LEXUS ES (BEV Prototype)

Toyota's Views on Climate Public Policies 2025

Main Changes from 2024 Edition

- Clarified the grounds for the third-party evaluations of industry associations with links to the relevant sources (Sources now have hyperlinks)
- Added the explanation of the evaluation criteria of climate change science for the third-party evaluation of industry associations
- Increased the number of industry associations reviewed from 15 to 16 (one in the United States added)

CONTENTS

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 2025, 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, Toyota 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 CO_2 emissions, new vehicle zero CO_2 emissions, plant zero CO_2 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 CO_2 emissions and a net positive environmental impact, and will assist us to contribute to the realization of a sustainable society.

As our five-year plan for achieving these, we formulated and has been globally implementing the 7th Toyota Environmental Action Plan (2025 Target). In addition, in October 2025, we announced the 8th Toyota Environmental Action Plan (2030 Target), our next action plan towards 2030, which we will start to implement in April 2026. Under this new target, we will further accelerate environmental initiatives and contribute to the realization of a sustainable society, including the Sustainable Development Goals (SDGs).

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.

Toyota Environmental Challenge 2050
https://global.toyota/en/sustainability/esg/challenge2050/

We began our fuel cell electric vehicle (FCEV) development in 1992, and started lease sales of the first FCEV in Japan and the U.S. in 2002 (top: Toyota FCHV-adv (2008 model)). 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).

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 we call "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. In particular, reducing greenhouse gas (GHG) emissions 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 GHG reduction at driving, manufacturing, and entire life cycle phases.

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 GHG emissions through a variety of options based on a multi-pathway approach, including battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs).

To provide sustainable vehicles practically, along with decarbonizing fuels, we offer our customers a wide range of choices by our full lineup of electrified vehicles including electric vehicles (BEVs), plug-in hybrid electric vehicles (PHEVs), and fuel cell electric vehicles (FCEVs). Already, we have sold a cumulative total of more than 31.75 million electrified vehicles since 1997 (as of the end of March 2025).

The latest Sixth Assessment Report (2022) of the United Nations Intergovernmental Panel on climatechange (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 GHG hydrogen, and its 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 including renewable energy policy, charging infrastructure, electrified vehicle purchase incentives, supplier support, and battery recycling systems. It requires a holistic whole-of-economy effort and its 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 truly need everyone's support and therefore will continue to strengthen collaboration with all stakeholders.

HILUX (BEV Prototype)

More than
31.75 million vehicles
(as of the end of March 2025)

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

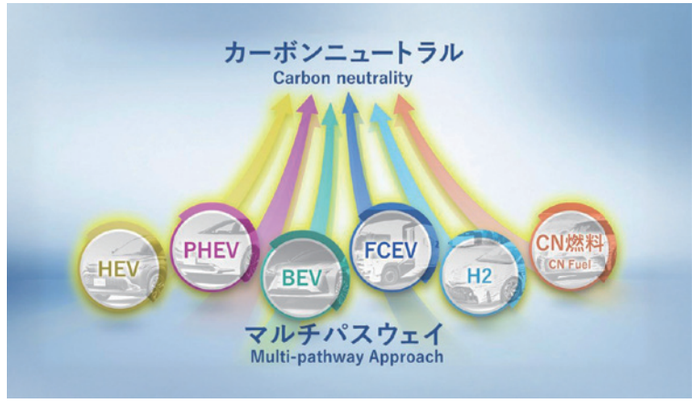
Toyota's mission is to provide goods and services that make people throughout the world happy, or in other words, to "Producing Happiness for All". We aim to be the "best-in-town company" that is loved and relied upon by everyone in the community.

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 each country and region with transparency and legal compliance, and when requested, we are willing to be of service by sharing our expertise.
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 all stakeholders including governments and their administrative agencies, regulators, political parties, NGOs, local communities, and customers
- Have our executives and employees participate in various industry associations across the globe and contribute to their public policy advocacy
- Disclose our engagement activities on climate public policies

Toyota's Multi-Pathway Approach



Toyota is 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 GHG 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 are expanding our lineup of BEVs, which is one of primary options. 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 collaborate with the energy industry to develop carbon-neutral fuel technology.
We will work to promote electrified vehicles and reduce GHG emissions with no one left behind, including in emerging markets. Through this multi-pathway 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, the different circumstances between developed and emerging economies, and other factors.
As a result, it has been shown that the reduction of CO_2 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 PHEVs. HEVs, and carbon-neutral fuels.

* Scenarios that are identified to be aligned with the 1.5°C target in the Summary of Policymakers among the more than 1,000 scientifically verified scenarios around the world analyzed in the Working Group III report of the 6th Assessment Report (AR6) of the IPCC

Governance

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

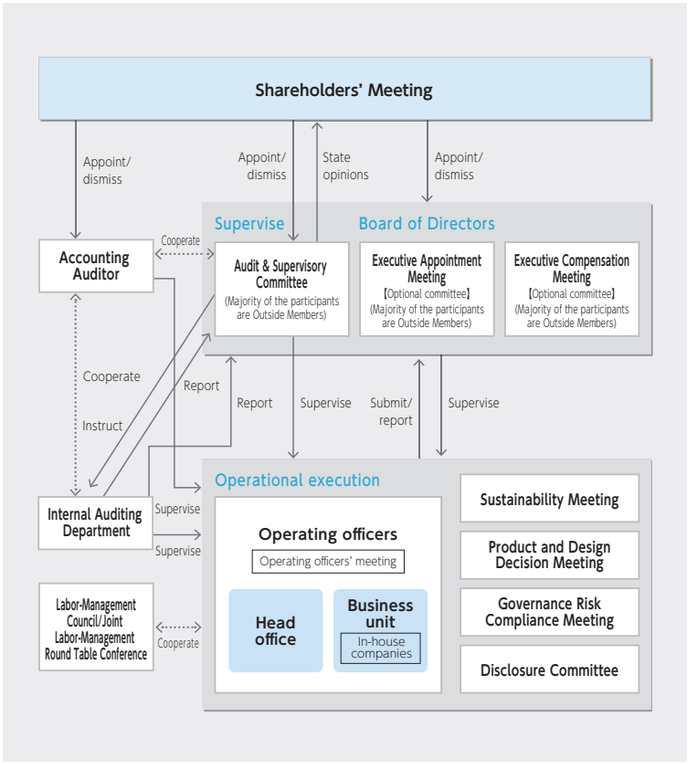
The Board of Directors is the ultimate decision-making and oversight body for addressing climate-related issues. The Board deliberates and oversees related strategies, major action plans, and business plans, and any important climate-related matters are also included in the Board's agenda. Final decisions are rendered by the ten Members of the Board of Directors, including five Outside Members of the Board of Directors (three of whom are Audit & Supervisory Board Members), ensuring that decisions are made by incorporating the views of Outside Members with diverse backgrounds. In recent years, Outside Members of the Board of Directors have been speaking up on almost all proposals.

Other than meetings of the Board of Directors, there are two-way communications between outside members of the Board of Directors and executives on important management issues and medium- to long-term issues.

The Sustainability Meeting, where the President serves as the Chair and Outside Members of the Board of Directors also participate, contributes to improving corporate value by promoting deliberations, decisions, and activities related to sustainability.
Also, 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 reforms to respond swiftly to the external environment that is changing with unprecedented speed.

"Transitioning to Carbon Neutrality by 2050: A Scenario-Based Analysis" by JAMA
https://www.jama.or.jp/english/reports/carbon_neutral_scenario.html



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

Integrated Report
https://global.toyota/en/ir/library/annual/

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 acknowledges the scientific findings of the IPCC. Toyota conducts public policy engagement activities in line with the goals of Paris Agreement not only by itself but within industry associations of which it is a member.

Our Stance on Carbon Neutrality

Toyota intends to fully concentrate on achieving carbon neutrality by 2050. To realize this, it is necessary to reduce GHGs at all phases of "producing,""transporting," and "using" 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, ahead of the adoption of the Paris Agreement, we were among the first to declare our commitment to reducing GHGs 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 governments for strong support.

