrified vehicles globally. We believe the role of the government to promote energy policies and charging infrastructures to achieve this goal is critical.

We are in constant dialogue with governments in various countries and regions, and when requested, we are always willing to be of service by sharing our technical and consumer knowledge. We do this transparently and always in full accordance with the spirit and letter of the law.

In collaboration with our stakeholders and learning from each other, we seek to ensure that public policy, societal needs, technology development, and customer needs are aligned to the greatest extent possible, and make sure we progress toward carbon neutrality.

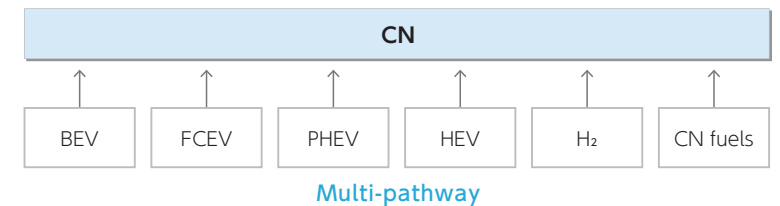
Specifically, we will contribute through such initiatives listed below.

- Build positive relationships with governments and their administrative agencies, regulators, mainstream major political parties, NGOs, local communities, customers, dealers, suppliers, and employees
- Have our executives and employees participate in various industry associations across the globe and contribute to their public policy advocacy
- Disclose our public policies on climate public policies

Toyota's Multi-Pathway Approach

We are fully committed to achieving carbon neutrality in 2050 over the entire life cycle of our vehicles. When it comes to car manufacturing, we will continue to pursue a variety of options based on a multi-pathway approach to stay close to the future of energy and the condition of each region. First, we will promote electrification, which we can do immediately. To steadily reduce CO₂ emissions from where we stand now, we will promote the practical popularization of electrified vehicles. We will strengthen sales of HEVs, including in emerging markets, and increase the number of PHEV options. We will expand our lineup of BEVs, which represent one important option, over the next several years. At the same time, we are preparing for the future. As one of our efforts, we are working to develop next-generation BEVs for the era of BEV popularization and create new business models. We are also accelerating projects for the realization of a hydrogen society that lies just beyond. Furthermore, we will work with the energy industry to develop carbon-neutral fuel technology.

We will work to promote electrified vehicles and reduce CO₂ emissions with leaving no one behind, including in emerging markets. Through this all-direction approach, we will promote decarbonization globally and steadily toward 2050.



Alignment of Various Options with the IPCC's 1.5°C Scenario for 2050*

To objectively and quantitatively understand various options toward carbon neutrality by 2050, the Japan Automobile Manufacturers Association (JAMA) commissioned the Institute of Energy Economics, Japan, a think tank with an international reputation in the field of energy, to conduct a three-scenario analysis which took into account the promotion of BEVs, the potential for using carbon-neutral fuels, and the different circumstances between developed and emerging economies, among other factors.

As a result, it has been shown that the reduction of CO₂ emissions from road transportation around the world is aligned with the IPCC's 1.5°C scenario for 2050, not only in the scenario of rapidly shifting to BEVs, but also in the scenario of effectively using HEVs, PHEVs, and carbon-neutral fuels.

* A scenario that is presented in the Summary for Policymakers as a scenario aligned with the 1.5°C target from among the more than 1,000 scientifically verified scenarios around the world analyzed in the Working Group III report of the Sixth Assessment Report of the IPCC

Governance

Toyota is committed to enhancing corporate governance to ensure sustainable growth and the stable long-term growth of corporate value.

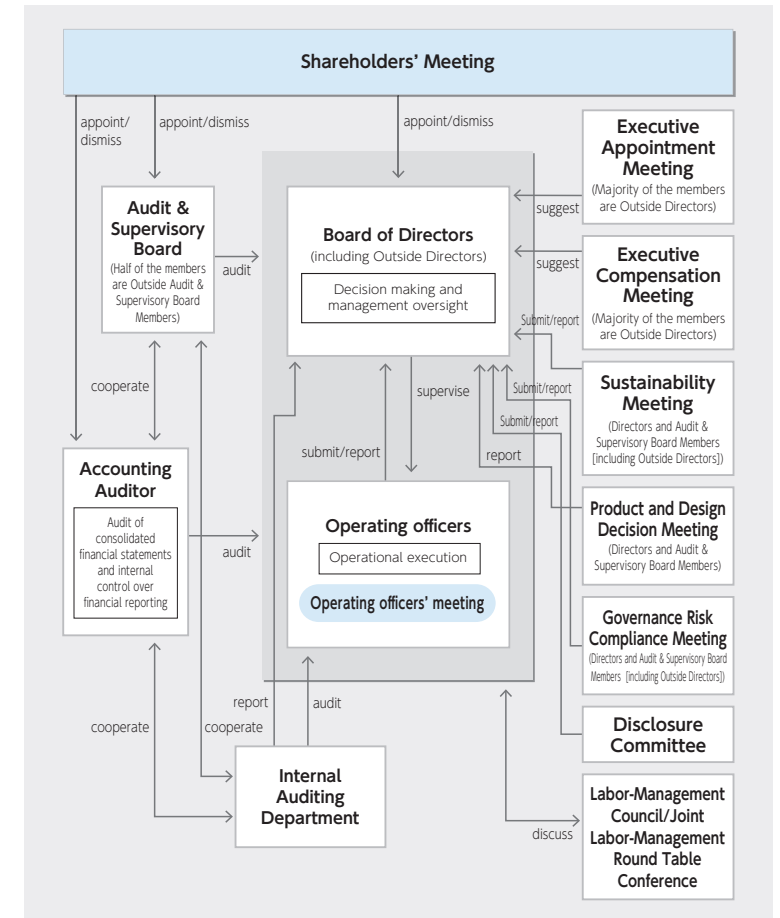
At Toyota, the Board of Directors is the ultimate decision-making and oversight body for addressing climate-related issues. The Board deliberates and oversees related strategy, major action plans, and business plans, and important climate-related matters are included in the Board's agenda. Furthermore, at Toyota, Outside Audit & Supervisory Board Members also take part in Board of Directors meetings. Final decisions are rendered by the ten Members of the Board of Directors, but they incorporate the views of the Outside Audit & Supervisory Board Members, who possess diverse backgrounds. In recent years, Outside Members of the Board of Directors and Outside Audit & Supervisory Board Members speak on almost all proposals.

Also, we often hold study meetings in which a group of seven Outside Members of the Board of Directors and Outside Audit & Supervisory Board Members discuss medium- and long-term issues.

We also set periodic opportunities, besides the Board of Directors meetings, for two-way communication between Outside Members of the Board of Directors and Outside Audit & Supervisory Board Members and the operational execution side on important management issues and medium- to long-term issues, including carbon neutrality.

In addition, we deliberate on and monitor management and corporate activities based on views of various stakeholders through a wide variety of bodies for deliberations, including the Labor-Management Council and the Joint Labor-Management Round Table Conference.

We have been continuing our efforts to respond swiftly to the rapidly changing external environment, and we will further press forward with our innovative changes.



Details on our corporate governance

Corporate Governance Report

https://global.toyota/pages/global_toyota/ir/library/corporate-governance/corporate_governance_reports_e.pdf

Integrated Report

https://global.toyota/pages/global_toyota/ir/library/annual/2023_001_integrated_en.pdf

"Transitioning to Carbon Neutrality by 2050: A Scenario-Based Analysis" by JAMA

https://www.jama.or.jp/english/reports/carbon_neutral_scenario.html

Toyota's Stance on Climate-Related Policies

This section describes Toyota's stance on climate-related policies.

Our Stance on the Paris Agreement

The Paris Agreement was adopted by 196 parties at COP 21 in Paris in December 2015 and entered into force in November 2016. Its goal is to limit global warming to well below 2°C, and preferably to 1.5°C, compared to pre-industrial levels. Toyota supports the Paris Agreement and is conducting public policy engagement activities based on the scientific findings of the IPCC.

Our Stance on Carbon Neutrality

Toyota intends to fully concentrate on achieving carbon neutrality by 2050, and to do so, it is necessary to reduce CO₂ in the "producing," "transporting," and "using" process of energy.

We have been steadily advancing our electrification strategy for more than 20 years, which began with our launch of the Prius in 1997. Also, in the Toyota Environmental Challenge 2050 which was announced in October 2015, shortly before the adoption of the Paris Agreement, we were among the first to declare our commitment to reducing CO₂ on a life cycle basis, and we have been promoting comprehensive efforts. We believe that policy and financial measures by the government are necessary to further promote electrification in the future, and we are consulting with the government for strong support.

Our Stance on Renewable Energy

"Producing" Energy

To decarbonize the process of "Producing" energy, the spread of renewable energy is essential. Toyota supports the maximum introduction of renewable energy as a major power source with low cost, stable supply, and responsible business discipline.

We are already investing heavily in wind, solar, and other renewable power projects around the world. Since 2019, we have achieved a 100% renewable energy introduction rate at all plants in Europe, four plants in South America, as well as on the MIRAI production line in Japan. We will continue our efforts to make our plants carbon neutral by 2035.



LEXUS [UX300h]

Aiming to achieve carbon neutrality at all global plants by 2035

Our Stance on Energy Transition and Zero Carbon Technologies

“Transporting” Energy

In Japan, it is essential that the power transmission and distribution network be strengthened and made upcoming to transmit renewable energy to demand areas and to utilize distributed energy resources such as BEVs. We expect the government to steadily implement the master plan for the development of the power grid that was formulated in March 2023.

