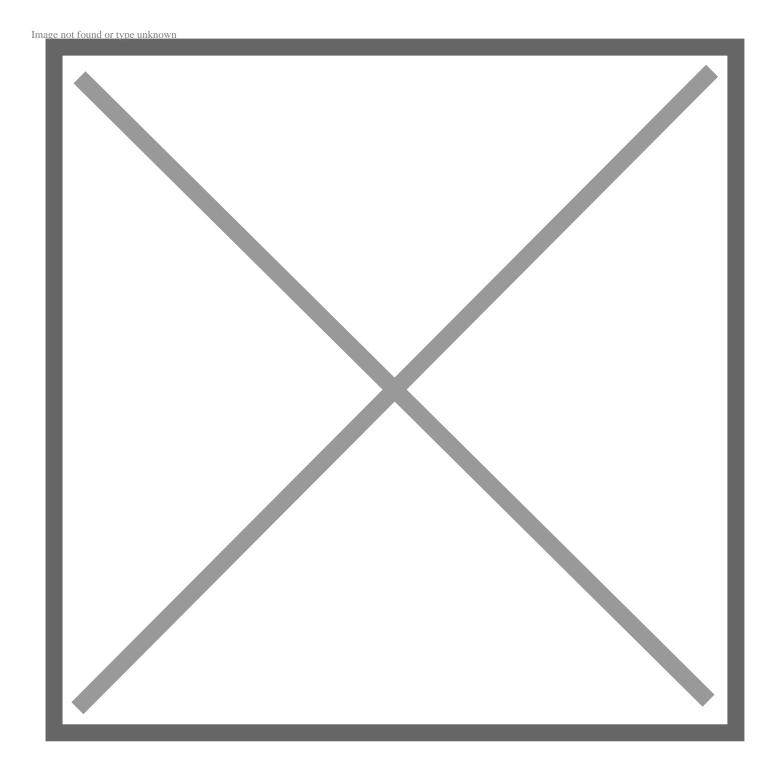
Beyond Zero: New Campaign Unifies EV Messaging Around Carbon Emission Reduction

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Beyond Zero is Toyota's vision to reach carbon neutrality with its products, services and operations; and go beyond as we find new ways to make a positive impact on the planet and society. It serves as the unifying rallying cry for Toyota's portfolio of electrified vehicles and the company's goal to achieve carbon neutrality for its vehicles as well as its operations — as spelled out by the <u>Toyota Environmental Challenge 2050</u>.

Big picture, the "Beyond Zero" campaign aims to shift the conversation about electrification from the auto industry's narrow focus on battery-electric vehicles (BEVs) to a broader perspective that encompasses Toyota's more ambitious — and some would say more realistic — portfolio approach to transitioning away from internal combustion engines. That includes hybrid EVs, plug-in hybrid EVs, fuel cell EVs and battery EVs. Collectively, given consumer needs and limited battery resources, this wider array of offerings promises to reduce more carbon emissions more quickly than BEVs alone while giving customers more choice.

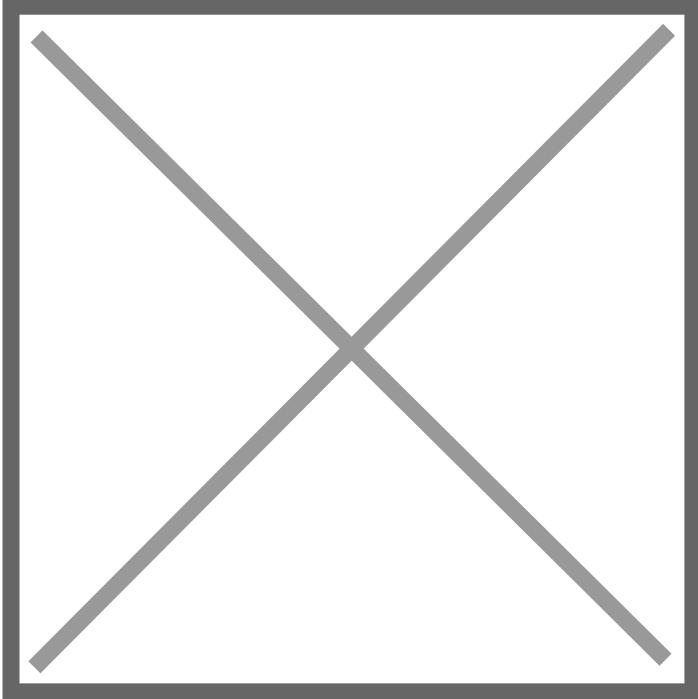
If that sounds like a mouthful, that's because it is. And that's the point of "Beyond Zero." It's all about simplifying the message and promoting it with people who don't think an electrified vehicle will work with their lifestyle.

"Toyota has been the industry leader when it comes to electrification," says Toyota Division Group Vice President and General Manager David Christ. "We were one of the first automakers to come out with a BEV with the RAV4 EV in 1997. Then we brought hybrid technology to the mainstream with the Prius. And then we broke new ground on the hydrogen fuel cell front with the Mirai. When it comes to alternative fuel vehicles, we have always tried to offer our customers a range of options to fit their needs. And that's still true today."

Toyota will continue with a multi-path approach to offer customers a variety of electrified vehicles to best suit their individual needs. The "Beyond Zero" campaign and the new on-vehicle badge are Toyota's way of saying that it understands these customers' unique situations, and that it wants to ensure no customer is left behind in the fight against carbon.

"If you look at the majority of the marketing communications in this area, electrification is presented as edgy, futuristic and disruptive," said Toyota Division Marketing Group Vice President Mike Tripp. "By contrast, Toyota wants to be inclusive, optimistic and relatable."

Christ and Tripp said the key is to shift the conversation from the technology of electrification to the reason why it's needed: to reduce carbon as fast as possible.



So, for example, the same amount of battery materials required to make a battery big enough to power a small BEV SUV could, instead, be used to make the batteries for six similar-sized plug-in hybrid electric vehicles or more than 90 similar-sized hybrid electric vehicles which can potentially provide 35 times more carbon reduction over their lifetime than the one BEV SUV. Which option is more likely to reduce as much carbon as possible as fast as possible?

Based on focus group testing, Christ and Tripp are confident the "Beyond Zero" campaign will resonate with customers who are curious about the move away from internal combustion engines but are uncertain about when

and how to engage. It makes it clear that Toyota offers an electrified vehicle that can fit virtually any lifestyle. In other words, it's the company that is making this fundamental transition inviting, welcoming and within more customers' reach.

"The 'Beyond Zero' vision will serve as the framework for everything we communicate about our portfolio strategy, from owned and earned media to product launches to events," Tripp said. "It will be a constant part of our paid advertising for the foreseeable future. And it will be incorporated into our regional advertising to help promote our electrified lineup."

"We own the phrase," he continued. "It's simple. It has global scale. And it gives us a tangible proof point on all of our electrified products, whether customers encounter them in advertising or on a dealership lot. It very simply and elegantly ties everything together."