Our Stance on Renewable Energy

"Producing" Energy

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

We are already investing much in wind, solar, and other renewable power projects around the world. As of 2025, we have achieved and maintained a 100% renewable energy introduction rate at all plants in Europe and South America. We are also promoting its introduction in Japan and other regions, aiming to achieve an 80% renewable energy introduction rate globally by 2030, and carbon neutrality at all our plants globally by 2035, and we will continue our efforts.

bZ4X (BEV)

80% renewable energy introduction rate globally by 2030

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 updated to transmit renewable energy to demand areas and to utilize decentralized energy resources such as BEVs. We expect the government to steadily implement Long-term cross-regional network policy (Mater plan for the development of cross-regional networks) that was formulated in March 2023. We would like to ask deregulation so that we can promote BEVs as virtual power plants (VPPs).
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. IPCC states that low emissions hydrogen will contribute to the mitigation of GHG 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

Toyota agrees 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 therefore we are working seriously on BEV penetration.

- Toyota and Lexus have set a pace with the base unit sales projections of 3.5 million BEVs per year by 2030*
  * These figures are shaped by customer demand and represent the base unit amount based on which supply systems will be prepared together with suppliers and dealers. However, we will adopt a flexible approach toward sales in recognition of the fact that it is customers who will ultimately decide our products
- Starting in 2026, we plan to launch a next-generation BEV aiming at 1,000km driving range, 20% lower cost, and rapid charging in 20 minutes (SOC = 10-80%)
- Lexus aims to achieve a full BEV lineup by 2030 and 100% BEV sales globally 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 accordingly 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 together 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 at housing and apartment complexes), provide purchase support through subsidies and tax incentives, and promote public procurement.

In addition to BEVs, IPCC also states that sustainable biofuels, low emissions hydrogen, and its derivatives (including synthetic fuels) can support mitigation of CO_2 emissions from land transportation. We believe that these technologies have the potential to expand the options for achieving carbon neutrality at an early timing and are working with various companies and local governments for their expansion.

Portable hydrogen cartridge

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

Development of LEXUS BEV
https://lexus.jp/models/bev/philosophy/ *Japanese


PRIUS (left: HEV / right: 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

We are studying the possibility of biofuels and synthetic fuels as a measure to reduce GHG emissions from cuurent units of vehicles in operation. To advance the technological development, we are repeatedly testing vehicles that use biofuels and synthetic fuels derived from biomass in races. In Japan, we are the member of the Research Association of Biomass Innovation for Next Generation Automobile Fuels (raBit), and are working on technical development for efficiently producing sustainable biofuels from non-edible in Fukushima Prefecture.
However, in addition to technical and cost 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 GHG reduction effects. To accelerate these discussions, we approached the Ministry of Economy, Trade and Industry (METI) to establish Public-Private Council for Promoting the Introduction of Next-Generation Fuels and are now participating in its discussions.

Regarding hydrogen, we have been providing MIRAI FCEV, and are also developing a hydrogen engine vehicle.
We have been leading in hydrogen fuel cell technology and unveiled our new CROWN FCEV in November 2023. Together with our first- and second-generation MIRAI models, we have sold more than 28,000 units globally (as of October 2025). We also believe that the fuel cell system is effective for commercial vehicles, which require sufficient driving range, payload capacity, and refueling in a short period of time. As a part of our efforts on the early commercialization of fuel cell commercial vehicles, we are working toward the introduction of light-duty fuel cell trucks as a social implementation. We are also promoting technological demonstrations of heavy-duty fuel cell trucks with various companies, and are 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 serctor and participating in Public-Private Council for Mobility Hydrogen established by the METI to contribute to policy discussions.

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, by fueling our hydrogen engine vehicles by 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 emphasize with our enthusiasm and actions have been increasing, and discussions toward the realization of a hydrogen society are steadily progressing. Regarding hydrogen refueling infrastructure, Toyota was one of the founding members of Japan H2 Mobility, LLC (JHyM) in 2018, and has been supporting the strategic deployment of hydrogen stations in Japan.

Our Stance on a Carbon Tax and Carbon Emissions Trading

Toyota believes that GHGs should be reduced by technological development and innovation. Therefore, we support a system that is fair and equitable, effective, and feasible to promote technological development, and is in line with the actual conditions of each country and region. In Japan, preparations are ongoing for the legislation of the emissions trading system in April 2026, and we expect our stance will be reflected in its rules and actual operations.

Our Stance on the Strengthening of GHG Regulations

Toyota believes it is important to reduce GHG emissions as early 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 also support regulations that are integrated in an economy-wide, comprehensive energy and industrial policy. Further, we support deregulations and policies that promote a series of measures to reduce barriers against target achievement such as infrastructure development and consumer purchase incentives.

Research Association of Biomass Innovation for Next Generation Automobile Fuels (raBit)
https://rabit.or.jp/en/

raBit Production and Research Center

MIRAI (FCEV)

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

Cabinet Decision on Seventh Strategic Energy Plan, GX2040 Vision, Plan for Global Warming Countermeasures

- On February 18th, 2025, the Cabinet simultaneously decided on three core policies in order to achieve a stable energy supply, economic growth, and decarbonization at the same time.
  The Strategic Energy Plan reconfirms the goal of achieving 100% electrified vehicles (BEV, PHEV, HEV, FCEV) for all new passenger car sales by 2035.
  In addition, with the increasing adoption of bio-ethanol, it shows a new goal of starting supply of low-carbon gasoline containing up to 10% bioethanol by FY2031 and up to 20% from FY2041.
  The GX2040 Vision is a government vision showing a more long-term direction as a way to increase predictability of investments for GX. It presents the support for introducing clean energy vehicles based on basic policy of pursuing diverse options, support for research and development of solid-state batteries and acceleration of its production engineering development over the entire supply chain, and support for research and development towards the commercialization and cost reduction of carbon recycling fuels such as synthetic fuels.
  The Plan for Global Warming Countermeasures presents the goals of reducing GHG emissions by 60% by FY2036 and 73% by FY2041 compared with FY2014 levels as Japan's ambitions targets towards net zero by 2050. This target was submitted to the UNFCCC as Japan's Nationally Determined Contribution (NDC).
  We believe that the direction of these three policies is consistent with our multi-pathways approach. We will take action towards the simultaneous realization of carbon neutrality, stable energy supply, and economic growth by considering customers first and providing a wide range of products tailored to regional conditions in combination with low-carbon electricity and fuels.

e-Palette

GX-ETS*1

- Toyota endorses the GX League*2, and has been participating in Phase 1 of GX-ETS, which was launched in fiscal 2023 as part of growth-oriented carbon pricing. The GX-ETS promotes the setting of ambitious targets by participants along with active investment and emissions reduction efforts to realize growth and lower emissions.
  The revised GX Promotion Act was established on May 28th, 2025, enshrining the emissions trading scheme into law. All businesses with more than 100,000 tons of annual direct CO_2 emissions will be legally required to participate as of April 2026. Toyota will continue to actively contribute to GX-ETS by boldly engaging in GX-oriented technology development and investment.

*1 The Green Transformation Emission Trading Scheme
*2 A forum for cooperation among the Japanese government, universities, academic institutions, and companies aiming to achieve GHG reduction targets and carbon neutrality by 2050

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

USA

GHG, CAFE, and ZEV Emissions Standards for Passenger Vehicles

- Federal and state policies for greenhouse gases (GHGs), Corporate Average Fuel Economy (CAFE), and Zero Emission Vehicles (ZEV) are undergoing significant changes. The Environmental Protection Agency (EPA) has released a proposal to rescind the 2009 Endangerment Finding and all resulting greenhouse gas emissions vehicle regulations. The Department of Transportation (DOT) has released a new rule proposal to ease CAFE stringency. Congress invoked the Congressional Review Act disapproving California's Clean Air Act waiver for its Advanced Clean Cars II regulations. In addition, Congress passed a law eliminating civil penalties for failing to comply with DOT CAFE regulations. While the combined effect of these changes is likely to ease requirements for BEV sales, it also results in uncertainty regarding regulatory stability, litigation, and how states might respond.

  Navigating these policy shifts, Toyota continues to promote our multi-pathway strategy using all major electrification approaches, including BEVs, PHEVs, HEVs, and FCEVs. Our HEVs have reached mainstream popularity — now comprising nearly 50 percent of Toyota's new vehicle sales in the U.S. Our experience has shown that more emissions can be reduced faster by enabling all of our customers, recognizing their different price points and lifestyles, to participate in achieving emissions reductions.

  Regarding EPA's proposal to rescind the Endangerment Finding and eliminate standards for vehicle GHGs, Toyota submitted public comments on September 22nd, 2025, highlighting its ongoing emissions reductions via the multi-pathway strategy and emphasizing that EPA's current vehicle GHG regulations outpace market demand, affordability, and infrastructure needed to comply. Toyota points to the opportunity to set future performance-based standards that account for upstream emissions and low carbon fuels as ways to enhance GHG reductions.