Toyota regards hydrogen as a promising option to achieve carbon neutrality and is developing a new portable hydrogen cartridge prototype that can be carried around, as well as working to improve the efficiency of hydrogen transportation. The IPCC states that low emissions hydrogen will contribute to the mitigation of CO₂ emissions, and we will continue to ask the government to accelerate regulatory reviews, subsidies and preferential taxation, and other matters, toward the realization of a hydrogen society.

“Using” Energy

We agree with IPCC's latest report which states, “Electric vehicles powered by low-emissions electricity offer the largest decarbonisation potential for land-based transport, on a life cycle basis,” and we are working to seriously promote BEVs.

- Toyota and Lexus are aiming to achieve global sales of 3.5 million BEVs per year by 2030
- Toyota plans to roll out 30 BEV models by 2030, offering a full lineup of BEVs in the passenger and commercial segments globally
- Lexus aims to realize a full lineup of BEVs in all vehicle segments by 2030 and to have BEVs account for 100% of its vehicle sales in regions where necessary conditions are ready such as Europe. Also, Lexus aims for BEVs to make up 100% of its global vehicle sales by 2035
- Toyota will invest 5 trillion yen in BEV-related R&D and capital investment by 2030

We are also making various efforts on charging infrastructure, which is indispensable for the spread of BEVs. In Japan, around 90% of our dealers are equipped with standard chargers, and we will install quick chargers at our dealers nationwide. In addition, we have invested in e-Mobility Power, Inc., which has more than 20,000 recharging facilities in Japan, and are working to expand the recharging network.

Support by the government is essential for the spread of BEVs. We will continue to ask the government to expand and accelerate the development of charging infrastructure (especially in rural areas where public transportation is insufficient, as well as in homes and apartment complexes), provide purchase support through subsidies and tax incentives, and promote public purchase by the government.

In addition to BEVs, the IPCC also states that sustainable biofuels, low emissions hydrogen, and derivatives (including synthetic fuels) can support mitigation of CO₂ emissions from land transportation. We believe that these technologies have the potential to expand the options for achieving carbon neutrality at an early stage and are working with various companies and local governments for their expansion.



New portable hydrogen cartridges



PRIUS Z (PHEV)

Toyota and Lexus aiming for
3.5 million BEVs
per year by 2030

Lexus aiming for **100%BEV**
by 2035 globally

5 trillion yen
for BEV investment

TOYOTA WOVEN CITY
<https://www.woven-city.global/>

Media Briefing on Battery EV Strategies
<https://global.toyota/en/newsroom/corporate/36428993.html>

We are studying the possibility of biofuels and synthetic fuels as a measure to reduce CO₂ emissions from the in-use fleet of vehicles. To advance the technology, we are testing vehicles that use biofuels and synthetic fuels derived from biomass in races.

However, in addition to technical and price challenges, the commercialization of these fuels requires public and private sectors to work together to disseminate information domestically and internationally for raising awareness, establish a supply chain, and develop a system to evaluate CO₂ reduction effects. To accelerate these discussions, in Japan, we approached the Ministry of Economy, Trade and Industry (METI) to establish a Public-Private Council for the Promotion of the Introduction of Synthetic Fuel (e-fuel) and are now participating in the discussions after it was established.

Regarding hydrogen, we are selling our FCEV, MIRAI, and are also developing a hydrogen engine vehicle.

We are the world leader in hydrogen fuel cell technology and in November 2023, we unveiled our new Crown FCEV. Together with our first- and second-generation MIRAI models, we have sold more than 23,000 units globally (as of October 2023). We also believe that fuel cell systems are effective for commercial vehicles, which require sufficient cruising range, payload capacity, and fuel supply in a short period of time. We are working toward the introduction of light-duty fuel cell trucks as a social implementation as part of our efforts for the early commercialization of fuel cell commercial vehicles. We are promoting technological demonstrations of heavy-duty fuel cell trucks with various companies, and are also participating in the "Green Innovation Fund Project/Establishment of a Smart Mobility Society," a research and development project subsidized by the New Energy and Industrial Technology Development Organization (NEDO), a national research and development corporation. In addition, in Japan, we are also engaging in discussions with the government to expand the use of hydrogen in the mobility field and participating in the Mobility Hydrogen Public-Private Conference established by the METI. We will contribute to discussions regarding policies essential to achieving these aims.

We are accelerating the development of hydrogen engines in the harsh environment of motorsports. We are working to expand the options for "producing," "transporting," and "using" hydrogen, such as by powering our hydrogen engine vehicles with hydrogen derived from sewage biogas produced in Fukuoka City and green hydrogen produced in Yamanashi Prefecture while conducting demonstrations to improve the efficiency of hydrogen transportation. With each race, the number of companies, local governments, and other organizations that share our enthusiasm and actions are increasing, and discussions toward the realization of a hydrogen society are steadily progressing.

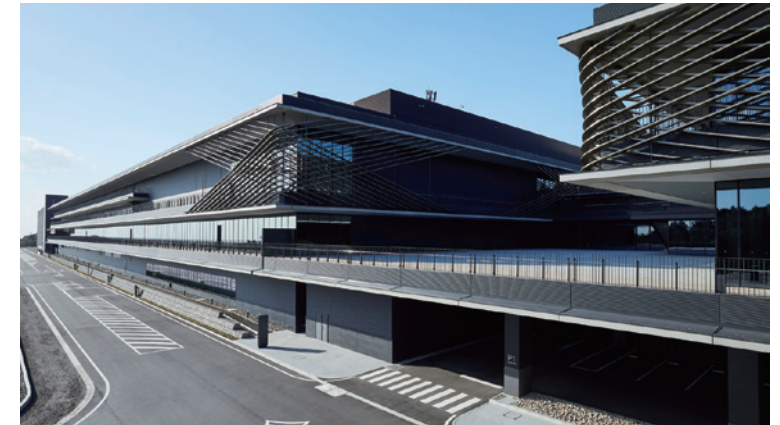
Regarding hydrogen refueling infrastructure, Toyota was one of the member companies to establish Japan H2 Mobility, LLC (JHyM) in 2018, and has been supporting the successful strategic deployment of hydrogen stations in Japan.

Our Stance on a Carbon Tax and Carbon Emissions Trading

Toyota believes that CO₂ should be reduced by technological development and innovation. We support a system that is in line with the actual conditions in each country and region and promotes technological development/innovation and is fair and equitable, effective, and feasible. We hope that our position is reflected in the Japanese government's ongoing discussions on carbon pricing.

Our Stance on the Strengthening of GHG Regulations

Toyota believes it is important to reduce GHG emissions as soon as possible since GHGs are long-lived and therefore accumulate in the atmosphere over long periods of time. We support regulations that are predictable, technology neutral, and that allow us to provide safe and affordable vehicles to our customers. We support regulations that are integrated in an economy-wide, comprehensive energy and industrial policy. Further, we support deregulations and policies that promote the entire spectrum of measures to reduce barriers to success such as infrastructure development, consumer purchase incentives, and other complimentary policy measures.



R&D facility, Toyota Technical Center Shimoyama



LEXUS UX300e

Toyota's Stance on Individual Policies

This section describes Toyota's stance on individual policies related to automobiles in Japan, the US, and Europe.

Japan

Hydrogen Society Promotion Act*1

- The Hydrogen Society Promotion Act was established toward achieving carbon neutrality by 2050. It is an important framework for promoting the spread of clean energy and building a sustainable society. Hydrogen can effectively use renewable energy to significantly reduce GHG emissions. Toyota has demonstrated leadership in the development of hydrogen-related technologies, including FCEVs. We will continue to act proactively to enhance the competitiveness of the mobility industry and help achieve carbon neutrality.

*1 Abbreviation for the Act on Promotion of Supply and Utilization of Low-Carbon Hydrogen and its Derivatives for Smooth Transition to a Decarbonized, Growth-Oriented Economic Structure

Review of the Strategic Energy Plan*2

- The government is currently discussing the Seventh Strategic Energy Plan. The government's energy policy is based on the "S+3E"*3 principle, aiming to achieve risk diversification and stable power supply through an "energy mix" that combines multiple energy sources. The government is also considering the promotion of technological innovation through the introduction of renewable energy as well as the establishment of efficient energy systems. Battery technology is also an important issue for effectively promoting the energy mix strategy, including the use of batteries in vehicles. We are promoting the use of a variety of energy sources, including electricity, biofuels, and hydrogen, based on our multi-path strategy, which is consistent with this direction. We will continue to promote specific actions toward the realization of a sustainable society through various technology development.

*2 In the Seventh Strategic Energy Plan, discussions are being held on the reduction target by 2040 and the composition ratio of decarbonized power sources as interim targets for carbon neutrality by 2050

*3 Safety, Energy Security, Economic Efficiency, Environment

GX-ETS*4

- Toyota endorses the GX League*5 and is participating in Phase 1 during fiscal 2023. The GX-ETS*4 promotes the setting of ambitious targets by participants along with active investment and emissions reduction efforts to create growth and lower emissions. We are also participating in the GX-ETS, and have set and announced our targets, actively contributing by boldly engaging in GX-oriented technology development and investment.

*4 Abbreviation for the Green Transformation Emission Trading Scheme

*5 GX League is a forum for cooperation between the Japanese government, universities, academic institutions, and companies aimed at meeting GHG emissions reduction targets and achieving carbon neutrality by 2050



GXL for WORLD
<https://gx-league.go.jp/en/>

USA

GHG, CAFE, and ZEV Emissions Standards for Passenger Vehicle

■ In March 2024, EPA* finalized new greenhouse gas (GHG) and pollutant emissions standards for passenger cars and light trucks for Model Years 2027-2032. In June 2024, NHTSA* finalized new Corporate Average Fuel Economy (CAFE) standards for Model Years 2027-2031. Toyota shares the administration’s goal to decarbonize transportation and is committed to vehicle electrification to improve society and the lives of our customers. Our goal is to continue to comply with all laws and regulations.

