

TOYOTA



KiNTO

# Sustainability Report 2020



Corresponding to indicators on economic issues (period 01/04/2020 - 31/03/2021)  
and indicators on environmental and social issues (period 01/01/2020 to 31/12/2020)



# TABLE OF CONTENTS



<b>MESSAGE FROM THE PRESIDENT</b>	03	Dealer Network	41
<b>ABOUT TOYOTA</b>	04	Customers	46
New Vision and Philosophy	05		
Toyota Argentina	10		
<b>SUSTAINABILITY</b>	18	<b>ENVIRONMENTAL PERFORMANCE</b>	51
Policy and Structure of Social Responsibility	19	Environmental Management System	52
Stakeholders	20	Our Environmental Performance in 2020	56
About the Report	22		
<b>CORPORATE GOVERNANCE, ETHICS AND INTEGRITY</b>	25	<b>SOCIAL PERFORMANCE</b>	65
Corporate Governance	26	Commitment to Our Collaborators	66
Ethics and Integrity	30	Commitment to our Communities	82
<b>ECONOMIC PERFORMANCE</b>	34	<b>TABLE OF CONTENTS</b>	93
The Automotive Sector in Argentina	35	GRI Table of Contents	94
Value Chain	36	SASB Table of Contents	105
Suppliers	37	<b>INDEPENDENT LIMITED SECURITY REPORT</b>	106
		<b>IMPACT OF COVID</b>	107
		<b>ACKNOWLEDGEMENTS</b>	108

# MESSAGE FROM THE PRESIDENT



CONTENTS GRI 102-14, 102-15



Mobility is one of the keys to human evolution. It was demonstrated during the COVID-19 pandemic that we have been facing since the beginning of 2020. For the first time in the history of humanity we were forced to stop, but even so, from the company we always look for a way to continue moving forward. Moving is part of our DNA.

We returned to produce in a context of uncertainty, with the consensus of employees, unions and the value chain, developing security protocols to take care of our people and with a Comprehensive Social Assistance Plan,

which provided support to the main needs of the community working on three axes: Health, Food and Mobility.

But as a mobility company, we take responsibility for finding answers to the most pressing challenges of our time. It is the future we choose: to be economically, socially and environmentally sustainable. That is why we refocused on activities where our industrial operations can make their maximum contribution. In 2020 we began to produce at our Zárate plant with 100% renewable electric energy, a joint effort with YPF Luz that consolidates the strategic alliance between both companies and encourages us to achieve the objectives of our 2050 Environmental Challenge.

Our goal is to achieve zero carbon emissions in our plants by 2035, and throughout the life cycle of our products by 2050. With the aim of improving people's lives and being in harmony with the environment, we believe in the dialogue with all stakeholders, promoting agreements and supporting industrial and energy policies on the path to carbon neutral. That is why we were also pioneers in the introduction of hybrid technology in our country and we continue working on the diversification and incorporation of new technologies that contribute to zero CO2 emissions.

It is clear to us that the sustainable value of our operation and the growth of the business are complementary, and that is why sustainability is part of our business strategy. This time of transformation that the automotive industry is experiencing challenges us to continue accompanying our own evolution as a company, convinced of our own declaration of principles: "When we are free to move, anything is possible".

In this report we want to share how we create long-term value through our activities, as well as the commitment to environmental, social and governance aspects that strengthens sustainable growth together with the entire community.

Toyota Argentina's 18th Sustainability Report summarizes our management during the year that was marked by an unprecedented crisis, but at the same time it goes forward in the challenges that our present already reveals to us.

**Daniel Herrero**

President of Toyota Argentina  
Buenos Aires, October 2021

# 1. ABOUT TOYOTA



**IN TOYOTA, WE SHARE A WORKING PHILOSOPHY BASED ON TWO PILLARS: CONTINUOUS IMPROVEMENT AND RESPECT FOR PEOPLE.**

Supported by a long-term vision, we accept the challenges to achieve our dreams.



**A PRODUCTION PLANT WITH A CAPACITY FOR 140.000 UNITS PER YEAR IN ZÁRATE, BUENOS AIRES.**



**354.860 M<sup>2</sup> TOTALS BETWEEN BUILDINGS AND LOGISTICS YARDS.**



**15 MODELS MARKETED BETWEEN PICK-UP, SUVs, PASSENGER AND COMMERCIAL VEHICLES.**



**1.500.000 VEHICLES PRODUCED IN ARGENTINA SINCE 1997.**



**1.000.000 UNITS EXPORTED SINCE 1997.**



**PRODUCTION AND EXPORT OF HILUX AND SW4 VEHICLES TO 23 DESTINATIONS IN LATIN AMERICA AND THE CARIBBEAN.**

# NEW VISION AND PHILOSOPHY

MATERIAL ASPECTS INNOVATION AND DEVELOPMENT, HEALTH AND SAFETY OF CUSTOMERS

GRI CONTENTS 102-16, 103-1, 103-2, 103-3

**Toyota's Global Vision** is the foundation to function as a truly global company, guided by a common corporate culture, which values are contained in the **Toyota Way**. These values are applied locally, in order to contribute to the sustainable growth of Toyota Argentina and the local community as a whole.

At Toyota, we are committed to the vision of mobility for all, while pursuing our mission: to produce happiness for all based on the Toyota Way values. This is the way to build our society and it is driven by all of our staff.

Mobility goes beyond producing vehicles; it's about overcoming challenges, thinking long-term, and making dreams come true. We believe in the development of human potential through the power of movement, because being constantly moving is an attitude towards life to face challenges, turn them into dreams and make them come true.



## WHAT IS THE TOYOTA WAY VALUE BASED ON?



### SOFTWARE

We apply imagination to improve society through the philosophy of people first, and we go to the origin of events to understand the facts in their essence (Genchi Genbutsu<sup>1</sup>).



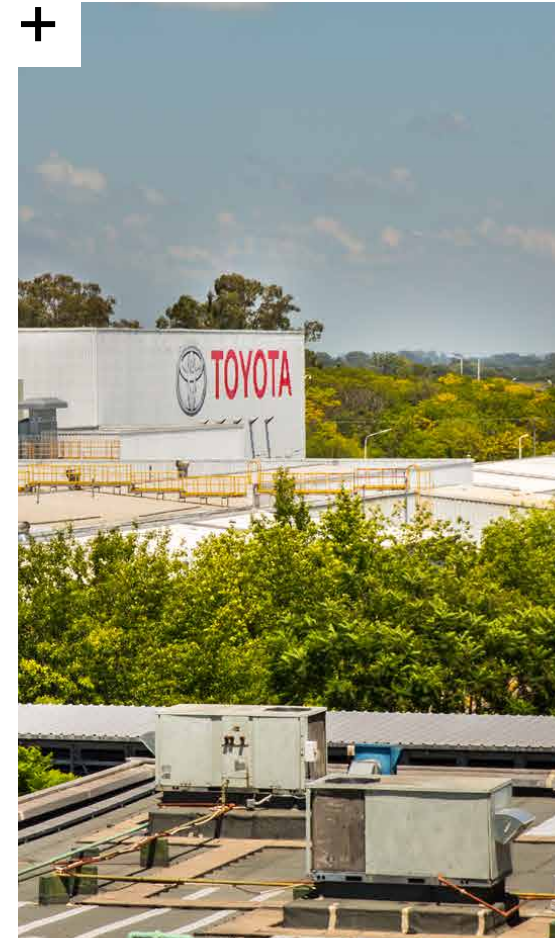
### HARDWARE

We create physical platforms to enable the mobility of people and things. A flexible system that changes with software.



### ALIANZAS

Expanding our skills, joining the strengths of partners, communities, customers and employees to produce mobility and happiness for all.



<sup>1</sup> Genchi Genbutsu: "Go and see" Observe the facts as they are in the workplace, without assumptions, in order to see the reality and make the right decision.

## TOYOTA GUIDING PRINCIPLES

These principles, which have served as the basis for building the **Toyota Global Vision** and the **Corporate Social Responsibility (CSR) Policy**, guide the activities carried out by the more than **5.900 people who are part** of Toyota Argentina.

1. **Honour the content and spirit of the laws** of all the nations of the world and carry out activities of open and fair policy, to be a good corporate citizen around the world.
2. **Respect the culture and traditions of all nations** and contribute to economic and social development, through corporate activities in local communities.
3. Dedicate ourselves to providing **clean and safe products, and contributing to the improvement in the life quality** throughout the world, through our activities.
4. **Create and develop advanced technology**, and supply first-rate products and services that meet the needs of our customers around the world.
5. **Promote a corporate culture that enhances individual creativity and the value of teamwork**, while honouring mutual trust and respect between managers and collaborators.
6. **Achieve growth in harmony with the global community** through innovative direction.
7. **Work with business partners in research and creation, to obtain long-term growth and mutual benefit**, without losing sight of the possibilities of establishing new business ties.

The **Toyota Way** promotes the continuous improvement and respect for people and, together with the **Toyota Guiding Principles** they shape our corporate culture, guide management and print a clear commitment to **Sustainable Development**.

## START YOUR IMPOSSIBLE

**Start Your Impossible** was launched in 2017 to celebrate Toyota's global sponsorship (for eight years) with the Olympic and Paralympic Games, becoming the first partner in the history of The Olympic Partner (TOP) program, by sponsoring the mobility category. This includes: vehicles (including cars, urban mobility vehicles and commercial vehicles); mobility services (including road and transport safety systems) and other solutions. This corporate initiative was developed with the aim of highlighting Toyota's global mission and creating a society without barriers, where the values of humility, overcoming challenges and never giving up are reinforced.

With this global alliance, Toyota promotes the creation of a society without discrimination through sport and is committed to creating a sustainable society through mobility.

Start Your Impossible is the basis of the evolution to a mobility company. At Toyota, we have always defined mobility as an opportunity for people to move freely, and we believe the time has come to share our vision and mobility solutions for all the communities.

The company provided support to 7 Argentine Olympic and Paralympic athletes in preparation for the 2020 Tokyo Games.



## ALWAYS BETTER VEHICLES



The new standards proposed by Toyota New Global Architecture translate into more attractive, safer and more enjoyable vehicles to drive.

**Toyota New Global Architecture** (TNGA) is a design and manufacturing philosophy that aims to improve vehicle performance and highlight the unique characteristics of each model. It is based on two fundamental pillars:

### Structural Strength

Strengthen the essential parts of the vehicle to dramatically improve the performance.

### Emphasized Personality

Highlight the unique characteristics of each model.



In turn, this philosophy translates into **five benefits**:



### RIDE COMFORT

Perfect balance for a superior driving feel.



### HABITABILITY

Rewarding experience for all the senses.



### CONVENIENCE OF USE

Practical, functional and at the same time intuitive for daily use.



### ENVIRONMENTAL COMMITMENT

Improves fuel consumption, reducing environmental impact.



### SAFETY

Latest technologies in safety, providing maximum calm and confidence in any driving situation.

## TOYOTA PRODUCTION SYSTEM

At Toyota we seek to produce vehicles of excellence in all the countries where we operate. This is achieved through a quality assurance and control approach that has been developed over many years. From design to the point that our vehicles roll off the production line, quality is a commitment and is included into every process.

The **Toyota Production System<sup>2</sup>** is the basis of our work philosophy. It consists of a set of interdependent practices, aimed at maximizing customer satisfaction,

producing better vehicles with the greatest efficiency in costs and times. Its fundamental pillars are:

- ◆ **Just in Time:** Produce and supply only what is necessary, at the exact time and in the necessary quantity. In order to apply it, we developed a long-term and mutual trust relationship with our suppliers.
- ◆ **Kaizen:** Continuous improvement.
- ◆ **Jidoka:** It refers to the phrase "Stop, Call and Wait", which avoids passing a defect to the next process by activating the andon, a board that allows you to pull a rope and activate a light alert. This action automatically sends a signal, reflecting the sector and position of the place where it was activated. In this way, all team members guarantee the efficiency of the process. This is how we can identify problems in the production line and ensure the quality of our vehicles.
- ◆ **Standardized Work:** Once the most efficient method of work is set, it is always repeated in the same way.



IMPROVEMENT OF EACH PROCESS The system places its emphasis on continuous improvement (Kaizen), the elimination of waste (muda) and the value of employee commitment, including the value chain. We promote excellence in manufacturing by producing what is necessary at the right time, with the best quality and at a competitive price.

<sup>2</sup>Toyota Production System (TPS).



## TOYOTA SAFETY SENSE

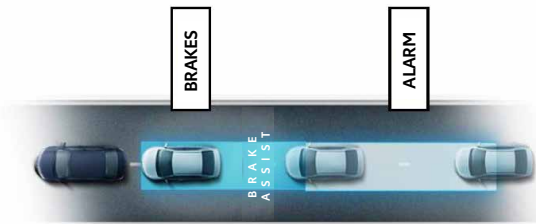
We are committed to developing a solid safety culture, focused on taking care of ourselves and taking care of the health and safety of all the people who work in our company.

With the aim of minimizing traffic accidents, **Toyota Safety Sense** is an active safety package that incorporates a millimetre wave radar that combined with a monocular camera can detect a variety of hazards and alert the driver to avoid or mitigate accidents. Although its primary components (millimetre wave radar and monocular camera) are the same, their characteristics may vary according to each model and or version.

Four advanced driving assistance systems complement the driver in various dangerous situations, helping to reduce collision risks and to ensure a safer driving.



FRONTAL PRE-COLLISION SYSTEM (PCS)



LANE DEPARTURE ALERT SYSTEM (LDA)



AUTOMATIC HEADLIGHT SYSTEM (AHB)



ADAPTIVE CRUISE CONTROL SYSTEM (ACC)



# TOYOTA ARGENTINA

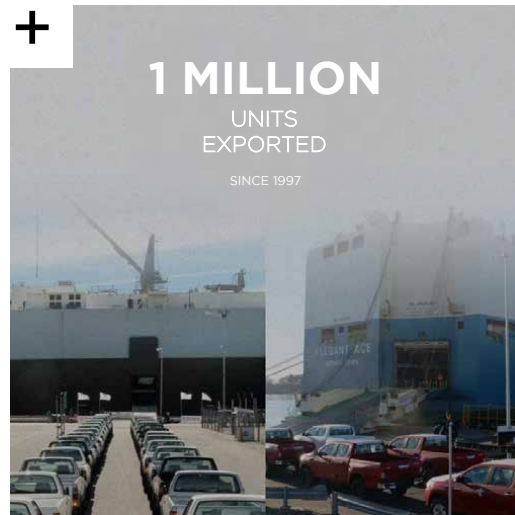
MATERIAL ASPECTS ECONOMIC PERFORMANCE OF THE ORGANIZATION, SUSTAINABLE MOBILITY,

INNOVATION AND DEVELOPMENT, HEALTH AND SAFETY OF CUSTOMERS

GRI CONTENTS 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-8, 102-12, 102-13, 102-41, 103-1, 103-2, 103-3, 201-2, 416-1

SASB STANDARDS TR-AU-000.A, TR-AU-000.B

We are Toyota is a philosophy and a way of doing things. It is the constant challenge and continuous improvement. Crises are always opportunities. And the opportunities, our engine. We are what we did. And what we do. We are the long term, which we build every day. We are our employees, suppliers, dealers, customers, and also our community.



With a manufacturing rate of one vehicle every 94", we continue the consolidation as a production and export base for 23 markets in Latin America and the Caribbean supplied with Hilux y SW4.

Dimensions of Toyota Argentina	FY 2020/2021	FY 2019/2020	FY 2018/2019
Total Assets	129.270	83.679	96.656
Total Liabilities	109.798	72.390	82.815
Shareholders' Equity	19.472	11.289	13.841

Toyota Argentina S.A. Annual Report and Financial Statements by 31st March of each period. In millions of AR\$.

## PRODUCTS AND SERVICES

Toyota is leading the way to the future of mobility, improving the quality of life around the world with safer and more responsible methods of transporting people.

The industrial plant of Toyota Argentina was inaugurated on 21st March, 1997; it was the plant number 29 in the world and the third in Latin America. It manufactures and assembles the Hilux pick-up and the SW4 (SUV), as well as distributing, marketing and exporting auto parts, accessories, and products designed or authorized by Toyota Motor Corporation (TMC)<sup>3</sup>. Kinto, the mobility services platform expanded the by-laws, empowering Toyota Argentina to rent all types of vehicles designated or authorized by TMC . In turn, through the Takumi dealer, Lexus brand vehicles are sold in the local market.

Industrial Plant placed in Zárate, Buenos Aires Province

Commercial and administrative offices placed in Martínez, Buenos Aires Province

We improve our business through the permanent generation of ideas, continuous effort and the practice of solving problems, making ourselves present where they occur. We respect people and believe that the success of our business is due to individual efforts and good teamwork. These principles are what have made Toyota a world benchmark in terms of quality and excellence.

<sup>3</sup>TMC is the controlling Company of Toyota Argentina and participates with the 99,99% of its capital. At the same time, Toyota Argentina has a participation of 95% of the capital of Toyota Plan Argentina S.A. savings for specific purposes.



## Sustainable Mobility:

Toyota offers today a wide range of electrified vehicles globally, based on 4 technologies:

- ◆ Hybrid Electric Vehicle (HEV)
- ◆ Plug-in Hybrid Electric Vehicle (PHEV)
- ◆ Battery Electric Vehicle (BEV)
- ◆ Fuel Cell Electric Vehicle (FCEV)

**Providing mobility solutions goes far beyond producing vehicles. Therefore, Toyota Argentina supports the entrepreneurs who created the omnidirectional wheelchair SIRUOM.**

On our way to become a mobility company, we are supporting Edites Solutions in the series production, in our country, of an omnidirectional battery-powered wheelchair: [SIRUOM](#). This chair gives the user freedom of movement and autonomy, allowing the user to move in any direction and thus travel in smaller spaces than a conventional wheelchair. The SIRUOM project came to the company through an internal program to promote innovative projects.

[SIRUOM](#) is part of the transformation process of Toyota, which seeks to develop new mobility services in the country and provide solutions to people.



## MARKETED MODELS

“In a year full of difficulties, the drive of our workers allowed us to continue consolidating our project in the country. A teamwork that was accompanied by unions, suppliers, dealers and customers who are also part of this achievement and who drive us to go forward in our next challenges”.

Daniel Herrero, President of Toyota Argentina



### Marketed Models – Units sold

Marketed Models – Units sold	31/12/2020	31/12/2019	31/12/2018
<b>Cars and Minivans</b>	<b>22.507</b>	<b>28.786</b>	<b>52.096</b>
Etios*	9.962	13.822	29.449
Yaris*	7.085	8.391	5.199
Corolla* ***	5.430	6.124	16.109
Prius* (Híbrido)	13	121	437
Camry*	10	42	114
Toyota 86*	0	2	2
Innova*	7	284	786
<b>Pick-ups and Commercials</b>	<b>76.461</b>	<b>102.519</b>	<b>111.360</b>
Hilux**	75.435	101.995	111.331
Hilux GR-Sport**	963	488	29
Hiace*	63	36	-
<b>SUV and Crossovers</b>	<b>16.889</b>	<b>24.374</b>	<b>29.732</b>
CH-R* (Híbrido)	168	44	-
RAV4* (Híbrido)	580	1.276	1.523
SW4**	16.122	23.005	28.100
Land Cruiser Prado*	11	28	70
Land Cruiser 200*	8	21	39
<b>TOTAL</b>	<b>115.857</b>	<b>155.679</b>	<b>193.188</b>

Euro 5 Standard: Level of emission of combustion gases Standard met. The Euro 5 standard entered into force in Argentina in January 2018; it establishes maximum emissions of particles. This standard is stricter than the Euro 4 as to the limit of emissions of gaseous pollutants from vehicles, and all models must comply with it.

\* CBU (complete built up): imported vehicles produced outside the country.

\*\* CKD (complete knock down): vehicles produced in Argentina with domestic and foreign technologies, auto parts and components parts.

\*\*\* Includes Corolla Gasoline, Corolla Hybrid and Corolla Cross Hybrid.

Know more about our models at <https://www.toyota.com.ar/modelos>

## Presentation of the new Hilux and SW4

In November 2020, we presented in digital format the new Hilux with a renewed design, greater comfort, more technology, better performance and more safety, with changes in front optics, grill and bumpers. The interior presents changes in the audio equipment, more integrated into the torpeda. All versions are now equipped with an 8” touchscreen audio system with connectivity. In terms of safety, the pick-up incorporated Toyota Safety Sense in the SRX versions.

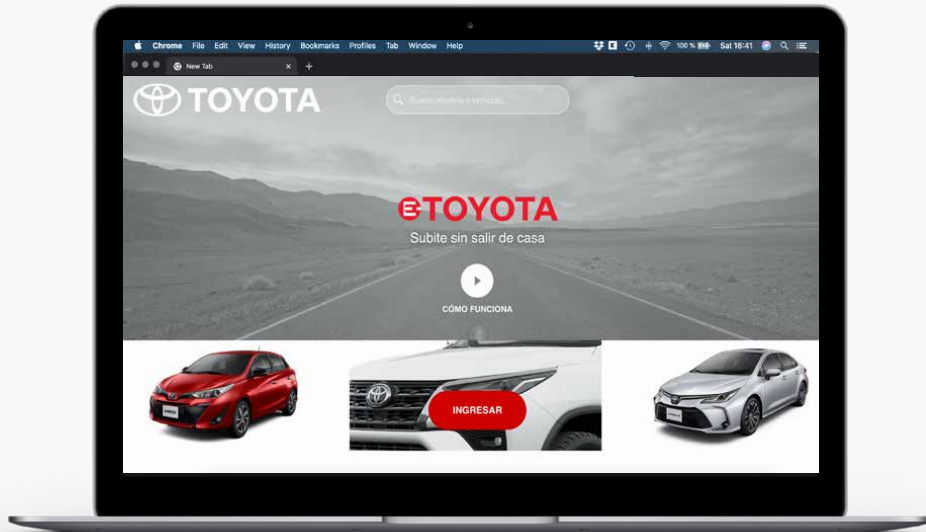
Likewise, the new SW4 was presented. Regarding the exterior design, it introduces new optics, grill and bumper. As for its interior, it presents a new combination of colours in upholstery and doors along with speedometer and tachometer clocks. With regard to passive safety, all versions of the new SW4 have 7 airbags. In addition, the SRX versions incorporate the active safety package Toyota Safety Sense which provides Frontal Pre-collision System (PCS), Lane Departure Alert System (LDA) and Adaptive Cruise Control System (ACC).



## E-TOYOTA

We launched a platform that was developed with the aim of digitizing the commercial experience, accompanying the trend of customers to seek information and carry out operations through the internet, contributing to greater transparency of processes and shortening purchase, delivery and after-sales times. This digital tool also allows to achieve a synergy in the interaction between customers and dealers.

**e-Toyota** allows users to quote their vehicles online, find the most convenient financing and dealer, and even deliver the used vehicle as part of payment. In addition, when confirming the reservation, the customer can track the purchase online step by step, accessing all the necessary information to make the process easier and clearer until the date of delivery of the vehicle.



## TOYOTA GAZOO RACING

**GAZOO Racing Company**, in addition to being the brand of all motorsports activities, was born with the purpose of developing and evaluating new technologies in the most demanding races in the world of competition. The target of the brand is the training of human resources so that, based on these experiences and learning, they can design increasingly better vehicles.

In this way, one of the fundamental pillars of GAZOO Racing Company is to develop a



line-up of more passionate and sporty vehicles, and aligned with the spirit of Waku Doki, a Japanese expression that is applied to describe an anticipated emotion, the adrenaline rush to come when someone is about to do something exciting. Within this concept, there are different categories, which follow an increasing logical evolution according to the level of development and engineering implemented in the final vehicle.

## LEXUS

With the vision of creating new experiences, transforming functionality into **EMOTION**, performance into **PASSION**, and technology into **IMAGINATION**, Lexus seeks to provide its customers with unique moments and memories.



**Lexus** is a Japanese luxury vehicle brand born in 1989 which landed with its operation in Argentina in December 2018. With the Omotenashi and advanced technology as the pillars of the brand, Lexus has a sole and exclusive dealer in the city of Buenos Aires, called TAKUMI. This 2,400 m<sup>2</sup> premises is the largest in Latin America, it is located at 860 Libertador Ave.



Marketed Models – Units Sold	31/12/2020	31/12/2019	31/12/2018
NX 300h Luxury	31	66	13
IS 300h Luxury	20	26	-
NX 300 F-Sport	5	14	4
GS 450h Luxury	2	7	2
ES 300h Luxury	1	-	-
LX 570	3	-	-
UX 250h	30	-	-
UX 250h F-Sport	2	-	-
LS 500h Executive	0	3	-
RX 450h Luxury	8	4	-
RX 450h F-Sport	2	4	-
GS 450h F-Sport	0	1	-
IS 300 F-Sport	8	1	-
RC 350 F-Sport	2	1	-
RX 350 F-Sport	3	3	-
<b>TOTAL</b>	<b>117</b>	<b>130</b>	<b>19</b>

## KINTO

In our transformation process we have launched **Kinto**, the mobility solutions brand of Toyota that globally provides services to both individuals and companies.



## QUALITY MANAGEMENT SYSTEM

MATERIAL ASPECTS HEALTH AND SAFETY OF CUSTOMERS, RISK MANAGEMENT AND REGULATORY COMPLIANCE, INNOVATION AND DEVELOPMENT  
 GRI CONTENTS 103-1, 103-2, 103-3

Through our commitment to quality, constant innovation and respect for the planet, we try to exceed our customers' expectations and be rewarded with a smile.

Toyota Argentina ensures the quality of its products and services on the basis of standardized work, and with the commitment to satisfy the requirements and expectations of its customers, through continuous improvement.

### Our Quality System is based on the following principles:

- ◆ Produce vehicles in accordance with the international quality standards of our TMC headquarters.
- ◆ Comply with the applicable legal and regulatory requirements.
- ◆ Build and improve quality in the process, working on the basis of TPS.

### QUALITY OF



DESIGN



PRODUCTION



SALES AND SERVICES



PRODUCT



WORK

- ◆ **QUALITY POLICY** Established by the company Board under the guidelines of the TMC policy to ensure the quality of our vehicles.
- ◆ **QUALITY MANUAL** It describes the general activities carried out in Toyota Argentina in order to comply with the policy.
- ◆ **PROCEDURE** It indicates the way to carry out the activities in each sector of the company, both in the productive sectors as well as in the support peripheral sectors.
- ◆ **WORK INSTRUCTIONS** They specify in detail how to perform each operation of the productive process.
- ◆ **RECORDS** They are documents that are completed in accordance with the operational needs.

We have a gas emissions control laboratory, unique in the local automotive industry. Under standards EURO (European standard) and TIER (American standard), quality

controls are carried out on vehicle emissions in accordance with the requirements of homologation of the destination countries.

## SUGGESTIONS AND QUALITY CIRCLES

We foster the implementation of suggestions and the quality circles activities to develop our employees and improve the processes, since we understand that progress is achieved through the input of each collaborator.