PRIUS (HEV)

Reducing GHGs in Our Value Chain

- TMNA has developed goals to reduce our value chain emissions, including from suppliers and dealerships. In 2025, we updated our Green Supplier Requirements. As part of these requirements, suppliers are joining us in our efforts to reduce GHG emissions across the vehicle life cycle and are expected to commit to an annual 5.5% CO_2 reduction target.

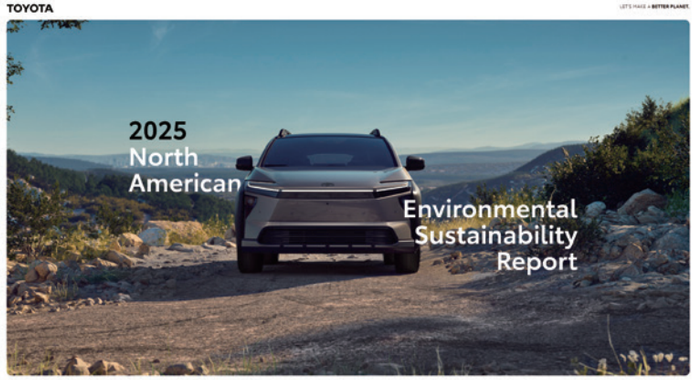
  TMNA works with our dealerships through the Dealer Environmental Excellence Program (DE.E.P.), which provides technical assistance to Toyota and Lexus dealerships to measurably improve environmental performance and recognizes dealers that demonstrate significant reductions in energy and water use while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

Toyota's Innovative Dealer Environmental Excellence Program
https://www.toyota.com/usa/environmentalsustainability/carbon/toyotas-innovative-dealer-environmental-excellence-program

Reducing GHGs in Our Operations

- While some states and regions within the US have adopted CO_2 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 2035 which includes matching our purchased electricity with renewables by 2030. 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 "Committment to Carbon Neutrality" page of our environmental sustainability website.

  Commitment to Carbon Neutrality
  https://www.toyota.com/usa/environmentalsustainability/carbon



2025 NORTH AMERICAN ENVIRONMENTAL SUSTAINABILITY REPORT
https://www.toyota.com/usa/environmentalsustainability/data-report-hub

Europe

Revision of EU's 2035 CO_2 Emissions Targets for Cars and Vans

- Toyota shares EU's climate ambition and is on the path to carbon neutrality in Europe by 2040. All our European manufacturing plants will be carbon neutral by 2030 and we are doing every effort to accelerate a wider adoption of zero emission vehicles. For an effective and smooth transition, Toyota believes in a multi-pathway approach where every powertrain and energy carrier can support to achieve carbon reduction and meet customer needs, with no one left behind. Beyond BEVs, PHEVs, and HEVs, Toyota believes in the opportunities to harness the potential of hydrogen and the use of carbon neutral fuels.
  To achieve EU's emission reduction goals, it is necessary to accelerate implementation of key enabling conditions. This includes the development of European alternative ZEV infrastructure (electric re-charging and hydrogen re-fuelling points), as well as clean renewable energy, access to relevant raw materials and improving the affordability of products. Long-term policy frameworks to stimulate demand such as purchase, and tax incentives are equally important to ensure mass adoption of zero emission vehicles in all market segments. These are fundamental requirements for attaining the 2035 EU's emissions targets for cars and vans.
  Toyota advocated for a pragmatic review of the CO_2 regulation driven by the principle of technology neutrality that equally and fairy consider all zero and low emission solutions and energy carriers, including carbon neutral fuels. A continued collaboration between industry and European regulators will be important to jointly realize this goal.

AYGO (HEV)

Toyota's Climate-Related Public Policy Activities

Japan

May

"Enhancing the Resolution of our Multi-pathway Approach" as Key Theme at the Financial Results Press Briefing

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

- Toyota held its financial results press briefing for FY2025 on May 8th, 2025. We explained that, with "contributing to achieving carbon neutrality" and "expanding the value of mobility" as our pillars, we have deepened industry-transcending cooperation and made efforts to expand the values of cars by integrating with social systems to create a safe and secure mobility society.
  It was presented that enhancing the resolution of our multi-pathway approach and establishing a foundation for Toyota-unique software-defined vehicles (SDVs*) are our key themes for FY2026. President Sato explained for the former theme as follows:
  In Toyota's multi-pathway approach, our valued desire is to contribute to the achievement of carbon neutrality while leaving no one behind. In contributing to CO_2 reduction through various vehicle types, we will also leverage technologies we hone for next-generation battery electric vehicles to further evolve powertrains overall. In addition, to make each kind of powertrain a genuine option, we will work with many partners to drive advances in fuel and infrastructure.
  In Toyota's multi-pathway approach, our valued desire is to contribute to the achievement of carbon neutrality while leaving no one behind. In contributing to CO_2 reduction through various vehicle types, we will also leverage technologies we hone for next-generation battery electric vehicles to further evolve powertrains overall. In addition, to make each kind of powertrain a genuine option, we will work with many partners to drive advances in fuel and infrastructure.

* Cars designed and developed with the premise of updating vehicle features via software updates.

President Sato presenting the financial results briefing

May-June

Promoting the "Multi-pathway Approach" in the Super Taikyu Series

Carbon neutrality / Variety of options / Energy transition and decarbonization technologies / Low-carbon fuel / Hydrogen

- Toyota took part in the ENEOS Super Taikyu Series 2025 Empowered by BRIDGESTONE Round 3 NAPAC Fuji SUPER TEC 24 Hours held from May 30th to June 1st, 2025, with the #28 TGRR GR86 Future FR concept, running on E20 low-carbon gasoline and the #32 TGRR GR Corolla H2 concept ("GR Corolla") running on liquid hydrogen.
  The GR Corolla notched up 468 laps (approximately 2,135 km). Although the race was interrupted by thunderstorms and fog, resulting in a shorter running time, the team surpassed its 332 lap record from last year (approximately 1,515 km) by forty percent.
  In addition, at the ENEOS Super Taikyu Series Empowered by BRIDGESTONE Round 7 S-Taikyu Final Thanksgiving Festival held from November 15th to 16th, 2025, we carried out a demonstration run with our GR Corolla equipped with a superconducting motor for its liquid hydrogen pump and a tank capacity enlarged by more than 1.3 times, extending its driving range.
  Honing vehicles through the harsh environment of motorsports, we will continue to evolve alongside our partners to achieve carbon neutrality.

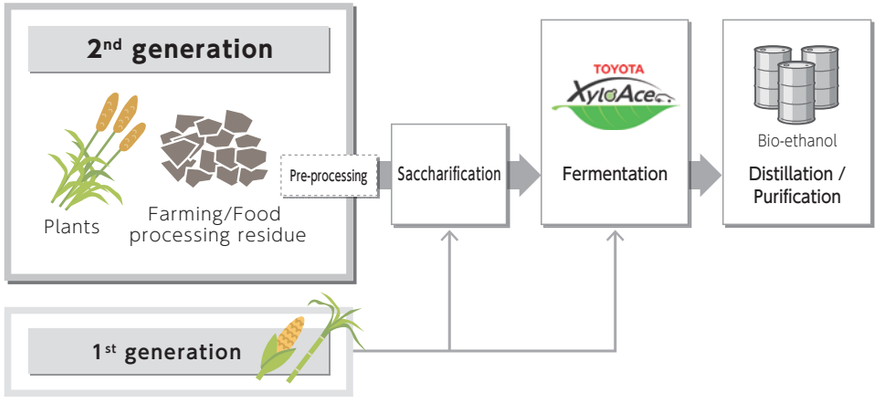
GR Corolla with liquid hydrogen engine

August

Carbon neutrality / Variety of options / Energy transition and decarbonization technologies / Low-carbon fuel

Press Tour of 2nd Generation Bio-ethanol Production Research Facility

- On August 28th, 2025, the Research Association of Biomass Innovation for Next Generation Automobile Fuels ("raBit," Okuma town, Fukushima Prefecture), of which Toyota is one of key members, held a press tour of its second-generation bio-ethanol production research initiatives, which use non-edible plants as raw materials.
  Bio-ethanol can reduce GHG emissions through its lifecycle compared to fossil fuels. In addition, its energy density is higher than electricity, which means the advantage in terms of energy storage and transport. Threrefore, it can be considered as a realistic and effective measure towards carbon neutrality. Being produced from raw materials that do not compete with food is important from a sustainability perspective.
  While raBit is working on improving growth technologies through selective breeding of the non-edible sorghum used as the raw material and the Toyota Production System, it is also striving to enhance the yield rate of ethanol by using the TOYOTA XyloAce yeast developed originally in collaboration with Toyota Central R&D Labs., and has achieved a fermentation efficiency of 95%, one of the world's best.
  The bio-ethanol produced at raBit has already been used in practice by being supplied as E10 low-carbon gasoline for test run from September 9th to 11th, 2025 with the goal of using it in the 2026 season of the Japanese Super Formula Championship.
  raBit contributes to carbon neutrality through multi-pathway approach by conducting further research to advance social implementation of biofuels.