Toyota provided comments to EPA and NHTSA on their proposed GHG and CAFE standards during the multi-year public regulatory process. It was encouraging to see the final rules better reflect some of Toyota’s and the automobile industry’s concerns with key issues, such as the scarcity of minerals to make batteries, the fact that these minerals are not mined or refined in the U.S., the inadequate infrastructure, and the high cost of BEVs which cannot be addressed by auto companies alone. Toyota is expanding its investment in Toyota Battery Manufacturing North Carolina (TBMNC) to \$13.9 billion and 14 production lines to produce batteries for BEVs, PHEVs, and HEVs.

Even with these substantial investments, Toyota believes the final regulations are extremely challenging and beyond the current market demand. The data show a more effective approach to reduce more carbon sooner is to promote a multi-pathway strategy (PHEV, HEV, BEV and FCEV) that addresses these challenges, encourages innovation, and provides consumers with affordable choices that meet their needs. TMNA is pursuing multiple electrified vehicle technologies in parallel because we believe the fastest way to achieve carbon neutrality is to offer a diverse array of “carbon reducing” options in the short-term and “carbon neutral” options over the medium- to long-term. In the US, we currently offer products using all major electrification approaches –hybrid electric, plug-in hybrid electric, battery electric and fuel cell electric.

* EPA means Environmental Protection Agency; NHTSA means National Highway Traffic Safety Administration; CARB means California Air Resources Board.



Toyota Battery Manufacturing, North Carolina

Reducing GHGs in Our Value Chain

■ TMNA has developed goals to reduce our value chain emissions, including from suppliers and dealerships. In 2022, we published our updated Green Supplier Requirements. As part of these requirements, suppliers are joining us in our efforts to reduce CO₂ emissions across the vehicle life cycle and are expected to commit to an annual 3% CO₂ reduction target.

TMNA works with our dealerships through the Dealer Environmental Excellence Program (DE.E.P.), which provides technical assistance to Toyota and Lexus dealerships to measurably improve environmental performance and recognizes dealers that demonstrate significant reductions in energy and water use while engaging with their local communities.



Toyota North American Environmental Report
<https://www.toyota.com/usa/environmentalsustainability/data-report-hub>

Reducing GHGs in Our Operations

- While some states and regions within the US have adopted CO₂ cap-and-trade regulations, TMNA's major US manufacturing sites are not currently subject to those regulations. Nonetheless, under our Toyota Environmental Challenge 2050, we are aiming to achieve carbon neutrality in our US operations by 2030 for purchased power and by 2035 for Scope 1. We are making progress towards these goals through energy efficiency and demand reduction, as well as by supporting renewable energy generation both on- and off-site. Additional details are available in our North American Environmental Sustainability Report and on the Carbon page of our environmental sustainability website.

Europe

EU's 2035 zero emissions CO₂ target for cars and vans

- Toyota has been reducing CO₂ emissions since 1995 - establishing the company as a leader for vehicle CO₂ performance in Europe. We will fully take up the challenge to deliver the 100% vehicle CO₂ emissions reduction by 2035 in line with new EU target. Toyota strongly believes that a technology-neutral approach - with widespread electrification at its core - is the best way to achieve climate goals. However, we believe that an acceleration of key enabling conditions is necessary to achieve this goal. This includes the development of European alternative zero emission vehicle infrastructure (electric re-charging and hydrogen re-fuelling points), as well as other enabling conditions such as clean renewable energy, access to relevant raw materials, and improving the affordability of products. Measures to continue stimulating demand such as purchase, and tax incentives are equally important to ensure mass adoption of zero emission vehicles in all market segments. These are not "nice to have" conditions on the road to decarbonisation, but fundamental requirements for attaining the 2030 and 2035 goals. Together with other automotive companies, we consider the regulatory review period implemented by the EU Commission as an important milestone to assess if sufficient progress towards the ambitious targets is made, assessing it against a broad range of critical real-world conditions, including the state of infrastructure and the overall competitiveness of the EU industrial base. A substantive and holistic review of the CO₂ regulation before 2026 will therefore be crucial to take appropriate action as needed. Continued collaboration between Toyota and European regulators will be important to jointly realize greater zero emissions.



LEXUS RZ SPORT CONCEPT

Toyota's Climate-Related Public Policy Activities

Japan

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Electrification / Hydrogen / Synthetic fuels

May - Industry organizations -

Initiatives to Address the Seven Issues in the Automobile Industry

- At a press conference, the chairman and vice chairmen of JAMA explained the cross-industry initiatives it is implementing with a sense of ownership to resolve the seven issues* surrounding the automobile industry. Vice Chairman Koji Sato (President of Toyota Motor Corporation) explained the two issues he is in charge of—stable procurement of critical resources and trade policies to effectively use domestic investment—as follows.

At the G7 Hiroshima Summit 2023, we presented our uniquely Japanese multi-pathway approach to carbon neutrality. Upon this foundation, one of the means to achieve this goal is establishing a vast ecosystem to aid the widespread adoption of BEVs, from materials procurement to the secondary use and recycling of batteries. We believe it is crucial that we properly map out these large-scale cycles and explore the various challenges involved.

* Issues that the automobile industry should focus on, within the scope of the next two years, such as the 2024 logistics problem identified in November 2023
https://toyotatimes.jp/en/toyota_news/1050_1.html#anchorTitles



JAMA press conference on the seven issues in the automobile industry

May - Industry individuals -

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Electrification / Hydrogen / Synthetic fuels

Introduction of Initiatives to Transform into a Mobility Company at the Financial Results Press Briefing

- We explained the following content regarding the challenge of transforming into a mobility company at the financial results press briefing on May 8, 2024.
 We intend to draw up further growth strategies for sustainable growth. To that end, we will continue to focus on giving concrete form to our vision of transforming into a mobility company in this fiscal year. This means helping create a mobility-based society by increasing the added value of cars, with the aim of building a new industrial structure. We will take on the challenge together with many partners, with a sense of mission.
 Over the past year, we have been advancing toward embracing BEVs, which were our missing piece. Our challenge to create a new vehicle architecture is progressing due to technological advances in aerodynamics and heat management, as well as the development of compact and lightweight powertrains and other major components. These elemental technologies can be applied in the future to the development of PHEVs and other vehicles, leading to a diverse, multi-pathway lineup of vehicles.



President's speech during the FY2024 financial results press briefing

May - Industry individuals -

Multi-Pathway Workshop

Subaru Corporation, Mazda Motor Corporation, and Toyota Motor Corporation have announced their commitments to developing new engines tailored to electrification and the pursuit of carbon neutrality. With these engines, each of the three companies will aim to optimize integration with motors, batteries, and other electric drive units. While transforming vehicle packaging with more compact engines, these efforts will also decarbonize internal combustion engines (ICEs) by making them compatible with various carbon-neutral fuels*.

In pursuing the realization of carbon neutrality, all three companies have focused on carbon as the enemy and sought to expand options by acting with passion and purpose as they worked on initiatives that look to the future of engines and the supply chains and employment that support them. This process has clarified the role that future engines will play in achieving carbon neutrality. With the next generation of engines, the three companies will seek to not only improve standalone engine performance but also optimize their integration with electric drive units, harnessing the advantages of each. At the same time, the new engines will be made carbon neutral by shifting away from fossil fuels and offering compatibility with various alternatives, including e-fuel (synthetic fuel), biofuels, and liquid hydrogen. In doing so, these engines will contribute to the broader adoption of carbon-neutral fuels.

* Fuels that can reduce CO₂ emissions throughout the product life cycle

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Hydrogen / Synthetic fuels



Announcement of three companies' commitments to new development for the electrification era

May - Industry organizations -

Collaborative Initiatives by Four Companies to Introduce and Spread Carbon-Neutral Fuel for Automobiles

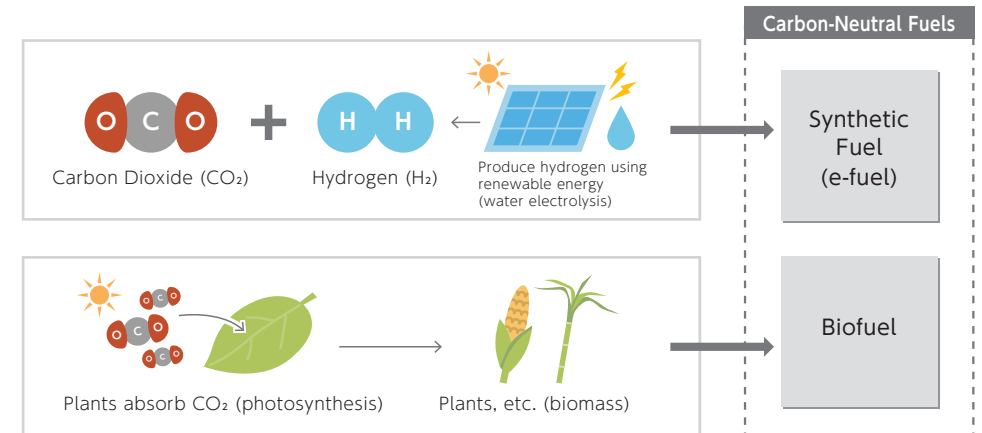
Idemitsu Kosan Co., Ltd., ENEOS Corporation, Mitsubishi Heavy Industries, Ltd., and Toyota Motor Corporation have recognized that collaboration and partnership building across industries are essential to spread carbon-neutral fuels toward the realization of a carbon-neutral society. As a first step, the four companies have commenced a study toward the introduction and spread of carbon-neutral fuels.