Circles and Suggestions are activities focused on the development of people. Employees identify problems or opportunities for improvement in their jobs and, through teamwork, they manage to optimize current conditions.

## SUGGESTIONS SYSTEM

This program seeks to channel the initiative of the personnel through the identification and execution of improvement actions, solving specific problems or, improving their own work processes. It has an auditing system that

seeks to recognize those collaborators whose suggestions have marked a difference of excellence with respect to the rest. At the same time, each suggestion is financially recognized based on the results achieved.

	31/12/2020	31/12/2019	31/12/2018
Suggestions received	31.826	80.073	64.382
Increment/decrease with respect to the previous period	-60%	24%	9%
Average of suggestions per person	10,80	19,2	16,4
Collaborators	2.945	3.906	3.735

Distribution of suggestions by subject	31/12/2020	31/12/2019	31/12/2018
Safety	43%	44%	42%
Working Environment	33%	36%	36%
Quality	12%	11%	12%
Efficiency	3%	-	-
Productivity	6%	6%	7%
Costs	1%	1%	1%
Environment	2%	2%	2%

## QUALITY CIRCLES

“The development and growth of our collaborators allows us to transform our organization, based on the Kaizen Philosophy that seeks constant improvement. That is what Quality Circles are all about”.

Daniel Valeggia, Plant Director

This group activity seeks to develop the skills of the collaborators, improve the workplace conditions and contribute to the development of the company, through the resolution of complex problems through quality tools. This way, we build an organization capable of responding to the business world with flexibility.

	31/12/2020	31/12/2019	31/12/2018
Collaborators	2.089	3.858	3.150
Quality Circles completed	148	1.313	898

Quality Circles by subject	31/12/2020	31/12/2019	31/12/2018
Productivity	29%	25%	25%
Safety	19%	20%	21%
Quality	24%	26%	19%
5S <sup>5</sup>	8%	10%	19%
Ergonomics	11%	12%	10%
Costs	7%	6%	4%
Environment	2%	1%	1%
Working environment	0%	0%	1%

<sup>5</sup> It is a Japanese management methodology that always reminds us to have our workplace organized, based on the principles of order and cleanliness.  
 Seiri: "Classify", rule out what is not necessary.  
 Seiton: "Sort out", put things in their place.  
 Seisou: "Clean", leave the work area in good condition.  
 Seiketsu: "Keep", control and measurement of the 3 previous stages.  
 Shitsuke: "Discipline", keep the 4 previous criteria in a disciplined way.

## QUALITY CIRCLES CONVENTION 2020

The 23rd Convention of Quality Circles of Toyota Argentina was carried out in the auditorium of the Zárate Plant in September 2020, with the participation of the 8 best circles of the company who presented their work. For the first time, the event was semi-face-to-face, with the participation of executives and a virtual audience of more than 200 people.

## REGIONAL (TLAC) AND GLOBAL QUALITY CIRCLES CONVENTION

Due to the 2020 pandemic, the Regional Convention, where the best Circles from Argentina, Brazil and Venezuela present, was cancelled. The Global Convention that takes place every year in Japan was replaced by a platform called the Global Kaizen Exchange (GKE) where improvements could be shared with subsidiaries around the world.

## COMMITMENT TO EXTERNAL ORGANIZATIONS

The articulation and dialog with other organizations is reflected in the membership and support to the following chambers and associations.

Organization	Interlocutor Toyota Argentina	Participation in the Governing Body	Participation in Working Groups or Committee	Contributions
Chamber of Exporters of the Argentine Republic - CERA	Government Affairs	✓	✓	✓
Chamber of Public Limited Companies	Legal	✓	✓	✓
Institute for Entrepreneurial Development of Argentina - IDEA	Presidency	✓	✓	✓
Inter-Industrial Committee for Environmental Conservation of Campana and Zárate - CICACZ	Environmental Affairs	—	✓	✓
Association of Automotive Factories of Argentina - ADEFA	Presidency - Government Affairs	✓	✓	✓
Association of Automotive Engineers and Technicians - AITA	Vice presidency - Government Affairs	✓	✓	✓
Argentine Industrial Union - UIA	Presidency	—	—	✓
Industrial Union of Zárate - UIZ	Legal	✓	✓	✓
AcercaRSE	CSR	✓	✓	✓
Argentine Institute for Standardization and Certification	Environmental Affairs	—	Commission on Environmental Management Systems	—
Argentine Institute for Standardization and Certification	Environmental Affairs	—	✓	✓
American Chamber of Commerce in Argentina - AmCham	CSR	—	✓	✓
Argentine Business Council for Sustainable Development - CEADS	RSE	—	✓	—
Industrial Union of Buenos Aires Province - UIPBA	Government Affairs	✓	✓	✓
Argentine Business Association - AEA	Presidency	—	✓	✓
Latin American Economic Research Foundation - FIEL	Presidency	✓	✓	—





## ACKNOWLEDGEMENTS

### 2nd place in Merco Talento of Argentina

Merco, which highlights the companies that best attract and retain talent, drew up a ranking based on the results of more than 11.000 surveys and 8 sources of information. We also reached the first position within the automotive sector.



"It is a pride to keep us in such a privileged place, which forces us to continue working harder. At Toyota we will continue trying to make our company the best workplace for those who are already part of it and for all those who want to join."

Andrés Massuh, Human Resources Director

### Daniel Herrero - CEO of the year by El Cronista Comercial, Apertura magazine and PwC

In this 8th edition, company leaders voted in an online survey on the performance, leadership ability and strategic vision of company leaders. In his position since 2010, Daniel Herrero led the expansion project of our Zárate plant, which reached a production capacity of 140.000 units per year and became the production and export platform for Hilux and SW4 vehicles for 23 destinations in the region.

### 3rd place of Apertura: The companies with the best image

For the fourth consecutive year, we are ranked 3rd in the ranking that recognizes the 100 companies with the best image in Argentina.

### For the fifth consecutive year, AmCham Argentina distinguished us with the Corporate Citizenship Award that recognizes sustainable management initiatives.

We were selected winners in the Thematic Initiatives modality, in the "Environment" axis, in the "Carbon Footprint" category for the work we do to quantify and reduce the impact of our vehicles, the production process and along our value chain. Our environmental strategy is guided by the 2050 Environmental Challenge, structured in five-year action plans, establishing goals and concrete actions, each with its key indicators.



### 2nd place in the ranking of the best employers in Argentina

It is part of the Randstad Employer Brand Research 2020 where the job attractiveness of the 170 largest employers in the country was analysed. The study on employer brand is carried out based on the opinion of more than 185.000 respondents in 33 countries.

### Connecting companies with the SDGs - CEADS together with E&Y

For the first time we participated in the program and were recognized for our contribution to SDG No. 6 through the water reuse plant.



### The Safest Car- CESVI Argentina

We received two recognitions during The Safest Car event, organized by CESVI Argentina. Hilux won in the pick-ups category for being the most complete in safety equipment in all its versions. For its part, the New Hybrid Corolla (of regional production) was recognized within the Ecological Cars category for its complete active and passive safety equipment.

### Diente Award

We received 2 DIENTE awards, an event organized by the Circle of Argentine Creatives that rewards the best campaigns and pieces in the advertising industry. Toyota Plan received a Gold for his "Cuotas campaign" and a Silver award for the piece "Desamor". The campaign was created in conjunction with GRAY Argentina and reinforces the message that in instalments you get better prepared for everything.

# 2. SUSTAINABILITY

TOYOTA

THE COMMITMENT TO SUSTAINABILITY INTEGRATES OUR CORPORATE CULTURE, IT IS FOUND IN EACH OF THE BUSINESS AREAS AND IS AN ESSENTIAL PART OF OUR BUSINESS MANAGEMENT MODEL.



18°

EDITION OF THE SUSTAINABILITY REPORT



11

SUSTAINABLE DEVELOPMENT GOALS IDENTIFIED AS PRIORITIES



COMMUNITY RELATIONS POLICY



CSR COMMITTEE



24

MATERIAL TOPICS REPORTED



8

STAKEHOLDERS



# POLICY AND STRUCTURE OF SOCIAL RESPONSIBILITY

GRI CONTENTS 102-19, 102-20, 102-29, 102-31, 102-32

We have developed a sustainable project with a long-term vision based on investment, growth and employment since 1997.

Our internal decision-making and sustainability management process, as well as our commitment to ethical and transparent performance, is managed across the business and driven by top managers.

The CSR Committee is the main decision-making and control body of the annual sustainability plan. It works as a space to establish coordinated action plans between the areas and reports the actions carried out. It is formed as follows:

- The Social Responsibility area coordinates the CSR Committee and reports directly to the President.
- The Environmental Affairs area carries out projects and environmental management.
- The External Communication area is in charge of preparing the Sustainability Report, which is carried out in collaboration with all sectors of the company.

Both the *Hoshin* of the President of Toyota Argentina and that of the Corporate Affairs Division, establish, punctually, the promotion of CSR as a permanent activity in local communities and the value chain (focused on the three lines of action of our **Community Relations Policy**), as well as implementing steps and activities to achieve the **2050 Environmental Challenge**.

## 2030 AGENDA

In Toyota Argentina we are making progress in the contribution to the 2030 Agenda, by minimizing the negative impacts and maximizing the positive impacts of our activity and our value chain on the people and the planet.

By using the SDG Compass tool, a guide which offers 5 steps for organizations to maximize their contribution to the Sustainable Development Goals (SDG), we are defining our priorities and goals. The process of analysis and evaluation of each of the 169 goals, carried out by the CSR team, contemplated the following aspects:

1. Actual or potential positive or negative impacts of Toyota Argentina and its value chain.
2. The issues identified as material for the Sustainability Report and their concordance with the goals and objectives listed in the SDG Compass tool.
3. The SDGs that were identified as relevant by its main stakeholders.
4. The SDGs identified as strategic for other companies in the automotive sector.

SUSTAINABLE  
DEVELOPMENT  GOALS

**Sustainable Development Goals defined as priorities**

- 

Guarantee a healthy life and promote well-being for all at all ages.
- 

Ensuring inclusive, equitable and quality education and fostering learning opportunities for everyone and throughout the whole life.
- 

Ensuring availability of water and its sustainable management and sanitation for everyone.
- 

Ensuring access to affordable, safe, modern and sustainable energy for everyone.
- 

Promoting sustained, inclusive, economic growth, full and productive employment, and the decent job for everyone.
- 

Building resilient infrastructure, promoting inclusive and sustainable industrialization and fostering innovation.
- 

Making cities and human settlements inclusive, safe, resilient and sustainable.
- 

Ensuring sustainable consumption and production patterns.
- 

Adopting urgent measures to combat climate change and its effects.
- 

Promoting the sustainable use of land ecosystems, fighting against desertification, stopping and inverting the land degradation and halting the biologic diversity lost.
- 

Strengthening de execution methods and reinvigorating the world partnership for the sustainable development.

# STAKEHOLDERS

GRI CONTENTS 102-40, 102-42, 102-43, 102-44

**We work to produce always better cars, improve the quality of life of local communities and enhance long-term relationships with our stakeholders through the generation of dynamic dialog environments.**

The process of identifying our stakeholders is carried out based on the principle of inclusion of Stakeholders of the GRI (**Global Reporting Initiative**) standards and the AA1000SES **Accountability** Guide, where five dimensions are weighted:



As a result of such process, we identified the following stakeholders and defined different channels of communication and dialog for each of them, using external communication tools (Sustainability Report, press release, social networks, corporate website) as a common instrument for all audiences.

Group	Communication and Dialog Channel
<b>Shareholders</b>	Annual Report and Financial Statements. Sustainability Report. Shareholders General Meeting. Events and Meetings.
<b>Unions and Representatives of the Industry</b>	Union of Mechanics and Related Workers of the Automotive Transport (SMATA). Association of Metalworking Industry Supervisors of the Argentine Republic (ASIMRA). Health and Safety Committee (COHISE). Association of Automotive Factories of Argentina (ADEFA). Financial Community. Insurance Companies. Competitors. Sustainability Report.
<b>Dealers</b>	Association of Toyota Dealers of the Argentine Republic (ACTRA). Sales and Post sales training programs; evaluation surveys for each activity. Reports and audits of the Environmental Management system under ISO14001. Environmental risk audits. Customer Service Annual Convention. Social Responsibility Program in dealers (second edition). Internal memorandum. Sustainability Report.
<b>Suppliers</b>	Service provision manual for contractors and subcontractors. Environmental shopping guide. Training activities and evaluation surveys. CSR Guide for suppliers. Toyota Suppliers Association of the Argentine Republic (APTA). Internal memorandum. Sustainability Report.
<b>Local Communities</b>	Biannual diagnostic of the needs of the community. Training programs in schools and universities. Visits and meetings with managers of educational institutions to assess the needs of the communities. Interaction with municipal authorities of Zárate and Campana. Involvement in social initiatives. Direct contact with various NGOs. Sustainability Report.

Group	Communication and Dialog Channel
<b>Collaborators</b>	Two-way communication system. Suggestions system and quality circles. Ethics Committee and Ethics Channel. Face-to-face communication (business meetings, lunches and breakfasts with directors, open tables, special talks). Newsletters, "From Inside" magazine, Intranet, corporate e-mailing, billboards and corporate TV. Sustainability Report.
<b>Governmental Organizations</b>	Participation in chambers and governmental associations. Meetings with national, provincial and municipal authorities. Sustainability Report.
<b>Customers</b>	Customer Service Centre. Satisfaction and quality surveys. EDER activities (Early Detection and Early resolution). Contact with dealers. Sustainability Report.

## Corporate Citizenship



# ABOUT THE REPORT

GRI Contents 102-10, 102-21, 102-45, 102-46, 102-47, 102-48, 102-49, 102-50, 102-51, 102-52, 102-53, 102-54, 102-56, 103-1

The 2020 Sustainability Report of Toyota Argentina has been prepared in accordance with the GRI Standards (**Global Reporting Initiative**), exhaustive option and, specifically for this report, we have begun to use the standards for the Automotive Sector from the Sustainability Accounting Standard Board (SASB). It is issued annually and covers the period from 1st January to 31st December 2020, comparative with the previous period, with the exception of the economic data that respond to the contents 102-7, 201-1 and 201-4 that corresponds to the fiscal year dated from April 1st, 2020 to March 31st, 2021, comparative with the previous period. This is the 18th edition and the last

published was the 2019 Sustainability Report.

The information in this report does not include the data of the Toyota Plan Argentina S.A. de Ahorro para fines determinados (95% share) subsidiary, which is part of the consolidated Financial Statements of Toyota Argentina S.A.

Section 7 includes an Index that facilitates the location of the contents in this Report, which has been subjected (for the ninth consecutive year), to an external audit process. The assurance report is included in the same section.



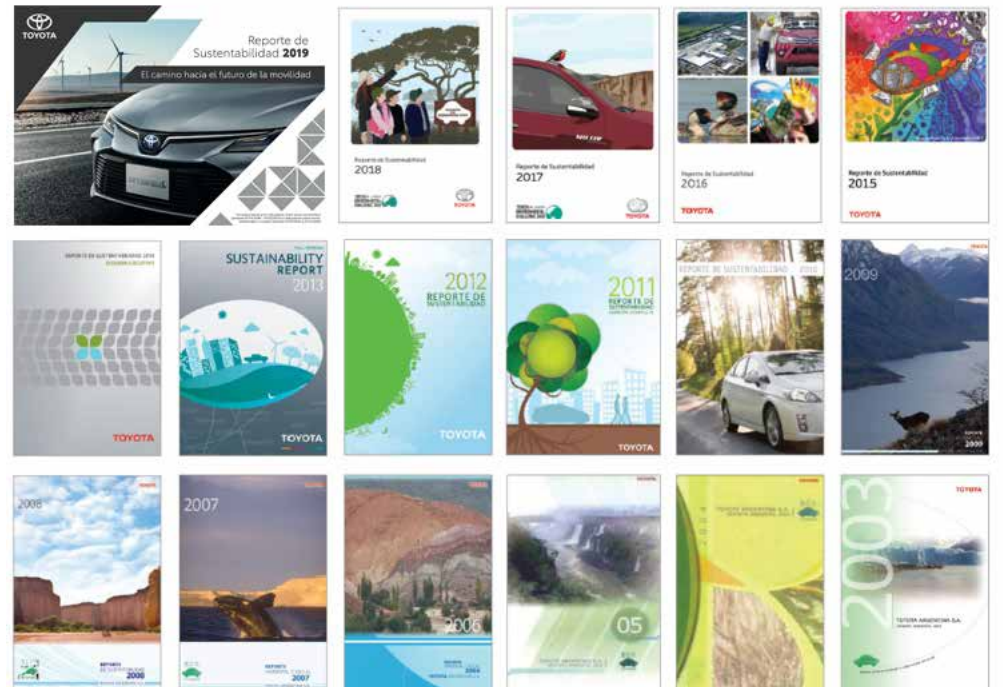
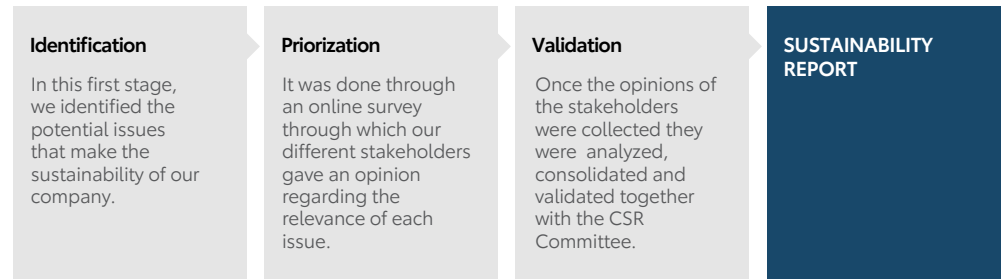
**If you have any questions or suggestions, we invite you to send us your comments on [corporate@toyota.com.ar](mailto:corporate@toyota.com.ar)**



**This document is uploaded in digital format on [www.somostoyota.com.ar](http://www.somostoyota.com.ar)**

## MATERIAL ASPECTS AND COVERAGE

GRI defines materiality principle in the context of a sustainability report as: “The report should address aspects that: reflect the economic, environmental and social impact of the organization, or that substantially affect the evaluations and decisions of stakeholders”.

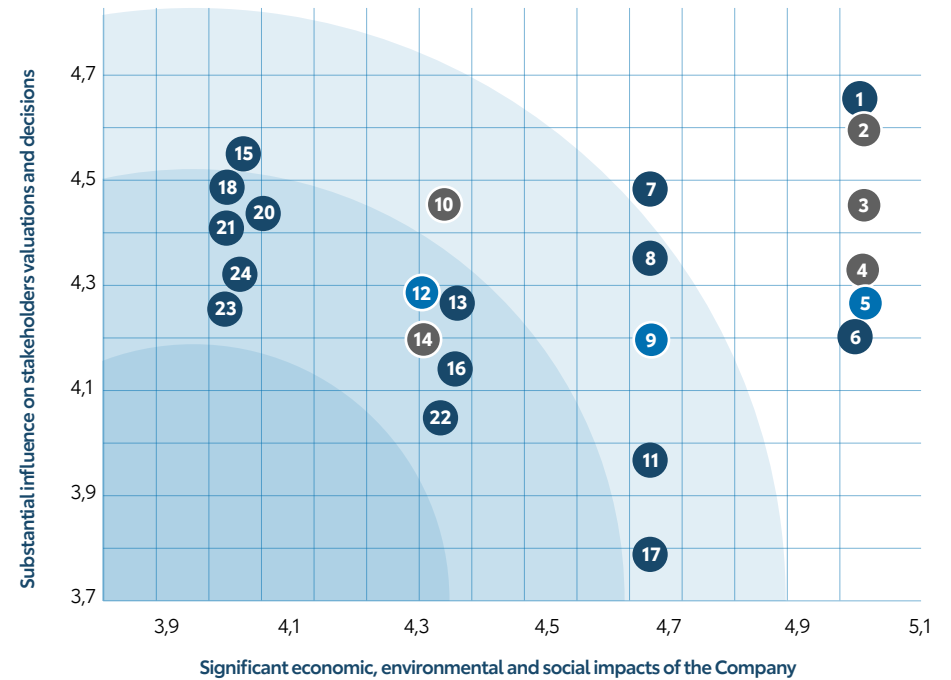


Material Aspect	Coverage	GRI Standard associated	Chapter
<b>1 Automotive Safety and Quality</b>	Impacts on the health and safety of customers, on the life cycle of products and how we manage them.	<b>416</b> - Health and Safety of Customers	<b>1.3</b> Quality Management System <b>4.3.2</b> Dealers' Network <b>4.3.3</b> Customers
<b>2 Energy Efficiency and Renewable Energies</b>	Energy consumption in the development of the production process.	<b>302</b> - Energy	<b>5.1</b> Environmental Management System <b>5.2.1</b> Energy and Emissions
<b>3 Water Management and Effluents Treatment</b>	Consumption and use of water and discharge of effluents from productive development.	<b>303</b> - Water and Effluents	<b>5.1</b> Environmental Management System <b>5.2.2</b> Water Resources
<b>4 Climate Change, Air Quality and Reduction of GHG Emissions</b>	Management of greenhouse gas emissions and impact on climate change.	<b>305</b> - Emissions	<b>5.1</b> Environmental Management System <b>5.2.1</b> Energy and Emissions
<b>5 Ethics and Anti-Corruption</b>	Management of business ethics in all operations and in the value chain.	<b>205</b> - Anti-corruption	<b>3.2</b> Ethics and Integrity
<b>6 Post-sale Strategy: Customer Service, Complaints and Claims Resolution</b>	Management and offering of mechanisms so that customers can satisfy their needs after having acquired a product or service (warranty certificates, technical support, among others).	Own Indicators	<b>4.3.3</b> Customers
<b>7 Health and Safety at Work</b>	Management of a safe and healthy work environment.	<b>403</b> - Health and Safety at Work	<b>6.1.5</b> Health and Safety
<b>8 Training and Professional Development</b>	Management with regard to training and upgrading of employees skills, as well as with regard to performance evaluations and career development.	<b>404</b> -Training and Education	<b>6.1.2</b> Training and Development <b>6.1.3</b> Performance Evaluations

Material Aspect	Coverage	GRI Standard associated	Chapter
<b>9 Risk Management and Regulatory Compliance</b>	Management of the risks inherent to the business and regulatory compliance.	<b>307</b> - Environmental Compliance <b>419</b> - Socioeconomic Compliance	<b>1.3</b> Quality Management System <b>4.2</b> Direct Economic Value Generated and Distributed <b>5.1</b> Environmental Management System
<b>10 Waste Management</b>	Management to minimize the final disposal of waste by promoting the reduction, reuse and recycling of materials.	<b>306</b> - Waste	<b>5.1</b> Environmental Management System <b>5.2.3</b> Waste
<b>11 Social and Environmental Evaluation of Suppliers</b>	Sustainability principles into the company's purchases policy.	<b>308</b> - Environmental Evaluation of Suppliers <b>414</b> - Social Evaluation of Suppliers	<b>4.3.1</b> Proveedores
<b>12 Economic Performance of the Organization</b>	Reference to the economic value generated and distributed, among other direct economic impacts.	<b>201</b> - Economic Performance	<b>1.2</b> Toyota Argentina <b>1.3</b> Quality Management System <b>4.2</b> Direct Economic Value Generated and Distributed <b>6.1</b> Commitment to Our Collaborators
<b>13 Road Safety</b>	Promote safe driving programs and activities.	Own Indicators	<b>6.2.2</b> Road Safety
<b>14 Environmental Education and Responsible Consumption</b>	Raise awareness about the importance of establishing a society in harmony with nature.	Own Indicators	<b>6.2.1</b> Environment
<b>15 Life Quality and Work Environment</b>	Our leadership style, communication channels, forms of recognition, values, among others.	Own Indicators	<b>6.1</b> Commitment to Our Collaborators <b>6.1.4</b> Internal Communication

Material Aspect	Coverage	GRI Standard associated	Chapter
<b>16 Labour Practices and Human Rights</b>	Effective labour relations through continuous commitment and social dialogue, providing decent working conditions that comply with applicable national and international laws and regulations.	<b>406-</b> Non-discrimination <b>412-</b> Evaluation of Human Rights	<b>3.2</b> Ethics and Integrity
<b>17 Relations with Unions</b>	Guarantee the freedom of association of the company's collaborators and participation in collective bargaining.	<b>402-</b> Employee-Company Relations	<b>6.1</b> Commitment to Our Collaborators
<b>18 Sustainable Mobility</b>	Sustainable mobility actions that help reduce the negative, environmental and social effects of the generalization of transport.	Own Indicators	<b>1.2</b> Toyota Argentina
<b>19 Environmental Impacts</b>	Effect of our organization's activities on the environment.	Own Indicators	<b>5.1</b> Environmental Management System
<b>20 Innovation and Development</b>	Development and improvement of processes that help mitigate the impact of its actions as well as research, development and improvement of the supply of sustainable products.	Own Indicators	<b>1.1</b> Global Vision
<b>21 Diversity, Inclusion and Equal Opportunities</b>	Our approach to diversity, inclusion and equal opportunity at work.	<b>405-</b> Diversity and Equal Opportunities	<b>3.1</b> Corporate Governance <b>6.1</b> Commitment to Our Collaborators
<b>22 Sustainable Suppliers Management</b>	Create and strengthen stable and lasting relationships with suppliers, through the exchange of reasonable values (fair prices) and continuous support.	Own Indicators	<b>4.3.1</b> Suppliers
<b>23 Promotion of Employment in Local Communities</b>	Improve the employability of young people and adults through programs and in alliance with national, provincial, regional and local educational organizations and authorities.	Own Indicators	<b>6.2.3</b> Education for Employability
<b>24 Talent Employment, Attraction and Retention</b>	Job creation and the working conditions provided.	<b>401-</b> Employment	<b>6.1</b> Commitment to Our Collaborators

Based on the information collected, a **Materiality Matrix** was prepared, where we present the material issues according to the following variables:





# 3. CORPORATE GOVERNANCE, ETHICS AND INTEGRITY



Our commitment to an ethical and transparent performance, oriented towards sustainability, is promoted by the top executives and is reinforced daily.

**WE DEVELOP ETHICS POLICIES AND MECHANISMS THAT ENSURE COMPLIANCE.**



**100% OF STAFF**

WAS INFORMED AND TRAINED IN ANTI-CORRUPTION POLICIES AND PROCEDURES.



**COMPLIANCE WEEK**



**100% OF THE BOARD**

WAS INFORMED ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES.



**CODE OF CONDUCT FOR SUPPLIERS, DEALERS AND DISTRIBUTORS.**



**100% OF COMPLAINTS RECEIVED**

IN THE ETHICS CHANNEL WERE ATTENDED AND SOLVED.



**991 PEOPLE**

TRAINED IN PLAFT SYSTEM.