September

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

Toyota Joins TOKYO H2 Project Aiming to Make Tokyo a Global Leader in Hydrogen

- On September 3rd, 2025, Toyota joined "TOKYO H2," a new project launched by the Tokyo Metropolitan Government aiming to make Tokyo a global leader in hydrogen. As part of this public-private initiative, the Crown is to be introduced into the fuel cell taxi fleet to expand adoption.
  To achieve the Tokyo Metropolitan Government's target for introducing fuel cell taxis (approximately 600 by FY2031, Toyota will also aim to introduce 200 units by FY2026 and provide support.

CROWN (FCEV)

October

Carbon neutrality / Variety of options / Energy transition and decarbonization technologies / Low-carbon fuel / Circular Economy

Progress Report on "Seven Issues" at Fourth Meeting of Keidanren*1 Committee on Mobility Meeting

- On October 22nd, 2025, Keidanren's Committee on Mobility held a meeting on the theme of the "Seven Issues"*2 raised by the Japan Automobile Manufacturers Association.
  The Committee aims at the growth of the whole Japanese economy through strengthening the international competitiveness of the mobility industry, and this was the fourth meeting following the previous one in October 2023. President Sato of Toyota has participated as one of the committee chairs.
  In this meeting, three of the seven issues, "Stable procurement of semiconductors," "Development of Japan's battery ecosystem," and "Early implementation of carbon-neutral fuels" were identified as the prioritized issues to be addressed in the next two or three years . The meeting also raised specific challenges that are difficult to tackle only by the automotive industry and confirmed corporates and organizations belonging to the Committee on Mobility would work together to push them forward.
  Regarding the development of a battery ecosystem that will contribute to carbon neutrality and circular economy, Committee Chair Sato pointed out that "We have the concept, but when we try to move forward, there are many areas that remain undetermined and unclear, and a lot of conflicts of interest." He also presented the direction to first advance the demonstration of recycling process, second loop at overseas, and promotion of domestic circulation by visualizing battery values.

*1 Japan Business Federation
*2 Issues to be particularly addressed in next two years as the automotive industry, such as developing social infrastructure to popularize electrified vehicles, adovocated in November 2023
https://www.jama.or.jp/english/news/press-conference/2024/440/

President Sato speaking at the Committee on Mobility

October-November

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

Exhibited Battery technologies and Resource Recycling Initiatives at the Japan Mobility Show 2025

- From October 29th to November 9th, 2025, Toyota, collaborating with four Toyota Group companies (TOYOTA BATTERY Co., Ltd., Toyota Industries Corporation, JTEKT Corporation, Toyota Tsusho Corporation, and Prime Planet Energy & Solutions, Inc.), ran a exhibition booth introducing initiatives for vehicle batteries as the core technology of electrification, at the Japan Mobility Show 2025 held at Tokyo Big Sight.
  The theme of the booth was "BATTERY to the FUTURE," and it presented the history of battery development that started with the "Sakichi Battery," the dream of Sakichi Toyoda, founder of the Toyota Group, as well as initiatives that are bringing together the strength of the Group, such as the battery technologies in our latest BEVs and resource recycling initiatives after use phase towards realizing a circular economy.

Exhibition booth at the Japan Mobility Show 2025

USA

April

Toyota Expands Commitment to Hydrogen with Fleet, Infrastructure and Next-Gen System Debut

- On April 28th, 2025, Toyota announced plans to introduce hydrogen-powered fuel cell electric Class 8 heavy-duty trucks servicing Toyota's North America Parts Center California (NAPCC). To support the new hydrogen trucks in the fleet, the company also announced plans to build a new hydrogen fueling station on the NAPCC campus, as well as plans to further invest and vertically integrate into the hydrogen ecosystem.
  These Class 8 heavy duty trucks will be used to distribute parts around Southern California and is part of Toyota Environmental challenge 2050 of reducing GHG emissions within its supply chain.
  To bring its plans to life, Toyota is working with Air Liquide and Iwatani Corporation to strengthen fueling infrastructure, improve fueling time, and update SAE* fueling standards.

* Society of Automotive Engineers

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

Fuel Cell Electric Truck in front of Toyota's Hydrogen Headquarters

April

Rehlko Signs Exclusive Agreement with Toyota to Supply Fuel Cell Modules

- On April 29th, 2025, Rehlko and TMNA announced at the Advanced Clean Transportation Expo an agreement wherein Toyota will provide its hydrogen-powered fuel cell modules to Rehlko for use in stationary power generator products. The agreement pairs Rehlko's global leadership in energy resilience and long-standing track record of delivering innovative energy solutions to mission-critical infrastructure, facilities and residences with Toyota's proven fuel cell technology.
  With a focus on solutions that provide zero emissions at the point of use, Rehlko plans to integrate Toyota's fuel cell technology, which can be designed and manufactured to the same operational standards as conventional generators, in fuel cell-based generation systems. These systems can be used to power facilities, such as data centers, warehouses and off-grid networks, as well as to help protect against weather conditions and grid overload – all while producing local emissions that consist only of water and air.

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

Rehlko 1MW Generator powered by Toyota Fuel Cells

May

Power Up: How Toyota's Fuel Cell Generators Are Helping Bring Cleaner Energy to Public Events

- When it comes to Toyota's commitment to reducing GHG emissions, the company's fuel cell generators, which use hydrogen to produce electricity, play a growing role in Toyota's multi-pathway portfolio On May 19th, 2025, Toyota announced mobile power generators—fueled by hydrogen—installed in the bed of a Tundra that can be taken across the country, from California to Florida, providing cleaner power for a variety of events.
  From live performances to racing events, these fuel cell generators have powered outdoor events nearly silently and with zero emissions at the point of use. Not only can they provide cleaner energy, but they're also sensory positive.

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

Fuel Cell Generator in the bed of a Tundra

May

Toyota Supports the "Great American Road Trip"

- The DOT kicked off its first "Great American Road Trip" Expo on May 29th, 2025, and Toyota participated in the event displaying some of our U.S.-manufactured products that provide Americans with comfortable, affordable, and highly efficient and low emissions technologies. This event was a chance to further highlight Toyota's position that we are providing ongoing emissions reductions with vehicles that meet our customers' needs—whether road trip, commuting, and other daily driving.

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

US-built Toyota and Lexus electrified vehicles on display at the DOT's "Great American Road Trip" Expo in Washington, DC.

Europe

March

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

Hearing at the French Parliament

- A major parliamentary commission of inquiry was launched by the National Assembly to investigate the barriers to France's reindustrialisation. Over 54 hearings were held, gathering insights from business leaders, industry organisations and public officials. Toyota Motor Manufacturing France, Toyota France and Toyota Paris Office has been invited on March 20th, 2025 to present the reasons behind the successful industrial establishment of Toyota in France, from its initial setup in 1997 to the present day, and countermeasures to thwart the decline in automobile production in France. Key messages shared were on:
  - The importance of building trustful relationships with public authorities
  - Long-term commitment and open Europe to ensure the consolidation of a mass-market for low emission vehicles before starting local production of the electrified technologies (BEVs etc.)
  - The maintaining a dense network of suppliers close to industrial sites
  - The multi-pathway approach to answer the customer's demand and to allow sufficient transition time to create a BEV market
  - The need for regulatory visibility
  - The importance of limiting excessive taxation on industry and reducing the price of electricity mainly based on nuclear

  Toyota's message and rational to pursue a multi-pathway technology approach was acknowledged and understood by the French authorities (Parliament and Government).The report published will be used as a basis for future government to propose solutions to reindustrialize.