Seeking to introduce carbon-neutral fuels in Japan around 2030, the four companies fulfilling major roles respectively in supply, technology, and demand will jointly embark on this study. They announced the following on May 27, 2024.

Scope of joint study by the four companies

- Discuss and study scenarios and roadmaps for the introduction of carbon-neutral fuels in Japan's automobile market and the various systems necessary for market introduction
- Investigate the feasibility of production from perspectives such as energy security in Japan

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Synthetic fuels



Types of carbon-neutral fuels and their production processes

📅 May/November - Industry individuals -

Participation in Super Taikyu Series Fuji 24 Hours Race with Evolved Liquid Hydrogen-Powered GR Corolla

- Toyota entered the ENEOS Super Taikyu Series 2024 Empowered by BRIDGESTONE Round 2 NAPAC Fuji SUPER TEC 24 Hours Race, held from May 24 to 26, 2024, with a hydrogen-powered GR Corolla running on liquid hydrogen. Toyota also entered the ENEOS Super Taikyu Series 2024 Empowered by BRIDGESTONE Round 7 Super Taikyu Final Fuji, held from November 16 to 17, 2024, among other events, continuing to refine cars and people in the challenging world of motorsports and evolve together with its partners to achieve carbon neutrality.



GR Corolla with liquid hydrogen-powered engine

Carbon neutrality / Variety of options / Hydrogen

📅 September - Industry individuals -

Investment in Hydrogen Fund

- Toyota decided to invest in the Japan Hydrogen Fund, a fund specializing in investment in hydrogen-related fields, as part of its efforts to realize a hydrogen society. The fund is a private fund that aims to promote the use of hydrogen in Japan and support the construction of a hydrogen supply chain that cannot be achieved by individual companies. Toyota regards hydrogen as an important energy in its efforts to realize carbon neutrality. We have been working with many partners on a variety of initiatives in the areas of “producing,” “transporting,” “storing,” and “using” hydrogen. Through our investment in this fund, we will contribute to the early establishment of a hydrogen society.

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Hydrogen



The Japan Hydrogen Association (JH2A) co-chairs (left to right): Akiji Makino (Chairman and CEO, Iwatani Corporation), Takeshi Kunibe (Chairman of the Board, Sumitomo Mitsui Financial Group, Inc.), and Takeshi Uchiyamada (Executive Fellow, Toyota Motor Corporation)

📅 September - Industry organizations -

Strengthening of Collaboration Between Toyota and BMW Toward the Realization of a Hydrogen Society

- Toyota and the BMW Group signed an agreement to strengthen collaboration in the hydrogen sector with a view to creating a hydrogen society and achieving overall carbon neutrality. Both companies will work together on the development of fuel cells system and the improvement of infrastructure. The two companies signed an agreement in December 2011 to establish a mid- and long-term cooperative relationship in environmental technology, and have jointly advanced the development of environmental technologies, including fuel cells and sports cars, for over a decade. Sharing a common vision of realizing a hydrogen society, the two companies will continue to accelerate technological innovation in fuel cell systems.



(Left to right) Koji Sato, President of Toyota Motor Corporation, and Oliver Zipse, Chairman of the Board of Management of BMW AG

📅 October - Industry individuals -

Toyota Battery Inauguration Ceremony

- On October 1, 2024, Primearth EV Energy Co., Ltd. held an inauguration ceremony to mark a new start under the name Toyota Battery Co., Ltd. Many guests gathered to commemorate the occasion, including those from Kosai City in Shizuoka Prefecture and the Toyota Group.

Kosai City is the birthplace of the Toyota Group, which was founded by Sakichi Toyoda. A young Sakichi became fascinated with power after being awed by the capabilities of the powerful steam engines and machinery he saw at the National Industrial Exhibition held in Ueno, Tokyo in 1890. This encounter stirred a passion for harnessing that "limitless power," leading Sakichi to invent the power loom and later to storage batteries.

In 1925, Sakichi offered a prize of 1 million yen, or more than 10 billion yen in today's money, to encourage the development of a storage battery that could fly an airplane across the Pacific Ocean. Even today, nearly a century on, the world has not yet created a battery capable of such a feat.

We are the inheritors of Sakichi's dream. We hope that, by working together, we may one day create the batteries envisioned by Sakichi in Kosai City. With this in mind, we will continue to promote the production of secondary batteries, which are the key to our multi-pathway strategy.



The Arai Plant (operational in 2024) where the ceremony was held

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Electrification / Hydrogen

Carbon neutrality / Energy transition and decarbonization technologies / Variety of options / Electrification

📅 October - Industry individuals -

／ Carbon neutrality ／ Energy transition and decarbonization technologies ／ Variety of options ／ Electrification ／ Hydrogen ／ Synthetic fuels

Japan Mobility Show Bizweek 2024

- In October 2024, Toyota exhibited at Japan Mobility Show Bizweek 2024, held at Makuhari Messe in Chiba Prefecture. This business event was an event where the mobility industry and startups that will lead the next generation interacted to co-create toward the shared goal of a sustainable future. At the event, Toyota exhibited technology related to carbon neutrality from among its various initiatives for creating a sustainable future as it aimed to exchange and match technologies with startups. For Japan, a country with limited land and resources, energy policy is a significant challenge for both the nation and its industries. Given this situation, it is crucial for the mobility sector, which has a broad base and operates in the B to C market, to act as a pacesetter, fostering collaboration across the entire industry. In pursuit of achieving carbon neutrality through a multi-pathway approach, Toyota will promote co-creation with startups and other companies in the areas of initiatives toward realizing a hydrogen society and renewable energy management, both of which contribute to the stability of energy supply and the reduction of environmental impact. By fostering new partnerships and driving technological innovation, Toyota aims to strengthen its efforts to help create a sustainable future.



Portable hydrogen cartridge exhibited at the event

USA

📅 April

Washington “Fly-In” by Toyota Executives in the US

- In April 2024, over 100 TMNA senior executives and dealer partners met with more than 100 members of the U.S. Congress in Washington, D.C., in person, to talk about our portfolio approach towards electrification in North America, which includes an “all of the above” technology and energy strategy to bolster zero emission powertrain commercialization and reduce carbon emissions in surface transportation.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Group photo after meeting with U.S. Congress members in Washington D.C.

📅 April

Lower Carbon Fuels: Renewable Gasoline Blend Pilot Delivery and Road Testing

- In April 2024, Toyota took a major step forward on lower carbon fuels with a pilot project at its Port of Portland logistics operations. Toyota took a 4,000-gallon delivery of Chevron’s Renewable Gasoline Blend (RGB). Toyota used Chevron’s RGB for first fill of new Toyota vehicles arriving at the port. Chevron reports their renewable gasoline blend can reduce lifecycle CO₂ emissions more than 40% compared to traditional gasoline. Toyota also conducted new road testing with ExxonMobil’s lower greenhouse gas emission research fuels in 2024. Toyota is working with energy partners on lower carbon fuel solutions not only for new vehicles, but the legacy vehicles that will remain on the road for years into the future.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



RGB used for first fill of new vehicles

📅 May

Establishment of North American Hydrogen Headquarters in California

- In May 2024, Toyota Motor North America renamed the TMNA R&D California office its new North American Hydrogen Headquarters (H2HQ). The H2HQ office workspace was redesigned for its teams working on hydrogen-related products and technologies, from research and development to commercialization planning and sales. Plans for H2HQ include adding a flexible microgrid. H2HQ will drive North American-led hydrogen initiatives and support the localization of global hydrogen-related technologies and products that include light-duty fuel cell applications, heavy-duty fuel cell opportunities, stationary fuel cell power generation, port vehicle applications, and more.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



NA H2HQ Team

📅 May

Toyota and Fuel Cell Energy Complete World's First "Tri-gen System" in California

- In May 2024, Toyota Motor North America, Inc. (TMNA) and FuelCell Energy, Inc. celebrated the grand opening of the first-of-its-kind "Tri-gen" system at the Port of Long Beach, California. Tri-gen uses directed biogas to produce renewable electricity, renewable hydrogen, and usable water, and was built to support the vehicle processing and distribution center for Toyota Logistics Services (TLS) at Long Beach and heavy-duty trucks outside of TLS. Thanks to FuelCell Energy's Tri-gen platform, TLS Long Beach is Toyota's first port vehicle processing facility powered by 100 percent on-site generated renewable electricity. This groundbreaking facility shows that there are ways to reduce our emissions and burden on natural resources with scalable technology based on hydrogen.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



The first-of-its-kind "Tri-gen" system

Europe

August

Fourth edition of the Sustainability Forum in Europe

- Leveraging Toyota's Worldwide Mobility Partner status at the Olympic and Paralympic Games, and the Mobility for All pillar, TME held its 4th Sustainability Forum in Paris on 28th and 29th August. At this event, we explored the future-state Mobility 3.0 vision of moving from car ownership to multi-model usership by integrating social systems and city infrastructures. The event brought together 25 external stakeholders representing cities, academia/urbanists, civil society, disability institutions, international organisations, policymakers and mobility companies.

The purpose was to enhance Toyota's understanding of future mobility needs in cities and how to overcome potential barriers with partners. Four discussion areas were explored, including:

- The operating and business model: how key players can maintain a profitable and sustainable business model
- Infrastructure and technologies: how to adapt cities and technologies to provide mobility for all
- Inclusive mobility: how to improve accessibility for all via mobility hubs
- Awareness and behavioural change: how to get the public to embrace new mobility in cities

The stakeholders were new to Toyota and enthusiastically received Toyota's vision of Mobility for All. They also confirmed that Kinto EU and Toyota Mobility Foundation are key players in the transformation of Toyota into a mobility company. Furthermore, attendees expressed a need to expand and enhance sustainable mobility hubs to decarbonize urban transportation.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Fourth edition of the Sustainability Forum in Europe

June/September

Multi-Pathway, Hydrogen promotion and advocacy events organized by Toyota Berlin Office and Toyota Europe H2 Factory

- Two Parliamentarian breakfast round tables have been organized by TME together with BMW on 27 June and on 12 September together with BMW and GP Joule in the heart of German Parliament. Aim was to promote multi-pathway strategy, hydrogen and its important role for energy supply and transport sector.