# CORPORATE GOVERNANCE

MATERIAL ASPECTS DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

GRI CONTENTS 102-11, 102-15, 102-18, 102-22, 102-23, 102-24, 102-25, 102-26,

102-27, 102-30, 102-33, 102-34, 103-1, 103-2, 103-3, 405-1

The **hoshin kanri**<sup>6</sup> is a system of work adopted by Toyota all over the world, and is defined as the activities undertaken to meet medium and long-term objectives, and those established in the management plan in the short term, based on the fundamentals of the hoshin. The hoshin is used to guide the leaders in directing their activities towards the strategic objectives of the company, aligning the efforts of all and overcoming the barriers of the various departments to achieve a great performance sustained over time.

**Company's Hoshin:** To reach sustainable growth as a basis to the supply of all Latin America, exceeding our customers' expectations, being competitive and making a contribution to the communities.

**Hoshin of the President of Toyota Argentina:** To consolidate Toyota Argentina as a good corporate citizen, contributing to the society and the local community.

**Hoshin of the Corporate Affairs Division:** To achieve a continuous promotion of environmental and social responsibility projects, contributing to the company's reputation.

**Hoshin of the Social Responsibility and Community Area:** To develop, coordinate and organize the CSR activities with the different stakeholders, as part of a unified system focused on the three action axes of Toyota Argentina.

## PLAN-DO-CHECK-ACTION CYCLE

We use the Plan-Do-Check-Action method to prepare reports in Toyota. In this way, the problems, causes, countermeasures and future actions are sorted and reported.

### PLAN

Elaboration of strategies and action plans.

### DO

Implementation of plans.

### CHECK

Evaluation of results.

### ACTION

Definition of appropriate actions.



<sup>6</sup> Strategic planning system, to create an organization able of achieving high performance sustained over time.

## GOVERNANCE STRUCTURE

In Toyota Argentina, the decision-making is in the hands of the Board, made of collaborators of Toyota Argentina and our parent company. The Directors, officers of proven experience and professional trajectory in the company, are appointed by the Shareholders Meeting depending on their skills and competencies. Currently, the Board is composed of 6 members

and a Deputy Director. On the other hand, the management body is nominated and elected by our shareholders through a representative in the Ordinary General Meeting, which usually takes place in July each year.

### BOARD

Name	Executive Position	Position in the Board	Nationality	Age
Daniel A. Herrero	President of Toyota Argentina	President	Argentine	61 years old
Mariano Barriola	Quality Regional Director	Regular Director	Argentine	57 years old
Yoshihisa Nagatani	Vice President	Regular Director	Japanese	57 years old
Masahiro Inoue	No executive position in Toyota Argentina	Regular Director	Japanese	57 years old
Gustavo Salinas	Commercial Regional Director	Regular Director	Argentine	54 years old
Akira Nagata	Finance and Accounting Director	Regular Director	Japanese	53 years old
Rafael Chang Miyasaki	No executive position in Toyota Argentina	Deputy Director	Peruvian	53 years old

Composition of the Board by 31st March 2021.

By gender	FY 2020/2021	FY 2019/2020	FY 2018/2019
Men	100%	100%	86%
Women	-	-	14%

By nationality	FY 2020/2021	FY 2019/2020	FY 2018/2019
Argentines	43%	43%	43%
Foreigners	57%	57%	57%

By age	FY 2020/2021	FY 2019/2020	FY 2018/2019
Younger than 30 years old	-	-	-
Between 30 and 49 years old	-	-	-
Older than 50 years old	100%	100%	100%



**MANAGEMENT**

Name	Executive Position	Nationality	Age
Daniel A. Herrero	President of Toyota Argentina	Argentine	61 years old
Mariano Barriola	Quality Regional Director	Argentine	57 years old
Daniel Valeggia	Plant Director	Argentine	54 years old
Gustavo Salinas	Commercial Regional Director	Argentine	54 years old
Fabiola Zandalazini	Finance Regional Director	Argentine	50 years old
Edgard Mihailovitch	Corporate Governance and Compliance Regional Director	Argentine	52 years old
Andrés Massuh	Human Resources Director	Argentine	47 years old
Bernardo Fernández Paz	Customer Service Director of Toyota Argentina and Accessories Regional Executive	Argentine	52 years old
Diego Prado	Corporate Affairs Director	Argentine	57 years old
Ignacio Limpenny	Sales, Marketing and Product and Price Planning Director	Argentine	51 years old

Composition of the Management by 31st March, 2021.

By gender	FY 2020/2021
Men	90%
Women	10%

By age	FY 2020/2021
Younger than 30 years old	-
Between 30 and 49 years old	10%
Older than 50 years old	90%

By nationality	FY 2020/2021
Argentines	100%
Foreigners	-



## DECISION MAKING

In Toyota Argentina, decisions are taken and become effective after a thorough consideration and analysis of risks, contingencies and available backup methods. All relevant issues arising from the different meetings are elevated to the Executive Committee and the Board for discussion and approval; that way, an effective communication and an internal treatment of decisions are achieved.

- ◆ **Board of Directors Meetings (BOD).** Meetings of the Board of Directors for the strategic decision-making, according to the headquarters guidelines.
- ◆ **Key Meetings (KM).** Key meetings conducted on a regular basis in each division, with cross-participation of members of other divisions.
- ◆ **Toyota Argentina Operational Meeting (TOM).** Monthly operational meetings, involving authorities of Toyota Argentina and Toyota Motor Corporation, General Managers, Directors and the President of the company. Other relevant issues (which are not covered in these meetings) are raised to the Executive Committee and to the Board.
- ◆ **Weekly Production Meeting.** The production sector is the largest in the company and performs a weekly production meeting in which all the Production Managers and all areas of support participate.



BOARD		MEETINGS
Audit and Compliance Committee	CSR Committee	Board of Directors Meeting BOD Key Meeting KM
Crisis Committee	Ethics Committee	Toyota Argentina operational Meeting TOM Weekly Production Meeting WPM

The Corporate Governance and Compliance division is in charge of strengthening the framework of decision-making and coordinating the process paying particular attention to the expectations of all the stakeholders. Also, this division promotes the cooperation between the different business units and contributes to the region-to-region and region-to-Toyota Motor Corporation communication. This way, it fosters the improvement of the compliance systems of the company, so as to maintain the integrity of Toyota Argentina as its top priority and thus contributing to its sustainable growth.

## CRISIS COMMITTEE

The Committee is composed of members of the Board of Directors and of the areas of Legal, Compliance, Government Affairs and Human Resources, as well as by those responsible for the areas involved in the issue in question for which the Committee was convened. The role of the Crisis Committee is to analyse and outline countermeasures when there is an unusual event that could affect both the local community and the collaborators. The critical concerns of the divisions are communicated to the governance body according to its criticality, through various channels, such as the Board of Directors meetings, meetings of the Crisis Committee and regular operational meetings in which the Senior Management of the company participates. In 2020, we have reported one incident to the Crisis Committee.

# ETHICS AND INTEGRITY

MATERIAL ASPECTS ETHICS AND ANTI-CORRUPTION, LABOUR PRACTICES AND HUMAN RIGHTS  
 GRI CONTENTS 102-16, 102-17, 102-25, 102-30, 103-1, 103-2, 103-3, 205-1, 205-2, 205-3, 406-1, 412-1

**The Toyota Guiding Principles, the Toyota Way and the Code of Conduct constitute a trinomial that guides and governs our management; in turn, it expresses the commitment of Toyota to sustainable development in the corporate culture.**

The **Toyota Way**, which describes the values and methods that will be shared by Toyota's global organization, and the **Code of Conduct of Toyota Argentina**, are important guiding tools when it comes to conducting our daily business operations, in order to achieve the **Toyota Guiding Principles**.

## CODE OF CONDUCT

**Our corporate culture is based on integrity and is transmitted to all our stakeholders. It is one of the principles that guides our behaviour and the way we do business.**

Toyota Argentina, through the dissemination of its Code of Conduct, promotes the highest ethical and integrity standards, and strict compliance with laws and regulations among its collaborators, suppliers, distributors, dealers and, in general, with all its stakeholders.

The **Code of Conduct** summarizes the fundamental concepts and describes the concrete guidelines which, together with the Toyota Way, constitute a key tool to carry out commercial operations and foster a transparent and responsible working environment.

The review of the Code of Conduct was completed in 2018 and, through a campaign carried out within the company, its distribution to all Toyota Argentina personnel was made official. The objective of this version of the Code of Conduct is to create and establish general rules that allow the prevention of misconduct, by promoting suitable behaviour and dignified conduct from of all company personnel.



By decision of the Compliance Committee, the new **Code of Conduct for Suppliers, Dealers and Distributors was distributed**, the purpose of which is to promote our highest values with our main business partners. At the same time, the due diligence process was continued with all our suppliers and dealers.

For the third consecutive year, the **Compliance Week** was held, where the basic concepts of the Code of Conduct were reinforced through communications, talks and videos to the different sectors of the company, reaching 100% of the staff.

**The Compliance area is responsible for ensuring compliance with the Code of Conduct and, together with HR, trains all the new members and collaborators of Toyota Argentina during the induction training, so that they assume the commitment of its strict fulfillment.**

All personnel assigned to a PC can enter the Intranet and view the current procedures, as well as take e-learning training on the Code of Conduct and Compliance. For Plant personnel without PC access, the basic concepts of the Code of Conduct are reinforced through communications and 5-minute talks during **Compliance Week**.

The **Anti-Corruption Policy** is informed to the top management and staff through the Tone of the Top and constant training.

The company has informed commitments to its stakeholders, solidified through the contracts signed, training for its personnel and a specific area that ensures compliance with the anti-corruption policy.

	31/12/2020	31/12/2019
<b>Operations evaluated for risks related to corruption</b>	9	9
<b>Communication and training on anti-corruption policies and procedures</b>		
Members of the Board of Directors to whom the anti-corruption policies and procedures have been communicated	100%	100%
Collaborators to whom the anti-corruption policies and procedures have been communicated	100%	100%
Main suppliers to whom the anti-corruption policies and procedures have been communicated *	100%	100%
<b>Employees who have received anti-corruption training by job category</b>		
Middle Management	100%	100%
Group Leader y Team Leader	100%	100%
Team Member	100%	100%
Analysts and Administrative	100%	100%
<b>Employees who have received anti-corruption training by region</b>		
Martínez	100%	100%
Autonomous City of Buenos Aires	100%	100%
Zarate	100%	100%

\* Issuance of the Code of Conduct for Suppliers and Dealers in 2018. In 2018 and 2019, communication was carried out with all the main suppliers, and in 2020 communication was reinforced at the monthly supplier meeting. Suppliers of auto parts and direct materials. (A due diligence is carried out on the verified value every two years). Last due diligence verified in 2019. The members of Toyota Argentina (including Board Members, Directors and Managers), have received training during 2019 on anti-corruption at the time of implementing the latest update in force on the associated policies and procedures. It is worth mentioning that during 2020 no additional training has been carried out, since the contents and guidelines have not undergone changes during the period.

## AUDIT AND COMPLIANCE COMMITTEE

With a preventive role and with the aim of detecting breaches to the legal and corporate rules within the company, in 2016 we created the **Compliance Committee**, which is composed of Senior Managers and representatives of the main risk areas. This committee meets every six months and discusses current issues of compliance, the main concerns to be addressed, possible countermeasures and action plans.

Through the local implementation of the **Toyota Global Risk Management Standards (TGRS)** program, the Senior Management, along with the help of the Compliance area, identified and evaluated the main risks that could adversely affect the accomplishment of the corporate goals, and promoted the corresponding action plans in order to mitigate them. During the reported period, the risk management system of Toyota Argentina was strengthened through the publication and dissemination of the **Risk Management Policy**, that is aligned to the global standards of our headquarters and is based on the TGRS program. Also, the structure of risk management was reinforced by training the people in charge of the risk areas of the company, who identified and assessed the risks of their own operations and reported them to the Corporate Governance and Compliance area, which in turn added them to the risk map of the company.

## ETHICS CHANNEL

It allows our collaborators, suppliers and dealers, to communicate or report irregularities. It is managed by an external supplier, which guarantees the anonymity of all complaints received.

-  **Toll free number** 0800-888-1880
-  **Web** [www.canaltoyota.kpmg.com.ar](http://www.canaltoyota.kpmg.com.ar)
-  **E-mail** [canaltoyota@kpmg.com.ar](mailto:canaltoyota@kpmg.com.ar)
-  **Personal interview request to** 0800-888-1880

All employees receive training on the operation of these mechanisms at the moment of joining the company. Also, the structure of compliance collaborates with the constant and regular promotion of the complaint channels, in order to continue bringing them closer to all employees and also to the main suppliers and dealers.

The **Ethics Committee**, consisting of the areas of Legal Affairs, Internal Audit and Compliance and Human Resources, analyses each complaint received through the Ethics Channel.

	12/31/2020	12/31/2019	12/31/2018
<b>Total of Complaints received</b>	<b>73</b>	<b>71</b>	<b>35</b>
Not Proven Facts	17	15	22
Proven Facts	56	56	13
Dismissals	1	5	2
Corrective measures and improvement of the internal control	55	51	11
<b>Complaints received and solved</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Confirmed corruption cases and actions taken</b>	<b>0</b>	<b>0</b>	<b>0</b>

## RESPECT FOR HUMAN RIGHTS

The concept of respecting and honouring the Human Rights is present in numerous articles of the Code of Conduct of Toyota Argentina, and is one of the main values at the time of doing business. The company promotes, actively and constantly, the development of all its partners, linking the personal growth with the performance and growth of the company.

During the reported period, no complaints of discrimination were received. Based on the different prevention and risk assessment actions, we have not identified risks where freedom of association and the right to join collective agreements may be violated or threatened, nor have we registered significant risks of cases of child exploitation, episodes of forced labour, no cases of corruption or other concepts related to non-compliance with human rights have been reported or confirmed.



	12/31/2020	12/31/2019	12/31/2018
<b>Significant investment agreements and contracts with human rights clauses or subject to human rights assessment</b>	100%	100%	100%

\* Code of Conduct for Suppliers, Dealers and Distributors refers to compliance with labour legislation. This Code of Conduct was communicated to 100% of the significant suppliers (auto parts, logistics, etc.).

## ANTI-BRIBERY POLICY

Our **Anti-bribery Policy** incorporates the guidelines set forth in the **Code of Conduct** and translates them into basic behaviours that are expected to be met by all our collaborators, and by anyone who intends to do business with Toyota Argentina (including suppliers, distributors and dealers), in order to avoid practices that would mean damage to our corporate image, that of TMC and Toyota’s subsidiaries around the world.

This document, updated during 2019, expresses repudiation to those practices in which, through a bribe or other improper and/or unfair measures, a collaborator looks for a benefit for itself or our company. In turn, it is established that Toyota Argentina expects that none of its collaborators should promise and/or give gifts, whether directly or by interposition of third parties, for the purpose of obtaining or retaining a business and/or a comparative advantage for TMC, Toyota Argentina, and/or any company of the Toyota Group, either from a public employee or not, with the intention of influencing the actions to obtain any of the aforementioned objectives.

In the latest update of our Anti-Bribery Policy, a chapter was incorporated where participation in meetings with public officials and/or authorities is expressly stipulated. It should be noted that, before any non-routine meeting with a public official, the personnel and/or representatives of Toyota Argentina attending the meeting must obtain the prior approval of the Head of their Department, and give advance notice in writing to the Government Affairs sector.

## PLAFT SYSTEM

From the area of the Prevention of Money Laundering and the Financing of Terrorism (PLAFT, dependent on the Legal Management), since 2014 we have worked in the development and implementation of a **Prevention of Money Laundering and Financing of Terrorism System**, in order to comply with the requirements set forth by the Financial Information Unit (FIU).

The tools that make up our PLAFT system are:

- PLAFT Policies Manual
- PLAFT Procedures Manual
- Risk matrix
- Continuous training of all collaborators

**We are committed to the prevention and for this we actively collaborate with national authorities and competent and well-known international agencies.**

During the reported period, the company personnel carried out a training through e-learning on the Toyota Institute platform. A total of 991 people participated.

A **Best Practices Manual on the Prevention of Money Laundering and Terrorism Financing** was also prepared for the correct formation of the files, which was shared with the entire Toyota Dealers’ Network.

Additionally, in the context of the pandemic and quarantine, during 2020 all the processes were adapted in order to be able to continue with the operation and comply with the established standards.

On the other hand, the FIU is reviewing the entire regulatory framework applicable to reporting entities, in order to adapt it to international standards on the matter and contacting those it considers to be relevant market players. In this sense, a response is given in a timely manner to all the requirements received by the control body on the matter.

4.

# ECONOMIC PERFORMANCE

WE DEVELOPED A SUSTAINABLE PROJECT OVER THE LONG TERM, WHICH ALLOWED US TO BECOME THE BASIS OF PRODUCTION AND EXPORT OF VEHICLES FOR ALL LATIN AMERICA. WITH AN INVESTMENT OF OVER USD 2.000 MILLION, WE ARE COMMITTED TO GROWTH AND EMPLOYMENT THROUGHOUT THE VALUE CHAIN AND WE PROMOTE THE DEVELOPMENT OF THE COMMUNITY.



43

OFFICIAL DEALERS WITH 88 POINTS OF SALE



91,9%

OF CUSTOMERS AND POST-SALE USERS GLOBAL SATISFACTION



24%

OF LOCAL SUPPLIERS



115.974

UNITS SOLD



96%

OF THE PRODUCTIVE SUPPLIERS ARE CERTIFIED WITH THE ISO 14001 STANDARD



93.252

UNITS PRODUCED



# THE AUTOMOTIVE SECTOR IN ARGENTINA

SASB STANDARDS TR-AU-000.A, TR-AU-000.B

After a 2019 marked by the presidential elections and the economic situation, the year 2020 was surprised by the COVID-19 virus pandemic. Argentina did not escape this world situation and the national government had to face the health crisis and its economic and social consequences.

Economic activity was strongly affected as a result of a health strategy of extensive social isolation that limited the movement of people and the development of economic activities.

As for the automotive sector, and as for the rest of the industries, it was a difficult year. The fall in the registration was 25,8%. The fall in the market is mainly explained by the pandemic and the closure of dealers, registries and plants during the month of April. During the second semester, demand remained sustained and even exceeded supply levels.

	12/31/2020	12/31/2019	12/31/2018
<b>Industry total production *</b>	257.187	314.787	466.649
<b>Toyota production</b>	93.252	125.295	141.164
<b>Total industry sales**</b>	258.950	327.530	467.187
<b>Total Toyota sales***</b>	<b>115.974</b>	<b>155.809</b>	<b>193.207</b>
Toyota domestic market (Vehicles)	46.563	55.676	91.387
Toyota export market (Vehicles)	69.411	100.133	101.820

\* Related to cars and light vehicles.

\*\* Total domestic and export markets' sales of vehicles produced in Argentina. Related to cars and light vehicles.

\*\*\* Domestic and Export markets.

Association of Automotive Factories of Argentina (ADEFSA), by 31st December of each year.

<sup>7</sup> For the purposes of this indicator, a significant fine is one that exceeds 500,000 pesos.

<sup>8</sup> Law of Consumer Protection.

## DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

MATERIAL ASPECTS ECONOMIC PERFORMANCE OF THE ORGANIZATION,

RISK MANAGEMENT AND REGULATORY COMPLIANCE

GRI CONTENTS 103-1,103-2, 103-3, 201-1, 201-4, 419-1

The following table of Direct Economic Value Generated and Distributed , proposed by the Global Reporting Initiative, shows the flow of capital between the different stakeholders. During the reported period, no significant<sup>7</sup> fines have been received as a result of non-compliance with laws and regulations in the social and economic scopes<sup>8</sup>.

Direct Economic Value Generated and Distributed *	2020/2021	2019/2020
<b>Economic value generated</b>		
Income from ordinary activities	280.147.361.201	221.515.859.190
Sales of properties, plant and equipment	94.251.425	189.224.215
Results from participation in controlled companies	215.772.506	158.855.350
<b>TOTAL ECONOMIC VALUE GENERATED</b>	<b>280.457.385.132</b>	<b>221.863.938.755</b>
<b>Economic value distributed</b>		
Operative costs	254.609.828.810	201.086.763.507
Salaries and benefits (includes temporary workers)	18.774.195.840	12.567.155.822
Paid rates and taxes **	7.707.847.953	6.018.844.162
Financial results***	-4.069.374.291	4.723.464.153
Investment in the community ****	66.618.887	19.510.043
<b>TOTAL ECONOMIC VALUE DISTRIBUTED</b>	<b>277.089.117.199</b>	<b>224.415.737.687</b>
<b>ECONOMIC VALUE RETAINED</b>	<b>3.368.267.933</b>	<b>-2.551.798.932</b>

\* In Argentine pesos. These arise from the Annual Report and the Financial Statements of Toyota Argentina S.A. for the fiscal year ended 31st March 2021, comparative with the previous period. It is worth mentioning that, for all these indicators, the accrual principle has been followed, so that it is comparable with the Financial Statements.

\*\* Includes deferred income tax result.

\*\*\* Includes financial and holding results, revaluation of customer advances, and inventory results.

\*\*\*\* This concept includes donations, investments and expenditures incurred in the development of the CSR programs, many of which generate indirect economic impacts that go beyond the operations themselves (e.g. Safe Water Project, equipment for hospitals, projects in schools, etc.) which are described in Social Commitment Chapter. In this sense, the main significant impacts that Toyota Argentina may have on its stakeholders are described under Value Chain, and in the Social Commitment chapter. Since this is an aspect that arises as relevant from the last update of the process of Materiality, in Toyota Argentina we are making progress in deepening the detail of the indirect economic impacts generated by the Company.

## GOVERNMENTAL INCENTIVES

### Laws 26.393 y 27.263 (Strengthening of the Argentine Parts Business)

Given the high level of integration of our products, we enjoy the benefits of the law on Strengthening of the Argentine Parts Business (Law 27.263). It grants, among others, a benefit consisting of a refund on the purchase of local auto parts, destined to the manufacture of a new platform. The percentage of reimbursement is related to the degree of local integration of the promoted automotive product (4% to 15% in the case of vehicles) and is collected on the invoice value of the auto part. The regime aims to promote the purchase of local auto parts and develop the auto parts network. Toyota Argentina joined this program after an investment of more than USD 800 million in 2015, to expand its plant and update the versions of Hilux and SW4, produced locally at Zárate plant<sup>9</sup>.



### Incentives for new technology vehicles- Decree 846/2020

In November 2020, the tariff benefit for vehicles powered by environmentally friendly engines, such as self-rechargeable hybrids, was extended for a period of 6 months. The purpose of this scheme is to disseminate and spread new technologies, gradually achieving greater market penetration, to contribute to the reduction of polluting gases. Toyota has the broadest line up of electrified models and is committed to diversifying these types of vehicles on the path to carbon neutral.

### Exemption from payment of royalties- Exemption from payment of Gross Income

Toyota Argentina enjoyed the Industrial promotion benefit on Gross Income until January 2019. After that, the government of the Province of Buenos Aires has not renewed it, which, although it was requested due to our plant expansion from 97.000 units to 140.000, the Province has decided to put aside said files until further notice for having an impact on the public treasury. In this sense, we have not obtained any benefit on Gross Income from February 2019 onwards.

## VALUE CHAIN

MATERIAL ASPECTS SUSTAINABLE SUPPLIERS MANAGEMENT, HEALTH AND SAFETY OF CUSTOMERS

GRI CONTENTS 102-9, 103-1, 103-2, 103-3

With high international standards and a production system that emphasizes continuous improvement, respect for people and staff commitment, we work to improve the productivity and efficiency of processes throughout our value chain.

Toyota's relationships with its suppliers, distributors and dealers are based on fair, effective and legitimate practices. The company seeks to ensure that they comply strictly with the legislation, it demands fair treatment of employees, guarantees of safety and hygiene in the work environment, protection of the environment, protection of information and prevention of illegal practices, such as money laundering, terrorism financing and transnational bribery.

All of the suppliers, distributors and dealers must have a proven track record that can guarantee their integrity. Likewise, they must develop practices that allow them to ensure compliance with the laws and regulations applicable to their business activity (while requiring and monitoring all their suppliers and contractors to do so as well), including labour laws and regulations in hygiene and safety matters, which includes work risk insurance coverage, providing its staff with a safe work environment.

On the other hand, they must pay special attention to the environmental effect produced by their operations, especially with respect to the consumption, use and handling of their products, so that, throughout their life cycle, they allow a safe use without harmful effects on health and/or the environment.

<sup>9</sup> Amount presented in the fiscal year: AR\$ 486.210.873. Scope: presented values.

# SUPPLIERS

## Igualdad de condiciones

ASPECTOS MATERIALES EVALUACIÓN SOCIAL Y AMBIENTAL DE PROVEEDORES,

GESTIÓN SOSTENIBLE DE PROVEEDORES

CONTENIDOS GRI 102-9, 103-1, 103-2, 103-3, 308-1, 308-2, 414-1, 414-2

At the global level, Toyota applies three fundamental principles in its relationship with suppliers:

**Equal conditions.** Offer fair opportunities to all suppliers without distinction of nationality or size. The selection of suppliers is based, exclusively, on the assessment of strengths of each supplier, such as their quality, technological capabilities and confidence in the compliance of the on-time deliveries, and in their willingness to work in the continuous improvement (kaizen).

**Mutual benefit based on mutual trust.** Establish long-term and mutually beneficial relationships. We promote the permanent communication with suppliers.

**Local economic contribution - Good corporate citizen.** Contribute to the development of local communities, promoting local production of vehicles and actively fostering the local purchase of spare parts and materials.

	FY 2020/2021	FY 2019/2020	FY 2018/2019
<b>Suppliers*</b>	60	-	-
<b>Purchases by origin</b>			
Local Suppliers	24%	32%	31%
Foreign Suppliers	76%	68%	69%
<b>Purchases by origin (in millions of AR\$)</b>			
TLocal Suppliers	53.243	46.609	33.545
Foreign Suppliers	168.788	100.074	75.737
<b>TOTAL</b>	<b>222.031</b>	<b>146.683</b>	<b>109.282</b>

Figures by 31st March of each period.

\* Parts and direct materials suppliers.

Scope: Parts and direct materials used in the in house manufacture of automotive parts.

## ENVIRONMENTAL SHOPPING GUIDE

Through the **Environmental Shopping Guide**, we strive constantly to improve the environmental performance of our suppliers. We focus extensively on addressing environmental issues that companies should consider based on the **2050 Environmental Challenge**, and we substantially improve the content of the expansion of environmental management, the reduction of greenhouse gas emissions, the impact on the water environment, promotion of recycling and establishing a society in harmony with nature.

We encourage suppliers to create and implement the necessary environmental management systems to improve their activities, preserving the environment and reducing environmental risk.

This guide (included in an annex to the General Purchasing Agreement that all suppliers must sign) includes specific environmental requirements, depending on the area and the materials provided by each supplier. In turn, we ask all productive suppliers to obtain and maintain the ISO 14001 certification, or a similar environmental management certificate issued by an external certification organization.