Toyota sharing industrial establishment at French Senate

September

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

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

- On September 3rd and 4th, 2025, Toyota Motor Europe (TME) London office with Toyota UK entities, attended Cenex Expo 2025 (the UK's premiere low carbon vehicle event), showcasing the multi-pathway technologies to Ministers, government officials, policy makers and wider industry stakeholders.
  Visitors had the opportunity to test drive bZ4X (BEV) , Prius (PHEV), Corolla (HEV) and Mirai (FCEV) and Hilux prototype. The exhibition was powered by an onsite hydrogen ecosystem. The ecosystem uses hydrogen produced at Toyota Motor Manufacturing UK (stored in our onsite mobile refueller) and a hydrogen-fuelled generator then produces the electricity to recharge the BEVs and HEVs, whilst directly refuelling all FCEVs.
  UK Government Minister for the Future of Roads, Lilian Greenwood MP, had the opportunity to test drive the bZ4X, which has recently been approved as one of the vehicles eligible for the Government's new Electric Car Grant scheme (Band 2), which aims to increase the take up of ZEVs. The Expo provided a key engagement opportunity with important UK stakeholders to demonstrate the multi-pathway strategy in action, alongside the potential versatility that can be found by maintaining a technology neutral approach to decarbonisation.

Toyota multi-pathway technology showcase at Cenex Expo, UK

September

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

Multi-Pathway, carbon-neutral-Fuels and Hydrogen promotion and advocacy events organized by Toyota Berlin Office with support of TME

- Two political round tables took place in Berlin in September 2025.
  On September 18th, 2025 TME elaborated on its multi-pathway approach to carbon neutrality at a panel talk on Energy & Environmental Policy, organized by the Economic Council in Germany.
  On September 23rd, a Parliamentarian breakfast together with BMW, Daimler Truck and GP Joule took place in the heart of German Parliament to promote hydrogen and its important role for energy supply and transport sector with like-minded partner.
  The events have been attended by key Members from German Parliament, Ministries and Associations.

Panel talk on Energy & Environment, Germany

October

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

5th Sustainability Forum in Europe

- On October 8th, 2025, Toyota hosted its 5th Sustainability Forum at Brussels headquarters bringing together 28 stakeholders from across sectors including NGOs, Academia, Business Partners, Investor Relations, and senior leadership from both TMC and TME.
  The forum was designed to encourage dialogue, share insights, and strengthen collaboration around our evolving sustainability strategy.
  The plenary session honoured the legacy of Sakichi Toyoda, included inspiring presentations on how to "Be Best in Town for the Sake of Others" highlighting how Toyota goes beyond business to contribute meaningfully to society, including its commitment to sports.
  Guest of honour was Paul Fitzgerald from World Para Athletics. He encouraged everyone to embrace diversity and challenge conventional boundaries.
  Participants engaged in dynamic workshops around Sustainability & Competitiveness, Building Trust Through Supply Chain Due Diligence, Understanding Stakeholder Needs in Sustainability Reporting & Communications, and Measuring the Societal Impact of Shared Value Activities. Throughout these sessions, a variety of Corporate Citizenship, Sustainability and Carbon Neutral initiatives were presented, illustrating concrete actions and best practices undertaken across different European markets.

5th Sustainability Forum in Europe

China

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

September

World New Energy Vehicle Congress 2025 (WNEVC2025)

- From September 27th to 29th, 2025, Toyota exhibited at WNEVC 2025 held in Hainan Province, China, under the theme "Born Global More Chinese." During the event, Toyota highlighted that it is steadily making ever-better cars, including BEVs, through the accelerated localization of R&D in China, attracting many visitors from the Chinese government and the automotive industry.
  At the venue, Toyota showcased locally developed bZ series models (bZ3X, bZ5, bZ7, etc.), introducing its BEV technologies and product competitiveness, as well as its contributions to GHG reduction through its multi-pathway approach. In addition, in the "Mobility for All" area, which aims to create a world in which everyone can move freely in their own way, with or without disabilities, Toyota exhibited the evolution of welfare vehicles and intelligent technologies (in collaboration with Pony.ai), drawing strong interest from many visitors.

WNEVC 2025

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

November

China International Import Expo 2025 (CIIE 2025)

- From November 5th to 10th, 2025, TMCI participated in CIIE 2025 under the theme "Born Global More Chinese." 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 under the policy of further evolving its three approaches: "Multi-Pathway," "Mobility for All," and "Best in Town," targeting visitors from central and local governments, those in industry organizations, and research institutions.
  For BEVs, TMCI shared the progress of its battery recycling and reuse business in China along with the new BEV models launched in China in 2025. At the center of the booth, TMCI showcased a diorama of the BEV and battery development and production company planned in Shanghai, introducing the concept of an environmentally friendly plant.
  For FCEVs, TMCI shared multiple examples of progress in collaborations with local logistics companies regarding utilization in commercial logistics.
  For HEVs, TMCI showcased the LEXUS "ES" and "GX-OR," introducing the performance of HEV technology and its contributions to GHG reduction.

CIIE 2025

Asia

June

"Other Effective area-based Conservation Measures (OECM)"-Certified Site Developed in Thailand, the First Outside Japan

Carbon neutrality / Nature Positive / Forest Absorption

- On June 6th, 2025, the Cheewa Panavet Biodiversity and Sustainability Learning Center on the Toyota Motor Thailand (TMT) Ban Pho Plant site was certified as an OECM pilot site by the Thai government. This is the first such for a Toyota site outside Japan. This initiative will also contribute to promoting carbon neutrality and collaboration between the Japanese and Thai governments, which share the 30by30* target of encouraging biodiversity conservation.
  In this Center, continuous work has been done on regenerating forests and ecosystems in an approximately ten-hectare site, and 119 plants and 528 animals have been identified. Additionally, TMT collaborates with employees, local residents, and administrations, and a total of more than 62,000 people have participated in TMT's environmental education programs.

* One of the targets of the Kunming-Montreal Global Biodiversity Framework, adopted in December 2022. The target calls for effectively conserving at least 30% of land and marine areas by 2030 as healthy ecosystems.

Group photo at Cheewa Panavet Biodiversity and Sustainability Learning Center

July

Second End-of-Life Vehicle (ELV) Dismantling Facility Set Up in the Philippines

Carbon neutrality / Energy transition and decarbonization technologies / Circular Economy

- On July 1st, 2025, Toyota Motor Philippines (TMP) formally set up an ELV dismantling facility, making this the second in that country. This facility has the capacity to dismantle around 850 vehicles per year, and realize a recycling system with safety and low environmental impact. In particular, it contributes to the reduction of GHG emissions by appropriately collecting fluorocarbons in air conditioning units, leading to the realization of carbon neutrality. This is the fifth such site in Southeast Asia, and is an important step towards building a recycling-based society.
  This initiative is part of the Toyota Global 100 Dismantlers Project promoted and promotes responsible handling at the end-of-life phase. At the ceremony, Toyota communicated the message "Creating a system that customers feel reliable at the end-of-life stage of their vehicles is a key foundation for achieving carbon neutrality and a recycling-based society."

Group photo at the facility opening ceremony

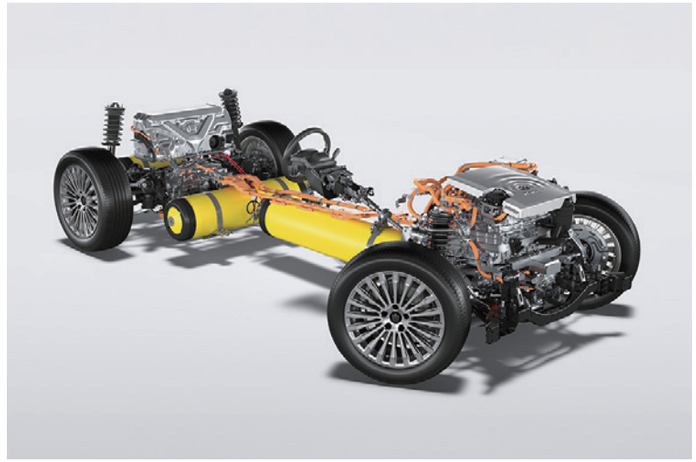
Review of Toyota's Industry Associations

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 six stances regarding the realization of carbon neutrality.
We have used them as evaluation items in studying the positions of industry associations.

1 Paris Agreement	Supports the Paris Agreement and ensure that its collective action objectives are consistent with it.
2 Climate change science	Respects the latest scientific findings of organizations such as the IPCC, and quotes objective scientific research and makes reference to the impact of human activity on climate change.
3 Emissions reduction targets	Defines emissions reduction targets that are consistent with the Paris Agreement and announces its backing of support policies.
4 Energy efficiency improvement	Declares its understanding of the importance of improving energy efficiency and supports related policies (energy-saving, fuel efficiency improvement, etc.).
5 Technology	Makes 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	Supports carbon pricing (a fair, equitable, effective, and feasible system that takes into account regional conditions, to promote technological development and innovation including implicit carbon pricing), which uses market mechanisms to efficiently promote emissions reductions.