The events have been attended by key Members from German Parliament, Ministries and Associations. It was an opportunity to explain Toyota's Multi-Pathway Strategy as most efficient way towards carbon emission reduction and to demonstrate the importance of collaboration with like-minded partners to create viable H2 Eco-Systems.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Breakfast round tables with members from German Parliament

📅 August-September

Toyota at the Olympic and Paralympic Games Paris 2024

- In its role as the worldwide mobility partner of the International Olympic Committee and the International Paralympic Committee, Toyota delivered a 100% electrified passenger vehicle fleet, pioneering inclusive mobility solutions and innovative hydrogen technologies to support the logistics of the Games and promote sustainable and inclusive mobility. 60% of the fleet were zero-tailpipe emissions vehicles. With 6 million kilometres travelled at 44.2g CO₂/km average CO₂ emissions, Toyota's fleet played an important role in achieving Paris 2024's environmental ambitions. The fleet's production, with a significant portion in Europe and France, further underscored Toyota's dedication to local sourcing and sustainability. Hydrogen applications included 500 Mirai FCEVs, 14 Caetano fuel cell buses, and 10 fuel cell coaches, among others, collectively covering over 1 million kilometres and using nearly 12 tons of renewable hydrogen. This extensive use of hydrogen-powered vehicles demonstrated the potential of hydrogen in achieving carbon neutrality and reducing reliance on fossil fuels. Toyota also provided over 850 battery electric inclusive mobility solutions that ensured accessibility for all participants. The Accessible People Mover (APM), designed for the Games, facilitated the transport of people, goods, and even acted as an emergency stretcher. The APM, along with other electric last-mile mobility solutions like the Yosh-e, C+WalkS, and C+WalkT, provided freedom and flexibility to athletes, volunteers, and visitors, ensuring an inclusive experience.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Hilux FCEV provided to the Games

📅 September

Toyota showcasing full range of multi-path technologies at Cenex Expo, UK

- On 4-5 September TME London office, with other Toyota UK entities attended Cenex Expo 2024 (the UK's premiere Low Carbon vehicle event) showcasing the full range of multipath vehicles. Mirai and bZ4X were demonstrated and test driven by Lilian Greenwood MP, Minister for Future of Roads. We showcased our off-grid hydrogen ecosystem using our sustainably produced hydrogen from TMUK stored in a mobile refueller to power Toyota's exhibition stand via a H₂ generator. The electricity generated was also used to recharge our PHEVs and BEVs and the hydrogen on-site was used to fuel all fuel cell vehicles during the expo. It was a key opportunity to demonstrate the versatility of hydrogen whilst showcasing Toyota's multipath approach to mobility to over 2,400 government, civil servants, key political stakeholders, media, academia and industry. We delivered 117 test drives, media and social media coverage, video footage and participated as speakers in hydrogen workshops.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Lilian Greenwood MP, U.K. Minister for Future of Roads who test-drove the MIRAI (second from the left)

China

June

World New Energy Vehicle Congress 2024(WNEVC2024)

- In September 2024, Toyota Motor China Investment (TMCI) participated in WNEVC to promote hydrogen mobility, presenting its initiatives and future outlook in the hydrogen sector to those in industry associations and the central government at the forum. TMCI also reaffirmed its commitment to continually promoting the spread of hydrogen fuel cell technology in the Chinese market, expanding the collaboration with partners centered on commercial vehicles, and working with Chinese companies to develop the hydrogen energy industry and build a hydrogen energy society.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



WNEVC 2024

November

China International Import Expo 2024(CIIE 2024)

- In November 2024, TMCI participated in CIIE 2024 under the theme “60 Years of Partnership: Creating the Future Together.” Carrying on Chairman Akio Toyoda’s vision of contributing to China through technology, TMCI presented concrete proposals for achieving carbon neutrality and solving social issues in China through three approaches: “Multi-Pathway,” “Mobility for All,” and “Best in Town,” targeting visitors from central and local governments, those in industry associations, and research institutions. For FCEVs, TMCI shared its progress in initiatives and collaborations in the areas of “transporting,” “storing,” and “using” hydrogen for the commercialization of fuel cells in long-haul logistics. For HEVs, TMCI explained the fifth-generation HEV system and explained how HEV technology contributes to carbon reduction. For BEVs, TMCI presented updates on new BEV models and advancements in intelligence (including collaborations) while introducing its initiatives for battery recycling and reuse in China, which attracted high interest from visitors.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



CIIE2024

Asia

December

Toyota Motor Philippines Manufacturing Plant Sources 100% Renewable Energy

- Toyota Motor Philippines (TMP) recently announced that it introduced 100% renewable energy at its Santa Rosa plant starting December 26, 2023. This initiative is based on a retail supply agreement in the Philippines and aims to reduce indirect CO₂ emissions from electricity use.

As part of its ongoing efforts to achieve carbon neutrality by 2035, TMP installed a 1 MW solar power facility in 2018 and expanded it by 0.46 MW in 2022. Combining these efforts with the new agreement, TMP has become one of the Toyota manufacturing facilities in the ASEAN region that use 100% renewable energy in production.

TMP also encourages local suppliers and dealers to adopt renewable energy practices as part of this broader effort.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Santa Rosa plant, which introduced 100% renewable energy

October

First End-of-Life Vehicle (ELV) Dismantling Facility Begins Operations

- In October 2024, the first end-of-life vehicle (ELV) dismantling facility in the Philippines started operations in Mexico, Pampanga. Toyota Motor Philippines (TMP) provided technical assistance in various areas, such as environmental compliance, facility design, dismantling methods, equipment requirements, and hazardous waste management. The facility aims to reduce pollution and promote resource recycling by properly dismantling and recycling parts and materials from end-of-life vehicles in an environmentally sound manner.

In addition, TMP donated five ELVs, including a hybrid vehicle, for training purposes at the facility. This initiative supports Toyota's commitment to carbon neutrality and the circular economy, and TMP's participation in the ELV dismantling facility strengthens its efforts throughout the vehicle life cycle.

Carbon neutrality / Supply chain / Energy transition and decarbonization technologies



Five ELVs, including HEVs, donated for training purposes

Review of Toyota's Industry Associations

Six Stances with Respect to Industry Associations

In conducting activities for fostering understanding of public policies aligned with the Paris Agreement, Toyota takes the following stances regarding the realization of carbon neutrality.

We have used these as evaluation items in studying the positions of industry organizations.

1 Paris Agreement	We support the Paris Agreement and ensure that our collective action objectives are consistent with it.
2 Climate change science	We respect the latest scientific findings of organizations such as the IPCC. We quote objective scientific research and make reference to the impact of human activity on climate change.
3 Emissions reduction targets	We have defined emissions reduction targets that are consistent with the Paris Agreement and announced our backing of support policies.
4 Energy efficiency improvement	We have declared our understanding of the importance of improving energy efficiency and we support related policies (energy-saving, fuel efficiency improvement, etc.).
5 Technology	We make reference to and provide recommendations regarding the development and verification of new technologies that contribute to carbon neutrality, recommended by organizations such as the IPCC.
6 Carbon pricing	We support carbon pricing (a fair, structured, effective, and feasible system that takes into account the conditions in each region, encourages technological development and innovation, and includes implicit carbon pricing), which uses market mechanisms to efficiently promote emissions reductions.



LEXUS UX



Electrification technology on display at the Toyota Kaikan Museum

Review of Toyota's Industry Associations

Associations that we Reviewed

In our 2023 disclosure, we reviewed the following six associations, which consist of automobile-related associations that engage in climate change-related public policy activities and associations whose activities include the preparation and improvement of automobile-related infrastructure. These associations are ones in regions where Toyota production and sales sites are located, as well as ones in which Toyota members have been assigned positions with influence over their policies.

- Japan Automobile Manufacturers Association (JAMA)
- Japan Business Federation (Keidanren)
- Alliance for Automotive Innovation (Auto Innovators)
- European Automobile Manufacturers' Association (ACEA)
- Society of Motor Manufacturers and Traders (SMMT)
- World Business Council for Sustainable Development (WBCSD)
- Central Japan Economic Federation (Chukeiren)
- Japan Hydrogen Association (JH2A)
- Japan Association of Corporate Executives (KEIZAI DOYUKAI)
- National Association of Manufacturers (NAM)
- Hydrogen Council
- Thailand Business Council for Sustainable Development (TBCSD)

In 2024, to further enrich our information disclosure, we have refined the selection criteria and confirmed that the associations we evaluated in the previous years met the standards. We reviewed a total of 15 associations by adding three more associations.

- Automobile Business Association of Japan
- Hydrogen Europe
- Electric Drive Transportation Association (EDTA)

Third-Party Evaluations

To improve the transparency of the evaluations of associations' climate change-related public policy activities, we have conducted evaluations delegated to a new third party. The evaluation standards consist of four criteria: 1. Aligned, 2. Partially aligned, 3. Not aligned, and 4. No public position. In addition, we have added a supplement to the evaluation criteria.

Evaluation Criteria for Consistency with the Paris Agreement

Consistency with the Paris Agreement is of particular importance for associations. We have established the following evaluation criteria. By disclosing these criteria, we aim to ensure greater transparency in the evaluation of associations.