	12/31/2020	12/31/2019	12/31/2018
<b>Productive Suppliers certified under ISO 14001</b>	94/98	99/102	98/101
<b>Certified Suppliers by the type of material provided</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Auto-part	59%	57%	55%
Non-productive purchases	15%	14%	15%
Direct Materials	5%	11%	11%
Logistics	10%	10%	11%
Indirect Materials	10%	8%	7%

## ACTIVITY OF REDUCTION OF CO<sub>2</sub>

During 2020, we continued working with suppliers in order to reduce their carbon footprint (greenhouse gas emissions (CO<sub>2</sub>eq)). 68% of suppliers of auto parts and direct materials presented and implemented an annual improvement plan, reaching a reduction of 2,54%.

In 2019 we began to work on the information on the management of water and waste that suppliers have, collecting data on water consumption (productive and non-productive areas) and waste generation (special, assimilable to household and recyclable). With the information collected, in 2020 a reduction target of 1,5% was established for both water consumption and waste generation.

	12/31/2020	12/31/2019	12/31/2018
<b>Reduction of CO<sub>2</sub></b>	2,54%	2,15%	2,8%
<b>Participating suppliers</b>	41	58	60
<b>Reduction of water consumption</b>	3,14%	-	-
<b>Participating suppliers</b>	19	-	-
<b>Reduction of waste generation</b>	4,24%	-	-
<b>Participating suppliers</b>	22	-	-

In 2020, the Environmental Improvement Workshop was held through the Teams platform, where 78 employees participated, including maintenance, production and environmental personnel from our value chain. From these environmental workshops, we informed our suppliers about changes in environmental management such as a change in target, new concepts or new work methodologies.

We also collaborated in energy efficiency activities, through monthly newsletters with different concepts to reduce consumption.

## ESCO ACTIVITY

**The ESCO program involves the implementation of energy efficiency actions in suppliers through joint work. The processes with the highest energy consumption are evaluated and reduction actions are proposed to reduce the carbon footprint by 5%.**

Since 2013 we have been working together with the entire suppliers base to reduce the CO<sub>2</sub> emissions generated in production. We establish annual reduction plans, aligned with **2030 Milestone** (objective of achieving a 25% reduction in the Carbon Footprint –on average– of the entire suppliers base until that year). At the end of the period we achieved a reduction of 17,6%.

Due to the COVID-19 pandemic, ESCO<sup>10</sup> activity was paused. By special request from a supplier (TBAr) we carry out the activity in the period from August to December, aiming to reduce CO<sub>2</sub> emissions by 5% and achieving a total reduction of 8,5%.

## CSR GUIDE OF TOYOTA ARGENTINA

From Toyota Argentina, we encourage our suppliers to assimilate the initiatives we have driven from our organization, deepening and expanding them to their own suppliers. This guide shares the guidelines to understand and deepen the understanding of the responsibilities that, as companies, they have towards society, observing the rules and laws in force and developing their own policies in order to differentiate themselves as good corporate citizens.

We have developed a registration and evaluation manual for the company's new suppliers (NSER), which assesses -among other things- the management of safety, environmental and legal compliance<sup>11</sup>.

## TRAINING ACTIVITIES

Together with Toyota Institute, we work actively with our value chain, through different activities that include training, promotion and awareness with the aim of achieving 0 (zero) accidents in the supplier base.

<sup>10</sup> Energy Saving Collaborator

<sup>11</sup> No new suppliers have entered after the manual was released.  
Scope: Type C local auto parts suppliers.

## SPECIAL SAFETY ACTIVITY

It had to be cancelled in March 2020 due to the COVID-19 health emergency.

## GENERAL SAFETY ACTIVITY

We continue to work together with the entire base of suppliers of Auto Parts and Direct Materials with risk reduction activities, through the preparation and/or updating of the Stop 6 risk map (Risk Management) and the annual countermeasures plans for each of the risks identified, aiming to build a supplier base increasingly committed to security.

In 2019 we designed the fire prevention check list, with the objective of identifying the potential fire areas. In this way, we encourage our value chain to use a complete management tool (the FIRE Risk was added to the well-known Stop 6 risks, and it was renamed the STOP 6 + F Management System). During 2020 it was implemented in suppliers to evaluate current conditions and take actions to mitigate/eliminate potential fire risks.

**Compared to 2012, the accident rate in the supplier base decreased by 95%.**

	12/31/2020	12/31/2019	12/31/2018
Suppliers with risk map Stop 6+F	26	48	50
Suppliers with countermeasures plan	26	47	48
Fire prevention Check List	30	Diseño	-
Rate of accidents in the Suppliers base*	0,11	0,04	0,13
Decrease in the rate of accidents (baseline 2012=2,23)	95%	98%	94%

\* Number of incidents per million man-hours worked.

Likewise, it should be noted that, for the reported period, there were no fatal or disabling accidents.

\* Due to the health emergency, the participation of Stop 6 + F was considerably affected, focusing its activities mainly on health protocols.

## EXPANSION OF THE TPS TOOL

We advanced in the training of key personnel for suppliers in the Toyota Production System (TPS), Toyota Job Instruction (TJI)<sup>12</sup>, Problem Solving<sup>13</sup> and QTC<sup>14</sup>. TMC certified instructors provided the training, with theoretical and practical exercises in our Zárate plant. Also, as part of the expansion method, the trainees conducted interdisciplinary work with representatives of other suppliers in the plants of 4 host companies, where a concrete improvement job was performed, strengthening the practical knowledge of the TPS tool. Later, all the members did one job in their own plant. This way, our philosophy reached 16 companies, with an increase in the amount of works and securing the application of TPS in the value chain.

	12/31/2020	12/31/2019	12/31/2018
Participating companies year by year	16	35	33
Accumulated works	184	162	112

Additionally, during 2018 and 2019, the self-sufficiency development activity was carried out in 22 and 26 companies, respectively, where the Supplier Development staff worked in situ to implement the TPS and develop the self-sufficiency of the suppliers involved, evaluating and developing them to know the scope of application of TPS. We have managed to get 11 companies to evolve to the next level: 6 suppliers went to level 2 (strengthening the pull system), another 4 suppliers were able to reach level 3 (application of the Toyota Production System) and 1 supplier managed to consolidate level 4 (self-sufficient). 2020 was supported virtually, but all activity had to be re-planned for 2021. In this way, we continue with our development strategy for local capital suppliers, focused on SMEs.

<sup>12</sup> How to carry out a correct work instruction and its respective training; to produce safely and ergonomically, without generating defects and in the defined time.

<sup>13</sup> Problem solving process with Toyota methodology.

<sup>14</sup> Quick tool change.

## TRAINING OF THE FIRST SUPERVISION LEVEL IN SUPPLIERS

We initiated a program for the formation of the first supervision level in suppliers. This program includes the role and daily activities of the leader, management of indicators, breakdown and solving of problems and standardization of the improvements. The leader training tool reaches the 4 main missions: safety, quality, efficiency and human resource development. In 2020, virtual support was provided, although the activity was re-planned for 2021.

## TRAINING OF MIDDLE MANAGEMENT IN SUPPLIERS

A program for middle management education was developed, with an emphasis on process control, human resources and problem solving. During 2018 and 2019, 51 middle managers from 24 companies were trained. In 2020, virtual support was provided and the face-to-face activity was re-planned for 2021.

## ANNUAL REGIONAL SUPPLIERS CONVENTION

The 3rd Edition of the Annual Regional Suppliers Convention was developed during 2021. The event was attended by authorities from Toyota Argentina and Toyota Do Brasil, and 197 companies. The event recognized suppliers who reached their goals and exceeded Toyota's expectations regarding the services and products delivered during 2020. In total, 8 suppliers (between Brazilians and Argentines) received the Award of Excellence and 2 were recognized as the best suppliers of the year:



**Outstanding Performance:**  
IATEC, GUIDI, TBAR, SIDERAR, YPF.

**Supplier of the year:**  
PETROCUYO

We continue to strengthen the link with our value chain, recognizing and distinguishing those companies that contribute to the company's sustainable project in the country.





# DEALERS' NETWORK

MATERIAL ASPECT HEALTH AND SAFETY OF CUSTOMERS

GRI CONTENT 103-1, 103-2, 103-3, 416-1, 416-2

With the vision and mission aligned to Toyota Motor Corporation, the **official dealers** are our strategic partners, constituting the visible face of the company and they have direct contact with customers in each of the areas of the country.

	12/31/2020	12/31/2019	12/31/2018
<b>Dealers</b>	43	43	43
<b>Official Outlets *</b>	88	88	85
<b>Service Points **</b>	88	88	85

\* It does not include one Official Outlet of Toyota Plan de Ahorro.  
 \*\* It does not include a spare parts shop.

In the framework of the COVID-19 pandemic, on April 11th, 2020 the national government extended the quarantine until April 26th and published in the Official Journal the new activities and services exempted from Preventive and Mandatory Social Isolation. Among

them, workshops for automotive maintenance and repair, as well as for the provision, sale and repair of tires were excepted. This measure applied exclusively to the attention of public transport, vehicles of the security forces and units affected by health benefits or personnel with authorization to circulate, in accordance with current regulations.

Within our philosophy of customer first and respect for people, we prioritize the safety and health of our customers and collaborators throughout all the processes that are developed in our Dealers' Network. In this sense and in order for the concessionaires to prepare their facilities and processes for the restart of activities, we developed an **Action Protocol** considering all the safety and prevention measures so that all the staff of the official network were informed about the global pandemic and know how to act and what to do in various situations that may arise. The objective of this Action Protocol is to provide information to be able to act clearly and according to current protocols, based on all the guidelines and regulations of the Ministry of Health and the National Government. Given the nature of the virus, prevention is the most important tool we have to combat it and we must give our clients complete tranquillity that we take all necessary measures when they visit us.



## E-TOYOTA

**E-Toyota** is a new digital experience where customers can request the quotation and reservation of the vehicle they are looking for according to their needs. With the support of our dealers' network, the trend of seeking information and carrying out operations through the internet is accompanied, providing greater transparency of processes and shortening purchase, delivery and after-sales times. This commitment is based on an analysis of the experiences of online users with the brand and an extensive User Experience study on our website, which allowed us to design a useful and easy-to-use platform.



## CSR DEVELOPMENT PROGRAM FOR DEALERS

*“In the first edition, we reached the 100% commitment of our Dealers’ Network and we encouraged the generation of their own social investment programs based on the identification of the needs of local communities. In this second edition, we set out to strengthen the activities of the Network by generating a self-diagnosis of the situation, a basis that made it possible to strengthen the sustainability strategy of each dealer”.*

**Eduardo Kronberg, Corporate Social Responsibility General Manager of Toyota Argentina**

In 2018 Toyota Argentina launched the “CSR Development Program for Dealers”, a national program designed to accompany the Dealers’ Network in the development of its CSR strategy, promoting dialogue and the exchange of best practices on sustainability.

Currently the program has developed two editions. The first one had the commitment of the entire dealers’ network and had the objective that the participating companies know the scope of sustainability in the corporate sphere, and access to tools that allow them to develop social investment programs. It involved the identification in each dealer of a sustainability leader, a training plan, training and mentoring with the support of the Valor program of AMIA and the San Andrés University, and the performance of a project contest. 5 winning initiatives and 5 special mentions were selected, which were awarded in a closing event with the participation of the Toyota dealers owners in de country.

Based on the experience and results obtained in the first stage of the program, in 2019 the second stage was developed, the main purpose of which was for the dealers to acquire skills and tools necessary for the management and communication of their sustainability plan. This stage was advised by the team of consultants from the firm AG Sustentable<sup>15</sup> and included three major stages:

- Self-diagnosis regarding the different CSR matters: each dealer, through an online response self-assessment platform, identified its state of affairs in terms of sustainability.
- Face-to-face training sessions and virtual meetings: exchange of ideas, knowledge, good practices and reflection on the challenges and opportunities of carrying out your CSR strategy.
- Remote consultancies: accompaniment to the Dealers’ Network in a personalized way to develop a comprehensive program with short, medium and long term goals.

**77%**

**CONSIDERS IT VERY IMPORTANT TO COMMUNICATE THE CSR ACTIONS.**

**100%**

**IS WORKING ON THE DESIGN OF THE WORKING PLAN.**

**68%**

**IDENTIFIED THE SDGS TO WHICH ARE CONTRIBUTING.**

Among the main achievements and learnings of the network, the following stand out:

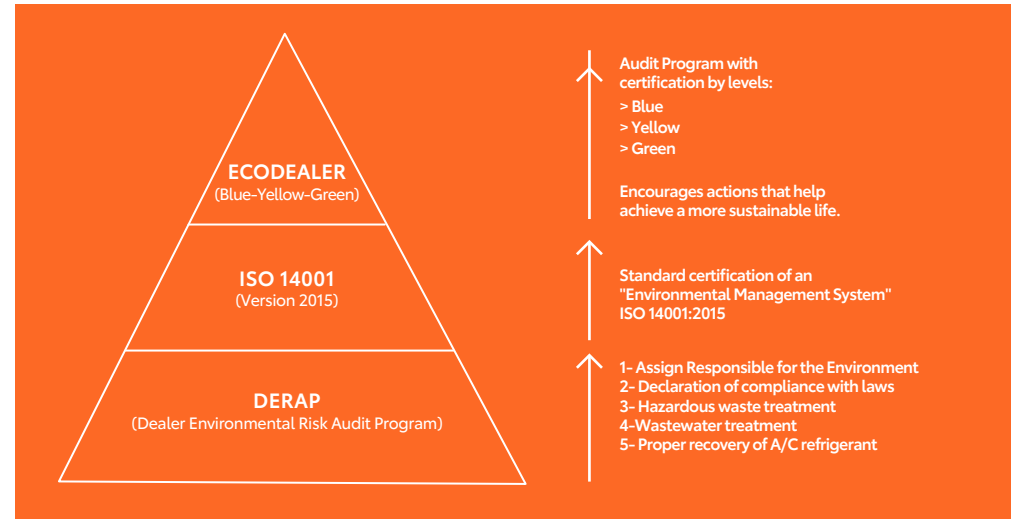
- **Contribution to improve the business management of the dealers**
- **Identification of Sustainability initiatives that were already carrying out**
- **Development of the first Sustainability Reports**
- **Strengthening of Governance from the implementation of internal policies and procedures**
- **Professionalization of the role of the Sustainability Leader**

**We continue to strengthen the sustainability of our value chain**

From the final survey of the program it appears that the final evaluation they gave to the program was 4,32 (on a scale of 1 to 5), 96% consider that the program increased their knowledge of CSR, while 82% consider that the program contributed to improving business management.



**ENVIRONMENTAL MANAGEMENT SYSTEM IN DEALERS**



To certify the Eco dealer Program, it is necessary to have implemented DERAP and ISO 14001

**DERAP<sup>®</sup> PROGRAM**

This is the Dealers Environmental Risk Audit Program, which consists of the evaluation of five fundamental points that represent the minimum level required for risk management in the workshops of the official network, with the aim of minimizing the risk to the environment through self-audits by dealers.

**ISO 14001**

It is an internationally recognized standard that establishes the requirements that an organization or company must meet in order to have a correct environmental management system that reduces the impact on the environment. 100% of the Dealers' Network is certified and the Dealer Kaizen area monitors them to maintain the standard.

**ECO DEALER PROGRAM**

It was created for our Dealers' Network in order to motivate the application of actions, raise awareness in caring for the environment and reinforce the global environmental commitment of Toyota, aligning itself with the challenges established in the 2050 Environmental Challenge.



<sup>16</sup> Dealer Environmental Risk Audit Program.

## MOBILE TECHNICAL SERVICE

Looking toward continuous improvement, and with the purpose of exceeding the expectations of our customers, we have developed the **Toyota Mobile Technical Service**, in order to offer the best post-sales experience and build a bond for life and strengthen the brand image. This mobile garage, on a Hino truck, has the necessary equipment and qualified personnel to provide the same services provided in official dealers to customers far from these or in inaccessible or remote areas. With this service unit it is possible to perform maintenance and any type of minor repairs in situ, of the full range of Toyota vehicles that are within or outside the warranty period, without the need to move the vehicle to the dealers and offering the same quality assurance which the brand has in its official service points.

Toyota Mobile Technical Service provides a customer retention tool and allows them to increase service capacity by incorporating one more job with a productivity of between 4 to 6 CPUS per day. The 11 network dealers which have a Mobile Technical Service unit are:

- |                           |  |
|---------------------------|--|
| 1. Autolux (Salta/Jujuy)  | 7. Autosiglo (Mar del Plata)           |
| 2. Alianz (San Luis)      | 8. Autos del Sur (Bahía Blanca/Trelew) |
| 3. Nippon Car (Neuquén)   | 9. Alem Sur (Río Cuarto)               |
| 4. Centro Motor (Córdoba) | 10. Audec (Corrientes)                 |
| 5. Amiun (Santa Fe)       | 11. Tsuyoi (Comodoro Rivadavia)        |
| 6. Homu (Formosa)         |  |



### FLEET MAINTENANCE FOR LARGE CUSTOMERS- AUDEC DEALER (Corrientes)

AUDEC dealer in Corrientes carried out an action called “For Large Clients. Large Benefits”, which offers to shorten distances by bringing the after-sales service closer, at no additional charge, and at the same time optimizing the times for the maintenance of said fleet. It offers its exclusive Mobile Technical Service for companies in the province that have a Toyota fleet of vehicles, at the site of operation.



This mobile is fully equipped to perform services with original spare parts and specialized technical personnel with continuous training of Toyota Argentina. Maintenance includes:

- Light Mechanics
- Minor Repairs
- Change of oil and filters according to Toyota maintenance plan
- Technical inspection of all safety and operational items
- Review of special service campaign for quality and safety

In 2020, AUDEC dealer implemented all the corresponding biosafety protocols to take care of its customers and employees:

- The technicians have biosafety protection equipment (chinstrap, face mask, gloves)
- Frequent disinfection of staff hands
- Disinfection of the vehicle before and after service with 70% ethyl alcohol solution
- Control and disposal of waste generated during the service, in accordance with environmental regulations
- The service was held outdoors

## CERTIFIED USED VEHICLE PROGRAM

There are already 39 dealers of the brand that operate with **Certified Used Vehicle Program**. It stands out for its strict vehicle selection process, with a rigorous quality inspection, which verifies 150 specific technical/mechanical points. And, at the same time, for its 1 year or 20.000km Toyota official warranty, and its vehicle assistance service free of charge for one year.

### ELIGIBILITY FOR CERTIFIED USED VEHICLE REGISTRATION

With the purpose of increasing the fleet of certified used vehicles, the limit was extended to 8 years old or 200.000 km. Always maintaining the necessary condition that it is in perfect state of maintenance and with the validation of the 150 inspection points. The proposed improvement allowed us to continue strengthening our business unit in a sustainable way and achieve full customer satisfaction.

### TOYOTA CERTIFIED USED VEHICLE WARRANTY

Toyota Argentina keeps offering the official warranty of 1 year or 20.000 km, it is in addition to the factory warranty. This means, that the TCV warranty takes effect from the moment the Toyota Limited New Vehicle Warranty expires, if it is in force or, if not, from the date of delivery by the selling dealer. The current responsibilities of the TCV Warranty in a repair case were maintained:

- ◆ Toyota Argentina takes care of spare parts up to a limit of AR\$132.600 for the entire warranty period of the vehicle.
- ◆ The dealer provides the labour.



# CUSTOMERS

MATERIAL ASPECTS HEALTH AND SAFETY OF CUSTOMERS, POST-SALES STRATEGY:

CUSTOMER SERVICE, RESOLUTION OF COMPLAINTS AND CLAIMS

GRI CONTENTS 102-44, 103-1, 103-2, 103-3, 416-1, 416-2

**We build the quality of our products and services on the basis of standardized work and with the commitment to meet the expectations of its customers through the continuous improvement.**

Safety is a fundamental pillar and a priority of our company. Each Toyota manufacturing process is governed by the highest safety and quality standards, which allow greater effectiveness in the safety of our vehicles. In addition to this, each vehicle we produce is 100% assessed by our inspection line, in which different aspects are verified and tested:

- ◆ **CS Line (Customer Satisfaction Line):** Static check of the full vehicle where the following is checked: paint quality, matching between parts (body fitting), vehicle specification and general damage.
- ◆ **VP Line (Vehicle Performance Line):** Full dynamic check, monitoring brakes quality, steering, turning angle, alignment and general dynamic functioning of the vehicle.
- ◆ **Shower/Off line:** Water leakage and electrical systems are checked.

All vehicles are also tested on a road as the last check. Already in the dealers, at the time of its receipt, another inspection is conducted and they are verified again prior to the delivery to the customer. In this way, we guarantee the quality of the final product and the safety of the marketed vehicles as well as of our customers. In the case of a fault or malfunction in any of our vehicles, we have a procedure aiming at, in the first instance, informing the customer about the malfunction and, in a second instance, proceeding with the check and/or repair of the vehicle by a Toyota official dealer, at no cost to the user. These special campaigns are carried out in accordance with the provisions of the Consumer Protection Law<sup>17</sup>, and focusing on ensuring the safety and conformity of our customers.

From Toyota we also promote the safety of our customers, through raising awareness of the proper use of the safety elements which are present in the vehicles. For this, we have developed safety manuals and disseminated information relating to the use of the seatbelt, the role of the supplemental restraint system, the air bags, and safety in the transport of children, we also promote actions such as providing a free-of-charge review at 1.000 kilometres.

## KINTO - ACTIVE SUPPORT SERVICE "CONNECTED"

With the aim of improving the experience and security of users, Kinto incorporated, in its entire fleet of vehicles, a device that monitors the status of vehicles in real time and gives warning in 5 possible situations: collision, engine problems, low battery, hauling and/or disconnection of the device. Faced with any of these eventualities, the Kinto team proactively contacts the driver of the vehicle, to provide the necessary assistance and solve the situation as soon as possible. The "Connected" system is provided free of charge, as an additional supplement to the services provided by Kinto, and it is optional depending on what the user chooses at the time the reservation is made. Once the additional is selected, the device will be activated during the period of use of the vehicle, connecting the user with a representative of the brand in case of any inconvenience.

## ALL OUR VEHICLES HAVE A WARRANTY OF 5 YEARS OR 150.000 KM

In order to continue to exceed the expectations of our customers and to ensure that the experience of owning their vehicles is unique, Toyota Argentina offers the transferable warranty for all the models in its line-up, for 5 years or 150.000 km (whichever comes first). Additionally, as it is a transferable warranty, whoever buys that used unit will also have the support of the brand and will have the possibility of experiencing the attention quality of Toyota Post Sales Service. In this way, Toyota supports its products with concrete actions,



<sup>17</sup> Law 24.240 and Decree 1.798/94.

## CNG SYSTEM FOR ETIOS SEDAN

Toyota Argentina presented a compressed natural gas (CNG) propulsion system, developed together with TA Gas Technology, exclusively for the models Toyota Etios Sedan 0 kilometres in all its versions, ensuring Toyota quality and vehicle performance. The CNG system for Etios has been customized exclusively for this model. The arrangement of its components ensures non-interference with mechanical or electrical parts, using patterns in the installation processes that allow all units to be the same, respecting approved designs. The guidelines for the development of the CNG system specifically designed for the Etios Sedan were: Safety, Installation, Durability, Performance, with a meticulous validation plan that allows the CNG system to accompany the warranty of 5 years or 150.000 km (whichever comes first).

## TOYOTA ARGENTINA PRESENTED A SERIES OF ACCESSORIES FOR VEHICLE SANITIZATION

As of August 2020, the Toyota Argentina Official Dealers' Network began to market a series of accessories and products within the actions that are being carried out around the measures and care necessary to reduce the chances of contagion of COVID-19. These accessories allow the user greater protection, providing the tranquillity and security necessary to reduce the chances of contagion, not only through personal use but also in the sanitation of their vehicles.

## PEOPLE WITH DISABILITIES

Toyota promotes an option for people with disabilities, offering a special discount of 10% on the list price, applicable to its entire line of vehicles marketed in its network of official dealers.

## CUSTOMER SERVICE QUALITY

With the aim of ensuring the correct protection of the information of our customers, suppliers, employees and other stakeholders, all our databases are registered in the National Directorate for Personal Data Protection, in compliance with the national legislation on data protection. We have committed to promoting constant training of all our employees, so as to be permanently updated with the latest news with regard to the legislation of data protection and information security. During the reported period, we have not received any claims of third parties or regulatory authorities relating to violations of data privacy of our customers. There were also no incidents related to leaks, losses and / or theft of information or data. The Customer Service area is in charge of receiving and concentrating direct communications between the company and its final users. In the reported period, the following results were obtained:

	12/31/2020	12/31/2019	12/31/2018
Management of queries received by phone, web and social networks (%)	100%	100%	100%
Service grade. Calls taken before the phone rang 3 times (%) TASA AND TPA	82,80%	87,91%	86,93%
Kinto and Lexus Service grade. Calls taken before the phone rang 3 times (%)	81,59%	86,40%	86,14%
Inquires Solved in the Customer Service Centre (TASA + TPA + Kinto + Lexus)	4.269	4.706	3.503
Inquires related to Plan de Ahorro (TPA)	2.292	1.818	739
Inquires related to Kinto+ Lexus	307	374	-
Information requests answered at the Customer Service Centre (TASA + TPA + Kinto + Lexus)	85.916	81.374	60.712
Information requests answered related to Plan de Ahorro	41.798	26.435	26.433
Information requests answered related to Kinto + Lexus	24.868	27.754	1.310

## CUSTOMER SATISFACTION SURVEYS

Surveys are aimed at assessing customer satisfaction in the sales and post-sales processes. They are essential for the continuous improvement of the processes relative to the diagnosis, monitoring and product control. During the reported period, 920 customer satisfaction surveys and 800 FIR (Fix It Right) per month about the post-sales process, and 450 average telephone surveys per month about the sales process were carried out, through sampling and by telephone, by an external consultant.

	12/31/2020	12/31/2019	12/31/2018
<b>Post- sales process</b>			
Customer satisfaction Surveys (monthly)	700	920	1.080
FIR Surveys (Fix It Right)	500	800	920
<b>Sales process</b>		800	970
Telephone Surveys (monthly)	450	560	610
Web Surveys (monthly)	0	240	260

<b>Post-sale Customers and Users Satisfaction Survey</b>	31/12/2020	31/12/2019	31/12/2018
Global Satisfaction Indicator	91,9	91,7	90,9
Customer Service Quality Indicator	91,1	90,6	89,8
Product / Service Quality Indicator	92,7	92,3	91,5
Loyalty Indicator	93,6	93,4	93,2
Recommendation Indicator	92,5	92,0	91,3
NPS	76,90%	75,1%	72,8%

## MARKET QUALITY SURVEYS

Each year we conduct interviews to our customers of vehicles of up to 3 months of use, in order to know their satisfaction and/or disconformity; in this way, we identify them and prioritize the possible improvements to increase the quality in the current model. The issues addressed are:



## SMART ACTIVITY

The SMART Activity (Market Analysis Response Teams) aims at analysing customer’s inquiries and/or claims, trying to solve problems as soon as possible. Within the framework of this activity, representatives from the Post-sales, Technical Administration, Customer Service and Legal areas exchange information weekly in order to seek for integral solutions to the issues posed by customers.

