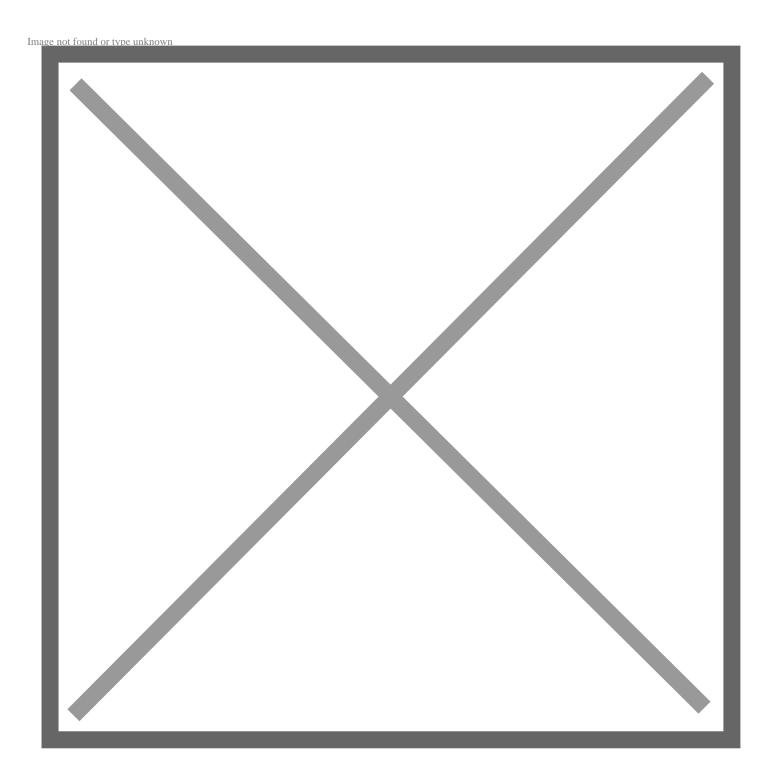
10 Ways Toyota's Environmental Impact Is Driving Sustainability Forward

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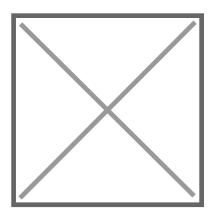
While April is Earth Month, environmental efforts at Toyota continue year-round. As part of its commitment to a more sustainable future, the company continues to make significant strides toward reducing its environmental footprint, year after year.

Toyota hopes to positively impact society, the planet and its business by focusing on four core areas: carbon, water, materials and biodiversity. Together, these initiatives and related outreach activities will lead to a better planet.

Sustainability practices aren't just a noble cause. They are a vital responsibility prioritized by Toyota. With climate change being one of the most complex challenges facing the world, it's imperative that eco-friendly strategies are implemented across all areas of the business.

From expanding vehicle electrification to reducing carbon emissions, to encouraging conservation through water stewardship as part of reduce, reuse and recycle strategies, the company's <u>sustainability efforts</u> are evident throughout the organization. Simply put, environmental innovation is an integral part of Toyota's legacy and will continue to be important for the foreseeable future.

Here are a few highlights from the Toyota 2021 North American Environmental Report:



New Energy Deals

In addition to helping fight climate change, clean energy contributes to a healthier and safer environment for all. That's why Toyota's recent agreement with Clearway Energy Group to purchase electricity from the 115-megawatt Black Rock wind farm in West Virginia is a step in the right direction. This purchase of renewable electricity supports the company's global goal to make its manufacturing plants carbon neutral by 2035. The system came online in February 2022 and is expected to produce enough electricity for Toyota to offset 166.6 million kilowatt-hours annually with renewable energy and eliminate 72,000 metric tons of carbon dioxide.

Water Works

Water is the lifeblood that humans and other living beings depend on to survive. Therefore, conserving it is crucial to the well-being of infinite sources of life. As part of Toyota's water conservation efforts, Toyota Motor Manufacturing, Indiana (TMMI) is saving an estimated 54 million gallons of fresh water per year by reusing wastewater during the paint pretreat process. This innovative technique is achieved through new microfiltration modules.