- **Aligned** : Supports the Paris Agreement or policies in line with the Paris Agreement in various countries and has set 2050 carbon neutrality as a goal*
- **Partially aligned**: Supports the Paris Agreement or policies in line with the Paris Agreement in various countries but does not demonstrate proactive activities aligned with the Paris Agreement
- **Not aligned** : In opposition to the Paris Agreement

* Even if it is not explicitly stated that an association conforms to the Paris Agreement, the criteria shall be met if the association sets carbon neutrality as a long-term goal, or, if it does not set such a goal, the association supports long-term goals aligned with the Paris Agreement.

Strategy When an Association Is Not Aligned with the Paris Agreement (Escalation Steps)

In cases where an association is conducting activities that are inconsistent with the goals of the Paris Agreement, we will encourage the association to review its stance through constructive dialogue by following the steps indicated below.

- We will share Toyota's stance with respect to climate change
- We will clarify the differences between Toyota's stance with respect to climate change and that of the association
- We will engage in an exchange of opinions regarding climate policies
- Through constructive dialogue, we will encourage the association to review its stance

We have set a 12-month period after communication with the association to coordinate improvements on the association's stance. If no improvement is seen, communication is conducted again in accordance with the escalation steps.

We place great importance on dialogue and strive for persistent communication through constructive dialogue with associations.

We will reexamine the association membership in an appropriate manner each year.

Communication with Associations That Were Not "Aligned" in Last Year's Evaluation

We shared our stance on climate change with four domestic associations (JAMA, Keidanren, Chukeiren, and JH2A) regarding the items that were not "Aligned" in last year's evaluation and encouraged them to express their stance through constructive dialogue. As a result, all associations improved their stances and all items have become "Aligned."

※ This review was prepared between August 5, 2024 and December 1, 2024 and is based on information reviewed at the time of preparation.

Results of Third-Party Evaluations of Industry Associations (Summary)

The majority of industry associations were conducting activities that are aligned or partially aligned with the Paris Agreement. The four domestic associations (JAMA, Keidanren, Chukeiren, and JH2A) improved their stances and all items have become “Aligned.” There were no cases of Not aligned activities.

Organization name	1 Consistency with Paris Agreement	2 Consistency with climate change science	3 Emissions reduction targets	4 Energy efficiency improvement	5 Technology	6 Carbon pricing
JAMA	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned*
Keidanren	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned*
Chukeiren	Aligned	Aligned*	Aligned*	Aligned	Aligned	Aligned*
KEIZAI DOYUKAI	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
JH2A	Aligned*	Aligned*	Aligned*	Aligned	Aligned	Aligned
WBCSD	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
AAI	Aligned	No public position	Aligned	Aligned	Aligned	No public position
NAM	Aligned	Aligned	Partially Aligned	Aligned	Aligned	No public position
ACEA	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
SMMT	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
Hydrogen Council	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
TBCSD	Aligned	No public position	Aligned	Aligned	Aligned*	No public position
Automobile Business Association of Japan	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
Hydrogen Europe	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
EDTA	Aligned	No public position	Aligned	Aligned	Aligned	No public position

* Items that have shown improvement since last year's evaluation

Results of Third-Party Evaluations of Industry Associations

Organization name	Japan Automobile Manufacturers Association (JAMA)	
Objective	To promote the sound development of the Japanese automotive industry and contribute to social and economic welfare	
Membership of board/ executive committee	Koji Sato: Vice Chairman (President, Toyota Motor Corporation)	
Item	Result	Summary
1 Consistency with Paris Agreement	Aligned	JAMA states that achieving carbon neutrality by 2050 is necessary to achieving the 1.5°C target set forth in the Paris Agreement. JAMA also declares its intent to take on the challenges of achieving carbon neutrality in the Japanese automobile industry, given that the Japanese government is aiming to achieve carbon neutrality by 2050.
2 Consistency with climate change science	Aligned	Through the construction and analysis of scenarios that effectively utilize HEVs, PHEVs, and carbon neutral fuels in addition to those that rapidly promote BEVs, JAMA shows that there are a variety of options available for achieving carbon neutrality by 2050, which align with the 1.5°C scenario set forth by the IPCC.
3 Emissions reduction targets	Aligned	The Japanese government is working on an initiative that aims for all sales of new passenger vehicles to be electrified vehicles (BEVs, HEVs, PHEVs, and FCEVs) by 2035 to achieve carbon neutrality by 2050, and JAMA is also committed to taking on the challenges of this initiative in the automobile industry. In addition, JAMA has set targets related to non-fossil power sources by 2030/2040, including biofuels, synthetic fuels, and hydrogen fuels.
4 Energy efficiency improvement	Aligned	JAMA estimates the contribution of improved fuel efficiency to total CO ₂ emissions in Japan's transportation sector and indicates that it will continue its efforts to improve fuel efficiency. It is also working to reduce power and fuel energy consumption, including in the automobile manufacturing process.
5 Technology	Aligned	Electrification is a prominent means to achieving carbon neutrality, and JAMA provides policy recommendations in line with diverse technologies such as BEVs, FCEVs, and ICEs using carbon neutral fuels (bio-derived materials, hydrogen, liquid synthetic fuels, etc.).
6 Carbon pricing	Aligned*	JAMA states that energy decarbonization through energy policies and a carbon pricing system should be considered for introduction as a set and expresses constructive opinions on the design of the system.

* Items that have shown improvement since last year's evaluation

Organization name	Japan Business Federation (Keidanren)	
Objective	To contribute to the self-sustained development of the Japanese economy and the improvement of the lives of citizens, by drawing out the dynamism of corporations as well as that of the individuals and communities that support them	
Membership of board/ executive committee	Shigeru Hayakawa: Vice Chair of the Board of Councilors (Vice Chairman of the Board of Directors, Toyota Motor Corporation)	
Item	Result	Summary
1 Consistency with Paris Agreement	Aligned	In collaboration with the Japanese government, Keidanren engages in Challenge Zero activities to disseminate innovation actions both domestically and overseas in working toward the realization of a decarbonized society, which the Paris Agreement has positioned as a long-term goal.
2 Consistency with climate change science	Aligned	In addition to using the data of the NOAA Earth System Research Laboratories (ESRL) Global Monitoring Division and recognizing the high concentration of CO ₂ in the atmosphere, Keidanren states that the IPCC is one of the "best science" available for policies aimed at carbon neutrality.
3 Emissions reduction targets	Aligned	Keidanren has placed emphasis on reducing emissions by 2030 from the perspective of contributing to Japan's medium-term reduction targets under the Paris Agreement. The Keidanren Carbon Neutrality Action Plan also states that it plays a central role in the measures that industries should take in the government's Plan for Global Warming Countermeasures.
4 Energy efficiency improvement	Aligned	The automobile industry members of Keidanren have defined the popularization of electrified vehicles, the realization of a hydrogen-powered society, and more as initiatives for achieving an industry vision for carbon neutrality by 2050. Keidanren also cites the promotion of energy conservation and improvement of fuel efficiency in transportation equipment as emission reduction measures.
5 Technology	Aligned	Keidanren is clear about promoting the development of innovative technologies and states that the automobile industry is working toward the popularization of electrified vehicles and the realization of a hydrogen-powered society.
6 Carbon pricing	Aligned*	Keidanren indicates the need for carbon pricing. It also cites market inefficiencies as a challenge to maximizing emission reduction efficiency, and in addition to providing recommendations on points to be considered, it expresses that it will continue to conduct research and analysis.

* Items that have shown improvement since last year's evaluation

Organization name

Central Japan Economic Federation

Objective

To compile opinions of businesses in the central Japan economic region, submit recommendations and requests to governmental agencies and related organizations, and work to stimulate the economy of central Japan through various activities

Membership of board/
executive committee

Shigeki Terashi: Vice Chairman
(Executive Fellow, Toyota Motor Corporation)

Item

Result

Summary

1 Consistency with
Paris Agreement

Aligned

Chukeiren proposes strategic directions for the overall socio-economic activities of the Chubu region to achieve Japan's goal of carbon neutrality by 2050. It also issues recommendations to the government to formulate a comprehensive roadmap and milestones for the entire country.

2 Consistency with
climate change
science

Aligned*

Chukeiren refers to the report issued by the IPCC stating that global GHG emissions must be net zero by around 2050 to achieve the 1.5°C target. It also states that there is no room for doubt that climate change is caused by human activity.

3 Emissions reduction
targets

Aligned*

Chukeiren sets out strategic directions to achieve the government's GHG emission reduction targets by 2030 and electrification targets by 2035. It also states that the Sixth Strategic Energy Plan lays out a roadmap and specific portfolio to reach the emission reduction targets by 2030.

4 Energy efficiency
improvement

Aligned

Based on the review and strengthening of regulations under the Act on Rationalization of Energy Use and Shift to Non-fossil Energy and the expansion of non-fossil fuels on the supply side, Chukeiren recommends that energy conservation be promoted on the demand side.

5 Technology

Aligned

Chukeiren conducts support activities for the social implementation of the hydrogen supply chain. It also recommends that transitions to a decarbonized society need to be effectively promoted through a mix of electrified vehicle and ICE power sources.

6 Carbon pricing

Aligned*

Carbon pricing is an important mechanism to achieving carbon neutrality by 2050, and Chukeiren expresses its opinions that it is necessary to ensure the burden is not disproportionately placed on certain industries and there is fairness among energy sources and carbon price neutrality.

* Items that have shown improvement since last year's evaluation

Japan Association of Corporate Executives

To allow top executives of corporations to participate as individuals, express opinions and ideas unconstrained by the interest of any specific company or industry, deliberate regarding various problems, both domestic and global, and issue policy recommendations, with the aim of creating a better economic society and enriching people's lives

Yutaka Shimasaki: Manager
(Fellow, Toyota Motor Corporation)

Result

Summary

Aligned

KEIZAI DOYUKAI states that it welcomes Japan's carbon neutrality declaration and the fact that the government has begun specific initiatives toward that goal and provides policy recommendations for achieving carbon neutrality.