## CUSTOMERS CLAIMS SETTLEMENT - EDER

With the incorporation of new export destinations, our Customer Quality department maintains permanent contact with the new distributors to know their expectations and needs, to provide better assistance and to provide the maximum satisfaction of users.



## ANNUAL CUSTOMER SERVICE CONVENTION

For the first time we held the Annual Customer Service Convention in 100% digital format, where more than 200 people participated, including collaborators, managers and dealers. Throughout the convention, three customer service and attention competitions were held in 2020:

- 1- National Technical Skills Contest
- 2- National Customer Service Contest
- 3- Kaizen Customer Service Marathon

### NATIONAL TECHNICAL SKILLS CONTEST

The objective is to promote continuous improvement in the services offered by the Official Dealers' Network and strengthen the sales and post-sales service areas, seeking to satisfy the needs of its customers. Given the uncertainty about the possibility of traveling to areas of the interior of the country, the 13 dealers located in the Metropolitan Area of Buenos Aires participated last year. The contest was carried out by teams, made up of a service advisor and a technician belonging to the same dealer.



Each dealer nominated the 2 participants who would represent them in the contest. It was carried out in 2 stages, the first remotely and the second face-to-face according to the following detail:

#### First Stage –Pre-Selection

Applicants took 3 exams through the Toyota Online Platform. The first exam for the advisor, the second for the technician and the third for the team. The top 5 scores moved on to the next stage.

#### Second Stage- Face-to-face

The instructors visited the 5 dealers with a faulty prepared SW4 and the entire dealers operation (Appointment, Preparation, Reception, Production, Delivery and Follow-up) was evaluated.



**1<sup>st</sup> POSITION: ASAHI:**  
 Technician:  
 Daniel Salvatore  
 Service Advisor:  
 Edgardo Cassielles



**2<sup>nd</sup> POSITION - MOVICAR:**  
 Technician:  
 Gonzalo Fasekas  
 Service Advisor:  
 Gonzalo Scuglia

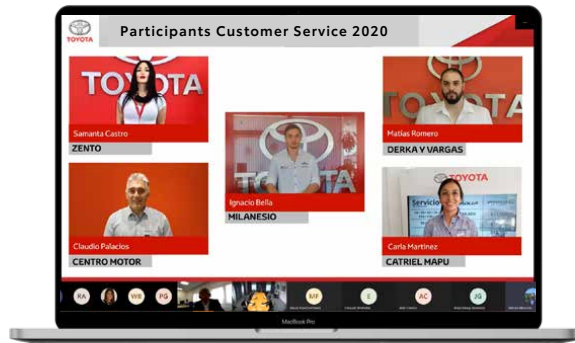


**3<sup>rd</sup> POSITION - FERRO:**  
 Technician:  
 Fernando Mateve  
 Service Advisor:  
 David Muñoz

### NATIONAL CUSTOMER SERVICE CONTEST

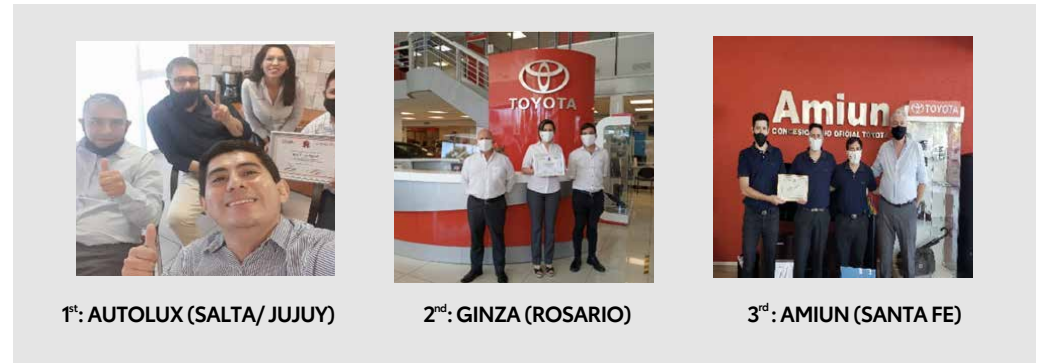
5 finalists were chosen, which were selected from a total of 53 participants from all over the country, through a process where various concerns and customer inquiries were raised in an online format and where the accuracy and speed of answer was evaluated. Then, the 5 finalists were invited to participate in a role play, also virtual, where fictitious customers presented them with three cases (one for sales, one for post-sales and another for saving plans). In this last stage, the application of the 7 steps of customer service and the general treatment of the case in pursuit of customer satisfaction were evaluated.

- 1<sup>st</sup> Position: Ignacio Bella – MIL
- 2<sup>nd</sup> Position: Samanta Castro – ZEN
- 3<sup>rd</sup> Position: Claudio Palacios – CEM



### KAIZEN CUSTOMER SERVICE MARATHON

On the other hand, to promote kaizen activities and reward those dealers who had carried out outstanding activities in the post-sales area, the 16th Kaizen Marathon was held virtually with the participation of the 4 best shortlisted among the 21 developed by the dealers' network.



The winners of the 3 contests were announced during the "Annual Customer Service Convention" that was held on a virtual basis in the month of December.



DESIGN



PRODUCTION



SALES AND SERVICES



SUPPLIERS



LOGISTICS



CUSTOMERS



# 5. ENVIRONMENTAL PERFORMANCE



We have a commitment to the environment that inspire us to reduce the impact of our vehicles throughout their life cycle. The environmental strategy of Toyota Argentina its guided by the **Environmental Challenge 2050**, through new ideas and technologies are promoted to develop better vehicles, manufactured sustainably and enriching the life of the communities.



WE HAVE STARTED TO PRODUCE IN OUR ZARATE PLANT WITH  
**100%**  
 OF RENEWABLE ENERGY



**87,81%**  
 RECYCLABILITY RATE



**3,539**  
 WATER CONSUMPTION\*  
 (M<sup>3</sup>/VEHICLE)



**23,07**  
 WASTE GENERATION  
 (KG/VEHICLE)



**0,18**  
 CO<sub>2</sub> EMISSION\*  
 (TON. CO<sub>2</sub>/VEHICLE)



**3,79**  
 ENERGY CONSUMPTION\*  
 (GJ/VEHICLE)

\* Values corresponding to the 8 months of normal operation of the Plant during 2020 (January to march and august to December).



# ENVIRONMENTAL MANAGEMENT SYSTEM

MATERIAL ASPECTS ENERGY EFFICIENCY AND RENEWABLE ENERGIES, WATER MANAGEMENT AND EFFLUENTS TREATMENT, WASTE MANAGEMENT, RISK

MANAGEMENT AND REGULATORY COMPLIANCE, CLIMATE CHANGE, AIR QUALITY AND REDUCTION OF GHG EMISSIONS, ENVIRONMENTAL IMPACTS

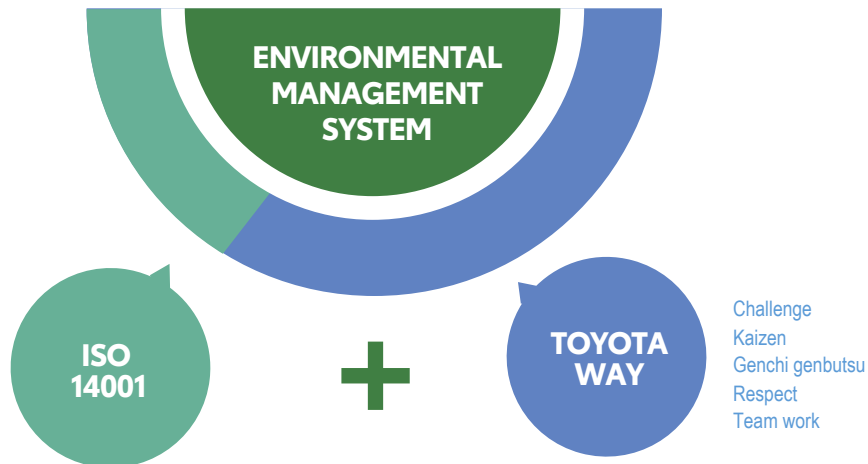
GRI CONTENTS 102-11, 103-1, 103-2, 103, 307-1

SASB STANDARDS TR-AU-410A.

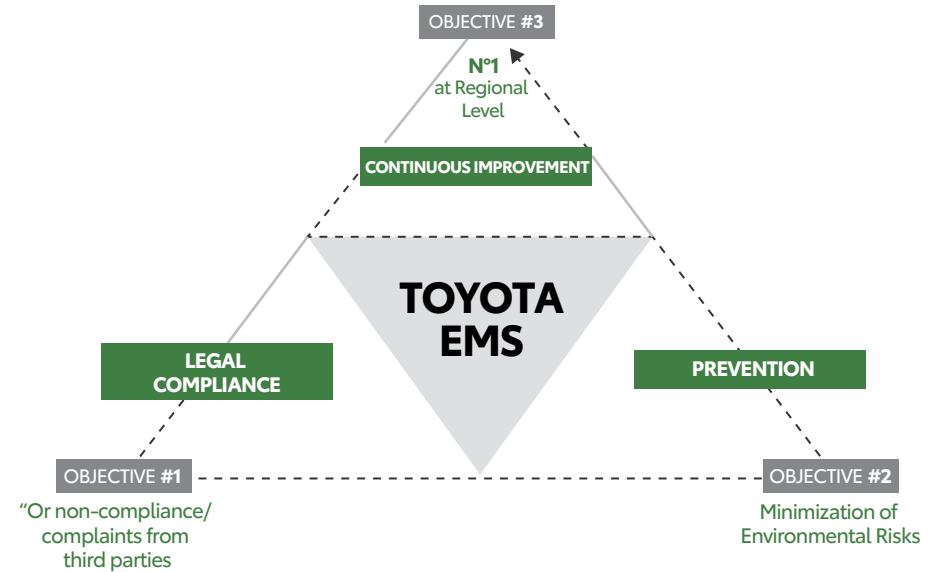
The Environmental Policy of Toyota Argentina it is integrated into **Safety, Occupational Health and Environment Policy** and seeks to minimize the impact derived from our activities and the life cycle of the product, considering, at the same time, the importance of creating environmental awareness.

## TOYOTA EMS

Our **Environmental Management System** (EMS), certified since 1999, it incorporates the principles, values and the Toyota Way into ISO 14001, seeking our own overcoming in environmental requirements. We work in three pillars: **legal compliance, prevention and continuous improvement (Kaizen)**.



For the 8th time we achieved the re-certification in ISO 14001, in this opportunity adding the Lexus Takumi dealer. In this way, we reduce our impact and continue to improve our processes to protect the environment.



## LEGAL COMPLIANCE

- ◆ Environmental legal training.
- ◆ Environmental permits.
- ◆ Environmental monitoring.
- ◆ Chemical management system.
- ◆ Legal audit.

	Legal requirement	Frequency	Authority
Monitoring's	Discharge water	Monthly	OPDS/ADA
	Gaseous emissions	Biannual	OPDS
	Air quality	Biannual	OPDS
	Phreatic wells	Biannual	OPDS/ADA
	Water wells	Quarterly	OPDS



The gaseous emissions and air quality of Zarate plant are periodically monitored. In accordance with the provisions of regulatory decree 1074/18, of law 5.965 of the Provincial Organism for Sustainable Development (OPDS) of the province of Buenos Aires, this action is performed every six months with the aim to accomplish the regulatory parameters, and to obtain the permit for gaseous emissions into the atmosphere.

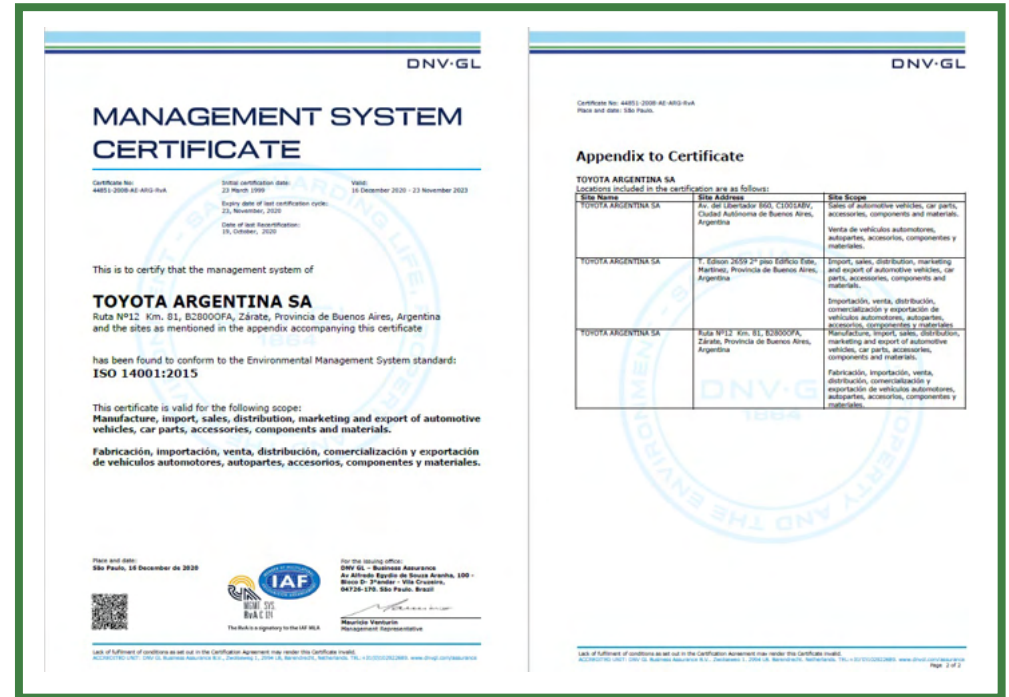
Regarding water, we have our own water quality laboratory, in which we carry out periodical monitoring in order to make a more exhaustive control. This ensures both compliance with legal requirements and the standards determined by our headquarter. In turn, we established more demanding limit values than those stipulated by the Water Authority of the Water Authority of the Province of Buenos Aires (ADA), in its Resolution 336/2003.

A laboratory, authorized by the Provincial Organism for Sustainable Development (OPDS), carries out legal monitoring in the gauging chamber of the treated effluents, the groundwater exploitation wells and the phreatic wells.

**PREVENTION**

- ◆ **System of environmental findings and reports.**
- ◆ **Internal and external environmental communication.**
- ◆ **Internal and external audits of ISO 14001: 2015.**

During October 2020, we carried out the external audit of recertification of ISO 14.001:2015.



**CONTINUOUS IMPROVEMENT**

- ◆ **Training of staff in the environmental management system.**
- ◆ **Training of auditors.**
- ◆ **Activities to minimize environmental impacts.**

The **Environmental Management System** allow us to identify and control environmental aspects of the organization, under a standardized system based on continuous improvement. The management of these environmental aspects seeks to reduce and mitigate the impact, restablising the harmony with the environment.

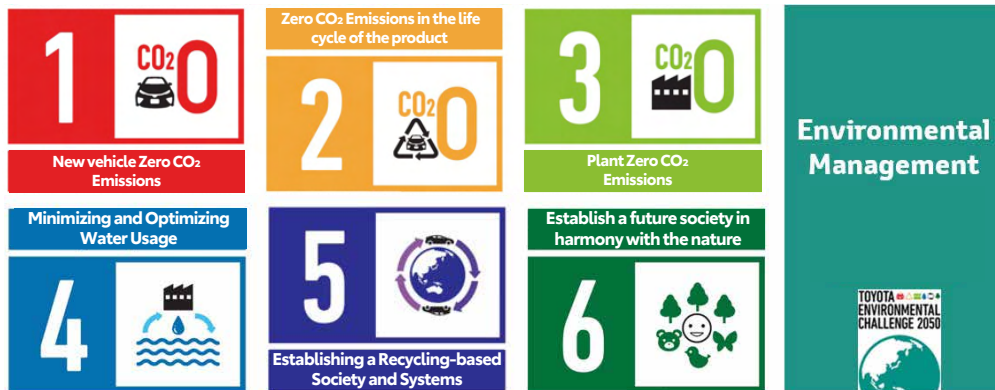
## 2050 TOYOTA ENVIRONMENTAL CHALLENGE

CONTENTS GRI 103-1, 103-2, 103-3

*“The 2050 Environmental Challenge is the beacon that guide us to keep improving. For this reason, we work very strong in order to our value chain, our processes and our vehicles are sustainable with the Environment and with the society.”*

DANIEL HERRERO, PRESIDENTE DE TOYOTA ARGENTINA

In 2015, Toyota Motor Corporation presented a series of ambitious challenges to achieve toward 2050. Faced with climate change, water scarcity, the depletion of resources and the degradation of biodiversity, the **Environmental Challenge 2050** aims to reduce the negative environmental impact of our vehicles during the manufacture and throughout the life cycle of our vehicles.



In order to fulfil the aims we prepared a five-years action plan where we take concrete actions in the short and medium term. In 2020 finished the **6th Action Plan**, which will be continued in 2021 with the **7th Environmental Action Plan** for the period 2021-2025.



There are annual target aligned to **2050 Environmental Challenge** per job position, where salary reviews are carried out based on the fulfilment of these targets. The most relevant environmental aspects and impacts of our activity, their relationship with the 2050 Environmental Challenge, the SDGs and the related 2025 objectives are set out below:

**CO<sub>2</sub> 0** ZERO EMISSIONS OF CO<sub>2</sub> IN NEW VEHICLES

◆ Environmental Impacts **CLIMATE CHANGE** > Type **INDIRECT**

2050 Toyota Environmental Target  
 ◆ Challenge 1: Zero emissions of CO<sub>2</sub> in new vehicles.

◆ Target 2025  
 Increase hybrid vehicles sales in Argentina compared to the sales of 2020.

**CO<sub>2</sub> 0** EMISSIONS OF CO<sub>2</sub> GENERATED IN THE VALUE CHAIN

◆ Environmental Impacts **CLIMATE CHANGE** > Type **INDIRECT**

2050 Toyota Environmental Target  
 ◆ Challenge 2: Zero emissions of CO<sub>2</sub> in the life cycle of the product.

◆ Target 2025  
 SUPPLIERS: Reduce the emission of CO<sub>2</sub> compared to 2013.  
 DEALERS: Reduce the emissions of CO<sub>2</sub> compared to 2018.  
 LOGISTIC: Reduce the emissions of CO<sub>2</sub> compared to 2019.

**CO<sub>2</sub> 0** ZERO EMISSIONS OF CO<sub>2</sub> GENERATED IN THE VEHICLE MANUFACTURING PLANTS.

◆ Environmental Impacts **CLIMATE CHANGE** > Type **DIRECT**

2050 Toyota Environmental Target  
 ◆ Challenge 3: Zero emissions of CO<sub>2</sub> generated in the vehicle manufacturing plant.

◆ Target 2025  
 Reduce the emissions of CO<sub>2</sub> of Zarate Plant compared to 2013.

**WATER USAGE**

◆ Environmental Impacts **WATER SCARCITY** > Type **DIRECT**

◆ 2050 Toyota Environmental Target  
**Challenge 4: Minimizing and optimizing water usage in production.**

◆ Target 2025  
 Reduce water consumption of Zarate Plant compared to 2019.

**GENERATION OF WASTE**

◆ Environmental Impacts **RESOURCE DEPLETION** > Type **DIRECT**

◆ 2050 Toyota Environmental Target  
**Challenge 5: Establish a society based on a recycling culture.**

◆ Target 2025  
 Reduce the packing of the spare part compared to 2020.

**GENERATION OF BIODIVERSITY**

◆ Environmental Impacts **DEGRADATION OF THE BIODIVERSITY** > Type **DIRECT**

◆ 2050 Toyota Environmental Target  
**Challenge 6: Establish a future society in harmony with the nature.**

◆ Target 2025  
 Plant native trees.

**RESOURCES MANAGEMENT**

◆ Environmental Impacts **ENVIRONMENTAL CONTAMINATION** > Type **DIRECT**

◆ 2050 Toyota Environmental Target  
**Environmental Management**

◆ Target 2025  
 Reduce waste generation compared to 2020.  
 Reduce emission of volatile organic compounds compared to 2020.  
 Control chemical products that are used in Toyota Argentina.  
 Zero complains and no legal compliance.

## RESULTS OF ENVIRONMENTAL ACTION PLAN

GRI CONTENTS 103-1, 103-2, 103-3, 302-4, 305-4, 305-5

During the last year of the **6th Five-Year Environmental Action Plan (2016–2020)**, specific goals and actions were established for each of our key indicators: water consumption, energy, carbon dioxide emissions (CO<sub>2</sub>), volatile organic compounds (VOCs) and waste generations

Indicator	Unit	31/12/2020*			31/12/2019			31/12/2018		
		Result	Target value	Compliance	Result	Target value	Compliance	Result	Target value	Compliance
Energy consumption	GJ/vehicle	3,79****	4,02	Yes	3,850	3,710	Partially reached	3,280	3,350	Yes
Electricity consumption	kW-hour/vehicle	554,33*****	578,37	Yes	526,310	528,990	Yes	456,260	466,490	Yes
Natural Gas consumption	M3/vehicle	45,90	49,74	Yes	50,190	46,400	Partially reached	42,860	42,900	Yes
CO <sub>2</sub> Emissions	Kg CO <sub>2</sub> /vehicle	182,28*****	267,70	Yes	274,00	316,350	Yes	313,320	332,630	Yes
VOCs Emission	g/m2(painted)	32,90*****	32,93	Yes	33,00	33,010	Yes	33,090	33,230	Yes
** Water consumption	M3/vehicle	3,54	3,72	Yes	0,975	1,167	Yes	1,197	1,340	Yes
*** Waste generation	Kg/vehicle	23,07***	26,08	Yes	26,280	29,300	Yes*	34,940	35,060	Yes

Conversion factors used: Electricity: 1 kWh = 0,0036 GJ. Gas: 1 Nm<sup>3</sup> = 9.300 Kcal/m<sup>3</sup>. 9.300 kcal/m<sup>3</sup> \* 0,0000041868 GJ/Kcal = 0,039 GJ/ m<sup>3</sup>.

\*Year 2020 deducting the production months affected by COVID-19. During this period of non-production, there was a minimum of energy consumptions to maintain the essential equipment's of plant.

\*\* The value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Scope: includes industrial water/vehicles produced in the period. Water reuse is not included.

\*\*\* Year 2020 (Jan to Dec). Includes special and general waste on vehicles produced in the period.

\*\*\*\* Total electrical consumption inside of the organization about vehicles produced in the period. Electricity and gas consumption are included (renewable source and not renewable).

\*\*\*\*\* Includes electricity of renewable and non-renewable source.

\*\*\*\*\* Scope: Emissions with scope 1 and 2.

\*\*\*\*\* Expressed as the average of vehicle g/m2 painted in the period. Volatil Organic Compounds (VOCs) considered as the most significant.

Kaizen	31/12/2020
CO <sub>2</sub> Emission Savings [tnCO <sub>2</sub> ]	2.491
VOC Emission Savings[g/m <sup>2</sup> ]	0,072
Water Consumption Saving [m <sup>3</sup> ]	2.235

2020 Investments	\$	UDS
New area of auction	2.705.312,00	-
Investments in the waste storage area	1.324.626,00	-
Batteries for the towings car (waste transfer to AAR)	-	26.360,00
Industrial equipment (forklift) for a safe handling of waste	-	38.258,00
Investments related to legal requirements	1.114.746,63	3.045,89
<b>TOTAL</b>	<b>5.144.684,63</b>	<b>67.663,89</b>

## ENVIRONMENTAL INVESTMENTS

In Toyota Argentina we promote the continuous improvement, which is why in 2020 we carried out many investments in the waste storage area of our plant and in legal requirements of gaseous emissions.

# OUR ENVIRONMENTAL PERFORMANCE DURING 2020

MATERIAL ASPECT ENERGY EFFICIENCY AND RENEWABLE ENERGIES, CLIMATE CHANGE,

AIR QUALITY AND REDUCTION OF GEI EMISSIONS

GRI CONTENTS 103-1, 103-2, 103-3, 302-1, 302-3, 305-1, 305-2, 305-3, 305-4

## ENERGY AND EMISSIONS

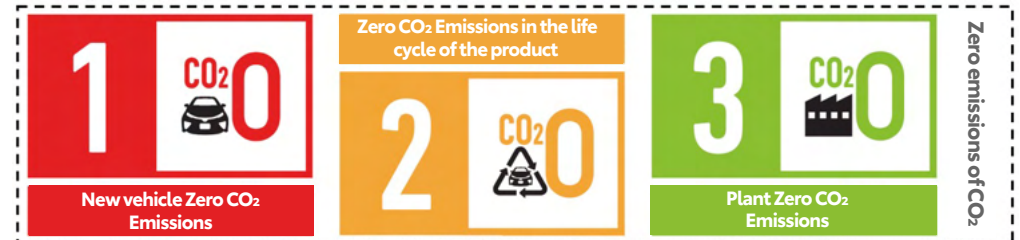
Related with the energy and the emissions we can found three targets of **2050 Environmental Challenge**, reduce the CO<sub>2</sub> emissions in the new vehicles, in the life cycle of the product and in the industrial plants with the aim to minimize the environmental impact of climate change.

### ENERGY

The energy consumption is monitored, and we seek a permanent reduction through the implementation of improvement actions, the incorporation of new technologies and the use of renewable energies. The main sources of energy consumption in the Zarate Plant are: renewable electric, fuel, non-renewable source (natural gas) and the non-renewable electric energy source.

TOTAL ENERGY CONSUMPTION BY SOURCE (GJ)	31/12/2020	31/12/2019	31/12/2018
Consumption of electricity from renewable sources*	97.843,5	72.095	9.625
Consumption of non-renewable source fuel (natural gas)**	138.513,1	245.278	238.030
Consumption of electricity from non-renewable source ***	56.564,1	167.087	219.612
<b>Total energy consumption ****</b>	<b>292.920,7</b>	<b>484.460</b>	<b>467.267</b>

Conversion factors used: Electricity: 1 kWh = 0,0036 GJ. Gas: 1 Nm<sup>3</sup> = 9.300 Kcal/m<sup>3</sup>. 9.300 kcal/m<sup>3</sup>\*0,0000041868 GJ/Kcal = 0,039 GJ/ m<sup>3</sup>.  
 \* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 118.629,5 GJ.  
 \*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 192.365,2 GJ (Incluye GLP).  
 \*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 81.741 GJ.  
 \*\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 392.736 GJ.