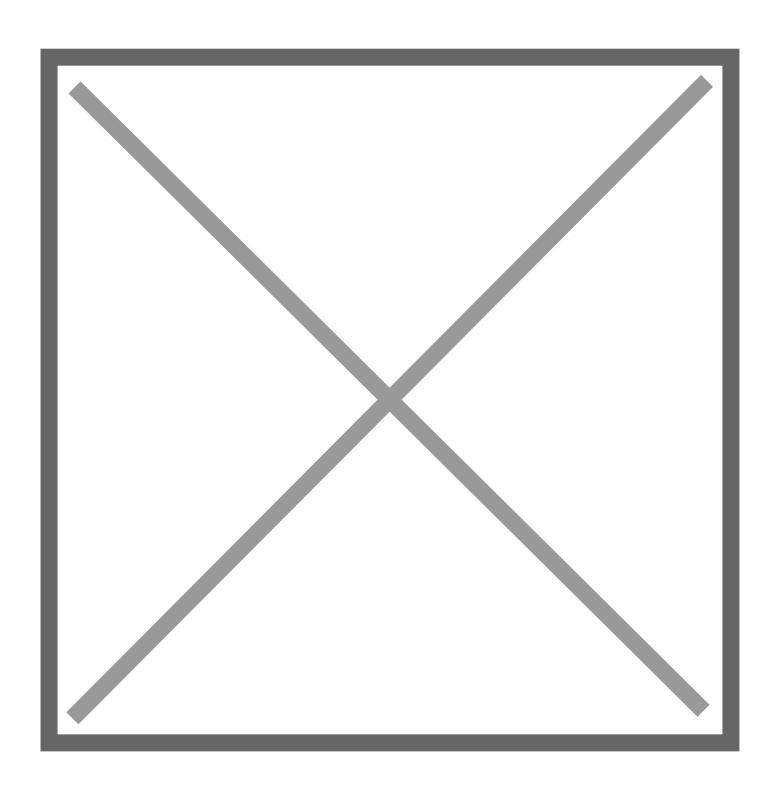
Purposeful Repurpose

Eliminating waste has been a top priority for Toyota. In 2020, more than 93% of all waste, including materials needed to assemble the vehicles our customers know and love, were recycled, reused and composted. Only 1.5% was disposed of in landfills. With raw material consumption outpacing population growth, this is a triumph for all.

Breathe Easy

It's no secret that trees provide many benefits. These natural wonders are more than pretty leaves and strong branches. They can clean the air and provide shade, which helps conserve energy. That's why Toyota planted 9,000 trees and shrubs to commemorate the Tokyo 2020 Olympic Games. When they reach maturity in about 10 years, they are expected to sequester 200,000 pounds of carbon, annually.

Charging Ahead



Ready to take charge? As Toyota drives forward on its electrification journey, the company has announced the <u>Toyota bZ4X SUV</u>, the first of a new global series of battery-electric vehicles (BEVs) that will live under the "Toyota bZ" brand umbrella. The all-new SUV helps support the company's commitment to increase U.S. sales of electrified vehicles to 70% by 2030.