MIRAI (FCEV)


Fuel cell unit of CROWN FCEV

Associations that we Reviewed

In our 2024 disclosure, among automotive-related associations that engage in climate change-related public policy activities and associations whose activities include the development of automotive-related infrastructure, we reviewed the following fifteen associations in the regions where Toyota production and sales operations are located, as well as in which Toyota representative has been assigned positions with influence on their policies.

- Japan Automobile Manufacturers Association (JAMA)
- Japan Business Federation (Keidanren)
- Central Japan Economic Federation (Chukeiren)
- Japan Association of Corporate Executives (KEIZAI DOYUKAI)
- Japan Hydrogen Association (JH2A)
- Automobile Business & Culture Association of Japan (ABAJ)
- World Business Council for Sustainable Development (WBCSD)
- Alliance for Automotive Innovation (AAI)
- Electric Drive Transportation Association (EDTA)
- National Association of Manufacturers (NAM)
- European Automobile Manufacturers' Association (ACEA)
- Hydrogen Council
- Hydrogen Europe
- Society of Motor Manufacturers and Traders (SMMT)
- Thailand Business Council for Sustainable Development (TBCSD)

In 2025, to further enrich our information disclosure, we have refined the selection criteria and confirmed that the associations we have evaluated in the previous years met the standards. Furthermore, we reviewed a total of 16 associations by adding one following association.

- Renewable Thermal Collaborative (RTC)

Third-Party Evaluations

To improve the transparency of the evaluations of associations' climate change-related public policy activities, we have conducted evaluations delegated to the third party.
The evaluations are conducted with the four-step criteria: Aligned, Partially aligned, Not aligned, and No public position.

Evaluation Criteria

In this 2025 report, we disclose the criterion for consistency with climate change science in addition to that for consistency with Paris Agreement. By disclosing it, we continue to improve transparency in the evaluation of industry associations.

<Consistency with the Paris Agreement>

Aligned	Supports the Paris Agreement or policies in line with the Paris Agreement in each country and has set 2050 carbon neutrality as a goal*1
Partially aligned	Supports the Paris Agreement or policies in line with the Paris Agreement in each country but does not demonstrate proactive activities aligned with the Paris Agreement
Not aligned	Opposes to the Paris Agreement

*1 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.

<Consistency with Climate Change Science>

Aligned	Respects the latest scientific knowledge such as IPCC*2, and addresses the impact of human activity on climate change by citing objective scientific research
Partially aligned	Recognizes that there is room for debate regarding the impact of human activity on climate change
Not aligned	Denies there is any impact of human activity on climate change

*2 Includes U.S. Global Change Research Program (USGCRP), etc.

Strategy When an Association Is Not Aligned with Six Stances (Escalation Steps)

In cases where any 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.

Implementing Communication with Industry Associations

In 2024 evaluations, no associations had items identified as "Not aligned." However, we emphasize dialogue with industry associations, and carry out regular communication regarding climate policies.

※ This review was prepared between July 21st, 2025 and December 1st, 2025 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 are evaluated as "Aligned" or "Partially Aligned" for six criteria. For TBCSD, the evaluation for carbon pricing is improved to "Aligned."
There were no cases of "Not Aligned".

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
ABAJ	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
WBCSD	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
AAI	Aligned	No public position	Aligned	Aligned	Aligned	No public position
EDTA	Aligned	No public position	Aligned	Aligned	Aligned	No public position
NAM	Aligned	Aligned	Partially Aligned	Aligned	Aligned	Aligned
ACEA	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
Hydrogen Council	Aligned	No public position	Aligned	Aligned	Aligned	Aligned
Hydrogen Europe	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
SMMT	Aligned	Aligned	Aligned	Aligned	Aligned	Aligned
TBCSD	Aligned	No public position	Aligned	Aligned	Aligned	Aligned*
RTC NEW	Aligned	No public position	Aligned	Aligned	Aligned	Aligned

* Item that has shown improvement since last year's evaluation

Results of Third-Party Evaluations of Industry Associations

Organization name	Japan Automobile Manufacturers Association (JAMA)		Japan Business Federation (Keidanren)	
Objective	To promote the sound development of the Japanese automotive industry and contribute to social and economic welfare.		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	Koji Sato: Vice Chairman (President, Toyota Motor Corporation)		Koji Sato: Vice Chair of the Board of Councilors (President, Toyota Motor Corporation)	
Item	Result	Summary	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.[1] [1] Carbon neutrality *Japanese	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.[10] [10] About "Challenge Zero"
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.[2] [2] Transitioning to Carbon Neutrality by 2050: A Scenario-Based Analysis	Aligned	In addition to using the data of the NOAA ESRL* Global Monitoring Division and recognizing the high concentration of CO_2 in the atmosphere,[11] Keidanren states that the IPCC is one of the "best science" available for policies aimed at carbon neutrality.[12] * National Oceanic and Atmospheric Administration Earth System Research Laboratories [11] Towards Green Transformation (GX) *Japanese [12] Opinions regarding public comments on the Long-Term Strategy under the Paris Agreement as Growth Strategy (draft) *Japanese
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 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.[3] In addition, JAMA has set targets related to non-fossil power sources by 2030 and 2040, including biofuels, synthetic fuels, and hydrogen fuels.[4] [3] Long-term vision for global warming countermeasures *Japanese [4] Aiming at revisions of the Strategic Energy Plan *Japanese	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.[13] [13] Keidanren Carbon Neutrality Action Plan－Vision toward Carbon Neutrality by 2050 and Fiscal 2024 Follow-up Results (Performance in Fiscal 2023) －
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.[5][6] It is also working to reduce power and fuel energy consumption, including in the automobile manufacturing process.[7] [5] Next-generation vehicles, factories' CO_2 emissions *Japanese [6] Global environment *Japanese [7] Energy-saving initiatives *Japanese	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.[13] Keidanren also cites the promotion of energy conservation and improvement of fuel efficiency in transportation equipment as emission reduction measures.[14] [14] Keidanren Carbon Neutrality Action Plan－Vision toward Carbon Neutrality by 2050 and Fiscal 2021 Follow-up Results (Performance in Fiscal 2020)－
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 Internal Combustion Engines (ICEs) using carbon neutral fuels (bio-derived materials, hydrogen, liquid synthetic fuels, etc.).[8] [8] Issues and initiatives in the automotive industry towards carbon neutrality by 2050 *Japanese	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.[13]
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.[9] [9] Towards gradual development of the emissions trading system *Japanese	Aligned	Keidanren indicates the need for carbon pricing.[15] 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.[16] [15] FUTURE DESIGN 2040 "Virtuous Cycle of Growth and Distribution" Towards a Fair, Equitable, and Sustainable Society *Japanese [16] Approach to Carbon Pricing -Working Group on Global Warming *Japanese

Source [1]-[9]: Japan Automobile Manufacturers Association

Source [10]-[16]: Japan Business Federation

Organization name	Central Japan Economic Federation (Chukeiren)	Japan Association of Corporate Executives (KEIZAI DOYUKAI)
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.	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.
Membership	Yoichi Miyazaki: Vice Chairman (Executive Vice President, Toyota Motor Corporation)	Yutaka Shimazaki: Manager (Fellow, Toyota Motor Corporation)

Item	Result	Summary	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.[17] In addition, it proposes the need for industry-government-academia to liaise with social communities in order to ensure the social implementation of carbon-neutral technologies.[18] [17] Transformation of economic society towards the realization of carbon neturality *Japanese [18] Promotion of social implementation towards the realization of carbon neutrality *Japanese	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.[22] [22] Green reset ~Major reform of industry, society, and lifestyles towards 2050 carbon neutrality~ *Japanese
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. [17]	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.[23] [23] Towards reductions of greenhouse gas emissions: -Structural reform on utilization and burden of carbon footprint- *Japanese
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.[17]	Aligned	KEIZAI DOYUKAI supports the government's Basic Policy for the Realization of GX and the roadmap for the next 10 years.[24] [24] Public comments on "The basic policy towards the realization of GX ~A roadmap for the next 10 years~" *Japanese
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.[17][19] [19] Proposals on formulating the next Strategic Energy Plan *Japanese	Aligned	Comparing CO_2 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.[25] [25] Opinions on the Seventh Strategic Energy Plan ~For optimizing Japan's energy systems towards 2050~ *Japanese
5 Technology	Aligned	Chukeiren conducts support activities for the social implementation of the hydrogen supply chain.[20] It also recommends that transitions to a decarbonized society need to be effectively promoted through a mix of electrified vehicles and ICEs.[19] [20] PROFILE 2025-2026	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.[26] * Carbon dioxide Capture, Utilization and Storage [26] Reform of corporate behavior and creating an environment to realize carbon neutrality ~For Promoting GX to realize innovation and transition *Japanese
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.[21] [21] Opinions on tax reform for FY2026 *Japanese	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. [26]