TOTAL ENERGY CONSUMPTION FOR SOURCE (GJ/VEHICLE)	31/12/2020	31/12/2019	31/12/2018
Consumption of electricity from renewable sources*	1,26	0,57	0,07
Consumption of non-renewable source fuel (natural gas)**	1,79	1,95	1,67
Consumption of electricity from non-renewable source ***	0,73	1,33	1,54
<b>Total energy consumption ****</b>	<b>3,79</b>	<b>3,85</b>	<b>3,28</b>

\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 1,27 GJ/Vehicle.  
 \*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 2,06 GJ/Vehicle. Includes GLP  
 \*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 0,88 GJ/Vehicle.  
 \*\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 4,21 GJ/Vehicle.  
 Total Energy Consumption within the organization on vehicles produced in the period. Includes electricity consumption (renewable and non-renewable source) and Gas.

## CARBON DIOXIDE EMISSIONS (CO<sub>2</sub>)

The emissions of CO<sub>2</sub> are the result of thermic and electrical energy consumption used in the production of the vehicle: they are expressed as tons of CO<sub>2</sub> per vehicle, to relate the generation of emission with the volume of production. On the other hand, thinking about the entire value chain, we manage and monitor the following emissions:





- ◆ **Scope 1 Emissions:** These are generated as consequence of the combustion of natural gas and liquefied petroleum gas used in Zarate Plant.
- ◆ **Scope 2 Emissions:** These are generated as consequence of non-renewable electrical energy consumption in the Zarate Plant.
- ◆ **Scope 3 emissions:**
  - **Logistics:** The origin of these emissions are the transport of production parts, vehicles and spare parts. The data is prepared together with the suppliers, considering fuel consumption, the kilometres travelled and the volume of cargo transported in each operation.
  - **Transfer of staff:** They responded to the emissions derived from the transfer of staff (from and to Zarate plant); the data is provided by the supplier, who monthly reports the kilometres travelled, the type of quantity of fuel consumed and the CO<sub>2</sub> emissions associated with the activity.

EMISSION CONSUMPTION OF SCOPE 1 Y 2	31/12/2020	31/12/2019	31/12/2018
CO <sub>2</sub> tons/ Vehicle*	0,18	0,27	0,31
Reduction or Increase compared to the previous period (%)*	-32,49%	-12,90%	-

\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: Intensity of Emissions of Scope 1 y 2: 0,21 Tons CO<sub>2</sub>/Vehicle and reduction in the intensity of emissions compared to the last period -22,2%.

EMISSIONS – Value in tons of CO <sub>2</sub>	31/12/2020	31/12/2019	31/12/2018
Total Scope 1 (natural gas) + (GLP)*	6.875,93	12.175,86	11.873,40
Total Scope 2 (electrical energy)**	7.227,63	22.278,31	32.050,79
Total Scope 3*****	32.982,60	55.766,00	69.428,00
Scope 3 (Logistics)***	29.900,70	49.233,20	61.873,40
Scope 3 (Transfer of staff)****	3.081,97	6.532,80	7.554,60
<b>TOTAL EMISSIONS GEI*****</b>	<b>47.086,16</b>	<b>90.220,17</b>	<b>113.352,19</b>

\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 9.549,21 Ton de CO<sub>2</sub>.

Emission factor equivalent to 1,936 t CO<sub>2</sub>/1.000 m<sup>3</sup> (Secretary of Energy of the Nation, factor in force at the beginning of the period).

\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 10.444,69 Ton de CO<sub>2</sub>.

Emission factor equivalent to 0,46 tCO<sub>2</sub>/MWh (Secretary of Energy of the Nation, factor in force at the beginning of the period).

\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 36307,2 Ton de CO<sub>2</sub>.

Scope: calculated based on the information provided by the suppliers of logistics transfers of parts and vehicles; includes weights calculated based on total monthly trips by supplier.

\*\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 4303,31 Ton de CO<sub>2</sub>. Calculated based on the information provided by the supplier

\*\*\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 40.610,5 Ton de CO<sub>2</sub>. Scope: emissions generated by the transfer of staff and logistics. Calculated based on the information provided by the suppliers.

\*\*\*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 60.604,4 Ton de CO<sub>2</sub>.

## REDUCTION OF EMISSIONS / KAIZEN EMISSIONS

### CONTENTS GRI 302-5

All activities related to the reduction of CO<sub>2</sub> emissions and energy efficiency are framed in the Environmental Challenge 2050 and, gradually, are included in the Action Plans.

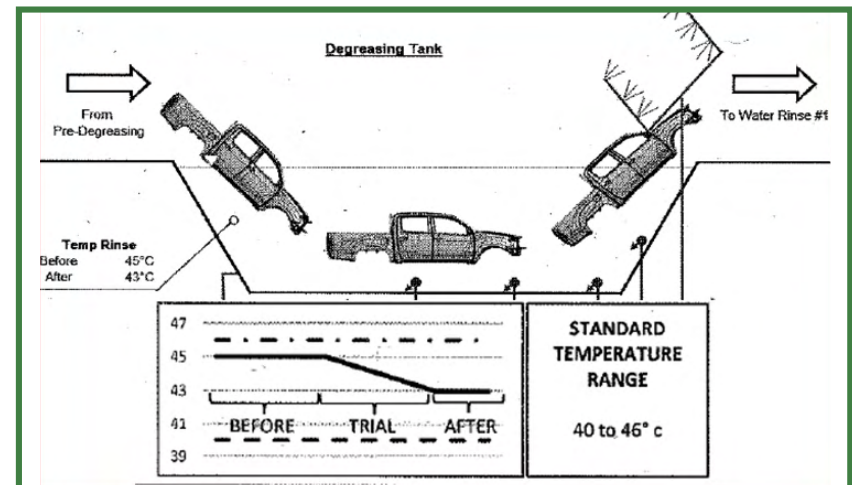
It was possible to reduce 1,800 tnCO<sub>2</sub> related to gas consumption and electricity consumption at the Zarate plant, and 691 Tn of CO<sub>2</sub> related to the logistics of parts, vehicles and spare parts. Fundamentally, at Toyota we are based on 3 pillars:

### 1. DAILY KAIZENS

The improvements that can be carried out daily, and without considerable investment, are based on the standardization and yokoten<sup>1</sup> of those improvements in other sectors of the plant, on efficiency improvements in service provision, and on process efficiency improvements. These improvements are carried out by working groups called ESCO (Energy Efficiency Collaborators). Some emission reductions related to daily kaizen's are:

#### ◆ Scope 1- Gas consumption

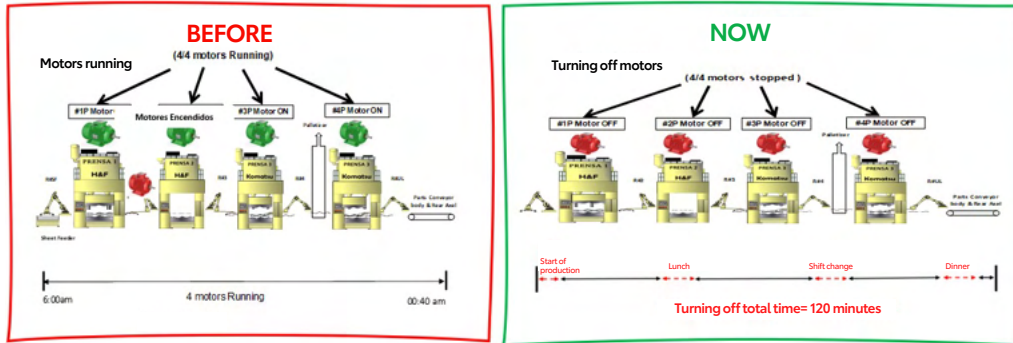
In the painting area, it was possible to reduce the temperature in the paint tanks, working within the quality limits, therefore, the consumption of natural gas for steam generation is reduced:



<sup>1</sup> Yokoten: "across everywhere" and it means the practice to copy the good results of kaizen.

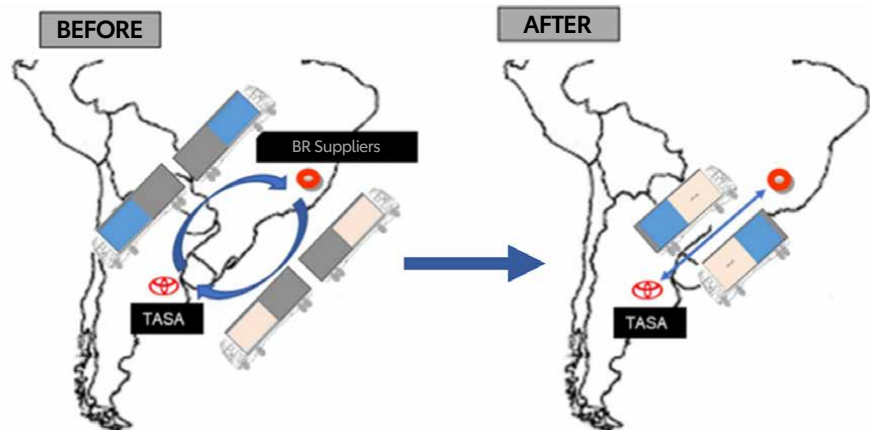
◆ Scope 2- Consumption of electrical energy

In the press area, the reduction of CO<sub>2</sub> emissions was achieved, turning off the press engines during the non-productive hours of lunch, shift change and dinner:



◆ Scope 3- Logistic

In the logistics area, the transfer service was optimized with the Brazilian suppliers, where the trucks carry out the itinerary with full load.



INTRODUCTION OF TECHNOLOGIES WITH LOW EMISSIONS OF CO<sub>2</sub>

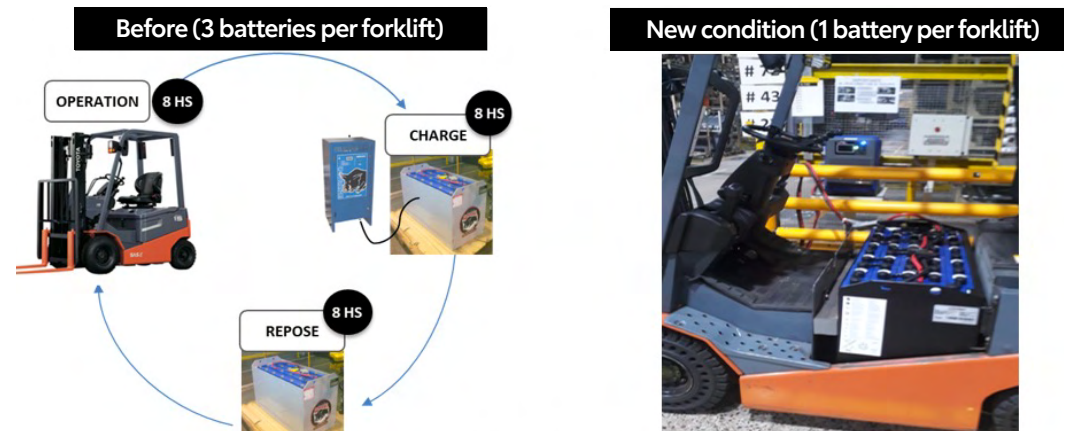
Currently, we are in the market with low CO<sub>2</sub> emissions technological innovations, due to the global commitment on this aspect. From Toyota Argentina we work on the training of our collaborators in the design and use of efficient equipment.

◆ Scope 1- Natural Gas

As a standardization in the plant, it is established that new heating equipment must be electric, avoiding the use of natural gas.

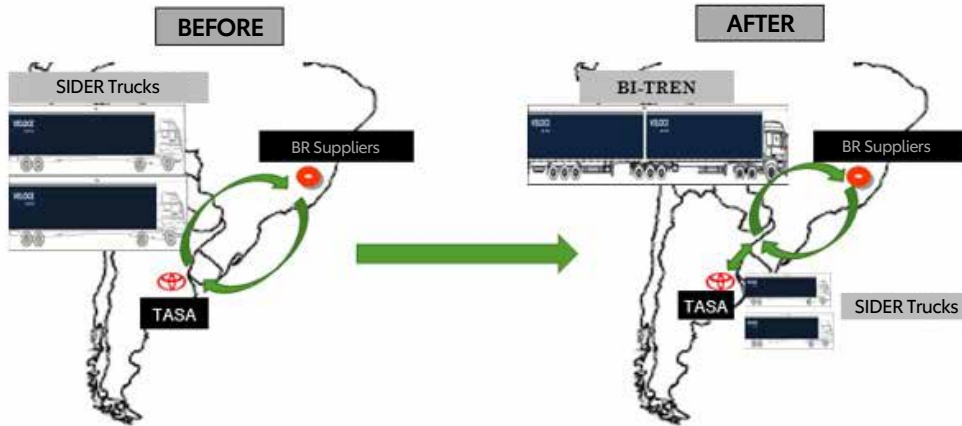
◆ Scope 2. Electrical Energy

The change of chargers and batteries of the plant forklifts began, by new technology that does not require the replacement of batteries. In this way, you can have a single battery per forklift with intelligent charging, instead of three conventional batteries.



◆ Scope 3- Logistic

In the logistics area, bi train trucks began to be used in the logistics of Toyota Argentina for Brazil suppliers.



INTRODUCTION OF RENEWABLE ENERGIES

*“Reaching 100% electricity from renewable sources in the operation is part of the objectives of our Environmental Challenge 2050. Caring for the environment, both from the point of view of industrial production and the incorporation of new technologies for our vehicles, is a priority of our management”*

Daniel Valeggia, Plant Director

As part of the strategic alliance with YPF Light, at the end of September 2020 Toyota Argentina began to produce its vehicles with electrical energy from 100% renewable source. Within the framework of the **Environmental Challenge 2050**, this initiative allows us to exceed our global goal of reaching 35% renewable energy by 2030 and reducing the environmental impact throughout the life cycle of our vehicles.



**ALLIANCE WITH YPF LIGHT**

- 10 years wind energy supply
- 76.000 MWh/year

It also includes: the supply and recommendation of fuels, initiatives to offer mobility solutions through KINTO, the Development of new technologies and motorsports activities, among others.

**SAVING OF**

38.168 toneladas de CO2 anuales.

**AMOUNT OF ENERGY THAT WILL USE TASA**

- 15,9 MW of installed power
- 4 wind turbines to supply the demand of the Zarate plant
- Equivalent to the consumption of 21.111 households

**Where does the energy comes from?**

- Parque Eólico Los Teros I Azul, provincia de Buenos Aires: 32 wind turbines, 123MW of power
- Parque Eólico Manantiales Behr, Chubut: 30 wind turbines, 100MW of power

At TASA we already produce with **100% electric energy from a removable source**

**CHALLENGE 3**  
Plant Zero CO<sub>2</sub> Emissions

**GOALS SUSTAINABLE DEVELOPMENT**

- 7 targets achieved
- 17 targets for this year

The Environmental Challenge 2050 is the beacon that guides us to continue improving. And that is why we work very hard so that our value chain, our processes and our vehicles are sustainable. And in that way they are in harmony with the environment and with the society.

**REDUCTION OF THE ENERGY REQUIREMENTS OF PRODUCTS**

We have been working with European norm regarding pollutions, a set of requirements that regulate acceptable limits for internal combustion gas emissions from new vehicles.

Currently, the Hilux and SW4 produced at the Zarate plant, Toyota Argentina is complying with the EURO 5 standard. During 2020, a Minor Model Change of these vehicles was carried out, where power was increased and fuel consumption and CO<sub>2</sub> emissions were improved.

	Year	Capacity of engine	CO <sub>2</sub> [g/km] Average
2KD* Euro 3	2006 - Oct. 2011	2.5	259,9
2KD* Euro 4	Oct. 2011 - Oct. 2015	2.5	239,6
2GD* Euro 4	Oct. 2015 - Oct. 2017	2.4	206,1
2GD* Euro 5	Oct. 2017 - Nov.2020	2.4	197,8
2GD*Euro 5 (MMC**)	Nov.2020 until present day	2.4	192,2

\*Type of engine.  
\*\*MMC: Minor Model Change

	Year	Capacity of engine	CO <sub>2</sub> [g/km] Average
1KD* Euro 3	2006 - Oct. 2011	3.0	256,9
1KD* Euro 4	Oct. 2011 - Oct. 2015	3.0	242,7
1GD* Euro 4	Oct. 2015 - Oct. 2017	2.8	212,4
1GD* Euro 5	Oct. 2017 - actual	2.8	216,8
1GD*Euro 5 (MMC**)	Nov.2020 until present day	2.8	201,7

\*Type of engine.  
\*\*MMC: Minor Model Change

**VOCs EMISSIONS**

CONTENTS GRI 305-7

In the vehicle production process, emissions are generated into the air, the most significant being those generated by some products such as solvents, paints, adhesives and sealants derived from hydrocarbons, which emit volatile fractions, called Volatile Organic Compounds (VOCs, for its acronym in English).

VOLATILE ORGANIC COMPOUNDS	
	31/12/2020

Grams per m<sup>2</sup> painted/year\* 32,899

\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Expressed as average of g / m<sup>2</sup> of painted vehicle in the period. Value corresponding to the 12 months of 2020: 30,2 g/m<sup>2</sup> of vehicle painted per year.  
Volatile Organic Compounds (VOCs, for its acronyms in English): considered as the most significative.

**REDUCTION VOCs EMISSIONS / KAIZEN VOCs**

During 2020, we were able to reduce 0.072 g /m<sup>2</sup> of VOC emissions thanks to different improvement activities. In the painting area, the flushing cut was made for units of the same colour.

**BEFORE**

COLOUR 1 COLOUR 1 COLOUR 1 COLOUR 1

FLUSHING + PRE SPRAY FLUSHING + PRE SPRAY FLUSHING + PRE SPRAY

**AFTER**

COLOUR 1 COLOUR 1 COLOUR 1 COLOUR 1

FLUSHING + PRE SPRAY NO FLUSHING + NO PRE SPRAY NO FLUSHING + NO PRE SPRAY

**Eco Award**

**The Frame sector obtained the first place in the TASA ecoaward.**

The kaizen featured is called "Reducing CO<sub>2</sub> Emissions by Eliminating Rear Axle Sealer Curing Furnace". Thanks to this work, the process was modified to carry out the curing without the use of the oven, maintaining the quality of the process.

This Kaizen is part of challenge 3 of the Toyota environmental Challenge

helps reduce CO<sub>2</sub> emissions by 177TN / year.

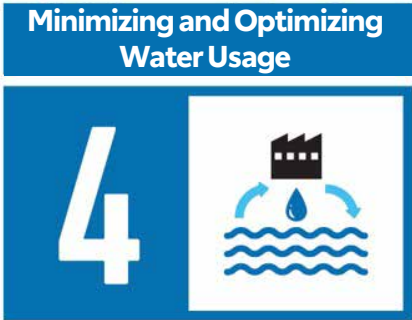
The reduction in energy consumption is equivalent to the consumption of 103 houses.

**GLOBAL ECO AWARD<sup>2</sup>**

<sup>2</sup> The Global Eco Award is an award in which the best environmental kaizens from all TMC affiliates are chosen. It has a local, a regional and a global instance, which takes place in Japan.

## WATER RESOURCES

MATERIAL ASPECTS WATER MANAGEMENT AND EFFLUENTS TREATMENT  
 GRI CONTENTS 103-1, 103-2, 103-3, 303-1, 303-2, 303-3, 303-4, 303-5



Our Water Reuse Plant is an initiative that seeks to reduce water consumption from the conditioning and recirculation of the effluents generated by the production process.

The water management is aligned with the **2050 Toyota Environmental Challenge**, specifically with the Challenge 4, which aims the reduction and optimization of water use. We work on the impact on the water Environment from two pillars:

- ◆ Reduce the amount of water used in our processes.
- ◆ Purify the wastewater to reuse it or return it properly to the environment.

That is why we have a groundwater conditioning plant to enter the production process. The water comes from the Puelche and Hipopuelche aquifers and circulates through a reverse osmosis system, achieving the quality requested for the production process.

The wastewater, derived from the productive and sanitary processes of the plant, is treated in the effluent treatment plant, where periodic laboratory analyses are carried out to ensure the quality of the water returned to nature.

We also have a water reuse plant, through which we recycle and reuse treated effluent water, reducing consumption from aquifers. In 2020, 27.39% of the processed effluent water was reused industrially to produce the vehicle.

WATER EXTRACTION BY SOURCE <sup>3</sup>	31/12/2020	31/12/2019	31/12/2018
Subterranean in m <sup>3</sup> *	273.822	341.345	413.939
Reuse water from treated effluents in m <sup>3</sup> **	62.909	92.307	61.979
<b>TOTAL m<sup>3</sup>***</b>	<b>336.731</b>	<b>433.652</b>	<b>475.918</b>

\*Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 351.241 m<sup>3</sup>.  
 \*\*Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 77.828 m<sup>3</sup>.  
 \*\*\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 429.069 m<sup>3</sup>.

DISCHARGE	31/12/2020	31/12/2019	31/12/2018
Discharge in m <sup>3</sup> *	183.309	262.426	327.227

Gauging chamber: measurement of treated/discharged flows.  
 \* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 225.893 m<sup>3</sup>. The discharged water is fresh water that is treated and discharged into surface water.

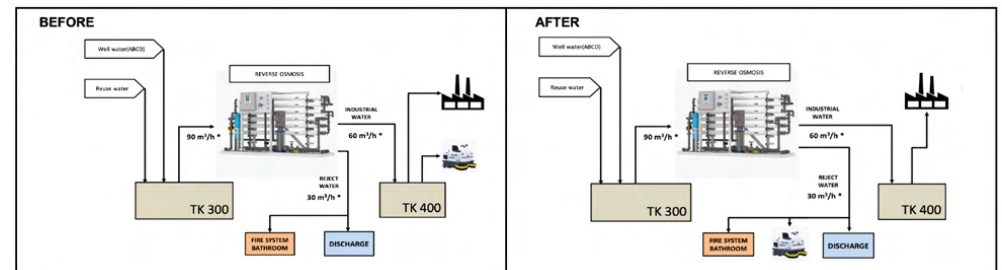
WATER CONSUMPTION	31/12/2020	31/12/2019	31/12/2018
Water consumption m <sup>3</sup> /vehicle*	3,539	0,975	1,197

\* Value corresponding to the period of 8 months of normal working at the plant during 2020 (January to march and august to December). Value corresponding to the 12 months of 2020: 3,77 m<sup>3</sup>/Vehicle.

Scope: includes industrial water/vehicles produced in the period. Does not include reuse water.

### WATER CONSUMPTION REDUCTION – WATER KAIZEN

With the activities to reduce water consumption, we saved 2.235 m<sup>3</sup> in 2020. For example, in the building maintenance area, osmosis rejection water began to be used to clean the floors of the plant.



<sup>3</sup> The extraction and discharge of water does not occur in any area of water stress.

## WASTE

MATERIAL ASPECT: MANAGEMENT WAST

GRI CONTENTS 103-1, 103-2, 103-3, 306-1, 306-2, 306-3, 306-4, 306-5

SASB STANDARDS TR-AU-440B.1, TR-AU-440B.3



For the waste to be managed correctly, it is necessary to separate it at the point of origin. Promoting a correct separation of waste allowed us to identify streams by sector and type of waste, through a barcode. These disposals, already in the internal collection centre, are weighed and recorded in a database.

The recyclability rate in 2020, which reflects the efficiency of the **Environmental Management System**, is 87.81%, achieving the maximum value in the month of July with a monthly recyclability rate of 91%.

GENERATED WASTE (in Kg)**	31/12/2020	31/12/2019	31/12/2018
Recyclable	16.411.635	23.199.958	24.146.345
Special	1.502.016	2.177.622	3.409.132
General	649.467	1.134.393	1.566.160
<b>TOTAL</b>	<b>18.563.118</b>	<b>26.511.973</b>	<b>29.121.637</b>
<b>Total Kg/vehicle*</b>	<b>23,07</b>	<b>26,28</b>	<b>34,94</b>

\* It considers the special wastes and general over vehicles produced in the period.  
 \*\* Values corresponding to the 12 months of 2020.

WASTE RECYCLABILITY RATE (%)	31/12/2020	31/12/2019	31/12/2018
Recyclability rate	87,81%	87,51%	82,58%

GENERATION OF WASTE BY TYPE OF DISPOSAL/TREATMENT*		31/12/2020			31/12/2019			31/12/2018		
TYPE OF WASTE (primary classification)	TYPE OF WASTE (secondary classification)	KG GENERATED	KG/TREATED VEHICLE AND/OR RECYCLED	DISPOSAL AND TREATMENT	KG GENERATED	KG/TREATED VEHICLE AND/OR RECYCLED	DISPOSAL AND TREATMENT	KG GENERATED	KG/TREATED VEHICLE AND/OR RECYCLED	DISPOSAL AND TREATMENT
Specials	Specials (solids and liquid)	1.502.015,53	16,11	Security landfill/incineration	2.177.622	17,28	Security landfill/incineration	3.409.132	23,94	Security landfill/incineration
Generals	Nonspecial industrial	649.467,32	6,96	Sanitary landfill	1.134.393	9,00	Sanitary landfill	1.566.160	11,00	Security landfill/incineration
Recyclable-Specials	Batteries	14.981,08	0,16	All the components are recycled	35.960	0,29	Recycled	49.511	0,35	Recycled
	Solvent	293.912,61	3,15	Recycled	356.848	2,83	Recycled	327.899	2,30	Recycled
	Oil	18.953,10	0,20	Recycled	8.229	0,07	Recycled	22.518	0,16	Recycled
	Electronics	6.580,00	0,07	Recycled	8.919	0,07	Recycled	-	-	Recycled
Recyclables-Blending <sup>4</sup>	Specials and Generals	1.016.483,5	10,90	Alternative fuel	980.143	7,78	Alternative fuel	357.787	2,51	Combustible alternative
Recyclables-Non Specials	Wood	329.288,02	3,53	Recycled	452.958	3,60	Recycled	230.972	1,62	Recycled
	Metal	12.436.050,00	133,36	Recycled	18.357.772	145,71	Recycled	20.332.270	140,74	Recycled
	Plastic and nylon**	450.903,49	4,84	Recycled	335.024	2,66	Recycled	313.105	2,20	Recycled
	Expanded polystyrene	20.397,80	0,22	Recycled	29.334	1,23	Recycled	12.042	0,08	Recycled
	Paper and cardboard	1.710.107,79	18,34	Recycled	2.393.123	18,99	Recycled	2.461.614	17,29	Recycled
	Auction	113.977,41	1,22	Recycled	78.747	0,63	Recycled	38.628	0,27	Recycled

<sup>4</sup> Mixture of waste with calorific value, to be used as an alternative fuel to natural gas in the kiln's plants.

\* Value corresponding to the 12 months of 2020.

\*\* Includes empty packages

RESULT OF MANAGEMENT PER WASTE (IN \$)	31/12/2020	31/12/2019	31/12/2018
a) Income for recycling	\$ 131.775.940	\$ 111.436.983	\$ 71.039.484
b) Total Cost	\$ 88.353.938	\$ 86.653.314	\$ 65.249.941
<b>Economic Benefit (a-b)</b>	<b>\$ 43.422.002</b>	<b>\$ 24.783.669</b>	<b>\$ 5.789.543</b>

Total saving from annual waste management.