Protecting Wildlife

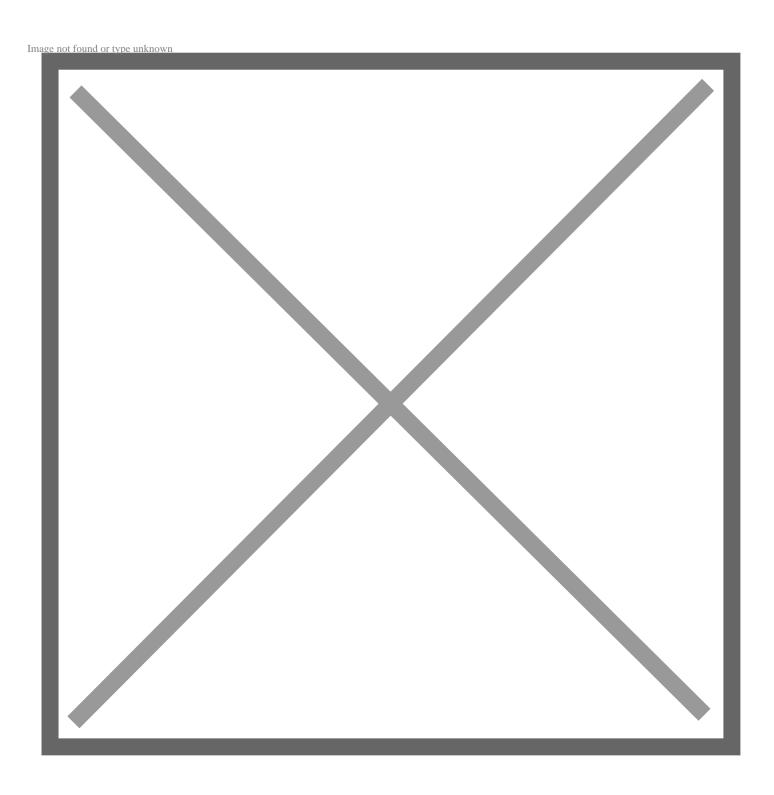


Photo: WWF-US/Clay Bolt

A healthy ecosystem where all species flourish is essential for living in harmony with nature. To help make that possible, Toyota provided \$150,000 to the World Wildlife Fund to construct 23 miles of fencing for the Wolakota Buffalo Range, which will establish a herd of more than 1,200 plains bison on 27,680 acres of native grassland and will result in it being North America's largest bison herd owned and managed by Native Americans. By doing so, it helps ensure the survival of this important species, which is integral to the ecological

community. Toyota is also providing another \$150,000 in funding, totaling \$300,000, to the World Wildlife Fund to conduct annual ecological monitoring to understand how bison restoration and management impact land, soil, water, vegetation and biodiversity health.

Powering Up

The sun is the largest star in the solar system and the brightest viewed from earth. It's also our greatest source of power. Incorporating solar power systems is one of the most efficient and eco-friendly ways to generate energy. Thus, Toyota installed an 8.79-megawatt rooftop solar array at its corporate headquarters campus in Plano, Texas. The system provides approximately one-third of the annual power needs of the campus.

Working Smarter

Continuous improvement is one of Toyota's most notable pillars. That kaizen philosophy was exemplified at TMMI. Team members identified a smart and simple way to reduce the amount of PVC used on the underbody of Sienna minivans, which is a plastic spray to protect against corrosion and prevent fumes from entering the vehicle. By identifying areas that didn't require the spray, it reduced the amount of PVC material used by 24,000 pounds. The small change makes a big environmental and material impact.

Supporting Outreach

When it comes to biodiversity, Toyota supports many initiatives to help preserve and restore habitats across the world. In partnership with NEEF, a nonprofit whose mission is to make the environment more accessible, relatable, relevant and connected to the daily lives of all Americans — the organization administers the Biodiversity Conservation Grant program, which is designed to support biodiversity conservation projects on America's public lands. With major funding from Toyota in 2021, the nonprofit group was able to award \$225,000 in grant funding to four organizations that will support biodiversity conservation projects on public lands within the California Floristic Province. This area spans approximately 113,438 square miles and is designated as a biodiversity hotspot, which makes it one of 36 recognized areas that have the highest diversity of plants and animals found anywhere in the world.

Filtering to Conserve

Water might seem infinite, but it's far from it. In fact, up to 3 billion people may live in areas with severe water shortages by 2050, as global water demand is expected to be 30% higher than today. Conserving this natural resource is crucial. Toyota's assembly plant in Baja California, Mexico, is located in an area identified as being at high risk for water availability. To help combat this issue, the plant uses a membrane bio reactor to remove solids from water that has already been used in the manufacturing process. This filtered water is then run through a reverse-osmosis system to eliminate any dissolved solids. As a result, the facility has the ability to reuse water over and over again, which saves an estimated 23 million gallons a year.