Source [17]-[21]: Central Japan Economic Federation

Source [22]-[26]: Japan Association of Corporate Executives

Organization name	Japan Hydrogen Association (JH2A)		Automobile Business & Culture Association of Japan (ABAJ)	
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.		To contribute to the development of the automobile society through policy proposals, awareness-raising activities, and workshops and inspection tours for members.	
Membership	Koji Sato: Chairman (President, Toyota Motor Corporation)		Akio Toyoda: Chairman (Chairman of the Board of Directors, Toyota Motor Corporation)	
Item	Result	Summary	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.[27] [27] Recognition and actions for climate change *Japanese	Aligned	ABAJ 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.[29] [29] History *Japanese
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.[27]	No public position	ABAJ does not make any reference to climate change science.
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.[27] 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.[28] [28] Policy proposals *Japanese	Aligned	ABAJ 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.[30] [30] Request for tax reform for FY2025 *Japanese
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.[28]	Aligned	ABAJ 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.[30]
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.[28]	Aligned	ABAJ recommends securing subsidies for vehicle purchases and infrastructure development to promote the popularization of electrified vehicles as early as possible.[31] [31] Request for tax reform, etc. for FY2026 *Japanese
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.[28]	Aligned	ABAJ 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.[31]

Source [27]-[28]: Japan Hydrogen Association

Source [29]-[31]: Automobile Business & Culture Association of Japan *Japanese

Organization name	World Business Council for Sustainable Development (WBCSD)		Alliance For Automotive Innovation (AAI)	
Objective	To accelerate the shift to a sustainable world by leading sustainable businesses to success.		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	Koji Sato: Executive Committee *To be appointed in January 2026 (President, Toyota Motor Corporation)		Tom Stricker (Group Vice President, Toyota Motor North America)	
Item	Result	Summary	Result	Summary
1 Consistency with Paris Agreement	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.[32] 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.[33] [32] Climate Action and Policy [33] Vision2050: Time to Transform	Aligned	AAI supports the carbon-neutral targets for 2050 and policies for its realization in transport sector presented by International Organization of Motor Vehicle Manufacturers (OICA) at COP27.[38] [38] Achieving Carbon Neutrality in Road Transport by 2050: Reaffirmation by the Automobile Industry
2 Consistency with climate change science	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.[34] [34] How the built environment must respond to the IPCC's 2021climate change report	No public position	AAI does not make any reference to climate change science.
3 Emissions reduction targets	Aligned	WBCSD indicates that, in order to limit global warming to 1.5°C, GHG emissions must be reduced by 45% from 2010 levels by 2030.[35] It also lays out the course of corporate action through 2030 needed to achieve net-zero GHG emissions caused by human activity by 2050, including improvements in energy efficiency and an end to the construction of new coal-fired power plants.[33] [35] GUIDELINES FOR AN INTEGRATED ENERGY STRATEGY	Aligned	In light of the previous Biden administration's target of having more than half of new vehicles be BEVs, PHEVs, and FCEVs by 2030, AAI refers to the amount of charging infrastructure that need to be installed as estimated by National Laboratory of the Rockies to achieve the target.[39] [40] [39] Get Connected: Electric Vehicle Quarterly Report [40] The 2030 National Charging Network: Estimating U.S. Light-Duty Demand for Electric Vehicle Charging Infrastructure
4 Energy efficiency improvement	Aligned	WBCSD recommends that technological innovations such as highly fuel-efficient hybrid engines are necessary to achieve net zero emissions from traffic and transportation.[33]	Aligned	AAI states that the automobile industry is committed to improving energy efficiency.[41] 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.[42] [41] Auto Industry EV Policy Letter to President Biden [42] ENERGY & ENVIRONMENT
5 Technology	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.[36] [36] Mobility Decarbonization	Aligned	AAI proposes that ensuring investment and incentives for charging and hydrogen infrastructure is essential for the spread of electrified vehicles . In addition, it proposes the need for long-term policy support such as strengthening the resilience of electricity networks for electrified vehicles.[43] [43] 2024 INNOVATION AGENDA
6 Carbon pricing	Aligned	WBCSD states that carbon pricing mechanisms will be important to achieve the 1.5°C target.[37] [37] Carbon Pricing – WBCSD Policy Paper 2019	No public position	Auto Innovators does not make any reference to carbon pricing.

Source [32]-[37]: World Business Council for Sustainable Development

Source [38], [39], [41]-[43]: Alliance For Automotive Innovation
[40]: National Laboratory of the Rockies

Organization name	Electric Drive Transportation Association (EDTA)	
Objective	To promote the popularization of electrified transportation technologies and infrastructure.	
Membership	Pete Patterson (Group Vice President, Toyota Motor 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.[44] [44] Our Mission
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.[45] [45] Biden-Harris Administration Releases First-Ever National Strategy to Accelerate Deployment of Zero-Emission Infrastructure for Freight Trucks
4 Energy efficiency improvement	Aligned	EDTA supports the U.S. Department of Energy's program to develop EV batteries with improved efficiency.[46] [46] Advocacy
5 Technology	Aligned	EDTA advocates the promotion of the electrification of automobiles, including the development of hydrogen and fuel cell technologies.[46][47] [47] Who We Are
6 Carbon pricing	No public position	EDTA does not make any reference to carbon pricing.

Source [44]-[47]: Electric Drive Transportation Association

	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.	
	Robert Chiapetta (Senior Consultant, 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.[48] [48] NAM POLICY POSITIONS
	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.[49] [49] The Promise Ahead Manufacturers Taking Action on Climate
	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.[48]
	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. [48]
	Aligned	NAM cites hydrogen development as a new technology and provides policy recommendations for the advancement of the development of such technology.[50][51] [50] TESTIMONY OF JAY TIMMONS, PRESIDENT AND CEO, NATIONAL ASSOCIATION OF MANUFACTURERS BEFORE THE U.S. SENATE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS [51] ONLY AT THE NAM: LEADING THROUGH 2024 Annual Report
	No public position	NAM does not make any reference to carbon pricing.

Source [48]-[51]: National Association of Manufacturers

Organization name	European Automobile Manufacturers' Association (ACEA)		Hydrogen Council	
Objective	To drive Europe's mobility transition—while at the same time ensuring that the automotive industry remains a strong global and competitive player.		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	Didier Leroy (Chairman of the Board of Directors, Toyota Motor Europe)		Stephan Herbst (Technical Head of H_2 Business & Value Chain, Toyota Motor Europe)	
Item	Result	Summary	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.[52][53] [52] ACEA Position Paper Review of the CO_2 Regulation for cars and vans [53] ACEA statement on adoption of regulation on CO_2 emissions for new cars and vans	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.[58] [58] Founding Story
2 Consistency with climate change science	No public position	ACEA does not make any reference to climate change science.	No public position	The Hydrogen Council does not make any reference to climate change science.
3 Emissions reduction targets	Aligned	ACEA supports the target of zero CO_2 emissions for new vehicles by 2035 under the European Green Deal.[53] In addition, to raise the share of BEVs to 50% by 2030, it proposes that around 60 million private and public charging spots will be needed, and further regulations will be required.[52]	Aligned	The Hydrogen Council presents the expected demand for clean hydrogen by 2030 based on a scenario which sees a temperature rise of 1.8°C by 2100 based on IPCC 6th Assessment Report, It also states the target of introducing 42.5% clean hydrogen by 2030 in the EU's Renewable Energy Directive.[59] [59] Hydrogen: Closing the cost gap Unlocking demand for clean hydrogen 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.[54] [54] Energy crisis: Automakers' plans to cut gas consumption	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.[60] [60] Greener, Faster, Cheaper: A Combination of Battery and Fuel Cell Electric Technology Is Key to Successfully Decarbonising Global Transport
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.[55] [55] A COMPETITIVE EUROPEAN AUTO INDUSTRY, DRIVING THE MOBILITY REVOLUTION	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 [61]. It also proposes the need for investment in infrastructure and large-scale technologies to bring about the latent demand for hydrogen.[59] [61] Sufficiency, sustainability, and circularity of critical materials for clean hydrogen
6 Carbon pricing	Aligned	ACEA proposes that effective carbon pricing measures should be conducted by 2027 at the latest.[56] 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.[57] [56] Position Paper Review of CO_2 emission standards regulation for heavy-duty vehicles [57] EU ETS: Auto manufacturers welcome inclusion of road transport	Aligned	The Hydrogen Council cites carbon pricing, including EU ETS and CBAM, as a measure to close the cost gap with gray hydrogen in order to introduce clean hydrogen.[62] [62] Emerging trade corridors for hydrogen and its derivatives