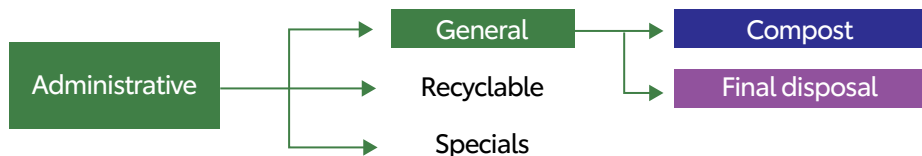
## REDUCTION OF WASTE GENERATION- WASTE KAIZENS

Two of the best kaizen related with waste management were:

- ◆ Reduction in the generation of special waste with disposal outside the plant, achieving improvements in the processes that treat this special waste in our effluent treatment plant.
- ◆ Part of the general waste produced at the plant began to be disposed of as blending.

## COMPOSTING AREA

We understand waste as valuable resources. Thus, convinced of the need to revalue these by-products, a composting plant was set up that, currently converts more than 100.000 kilos of organic waste a year. Organic waste is collected from canteens, offices and from the maintenance of green spaces to be converted into natural organic fertilizer, which is used in our Natural Reserve and in the plant's green spaces. In this way, we contribute to reducing waste destined for landfill, where it is buried without any revaluation, generating negative impact for the environment and for the health of the communities.

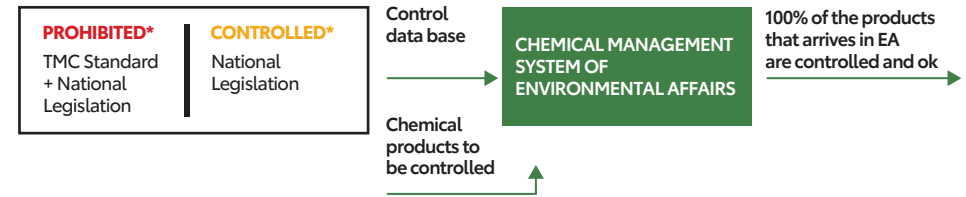


Kg of compost waste/year	31/12/2020
	61.760

## CHEMICAL PRODUCTS MANAGEMENT SYSTEM

We continually work to care for the environment and protect the health and safety of our staff. Thus, we have a chemical product management system, where we consider national and international regulations with the requirements of our headquarters, with the commitment to ensure the absence of prohibited substances when entering our facilities.

### Indirect materials



\* Some substances have exceptions  
 \*\* Related Legal requirements

The areas of Environmental Affairs, Industrial Safety and the Medical service work jointly to analyse and define the storage, handling and response conditions necessary for emergencies, in order to reduce the risks associated with the use of chemical products.

Also, we ensure that the chemical substances that make up all our auto parts and all those substances that are part of our vehicles (paint, motor fluids, etc.), comply with the environmental specifications of our headquarter, and also with national and international regulations.

### Direct materials and auto-parts



IMDS: International Material Data System  
 GCATS: Grand Chemical Assessment System >> List of those prohibited by TMC

## INNOVATION PROJECT OF CIRCULAR ECONOMY

The circular economy project is a sustainability project that was born in 2019 as part of our Innovation Program. This idea consists of integrating our waste management with auto parts, suppliers and dealers in order to provide environmental solutions to our value chain, through the manufacture of auto parts with recycled material, the generation of energy from industrial waste and the development of sustainable merchandising. This allows us:



**REDUCE WASTE GENERATION.**



**VALUE MATERIAL FOR RECOVERING.**



**REINFORCE OUR VALUE CHAIN.**



**ACHIEVE GREATER ENVIRONMENTAL AWARENESS**

It raises the mutual recognition of waste management systems between Toyota, suppliers and dealers to identify improvements that provide substantial environmental benefits and mutually strengthen the joint business plan. It has 3 main lines of action:

- ◆ **Circular economy:** from the recyclable waste that we generate and classify at Toyota Argentina, we provide raw material to our auto parts for the manufacture of parts for our Hilux.
- ◆ **Generation of alternative fuels:** it is produced from the complementarity of our high calorific hazardous waste with others of low humidity, generated in suppliers and dealers. From these, through a supplier, an alternative fuel (blending) used by the concrete mixer industry is generated. It reduces the generation of special waste, preventing it from being incinerated and buried, and at the same time replaces natural gas, which is a non-renewable energy resource.
- ◆ **Responsible product:** recyclable waste from the plant is used as input for new products and provides to our customers with the opportunity to purchase sustainable merchandising.

The main environmental, social and economical benefits it generates are<sup>5</sup>:

- ◆ We sent 500 kg of material to the supplier, which serves as recycled raw material for the production of 367.647 antennas.
- ◆ We sent 491 kg of disused clothing and 258 soundproof panels were manufactured with the recycled material.
- ◆ We reused 767 kg of recycled material in bumpers, reducing the consumption of virgin raw material by the same amount, for the manufacture of 10,373 bumpers.
- ◆ 47 ton. of hazardous waste sent for blending generation, saving 25.380 m3 of natural gas.
- ◆ We sent 7.905 kg of recycled plastic to suppliers that were used to generate 2.000 glasses, 12 cabinets, 100 icebox and 80 folding boxes, to later be sold in the Toyota boutique.
- ◆ The economic benefits of the project allowed the hiring of 4 new collaborators: 2 directly at Toyota and 2 hiring from a supplier.
- ◆ Through 9 awareness talks on circular economy, it was contributed to raise awareness about the importance of recycling. The case was also publicized in the Business Chamber of the Environment, the World Summit on Circular Economy and through different corporate content.
- ◆ We were invited by IRAM to provide support in the development of the new ISO circular economy standard, based on sharing the experience of our work in the development of Eco parts.
- ◆ Our value chain, committed to caring for the environment and reducing waste: based on improvement activities in 2020, dealers managed to reduce waste generation by 16% compared to 2019 and suppliers by 4%.
- ◆ With the implementation of the proposed activities, a cost reduction of 1.17 US \$ / vehicle was achieved in two months of implementation.

In this way, this project represents the beginning of a transformation path for the future of the company, turning the Waste area into part of the business and consolidating the idea of an increasingly sustainable mobility, from Argentina to the entire region.

<sup>5</sup> Implementation from November to December 2020.



# 6. SOCIAL PERFORMANCE

**WE STRIVE TO BE A GOOD CORPORATE CITIZEN BY CONTRIBUTING TO THE SUSTAINABLE DEVELOPMENT OF THE COMMUNITIES WHERE WE OPERATE.**

We carried out activities and programs based on three axes: Environment, road safety and education for employability, working with the community to understand and meet their needs.



5.958

COLLABORATORS



36.077

HOURS OF TRAINING



81,55%

COLLABORATORS UNDER AGREEMENT



0,18

ACCUMULATED ACCIDENT FREQUENCY RATE AT THE ZARATE PLANT.



STRATEGY FOR COVID-19 ASSISTANCE



ENVIRONMENTAL GRANT

PATAGONIA PROGRAM OF ARGENTINE BIRDS



# COMMITMENT TO OUR COLLABORATORS

MATERIAL ASPECTS EMPLOYMENT, RETENTION AND ATTRACTION OF TALENT, DIVERSITY INCLUSION AND EQUAL OPPORTUNITY

GRI CONTENTS 102-8, 102-41, 103-1, 103-2, 103-3, 401-1, 405-1

In order to achieve the transformation to a mobility company, we are committed to our employees to review their work styles and hone their individual skills, thus improving the structures of the workspace. In this process, we seek to ensure the assignment of the right person in the right position regardless of their nationality, gender, year of incorporation, form of hiring, academic background, type of work and other factors, with the aim of improving the competitiveness of the company organization.

We are strongly committed to our collaborators, aligned to the principles and values known as Toyota Way and **Toyota Guideline Principles**. These concepts, shared with all affiliates around the world, transcend languages and nationalities, and are applicable in any territory and society. We base all decisions related to the selection and hiring of personnel on skills, qualities, capacity and professional experience. In this sense, we are an employer committed to equal opportunities, respect, dignity and non-discrimination with all our staff and job candidates.

We are firmly committed to the fact that there is no type of discriminatory act in the company. Our **Code of conduct** establishes that "Toyota Argentina employees must treat each other with respect, fostering a comfortable, healthy and safe work environment, refraining from any aggravating conduct or that involves any type of discrimination or harassment based on race, language, religion, gender, marital status, age, social condition, disability or other categories protected by national and local laws, whose

purpose or result is to nullify or impair the recognition, enjoyment or exercise in conditions of equality of the rights and freedoms of all person".

Respect for people is one of the main values of the company. **The Toyota Way** points out the importance of creating a work environment where all people feel welcome, safe and listened to, and can contribute by creating value from their work position. We work on the achievement and fulfilment of the following objectives:

- ◆ Generate an inclusive and diverse work environment where all our employees with a wide range of skills and values can demonstrate their capabilities to the fullest and achieve self-realization.
- ◆ Have **0 discriminatory acts and complaints received** by employees who have suffered any type of discrimination.
- ◆ Promote actions to create a comfortable, healthy and safe work environment where there is no discrimination of any kind.

For this, the HR area is working on creating policies that promote the generation of inclusive and diverse work where there is no type of discrimination. Additionally, the Compliance and HR area work together to investigate and generate actions in the event of any claim received from our collaborators. To do this, we have an anonymous reporting channel by mail, website or by phone. Also complaints can be made in HR.



	31/12/2020	31/12/2019	31/12/2018
<b>Collaborators</b>	<b>5.958</b>	<b>5.750</b>	<b>5.802</b>
Men	5.697	5.495	5.565
Women	261	255	237

<b>Distribution by age</b>	31/12/2020	31/12/2019	31/12/2018
Older than 50 years old	3%	2%	2%
Between 30 and 50 years old	69%	68%	64%
Younger than 30 years old	28%	30%	34%

<b>Distribution by professional category and gender</b>	31/12/2020	31/12/2019	31/12/2018
<b>Executives and Managers</b>			
Men	91,43%	94,00%	92,86%
Women	8,57%	6,00%	7,14%

<b>Mid-Level managers</b>	31/12/2020	31/12/2019	31/12/2018
Men	93,09%	92,68%	91,94%
Women	6,91%	7,32%	8,06%

<b>Group Leader<sup>1</sup> and Team Leader<sup>2</sup></b>	31/12/2020	31/12/2019	31/12/2018
Men	100,00%	100,00%	100,00%
Women	0,00%	0,00%	0,00%

<b>Team Member<sup>3</sup></b>	31/12/2020	31/12/2019	31/12/2018
Men	99,71%	99,69%	99,71%
Women	0,29%	0,31%	0,29%

<b>Analysts and Administrative employees</b>	31/12/2020	31/12/2019	31/12/2018
Men	71,10%	71,77%	72,54%
Women	28,90%	28,23%	27,46%

<b>Distribution by professional category and gender</b>	31/12/2020	31/12/2019	31/12/2018
<b>Executives and Managers</b>			
Older than 50 years old and more	38,10%	38%	68%
Between 30 and 49 years old	61,90%	62%	32%
Younger than 30 years old	0,00%	0%	0%

<b>Mid Level Managers</b>	31/12/2020	31/12/2019	31/12/2018
Older than 50 years old and more	14,75%	14%	14%
Between 30 and 49 years old	85,25%	86%	86%
Younger than 30 years old	0,00%	0%	0%

<b>Group Leader and Team Leader</b>	31/12/2020	31/12/2019	31/12/2018
Older than 50 years old and more	1,56%	1%	1%
Between 30 and 49 years old	94,76%	94%	94%
Younger than 30 years old	3,68%	5%	6%

<b>Team Member</b>	31/12/2020	31/12/2019	31/12/2018
Older than 50 years old and more	0,13%	0%	0%
Between 30 and 49 years old	60,33%	58%	53%
Younger than 30 years old	39,54%	42%	47%

<b>Analysts and Administrative employees</b>	31/12/2020	31/12/2019	31/12/2018
Older than 50 years old and more	8,18%	8%	7%
Between 30 and 49 years old	70,72%	72%	71%
Younger than 30 years old	21,10%	21%	22%

<b>Distribution by workplace</b>	31/12/2020	31/12/2019	31/12/2018
Martínez	1,4%	1,5%	1,5%
Capital Federal	0,3%	0,3%	0,3%
Zárate	98,3%	98,2%	98,2%

<b>Distribution by type of contract and workplace</b>	31/12/2020	31/12/2019	31/12/2018
<b>Permanent</b>	<b>5.117</b>	<b>5.143</b>	<b>5.032</b>
Martínez	80	83	83
Capital Federal	17	17	17
Zárate	5.020	5.043	4.932

<b>Temporary</b>	31/12/2020	31/12/2019	31/12/2018
Martínez	2	1	3
Capital Federal	0	0	0
Zárate	839	606	767

<b>Personnel by employment contract and gender</b>	31/12/2020	31/12/2019	31/12/2018
<b>Permanent</b>	<b>5.117</b>	<b>5.143</b>	<b>5.032</b>
Men	4.887	4.926	4.823
Women	230	217	209
<b>Temporary</b>	<b>841</b>	<b>607</b>	<b>770</b>
Men	810	569	742
Women	31	38	28

<b>Personnel by type of employment contract and gender</b>	31/12/2020	31/12/2019	31/12/2018
<b>Full Time</b>	<b>5.958</b>	<b>5.750</b>	<b>770</b>
Men	5.697	5.495	742
Women	261	255	28
<b>Tiempo Parcial</b>	<b>0</b>	<b>0</b>	<b>0</b>
Men	0	0	0
Women	0	0	0

<sup>1</sup> Supervisor  
<sup>2</sup> Leader of the Team.  
<sup>3</sup> Multipurpose Operator - Cell Member.

In order to improve the employability of young people, we have an **Internship Program**, where we provide our interns with a learning environment in which they can take their first steps in the world of work and be trained by other experienced professionals.

	31/12/2020	31/12/2019	31/12/2018
<b>Interns</b>	<b>19</b>	<b>39</b>	<b>48</b>
Men	14	31	37
Women	5	8	11



We also join the **Labour Inclusion Program for People with Disabilities**, promoted by the National Government. Its purpose is to insert people with different abilities into the world of work. Under this program, we incorporate young people who carry out their activities in the Toyota Visitor Centre, collaborating in the preparation and reception of visits and, in turn, we provide them with training and contribute to their development.

	31/12/2020	31/12/2019	31/12/2018
<b>Expatriates</b>	<b>31</b>	<b>33</b>	<b>27</b>
Men	29	32	26
Women	2	1	1

To promote internal movements and strengthen the professional careers of our employees, when a vacancy is generated, it is filled in the first instance through **Job Posting**.<sup>4</sup> We have an internal employment policy published on the Corporate Intranet and available to all staff. The commitment, like the objective, is to fill the vacancies with the most suitable candidate according to the profile sought. The responsibility for the process to be carried out lies with the employment sector, which works in coordination with the area in identifying candidates, who plays an active role in the search process. If the profile indicated internally is not found, it is published as external. For this, we have our own database, and LinkedIn as a source of recruitment. The effectiveness of the selection process is measured by the process indicators that include: the average time of vacancy coverage, suitability of the selected candidate for the role, satisfaction of the candidate with the assignment, effectiveness of recruitment sources.

	31/12/2020	31/12/2019	31/12/2018
<b>New hires</b>			
<b>By gender</b>	<b>321</b>	<b>135</b>	<b>573</b>
Mujeres	21	36	37
Hombres	300	99	536
<b>By work place</b>	<b>321</b>	<b>135</b>	<b>573</b>
Martínez	7	10	24
Capital Federal	2	2	0
Zárate	312	123	549
<b>By age</b>	<b>321</b>	<b>135</b>	<b>573</b>
Older than 50 years old and more	2	7	2
Between 30 and 49 years old	39	59	157
Younger than 30 years old	280	69	414
<b>New hires rate*</b>	<b>5,4%</b>	<b>2,3%</b>	<b>9,9%</b>

\*Calculation method: quotient between the number of additions produced in the year and the total amount of the provision at the close of the calendar year.

	31/12/2020	31/12/2019	31/12/2018
<b>Staff turnover</b>			
<b>By gender</b>	<b>115</b>	<b>193</b>	<b>225</b>
Men	17	22	22
Women	98	171	203
<b>By work place</b>	<b>115</b>	<b>193</b>	<b>225</b>
Martínez	6	11	12
Capital Federal	3	3	-
Zárate	106	179	213
<b>By age</b>	<b>115</b>	<b>193</b>	<b>225</b>
Older than 50 years old and more	6	5	8
Between 30 and 50 years old	56	89	107
Younger than 30 years old	53	99	110
<b>Staff turnover rate *</b>	<b>1,93%</b>	<b>3,36%</b>	<b>3,88%</b>

\* Calculation method: quotient between the number of additions produced in the year and the total amount of the provision at the close of the calendar year.

## Network of Women in the Automotive Industry

From Toyota Argentina we are part of the first meeting of the Network of Women in the Automotive Industry. With bimonthly talks we seek to promote the inclusion and positioning of the industry as an aspirational workplace for women.



## COMPENSATIONS AND BENEFITS

MATERIAL ASPECTS, ECONOMIC PERFORMANCE OF THE ORGANIZATION, RELATIONSHIP WITH UNIONS.

EMPLOYMENT AND ATTRACTION OF TALENT, INCLUSION AND EQUAL OPPORTUNITIES

GRI CONTENTS 102-35, 102-36, 102-37, 103-1, 103-2, 103-3, 201-3, 401-2, 401-3, 402-1, 405-2

SASB STANDARDSTR-AU-310A.1

Respecting the values of the **Toyota Way**, we promote a decent salary for all the people who make up the company, respect for equal conditions and an extensive benefits program for our staff.

### COMPENSATIONS

The process the remuneration consists of a comparative analysis against different analyses by position and by grade, to determine the market movement in each period of the year. In turn, internal equity is controlled throughout the company. There is no difference between the salary of female and male staff; that is, the base salary of men compared to women is the same for each job category.

	31/12/2020	31/12/2019	31/12/2018
Toyota Minimum Wage	58.355	40.821	26.882
Minimum Mobile Vital Wage	17.522	13.790	10.033
<b>Relation Toyota Minimum Wage and Minimum Mobile Vital Wage</b>	<b>3,3</b>	<b>3,0</b>	<b>2,7</b>

**3.3 times the minimum** wage of Toyota Argentina exceeded the value of the Minimum, Vital and Mobile Salary.<sup>5</sup>

Percentage of the active labour force covered by collective bargaining agreements	31/12/2020	31/12/2019	31/12/2018
<b>Permanent staff by union setting</b>			
Out of the Agreement	18,45%	20,5%	19,2%
Inside of the Agreement (SMATA <sup>6</sup> AND ASIMRA)	81,55%	79,5%	80,8%
	<b>100%</b>	<b>100%</b>	<b>100%</b>

### RESPECT FOR FREEDOM OF ASSOCIATION AND EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

<sup>5</sup> Based on the minimum wage at Toyota Argentina and the Minimum, Vital and Mobile Salary corresponding to 2020V.

<sup>6</sup> Union of Mechanics and Related of Automotive Transport.

The remuneration policy for the highest governance body consists of a monthly salary, a short-term incentive, and a long-term incentive. As for senior executives, it is made up of a monthly salary and a short-term incentive. Short-term and long-term incentives are linked to objectives in different areas, such as finance, production, sales, security, customer service and human resources, depending on the role and position. Severance payments are in accordance with the provisions of the Employment Contract Law, except in those cases where a differential payment is agreed. The retirement plan complies with what is required by current Argentine regulations on the matter. The notice periods are governed in accordance with the provisions of current Argentine laws. Likewise, we prioritize the care of job sources in the face of organizational changes and/or economic difficulties.

### BENEFITS

To increase the satisfaction and motivation levels of our staff, corporate benefits are constantly reviewed and evaluated. Some of them are:

- ◆ Additional life insurance.
- ◆ Private medical insurance for collaborators not included in the union medical insurance and for their family group.
- ◆ Transportation services to and from Zarate Plant.
- ◆ Canteen service, kiosks, vending machines and ATMs in plant.
- ◆ Medical service, gym and physical trainer at the plant.
- ◆ Savings plans with discounts for employees.
- ◆ Discounts in 0km (it includes spare parts and accessories).
- ◆ Discount at gyms, Banks, groceries, hotel, insurance, entertainment, etc.
- ◆ Discounts on language courses.
- ◆ Refund of nursery expenses and year-end gifts, marriage, birth, 20th anniversary, etc.
- ◆ Celebration of the end of the year, Family Day and family visits to plant.
- ◆ Flexibility: flex time and remote work scheme 1 to 3 times a week.
- ◆ GR Garage boutique discounts (on the ground floor).

**We promote a balance between work and family through different programs and initiatives that help provide flexible hours in our workspaces.**

## MATERNITY AND SOFT-LANDING POLICY

With this initiative, we seek to balance motherhood and work life of the women who make up our company, accompanying them during pregnancy and the first year of their babies' life. It consists of 2 stages: the first is applied in the last 3 months of pregnancy, where they have 3 days of home office and we reserve a preferential parking for them (in case of attending in their own vehicle). The second stage, which goes from his reincorporation to the company until the baby's year of life, accesses 2 days of home office, 3 days of reduced working hours, breastfeeding room and reimbursement for day-care.

+ TASA | Beneficios

## CON VOS EN TU MEJOR MOMENTO

Lanzamos el programa de Maternidad & Soft Landing y la Licencia Extendida por Paternidad, dos beneficios que nos permiten equilibrar nuestra vida laboral y familiar.

Este año dimos un gran paso. Todos los futuros padres y madres de TASA ya cuentan con un beneficio adicional. Con nuestro programa de Maternidad & Soft Landing acompañamos a las madres durante el embarazo y el primer año de vida de sus bebés, para que puedan reincorporarse de forma paulatina al trabajo.

Y gracias a la sinergia entre TASA, SMATA y ASIMRA, extendimos también la Licencia por Paternidad para que los padres puedan compartir junto a sus familias los primeros días del nacimiento o adopción de sus hijos.



Maternidad & Soft Landing



PATERNIDAD extendida en TASA

## PATERNITY POLICY

Thanks to the joint effort between Toyota Argentina, SMATA and ASIMRA, it was possible to implement this benefit for the parents of the company, in the accompaniment with their families during the first days of the birth or adoption of their children. The

benefit was launched in November 2019 and consists of a special license of 7 consecutive days from the birth or adoption.

Parental Permission	31/12/2020	31/12/2019	31/12/2018
<b>Staff who had their permission</b>	<b>247</b>	<b>308</b>	<b>308</b>
Men	229	298	294
Women	18	10	14
<b>Personnel who returned after leave</b>	<b>247</b>	<b>306</b>	<b>310</b>
Men	229	297	294
Women	18	9	16
<b>Active staff after 12 months</b>	<b>306</b>	<b>299</b>	<b>282</b>
Men	297	289	274
Women	9	10	8
<b>Return to work rate</b>			
Men	100,00%	100,00%	100,00%
Women	100,00%	100,00%	84,2%
<b>Retention Rate</b>			
Men	100,00%	98,3%	98,2%
Women	100,00%	62,5%	84,2%

## HOME OFFICE

The Home Office Program is voluntary and covers those cases in which the nature of your position within the company allows it, with the due approval of your direct superior. The scheme contemplates two fixed days per week and a notebook or virtual access from the personal PC is granted to the personnel adhering to the program.

## FLEX TIME

This benefit points to flexible hours and the opportunity for staff to have a better work-life balance. Applies only to collaborators outside the agreement.

## TRAINING AND DEVELOPMENT

MATERIAL ASPECTS TRAINING AND PROFESSIONAL DEVELOPMENT

CONTENTS 103-1, 103-2, 103-3, 404-1, 404-2

The retention of talent is part of our development policy and seeks to accompany our employees in their professional growth.

Our long-term vision means not only thinking about the sustainable growth of the company but also that of our people and that of the communities where we operate.

The development of the talents of our staff is carried out through an educational program based on on-the-job training:

+ CHALLENGE RESPECT KAIZEN GENCHI GENBUTSU<sup>1</sup> TEAM WORK



The **Toyota Institute** is the education, training and training centre for our staff and the entire value chain. In addition, it is the place where we plan and implement different initiatives, aimed at education for employability in our communities.

It is divided into 5: Manufacturing and Technical Training Centre, Customer Service, Commercial, Digital Training and Staff, and Innovation and Education, each one dedicated to different internal and external groups. There are training plans that are repeated year after year, and others that are organized according to specific needs.

<sup>1</sup> Genchi Genbutsu: "Go and look." Observe the facts as they are in the workplace, without assumptions, in order to see reality and make the right decision.

Half Hours of Training	31/12/2020 Hs. Promedio
<b>By gender*</b>	
Women	10,99
Men	5,8
<b>By job category</b>	
Executives and Managers	17,74
Mid-Level managers	12,43
Group Leader and Team Leader	3,68
Team Member	4,59
Analysts and Administrative employees	12,49
Interns	1,39

\* Includes active employees + expatriates

## TRAINING PROGRAMS AND WORKSHOPS

### INDUCTION COURSES

The Induction Course is an exchange space designed to provide the new employee with all the necessary information for their correct adaptation to Toyota Argentina. Through it, the new employee accesses all the information related to the history of the company, introduction to Toyota Way, Toyota Production System (TPS), Environment, Quality, Industrial Safety, Compliance and Information Security. From the context of COVID-19, a transformation of the content was required by adapting the Induction to a virtual workshop format implemented in 2 meetings of 4 total hours of duration.

### TRAINING FOR MANUFACTURING EMPLOYEES

Within the Toyota Institute we have an interdisciplinary team specifically designed to train production personnel, which is known internally as Manufacturing Training. Among his functions, he is responsible for the Initial General Training, Advanced General Training, Leadership Training and specific technical training programs. Most of our internal instructors are trained in a knowledge certification program at our headquarters, with a periodic process of revalidation of knowledge and training skills.

### INITIAL GENERAL TRAINING OF PLANT STAFF

This program is intended for production staff, specifically for Team Members (TM). The program aims to deepen the basic knowledge and consolidate key concepts related to the Toyota Production System, Safety, Quality and Kaizen. In addition, specific courses related to addiction prevention and health are offered. It lasts 40 hours and is generally taught over five business days during the winter plant shutdown. During 2020, it was decided to postpone the Initial General Training and these resources were diverted to ensure the application of the Advanced Training Program for Production Personnel.

### GENERAL ADVANCED TRAINING OF PLANT PERSONNEL

The general advanced training program is aimed at Team Members (TM) and Team Leaders (TL). In the case of TMs, 28 hours of training are invested in courses related to quality, safety and teaching skills, as well as training aimed at solving quality problems applying Toyota Business Practice (TBP) and Stop Six & Lock Out that contributes to security. Additionally, on-the-job training called Toyota Job Instruction (TJI) allows you to develop teaching skills. In 2020 there were no training sessions for TM.