Aligned

As a recognition of the current situation, KEIZAI DOYUKAI refers to the report issued by the IPCC and states that it is extremely likely that climate change is caused by human activity.

Aligned

KEIZAI DOYUKAI supports the government's Basic Policy for the Realization of GX and the roadmap for the next 10 years.

Aligned

Comparing CO₂ emissions throughout the life cycles of BEVs and ICEs, KEIZAI DOYUKAI states that it is necessary to minimize emissions during the manufacturing process, given that BEVs produce considerably more emissions up to the time of manufacturing.

Aligned

Demand and supply management is becoming increasingly important due to the increase in renewable energy, and KEIZAI DOYUKAI recommends that incentives and appropriate rules need to be established to secure power sources with adjustability, such as storage batteries, pumped storage power generation, hydrogen and ammonia power generation, and zero-emission thermal power generation with CCUS, and to promote low-carbon development.

Aligned

The market mechanism is an effective mechanism for achieving carbon neutrality, and KEIZAI DOYUKAI recommends that existing energy taxes should be reviewed in conjunction with the introduction of carbon pricing and that consideration should be given to tax approaches that correspond to environmental impact.

Organization name

Japan Hydrogen Association (JH2A)

Objective

To allow companies, associations, and local governments with diverse technologies and expertise to engage in discussions aimed at realizing a hydrogen-powered society and to provide policy recommendations regarding the establishment of social implementation projects, the creation of demand, and the relaxation of regulations

Membership of board/
executive committee

Takeshi Uchiyamada: Chairman
(Executive Fellow, Toyota Motor Corporation)

Item

Result

Summary

1 Consistency with
Paris Agreement

Aligned*

JH2A is promoting a wide range of initiatives aimed at a hydrogen-powered society to achieve the long-term goal of realizing a decarbonized society set forth in the Paris Agreement and Japan's carbon neutrality targets.

2 Consistency with
climate change
science

Aligned*

Referring to the report issued by the IPCC, JH2A states that there is no room for doubt that climate change is caused by human activity.

3 Emissions reduction
targets

Aligned*

JH2A strongly recognizes that it is essential for the public and private sectors to make joint efforts to achieve the Japanese government's GHG emission reduction targets by 2030. In addition, given that hydrogen and ammonia are expected to account for 1% of the energy supply in 2030 according to the Sixth Strategic Energy Plan, JH2A states that it will work together with the government to realize a sustainable hydrogen-powered society as early as possible.

4 Energy efficiency
improvement

Aligned

JH2A states that it is necessary to improve the efficiency of electrolysis, reduce the costs of electrolytic equipment, and improve the durability and reliability of products to achieve efficiency in hydrogen production.

5 Technology

Aligned

JH2A provides recommendations for the development and popularization of hydrogen technologies, including the need to develop new FCEV technologies (small tanks, liquid hydrogen tanks, etc.), support mass production technologies, and develop standards.

6 Carbon pricing

Aligned

With regard to carbon pricing, JH2A states that the combination of multiple prices as a signaling effect is expected to generate economic incentives for private companies to engage in the hydrogen business. It also expresses its constructive opinions, such as stating that system design, including the clarification of positioning and development of infrastructure, should be conducted as early as possible to enable the prospect of investments in research and development as well as the value chain.

* Items that have shown improvement since last year's evaluation

World Business Council for Sustainable Development (WBCSD)

To accelerate the shift to a sustainable world by leading sustainable businesses to success

Shigeru Hayakawa: Executive Committee

(Vice Chairman of the Board of Directors, Toyota Motor Corporation)

Result

Summary

Aligned

WBCSD is working to accelerate the implementation of the Paris Agreement by calling on countries to formulate policies that promote business-driven solutions consistent with ambitious actions against climate change. It also sets forth a vision that calls for net zero GHG emissions caused by human activity by 2050 and a stable global warming of 1.5°C or below.

Aligned

In addition to stating that the report issued by the IPCC provides the clearest evidence of climate change issues we are currently facing, WBCSD also states that climate change is caused by human activity.

Aligned

WBCSD provides a roadmap of corporate actions up to 2030, including improving energy efficiency and halting the construction of new coal-fired power generation to achieve net zero GHG emissions caused by human activity by 2050.

Aligned

WBCSD recommends that technological innovations such as highly fuel-efficient hybrid engines are necessary to achieve net zero emissions from traffic and transportation.

Aligned

To accelerate the deployment of ZEVs and their charging infrastructure, WBCSD is building a mobility decarbonization project with diverse stakeholders and creating opportunities for technological deployment through strengthening dialogue between public and private sectors.

Aligned

WBCSD states that carbon pricing mechanisms will be important to achieve the 1.5°C target.

Organization name

Alliance For Automotive Innovation (AAI)

Objective

To work with policymakers to support cleaner, safer, and smarter personal transportation that helps transform the U.S. economy and sustain American ingenuity and freedom of mobility

Membership of board/
executive committee

Chris Reynolds: Member of the Board of Directors
(Executive Vice President, Chief Strategy Officer, Toyota Motor North America)

Item

Result

Summary

1 Consistency with Paris Agreement

Aligned

Auto Innovators supports the Biden administration's policy of net zero carbon transformation in the transportation sector by 2050 and the acceleration the shift toward BEVs, PHEVs, and FCEVs.

2 Consistency with climate change science

No public position

Auto Innovators does not make any reference to climate change science.

3 Emissions reduction targets

Aligned

In light of the Biden administration's target of having more than half of new vehicles be BEVs, PHEVs, and FCEVs by 2030, Auto Innovators refers to the amount of charging infrastructure that need to be installed as estimated by the U.S. National Renewable Energy Laboratory (NREL) to achieve the target.

4 Energy efficiency improvement

Aligned

Auto Innovators states that the automobile industry is committed to improving energy efficiency. It also recommends that initiatives such as purchasing incentives and the introduction of low-carbon fuel standards are necessary to promote the popularization of ZEVs.

5 Technology

Aligned

Auto Innovators recommends that any support at a governmental level is necessary to promote the electrification of vehicles. It also announces that the automobile industry is committed to the manufacturing of BEVs, PHEVs, and FCEVs and plans to invest over 33 billion dollars by 2025.

6 Carbon pricing

No public position

Auto Innovators does not make any reference to carbon pricing.

National Association of Manufacturers (NAM)

To serve as the association representing 14,000 member companies—from small businesses to global leaders—in every industrial sector

Chris Nielsen
(Executive Vice President, Product Support & Chief Quality Officer Toyota Motor North America)

Result

Summary

Aligned

NAM supports the Paris Agreement, which aims to significantly reduce the risks and impact of climate change. As an association of U.S. manufacturers, it is also committed to playing its part to realize the Paris Agreement.

Aligned

NAM refers to the report issued by the U.S. Global Change Research Program (USGCRP) and states that climate change is caused by human activity.

Partially aligned

NAM does not present any short- or medium-term GHG emission reduction targets. It also expresses its opposition to federal mandates to increase the use of certain energy sources at the expense of others but supports policies that promote renewable energy and energy conservation.

Aligned

NAM recommends that sustainable and highly efficient energy is essential for the manufacturing industry to compete in the global market, that renewable energy and distributed energy provides flexibility, and that increased energy efficiency reduces energy costs for the industry.

Aligned

NAM cites hydrogen development as a new technology and provides policy recommendations for the advancement of the development of such technology.

No public position

NAM does not make any reference to carbon pricing.

Organization name	European Automobile Manufacturers' Association (ACEA)	
Objective	To drive Europe's mobility transition—while at the same time ensuring that the automotive industry remains a strong global and competitive player	
Membership of board/ executive committee	Didier Leroy: Member of the Board of Directors (Chairman of the Board of Management, Toyota Motor Europe)	
Item	Result	Summary
1 Consistency with Paris Agreement	Aligned	ACEA is committed to achieving climate neutrality in the automobile industry by 2050 in accordance with the targets set forth in the Paris Agreement.
2 Consistency with climate change science	No public position	ACEA does not make any reference to climate change science.
3 Emissions reduction targets	Aligned	ACEA supports the European Green Deal's target of achieving climate neutrality by 2050 and the further development of current regulations for carbon neutrality in the transportation sector by the middle of this century. It also recommends that approximately 60 million private and public charging spots and 1,000 public hydrogen stations are necessary to achieve the 50% share of electrified vehicles by 2030.
4 Energy efficiency improvement	Aligned	ACEA's initiatives to reduce emissions in the automobile industry include reducing the outside air intake rate when vehicles are in use and improving energy efficiency through relocating vehicle manufacturing sites to coastal areas where marine transportation gas is available.
5 Technology	Aligned	ACEA recommends that the development of technologies and infrastructure, such as charging infrastructure and hydrogen filling infrastructure, is necessary for the popularization of ZEVs.
6 Carbon pricing	Aligned	ACEA proposes that effective carbon pricing measures should be conducted by 2027 at the latest. It also states that the inclusion of the automobile industry in the EU Emissions Trading System (EU ETS) is a cornerstone of policies to decarbonize the transportation sector.