Source [52]-[57]: The European Automobile Manufacturers' Association

Source [58]-[62]: Hydrogen Council

Organization name	Hydrogen Europe
Objective	To achieve a sustainable society through the popularization of hydrogen technologies and market development.
Membership	Stephan Herbst (Technical Head of H_2 Business & Value Chain, Toyota Motor Europe)

Item	Result	Summary
1 Consistency with Paris Agreement	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.[63] It also recommends a hydrogen strategy that promotes the development of clean hydrogen technologies to achieve net zero emissions by 2050.[64] [63] Yes to 45% RES [64] Policy priorities
2 Consistency with climate change science	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.[64]
3 Emissions reduction targets	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.[63] It also states that it is essential to set clean hydrogen targets to secure the investments needed to achieve climate-related targets by 2030.[64]
4 Energy efficiency improvement	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.[65] [65] Hydrogen Europe Position Paper Low carbon hydrogen: key principles for a coherent methodology in the upcoming Delegated Act
5 Technology	Aligned	Hydrogen Europe's mission is to promote research, development, and innovation in clean hydrogen technologies.[66] [66] Vision & Mission
6 Carbon pricing	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.[64]

Source [63]-[66]: Hydrogen Europe

	Society of Motor Manufacturers and Traders (SMMT)
Objective	To support and promote the interests of the U.K. automotive industry at home and abroad.
Membership	Luigi Luca: Member SMMT car section (President, Toyota Great Britain)

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.[67] [67] AUTOMOTIVE SUSTAINABILITY REPORT 2024 DATA
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.[68] [68] The Fifth Carbon Budget - Call for Evidence
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.[69] 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.[70] [69] VISION 2035: READY TO GROW [70] SMMT statement in response to Government's Zero Emission Vehicle Mandate proposals
Aligned	SMMT recognizes the importance of improving energy efficiency for vehicle manufacturing in order to achieve carbon neutrality.[71] It proposes UK government can enhance energy efficiency and international competitiveness by promoting investments in factories that address higher efficiency and decarbonization.[67] [71] MANIFESTO 2030: AUTOMOTIVE GROWTH FOR A ZERO EMISSION FUTURE
Aligned	SMMT proposes that investment in infrastructure development be more strategic to allow the spread of ZEVs.[72] It also supports the UK government's industrial strategy and proposes that funding be urgently allocated to accelerate ZEV and battery manufacturing.[73] [72] AUTOMOTIVE SUSTAINABILITY REPORT 2023 DATA [73] Competitive Edge: Driving Long-Term UK Automotive Growth
Aligned	The SMMT supports EU ETS and CBAM as necessary systems to achieve GHG emissions and climateneutral targets.[74] [74] EU Sustainability Reporting and Legislation

Source [67], [69]-[74]: The Society of Motor Manufacturers and Traders
[68]: The Climate Change Committee

Organization name	Thailand Business Council for Sustainable Development (TBCSD)	
Objective	To lead sustainable development in Thailand with a membership of over 43 companies across Thailand's major industries.	
Membership	Kalin Sarasin (Chairman of the Board, Toyota Motor Thailand)	
Item	**Result**	**Summary**
1 Consistency with Paris Agreement	Aligned	TBCSD supports The Thai government's targets of carbon neutrality by 2050 and net zero by 2065.[75] [75] Green Society *Thai
2 Consistency with climate change science	No public position	TBCSD does not make any reference to climate change science.
3 Emissions reduction targets	Aligned	TBCSD supports the Thai government's GHG emission reduction targets by 2030.[76] It also recommends that climate change mitigation is an urgent issue and that actions should be taken, including by member companies.[75] [76] A corporate social-responsibility handbook on climate-change measures for corporate organizations in Thailand *Thai
4 Energy efficiency improvement	Aligned	TBCSD provides information on national funds that support energy conservation activities as a reference for member companies.[76][77] [77] Case Study Report: Thailand Energy Conservation Fund
5 Technology	Aligned	TBCSD recommends research and development to expand the popularization of BEVs and FCEVs, as well as the promotion of CO_2 emission reduction technologies, including CCUS.[76]
6 Carbon pricing	Aligned*	TBCSD supports the promotion of the carbon credits market the Thai government has launched as a measure to achieve net zero. In addition, the TBCSD cites carbon credits and carbon offsets as feasible measures for corporates towards GHG emissions reductions.[76]

Source [75]: Thailand Business Council for Sustainable Development
[76]: Thailand Environment Institute
[77]: United Nations Development Program

* Item that has shown improvement since last year's evaluation

Organization name	Renewable Thermal Collaborative (RTC) NEW	
Objective	To decarbonize thermal energy use by scaling up renewable heating and cooling technologies.	
Membership	Tim Hilgeman (General Manager, Toyota Motor North America)	
Item	**Result**	**Summary**
1 Consistency with Paris Agreement	Aligned	RTC supports the target of carbon neutrality by 2050, and calls for the construction of a community by corporations, organizations, and governments that support developing measures and targets towards achieving this.[78] [78] About the RTC
2 Consistency with climate change science	No public position	RTC does not make any reference to climate change science.
3 Emissions reduction targets	Aligned	RTC has set a target of 30% reduction in thermal emissions by 2030 in accordance with the Paris Agreement to achieve decarbonization in the industrial sector by 2050.[79] The RTC calls for building a community by corporations, organizations, and governments that support policy development and targets towards achieving this.[78] [79] Renewable Thermal Collaborative Wins $10 Million 2030 Climate Challenge
4 Energy efficiency improvement	Aligned	RTC promotes policies towards improving the efficiency of thermal systems in order to reduce CO_2 emissions.[80] RTC presents the high efficiency of industrial-use heat pumps with analytic results, and makes proposals for their introduction.[81] [80] Renewable Thermal Policy Principles [81] Electrification Action Plan
5 Technology	Aligned	The RTC recognizes green hydrogen as an effective decarbonization solution for numerous uses including transportation, energy storage, and industrial processes. It proposes the need for policies, infrastructure support, and technological innovation, and has set up a working group.[82] [82] Our Strategy
6 Carbon pricing	Aligned	The RTC positions carbon pricing as an effective measure for introducing low-carbon renewable thermal solutions. In addition, it proposes that revenue created through carbon pricing can be used for combating climate change and to eliminate concerns about funding.[83] [83] Low-Carbon Renewable Thermal Technology Solutions: Policies to Support Development and Deployment

Source [78]-[83]: Renewable Thermal Collaborative

List of Toyota's Industry Association Memberships

In addition to the sixteen 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/en/
	The Hydrogen Utilization Study Group in Chubu *No official Website	https://global.toyota/en/newsroom/corporate/34806104.html
	CHAdeMO Association	https://www.chademo.com/
	Fuel Cell Commercialization Conference of Japan	https://fccj.jp/eng/
	WWF Japan	https://www.wwf.or.jp/eng/

U.S.	Clean Energy Buyers Association	https://cebuyers.org/
	Fuel Cell and Hydrogen Energy Association	https://www.fchea.org/
	Hydrogen Fuel Cell Partnership	https://h2fcp.org/
	Resources for the Future	https://www.rff.org/
	Supplier Partnership for Environment	https://www.supplierspartnership.org/
	Tandem Global	https://tandemglobal.org/

Europe	CSR Europe	https://www.csreurope.org/
	Clean Energy Partnership (Germany)	https://cep.expert/en/
	German Hydrogen Association (Germany)	https://dwv-info.de/en/
	H_2 Mobility (Germany)	https://h2-mobility.de/en/h2mobility/
	Plateforme de la Filière Automobile (France)	https://pfa-auto.fr/ *French
	UKH_2 Mobility (UK)	http://www.ukh2mobility.co.uk/
Others	Thai renewable energy (RE100) Association (Thailand)	https://re100th.org/en/home-english/