Society of Motor Manufacturers and Traders (SMMT)	
To support and promote the interests of the U.K. automotive industry at home and abroad	
Agustin Martin: Member of Executive Board (President & Managing Director of Toyota (GB))	
Result	Summary
Aligned	As an association of the automobile industry, SMMT is committed to achieving the net zero emissions target for decarbonization by 2050 set by the U.K. government.
Aligned	In a questionnaire study used to set the U.K.'s carbon budget, SMMT states that the report issued by the IPCC will be the basis for evaluating climate change risks and global GHG emission pathways.
Aligned	SMMT indicates the reduction amount of CO ₂ emissions from vehicles by the end of 2035 for achieving the net zero emissions target for decarbonization by 2050 set by the U.K. government. It also states that it will closely collaborate with the government in the discussion process regarding regulations for the automobile industry's transition to net zero emissions.
Aligned	SMMT outlines the steps for formulating action plans and specific measures to improve energy efficiency.
Aligned	SMMT recommends that investments in infrastructure development should be made more strategically for the popularization of ZEVs. In addition, it is engaging in ongoing advocacy efforts regarding zero emissions technologies and continuous dialogue with the government. It is also engaging in technical consulting for the entire supply chain to promote greater adoption of ZEVs.
Aligned	SMMT states that member companies are participating in the EU ETS and are working toward reducing emissions. It also provides recommendations to link the U.K. ETS and EU ETS schemes to ensure a level playing field for carbon pricing.

Organization name

Hydrogen Council

Objective

To bring together leading companies with a united vision and long-term ambition for hydrogen to foster the clean energy transition under a global CEO-led initiative

Membership of board/
executive committee

Stephan Herbst
(General Manager, Toyota Motor Europe)

Item

Result

Summary

1 Consistency with Paris Agreement

Aligned

The Hydrogen Council was established to support efforts to limit global warming to 2°C in accordance with the targets set forth in the Paris Agreement, as well as to share their vision and targets for hydrogen use to accelerate the energy transition.

2 Consistency with climate change science

No public position

The Hydrogen Council does not make any reference to climate change science.

3 Emissions reduction targets

Aligned

Given the difficulty in meeting the trajectory of a scenario to achieve net zero emissions by 2030, the Hydrogen Council indicates the projected demand of clean hydrogen by 2030 based on a scenario of a 1.9°C increase by 2050. It also states the target of introducing 42% clean hydrogen by 2030 in the EU's Renewable Energy Directive.

4 Energy efficiency improvement

Aligned

The Hydrogen Council recommends that since hydrogen can be produced from renewable electricity during peak power generation periods and help prevent overloading of the power grid, it can contribute to the realization of a highly efficient power generation system.

5 Technology

Aligned

The Hydrogen Council states that the transition to a decarbonized society requires the popularization of hydrogen and reports data including the amount of metal resources needed to produce hydrogen and the impact on water.

6 Carbon pricing

Aligned

The Hydrogen Council argues that carbon pricing could make blue hydrogen less expensive to produce than gray hydrogen.

Thailand Business Council for Sustainable Development (TBCSD)

To lead sustainable development in Thailand with a membership of over 43 companies across Thailand's major industries

Kalin Sarasin
(Chairman of the Board, Toyota Motor Thailand)

Result

Summary

Aligned

As one of the largest sustainable development business networks in Thailand, TBCSD aims to address climate change issues and limit global warming to 1.5°C or below.

No public position

TBCSD does not make any reference to climate change science.

Aligned

TBCSD supports the Thai government's GHG emission reduction targets by 2030. It also recommends that climate change mitigation is an urgent issue and that actions should be taken, including by member companies.

Aligned

TBCSD provides information on national funds that support energy conservation activities as a reference for member companies.

Aligned*

TBCSD recommends research and development to expand the popularization of BEVs and FCEVs, as well as the promotion of CO₂ emission reduction technologies, including CCUS.

No public position

TBCSD does not make any reference to carbon pricing.

* Items that have shown improvement since last year's evaluation

Organization name

Automobile Business Association of Japan

Objective

With the participation of a wide range of organizations and companies involved in the automobile industry, the Automobile Business Association of Japan aims to contribute to the development of the automobile society through policy proposals, awareness-raising activities, and workshops and inspection tours for members.

Membership of board/
executive committee

Takeshi Uchiyamada
(Executive Fellow, Toyota Motor Corporation)

Item

Result

Summary

1 Consistency with
Paris Agreement

Aligned

The Automobile Business Association of Japan is actively submitting opinions to the government on global warming countermeasures based on the Paris Agreement. It also states that a new mobility society is required to achieve carbon neutrality by 2050 and that it will take on the challenges of achieving this goal.

2 Consistency with
climate change
science

No public
position

The Automobile Business Association of Japan does not make any reference to climate change science.

3 Emissions reduction
targets

Aligned

The Automobile Business Association of Japan recommends that reforming the tax system and securing subsidies are necessary to achieve the target for the popularization of next-generation vehicles by 2030 set forth by the government.

4 Energy efficiency
improvement

Aligned

The Automobile Business Association of Japan recommends securing subsidies for vehicle purchases and infrastructure development, as well as preferential treatment for electrified vehicles and vehicles with excellent fuel efficiency to achieve the target for the popularization of next-generation vehicles by 2030 set forth by the government.

5 Technology

Aligned

The Automobile Business Association of Japan recommends securing subsidies for vehicle purchases and infrastructure development to promote the popularization of electrified vehicles as early as possible.

6 Carbon pricing

Aligned

The Automobile Business Association of Japan recommends that subsidies must be secured to achieve the target for the popularization of next-generation vehicles by 2030 set forth by the government and that the tax system should be reformed to be conducive to carbon neutrality.

Hydrogen Europe

Hydrogen Europe aims to achieve a sustainable society through the popularization of hydrogen technologies and market development.

Didier Stevens
(Senior Manager, Toyota Motor Europe)

Result

Summary

Aligned

Hydrogen Europe calls for the achievement of renewable energy introduction targets to achieve the 1.5°C scenario set forth in the Paris Agreement. It also recommends a hydrogen strategy that promotes the development of clean hydrogen technologies to achieve net zero emissions by 2050.

Aligned

Hydrogen Europe states that it is necessary to accelerate the transition to clean energy in light of the IPCC's warning that without significant reductions in GHG emissions, global warming of 2°C will be exceeded this century.

Aligned

Hydrogen Europe calls for the proportion of renewable energy to be 45% or more by 2030 to achieve the targets set forth in the Paris Agreement. It also states that it is essential to set clean hydrogen targets to secure the investments needed to achieve climate-related targets by 2030.

Aligned

Hydrogen Europe states that the heat recovered from hydrogen production is a means of improving energy efficiency and can contribute to the EU's efficiency targets.

Aligned

Hydrogen Europe's mission is to promote research, development, and innovation in clean hydrogen technologies.

Aligned

Hydrogen Europe recommends that through the utilization of EU ETS and Carbon Border Adjustment Mechanism (CBAM), hydrogen can be used to replace fossil fuels in areas where reduction is difficult, contributing to both the ambition of climate change mitigation and the sustainability of the EU's industries.

Organization name

Electric Drive Transportation Association (EDTA)

Objective

EDTA aims to promote the popularization of electrified transportation technologies and infrastructure.

Membership of board/
executive committee

Pete Patterson
(Managing Counsel, Toyota North America)

Item

Result

Summary

1 Consistency with
Paris Agreement

Aligned

EDTA states that achieving net zero emissions in the transportation sector is an extremely important goal.

2 Consistency with
climate change
science

No public
position

EDTA does not make any reference to climate change science.

3 Emissions reduction
targets

Aligned

EDTA supports the U.S. National Zero-Emission Freight Corridor Strategy, which aims to develop a nationwide zero-emission freight network by 2040.

4 Energy efficiency
improvement

Aligned

EDTA supports the U.S. Department of Energy's program to develop EV batteries with improved efficiency.

5 Technology

Aligned

EDTA advocates the promotion of the electrification of automobiles, including the development of hydrogen and fuel cell technologies.

6 Carbon pricing

No public
position

EDTA does not make any reference to carbon pricing.

List of our Industry Association Memberships

In addition to the fifteen associations we reviewed, we have listed some of our associations that are influential in climate change related policies. Toyota will continue to engage with these associations and help the world achieve carbon neutrality.

Japan	Battery Association for Supply Chain https://www.basc-j.com/	Information Technology Industry Council https://www.itic.org/	National Platform Future of Mobility (Germany) https://www.plattform-zukunft-mobilitaet.de/en/
	The Hydrogen Utilization Study Group in Chubu ※No official Website https://global.toyota/jp/newsroom/corporate/34806052.html	Resources for the Future https://www.rff.org/	Plateforme de la Filière Automobile (France) https://pfa-auto.fr/
	CHAdEMO Association https://www.chademo.com/ja/	Renewable Energy Buyers Alliance https://rebuyers.org/	Society of Motor Manufacturers and Traders (UK) https://www.smmt.co.uk/
	Fuel Cell Commercialization Conference of Japan https://fccj.jp/	VELOZ https://www.veloz.org/	UKH2 Mobility (UK) http://www.ukh2mobility.co.uk/
	WWF Japan https://www.wwf.or.jp/	Europe Clean Energy Partnership (Germany) https://cleanenergypartnership.de/en/home-engl	Zemo Partnership (UK) https://www.zemo.org.uk/
U.S.	CALSTART https://calstart.org/	Confederation of British Industry (UK) https://www.cbi.org.uk/	Others THAI RENEWABLE ENERGY (RE100) ASSOCIATION (Thailand) https://re100th.org/en/home-english/
	Center for Climate and Energy Solutions https://www.c2es.org/	France Hydrogène (France) https://www.afhypac.org/	
	EPA Green Power Partnership https://www.epa.gov/greenpower	German Hydrogen and Fuel Cell Association (Germany) https://www.dww-info.de/german-hydrogen-fuel-cell-association/?lang=en	
	Fuel Cell and Hydrogen Energy Association https://www.fchea.org/	H2 Mobility (Germany) https://h2.live/h2mobility/	