In the case of LTs, 64 hours of training are invested in courses aimed at detecting opportunities for improvement. In the LT Role course, employees develop skills to lead their work team, contribute to the development of the members and respond to abnormalities and problems that arise every day. The TPS for TL course delves into corporate philosophy, TPS principles, 3M detection (Muda, Mura and Muri), standardized work and the development of the skill internally called "critical eye". The 8 steps that make up the tool are explored in depth in the TBP for TL course. LTs are also trained in the Aha Training, Introduction to Presentation Techniques and Environmental Management program. In 2020, 28 TL participated in advanced general training courses where 448 hours of training were invested.

### LEADERSHIP TRAINING PROGRAM

The general objective of the program is to train candidates who have the potential to promote to leadership positions, providing them with the necessary tools to fulfil a new role. The program is

differentiated for TM with the potential to promote Team Leader and TL who could promote Group Leaders (GL). In the case of TMs, the program involves 72 hours of training with courses such as: introduction to the Role of LT, Leadership, Communication, Teamwork, Floor Management Development System (FMDS), Decision Making, Coordination of Quality Circles, Stop 6 & Lockout, Environmental Management System, TBP, TPS and TJI. During 2020, there were no leader trainings for TM. For TL the program consists of 80 hours of training, in which the courses of: GL Role and Vision, Adequate Leadership, Coaching and Performance Improvement, Toyota Communication Skills, Labour Relations Management, FMDS, Promotion of activities are developed. Kaizen, security patrols, Improvements of security habits and Stop 6, Ergonomics, design of positions, OSHMS, TBP and TPS. During 2020, there were no leader trainings for TL.

### LANGUAGE TRAINING

Language training, aligned with the annual detection of needs, covers:

- ◆ English for those who need to use the language for the performance of their work.
- ◆ Japanese for those who are selected in the ICT and GST programs in Japan.
- ◆ Spanish: for Japanese employees performing tasks in Argentina.

### VIRTUAL E-LEARNING COURSES

We created a new digital training platform so that our collaborators can incorporate new content and access different courses according to their needs.

The offer of courses in e-learning format are divided into two types: mandatory and optional. The mandatory courses address content related to legal aspects or good practices that collaborators must know for the development of their daily tasks, such as: code of conduct and Compliance, safe use of the internet and mail, personal data, etc. As for the optional courses, they are carried out with topics of general interest regarding the company.

**GENERAL TRAINING**

The following programs and / or courses are included:

- Training Program for Staff
- Global Contents
- New Chief Program
- Program for Managers
- Diploma and Master's Degree in Industrial Management
- Specific technical training

During the COVID context, it adapted to the new virtual modality, maintaining the same quality of teaching and relying on new technological trends to guarantee the learning of all collaborators.

We make progress in training personnel to improve processes. Each training is provided by certified instructors, with theoretical and practical activities in the plant.

**DIPLOMA AND MASTER ´S DEGREE IN INDUSTRIAL MANAGEMENT**

This training, which is carried out jointly with the Technological Institute of Buenos Aires (ITBA), is oriented towards plant engineers and hierarchical administrative personnel, who need to acquire management skills considering the competitive, technological and business environment of the industry.

	31/12/2020	31/12/2019	31/12/2018
<b>Enrolled</b>	<b>17</b>	<b>19</b>	<b>21</b>
Men	13	-	-
Women	2	-	-
<b>Graduated</b>	<b>15</b>	<b>17</b>	<b>20</b>

**TRAINING IN OTHER TOYOTA SUBSIDIARIES (ICT)**

With the central objective of achieving knowledge transfer among Toyota subsidiaries worldwide, between January and December 2020, 16 Toyota Argentina employees took part in the ICT Program.

	31/12/2020	31/12/2019	31/12/2018
Participants	16	24	23

**OF THE 16 PARTICIPANTS IN THE PROGRAM, 4 WERE AT OUR HEADQUARTERS IN JAPAN, 2 IN THAILAND, 1 IN CHILE, 1 IN COLOMBIA AND 8 IN BRAZIL.**

**INNOVATION PROGRAM**

We create a space for our collaborators to be part of the change, and to present proposals for new products or services. The objective is to promote and strengthen innovation as Toyota's competence.

In 2020 we launched the **Innovation Lab 2.0** for all staff, driven by our evolution to become a mobility company. The objective is to embody the culture of innovation in our DNA, based on continuous improvement. The program began in April and ended in December 2020, with the aim of being annual and cyclical. There was a total of 131 collaborators who participated until the last instance of the program and who presented a total of 17 ideas; of which 5 were discussed in an evaluation table, made up of the innovation team and the presidency, and one was selected as the winning project, to which resources were assigned to develop the idea in the future. Due to COVID-19 we had to migrate to virtual spaces with the advice of an Innovation team made up of a total of 2 directors and 3 managers from various Divisions

	31/12/2020	31/12/2019
Participants	131	16
Presented Ideas	17	5

**TECHNICAL TRAINING CENTRE (CET)**

Our Technical Training Centre (CET) is a functional area dependent on the Toyota Institute, whose internal clients are the sectors and collaborators who work in the production areas. The main activities of the CET are awareness, training and training with the aim of developing technical and behavioural skills in employees, allowing them to achieve better performance in safety, quality and productivity in their jobs.

For each productive sector, we have called basic skills training dojos or FST, which stands for Fundamental Skill Training. Dojo is a Japanese term whose translation is the place of awakening that in Toyota Argentina refers to the training area. Currently, there are twelve dojos: stamping, welding, chassis-frame, axle assembly, rear axle, painting, injection and painting of plastic parts, assembly, motors, material handling, quality control and maintenance.

The new members make their first contact with the culture and philosophy of the company in the induction courses and at the CET they develop their first empirical experience with the Toyota Production System. Here, members acquire the minimum knowledge and skills to develop in their future jobs in a controlled environment, specifically designed to promote the learning experience, always guided by our team of instructors trained and certified by our headquarters.

CET training programs extend throughout the entire working life of employees. With programs such as FST Confirmation, Shop Skill Training —SST—, Aha Training and other special trainings, it is sought to continuously correct, maintain and exceed the performance of employees in terms of the main production indicators. In line with these activities is the Operational Skills Training Program that contains the three phases of the Production Skills Contest, which adds motivation to the self-improvement of its participants.



	31/12/2020	31/12/2019	31/12/2018
Induction for Production collaborators	264	6	251
Basic Skills Training —FST— (Income)	264	6	251
AHA training	82	390	270
FST Confirmation (—Fundamental Skill Training Confirmation)	71	1.380	745
Shop Skill Training (SST—)	44	169	118
License Issuance / Renewal	723	962	834
Special trainings	23	74	49
Retraining	1	2	5
Relocation	20	24	23
Internships	0	53	30
Training in operational skills + Skill Contest	0	326	243

Due to the context of COVID-19 and the provision of internal sanitary measures, all activities were affected and those of the CET were no exception. The main productive sectors were affected in their staff by prolonged losses of risk personnel, relatively short temporary preventive leaves due to close contact and to a lesser extent loss due to infections. Consequently, in order to produce, most teams were forced to reinforce their staff. Consequently, during 2020 there was a substantial increase in basic skills training activity for new employees who were hired to ensure production. In the period between January 20 and December 20, 264 employees were incorporated.

#### Induction of Production Personnel

New hires who perform functions in manufacturing areas take an induction course that is given prior to training in basic skills. In the course, new members are introduced to the organizational culture, they are given knowledge about the genesis of the company: the Toyota Production System. Specific issues related to staff benefits, coexistence standards, code of conduct, industrial safety, labour relations, environmental issues, quality and continuous improvement are addressed. The 264 new employees took the 8-hour induction course, thus allocating a total of 2,112 hours of training.

#### Basics Skill Training

Basic skills training takes place at the FST dojos. Its objective is the development of basic knowledge and skills necessary to perform correctly in jobs. It is designed by the Global Production Centre (GPC) of our parent company in Japan. In most dojos 40 hours of training per employee are invested. In the case of material handling, 48 hours are allocated. And in the case of maintenance, due to the inherent characteristics of this area, it extends to 120 hours. The CET invested 11,040 hours of training in basic skills in the period.

#### Aha Training

The Aha Training course is aimed at TL, but Group Leaders, leadership and management levels also participate. The objective is that collaborators can improve their abilities to teach others by focusing on the following three factors: teaching without omission, transmitting correctly and verifying their application. In the period between January and April 2020, 64 employees were trained in person, following the standard of 9 hours of training. Then, between April and December 2020, 18 people were trained in a virtual version reduced to 3 hours. In total, between both modalities, 82 people were trained, investing a total of 630 hours.

#### FST confirmation

This activity involves confirming the correct application of basic skills, reinforcing key concepts and raising awareness regarding safety, quality and productivity. It is aimed at experienced personnel. Previous years, in order to detect shortcomings in the application of skills, maintain optimal levels and increase the results in main performance indicators, the FST Confirmation activity became very relevant. This was the case during the first quarter of 2020, where after the summer break, 71 people were trained between January and March. With a workload of 4 hours per person, we invested a total of 284 hours.

#### Shop Skill Training

The Shop Skill Training (SST) activity seeks to reinforce the concepts of safety, quality and productivity in already experienced collaborators and give them a deeper vision of their position, their clients and internal suppliers and the impact of their work on the entire process. This leads to the person being able, in the first place, to judge the normal from the abnormal and to understand what the ideal situation of their work is. Second, it seeks to generate a mentality that leads to a good application of the 5S. Currently, four of the twelve dojos provide this training: assembly, material handling, painting and welding. During the period of January and December 2020, 44 people were trained with a duration of 40 hours each. In total, we invested 1.760 hours in OSH courses during 2020.

#### Renewal of industrial vehicle driving license

In compliance with the resolution of the Superintendence of Labour Risks 960/15, the CET trains all employees to certify the driving of forklift vehicles and extends it to the operation of tugboats internally identified as towing cars. Certification is done when a person receives the basic materials handling skills course. On the other hand, renewal implies raising awareness of key aspects related to safe driving and reviewing applicable regulations. Renewals have two types of modalities: full course (which last 24 hours and are aimed at those who have an expired license) and renewals (2-hour theoretical courses). During 2020, 723 people were trained with a total of 1.446 hours invested.

### Special Trainings

Most of the CET courses follow an established standard format, but exceptionally it is required to develop an adequate training to be able to attend to the situations of our clients. For example, an industry may request training in a specific skill from another industry that is not within its standard skills in its training curriculum. Or, as happened during 2020, reviews are requested to complement other activities. Specifically, TL who participate in the GST program were trained, which involves training for periods of four months at our headquarters in Japan. PLC-Toyopuc trainings were also held in the Maintenance dojo for the Kaizen sector. In total, the training of 23 people was recorded.

### Retraining

This category of training occurs when an employee, who was at some point trained in FST, repeats the training for a specific need in the sector or for situations. During 2020, a 56-hours of retraining was recorded.

### Relocation

Experienced personnel eventually change production sectors, requiring training. In 2020, 20 relocations were made. Each of them involved a training plan where 6.8 training days were allocated. In total, there were 1.088 hours of training to carry out relocations.

### Internships

The CET trains interns from secondary schools in the region in basic skills. Its contents are framed in programs of Corporate Social Responsibility and Education together with organizations such as Scholas Ocurrentes and Pescar Foundation. In 2020 no training was carried out.

## OPERATIONAL SKILLS TRAINING

The skills contest is an annual competition within the Operational Skills Training program. There are 9 categories, one for each productive sector: stamping, welding, chassis, painting and injection of plastic parts, painting, assembly, quality control, material handling and maintenance.

Enrolment is voluntary and between 8% and 15% of the total TM population enrol. Four stages are identified:

- ◆ **Operational Skills Training Program:** It is the first classification. Participants carry out the exercises in the sector they are going to compete in without prior training. Usually 10 participants are selected for each category.

- ◆ **Local Skills Contest:** Those selected from the previous stage train for 40 hours on average. This is done between February and June, usually overtime. The contest takes place in a day in which only 2 participants from each sector will be able to proceed to the next stage.
- ◆ **Regional Competition TLAC (Toyota Latin-American and Caribbean):** The first and second places of each subsidiary of Argentina and Brazil go to this regional instance. Only the winner may represent the region in Japan. Before the contest, participants train for approximately 200 hours between May and August.
- ◆ **Skill Interchange Festival - Skill Interchange Festival:** The winner of the Regional Skill Contest trains approximately 400 hours between July and September to compete in the Skill Interchange Festival.

As a result of the COVID-19 pandemic, it was not possible to coordinate the activity.

## PERFORMANCE EVALUATION

### MATERIAL ASPECTS TRAINING AND PROFESSIONAL DEVELOPMENT

GRI CONTENTS 102-28, 103-1, 103-2, 103-3, 404-3

The Two-Way **Communication System** is the performance evaluation process that we use at Toyota and is regionally aligned. Its purpose is to evaluate the performance of each collaborator based on the objectives and competencies. It defines the objectives, evaluates and provides feedback to plan development opportunities (Individual Development Plan), always generating spaces for dialogue between the superior and the collaborator. In this evaluation it is considered:

- ◆ **THE CONTRIBUTION OF THE COLLABORATOR FOR THE FULFILMENT OF SET GOALS (ASSESSMENT OF OBJECTIVES)**
- ◆ **THE DEVELOPMENT OF ATTITUDES AND SKILLS FOR THE FULFILMENT OF THEIR FUNCTION (COMPETENCE EVALUATION).**

The performance evaluation system is explained in the Performance Evaluation Policy. It defines the objective, the Scope, those responsible, details of the process and methodology. It is available on the corporate intranet for all staff. The stages of this system are:



The Performance Evaluation System is managed by the HR Development team. At the beginning of each year, Top Management defines the organization's goals so that it can then be cascaded to the next levels. The Managers define the objectives of their division and the collaborators define their own objectives in an aligned way. At the end of the calendar year, each employee evaluates himself and is then evaluated by his direct superior. Moderation meetings (colleague comparison) are held according to an established distribution curve where Managers and HR Development participate. Finally, in the feedback instance, each superior meet with each employee to provide information on their qualification, strengths, opportunities for improvement, and discuss their Individual Development Plan and professional interests. Even in this instance, the employee can register their disagreement, complaint or claim in the system.

Staff not included in the collective agreement define their annual objectives based on the Company's guidelines. The performance evaluation process for the year begins with the employee's self-evaluation, continues with the evaluation of the direct manager, and then with the colleague calibration. In the return, they discuss the points achieved and the points to improve, in addition to professional interests.

The performance evaluation of the members of the highest governance body of each division consists of the self-evaluation, followed by the evaluation of the superior and a calibration that follows a pre-established distribution curve. This process analyses the fulfilment of objective's defined by each member at the beginning of each year and agreed with the top management.

In the case of personnel within the agreement, supervisors define their annual objectives based on company guidelines. The performance evaluation process consists of a formal semi-annual review and the year-end evaluation that begins with the employee's

self-evaluation, continues with the evaluation of the direct superior and then with moderation among peers. In the return, the points achieved and the points to be improved are discussed. The team members and team leaders, for their part, are evaluated by their supervisors and managers according to the competencies and objectives established by the company at the beginning of the evaluation period, carrying out formal reviews every six months and evaluating the results achieved annually. Among the objectives, it is contemplated:

- ◆ SKILL IN OPERATIONS
- ◆ FULFILMENT OF THE ROLE (TEAM LEADERS)
- ◆ PRESENTISM
- ◆ IMPROVEMENTS IN SECURITY CONDITIONS
- ◆ PARTICIPATION IN KAIZEN ACTIVITIES (SUGGESTIONS AND QUALITY CIRCLES)
- ◆ TRAINING COURSES.

	31/12/2020	31/12/2019	31/12/2018
<b>% of employees who received Performance Evaluation by gender</b>			
Men	77,4%	100%	100%
Women	22,6%	100%	100%
<b>% of employees who received Performance Evaluation by Job Category *</b>			
Executives and Managers	100%	100%	100%
Mid-Level managers	100%	100%	100%
Analysts and Administrative employees	100%	100%	100%

\* Due to the context, during 2020, exclusively non-contract personnel were evaluated (which did not include employees under the Group Leader and Team Leader or Team Member categories).

## WORK ENVIRONMENT SURVEY

THEME MATERIAL QUALITY OF LIFE AND WORK ENVIRONMENT

GRI CONTENTS 103-1, 103-2, 103-3

At Toyota Argentina we work to build working relationships based on respect and mutual trust, foster teamwork and promote understanding of company and business issues through fluid communication.

The management of internal communication allows us to transmit the values, objectives and challenges of the company. We promote open and continuous communication among employees, at all levels. Likewise, as one of our pillars, we promote innovation in our ways of

communicating, adapting to various formats and challenges of the context, generating content with value and putting collaborators as a priority.

Since 2007 every two years, we have conducted an internal opinion survey for all staff at all levels. It is anonymous and audited by an external consultancy to guarantee transparency and confidentiality in the treatment of data. This survey seeks to know the different points of view of the company's collaborators in order to continue the way of continuous improvement based on the opinion of those who make up the company. In 2021 the next climate survey will be carried out in digital format.

## INTERNAL COMMUNICATION

In the Internal Communication area, we have different channels to communicate with all our collaborators:

### CANALES DIGITALES:

- **Digital Signage:** corporate TV with strategic content from the local, regional and global scope that is renewed weekly with the main topics of the company told by its protagonists.
- **Corporate E - Mailing:** Hacemos Toyota and TASA Info Management.

### CANALES DE COMUNICACIÓN INTERPERSONAL:

- **5 'talks:** Weekly talks between plant supervisors and their work teams, where the main indicators of the company, the message from the plant manager and the main news of the week are communicated.
- **Open Tables:** A space for open dialogue, through two-way communication, where supervisors and their work teams raise concerns on various topics. In these meetings, emerging issues that need follow-up are recorded and, upon resolution, feedback is given to the collaborator.
- **Annual Business Meetings:** They have the objective of sharing the main news and indicators of the operation, the market situation, the short, medium- and long-term strategy, and how each work team can contribute to achieve the proposed goals.
- **Lunches and Breakfasts with the President and Directors:** It is a space for monthly dialogue between collaborators and top management, which encourages an exchange of opinions and seeks joint solutions to common issues. Thanks to the feedback from our employees, we can continually improve the company's processes.

### PHYSICAL CHANNELS:

- Atmosphere
- Physical billboards: strategically distributed in places with the highest circulation
- Posters
- Signage

### INSTITUTIONAL CAMPAIGNS:

Likewise, annually, we develop campaigns with strategic themes, for example: Environment Month, Safety Month, Quality Month, Compliance Week, Innovation, Climate and Commitment Survey, Culture.

### SPECIAL CAMPAIGN: COVID-19 PANDEMIC

During 2020, we carried out a special campaign in the context of the COVID-19 pandemic. From the beginning, an integral work was carried out from the Human Resources Department, creating a protocol. The Internal Communication area worked jointly with Labour Relations, Medical Service, Administrative Services, to share all the information, clearly and concisely, to all collaborators. Within this special campaign, different communication actions were developed:

#### Stage 1

Informative: Communications were shared in reference to the new provisions communicated by the National Government, prior to announcing the preventive and mandatory social isolation. For example: travel restrictions, general information about the new disease, among others.

#### Stage 2

Informative and call to action: Communication of social, preventive and compulsory isolation using all internal communication channels. Topics were also communicated in reference to the new Home Office work modality, for the staff areas.



**Stage 3**

Value Chain Communication. Message from the President, Daniel Herrero.

**Stage 4**

Communication of the current protocol and campaign "Return to TASA": At this stage, a comprehensive communication action was carried out:

- ◆ **Audio-visual:** A video was made with the detailed and step-by-step explanation of the protocol, so that when the collaborators returned, they could previously know the new measures in force in all the spaces of the company. Audio-visual material was also generated that was reproduced on all corporate TVs.
- ◆ **Graphic Channels:** posters and general signage were placed in all entrances and common spaces.
- ◆ **Corporate Mail:** This channel was used to communicate to all collaborators.
- ◆ **Interpersonal Communication:** The daily 5 'talk channel was used where each supervisor shared information with their work cell on care and application of the protocol.

**SPECIAL CAMPAIGNS: MOVING LIVES- CULTURAL AND DIGITAL TRANSFORMATION**

This campaign was carried out regionally to promote the cultural transformation of the company and align our behaviour with the business objectives. The actions were based on three pillars:

- ◆ **WORKSTYLE INNOVATION: FLEXIBLE WORK SCHEME.**
- ◆ **NEW SKILLS: THE REQUIRED SKILLS WERE CHANGED ACCORDING TO THE NEW BUSINESS NEEDS.**
- ◆ **DIGITIZATION OF PROCESSES: ACCOMPANIED BY THE GROWING VIRTUALITY AND THE NEED TO OPTIMIZE TIMES IN PROCEDURES AND APPROVALS.**

**HEALTH AND SAFETY**

MATERIAL ASPECTS HEALTH AND SAFETY AT WORK

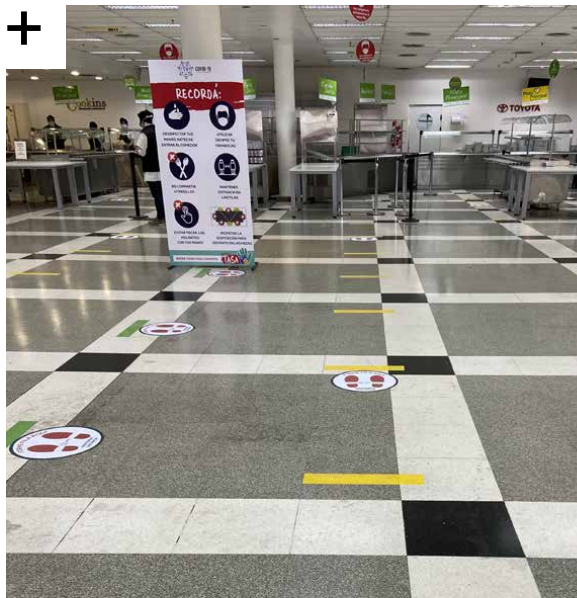
GRI CONTENTS 103-1, 103-2, 103-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10

**SAFETY AND HEALTH MANAGEMENT SYSTEM**

Through different prevention tools, such as audits and inspections, studies, measurements and drills, we develop a safety culture that is sustainable over time and based on values aimed at preventing accidents and creating a safer workplace for our employees.

The Management System is based on the applicable legislation, the principles established by the headquarters and other additional requirements. During this very particular year, we work on the prevention of COVID-19 in conjunction with all areas for the development and implementation of the **Health and Safety Protocol** in our facilities.

Our collaborators, suppliers and contractors who provide services in the facilities of Toyota Argentina must carry out their tasks in a healthy and safe work environment. with which they have the responsibility to comply with the applicable health and safety regulations. The 100% of our staff is covered by our **Health and Safety Management System** and each one must take appropriate measures to protect their physical safety and comply with safe and responsible work practices.



The Industrial Safety and Hygiene area is responsible for the following activities:

- ◆ Monitoring and periodic analysis of security conditions
- ◆ Evaluation and monitoring of ergonomic improvements in working area
- ◆ Prevention of accidents and occupational diseases
- ◆ Early detection of potential accident risks and taking countermeasures
- ◆ Promotion of compliance with internal and legal regulations on safety and hygiene
- ◆ Training for all personnel in matters of safety and industrial hygiene
- ◆ Work in conjunction with the medical service
- ◆ Training the brigade to act in case of contingencies.

**PILLARS OF SAFETY IN THE INDUSTRIAL PLANT**

COLLABORATOR	WORK	WORKPLACE
Achieve the highest level of culture for safety in our people.	We study the risks of all jobs and develop hazard detection and assessment capabilities in staff, including contractors.	We give priority to the ergonomics in the workplace, to work with more comfort and safety
Generate empathy between all people and a sense of belonging.	We prioritize health over any situation or interest.	We apply the 5S in our places, generating orderly and warm environments, orderly and warm environments.
Strengthen ties and commitment.	We work in line with the decalogue (respect standardized work).	We respect the policies of the Environmental Challenge 2050 and environmental care.

The main indicators of the **Company's Safety and Health Management System** for the reported period are:

	31/12/2020	31/12/2019	31/12/2018
Worked Hours	10.947.413	12.254.966	13.202.840
Accidents rate with lost days of work*	-	-	-
Accidents without lost days of work **	2	4	8
Akachin***	2	7	8
Fatalities	-	-	-

\* Severe injury, prolonged absence due to the complexity of the medical treatment the injury requires.  
 \*\* Requires medical treatment superior to first aid.  
 \*\*\* Japanese trademark which means first aids; they are very minor, slight cases

<sup>9</sup> It is a Japanese management methodology that always remembers to have our workplace organized, based on the principles of order and cleanliness.  
 Seiri: "Sort", discard what is not necessary.  
 Seiton: "Order", put things in their place.  
 Seisou: "Clean", leave the work area in good condition.  
 Seiketsu: "Maintain", control and measurement of the 3 previous stages.  
 Shitsuke: "Discipline", keep the 4 previous criteria in a disciplined way.

Work Accident Injuries	31/12/2020	31/12/2019	31/12/2018
Deaths resulting from a workplace accident injury	-	-	-
High consequence workplace injury injuries (not including fatalities)	-	-	-
Recordable occupational accident injuries.	2	-	-
Recordable Occupational Injury Rate *	0,18	0,33	0,61

\* Recordable occupational accident injury rate = Number of recordable occupational accident injuries / Number of hours worked \* 1,000,000

Occupational Diseases and Illnesses	31/12/2020	31/12/2019	31/12/2018
Deaths resulting from an occupational disease or illness	-	-	-
Recordable cases of occupational ailments and diseases	12	20	31

Interdisciplinary studies are carried out between the medical staff, those responsible for the security area and the superiors of each shop, for the control of work activities with a high incidence of diseases.

	31/12/2020	31/12/2019	31/12/2018
Accumulated Accident Frequency Rate *	0,18	0,33	0,61
Absenteeism Rate **	3,06	2,74	2,99

\* It is obtained from the sum of the cases with and without days lost, divided by the hours worked and multiplied by 1.000.000. The division by gender is not a representative variable to make an opening, considering the distribution between men and women in the indicator considered.  
 \*\* For the calculation of absenteeism, we considered the staff within the SMATA agreement. The non-union staff and the staff related to ASIMRA (supervisors), as well as the employees absent for over 12 weeks are excluded. Method used: absences on HC by the amount of working days. The rate includes medical licence related to the workplace (illness or accident), medical license that are not related to the workplace (illness or accident), legal or conventional licenses, unexcused absences and medical discharges. The division by gender is not a representative variable given the distribution between men and women. Licenses related to COVID-19 are not considered.

The **Ergonomics Incident Rate (EIR)<sup>10</sup>** is our indicator and the most relevant occupational diseases in our industry. It is focused on muscle-skeletal disorders .

Ergonomic Incident Rate (EIR)	31/12/2020	31/12/2019	31/12/2018
EIR Rate	1,11	1,63	2,42
EIR Objective	1,96	2,18	3,7

Applies only to Toyota Argentina personnel.  
 Contractors are given a Preliminary Risk Analysis (APR). In the period, a total of 3,248 APR was carried out in activities carried out by contractors.

<sup>10</sup> The EIR is obtained from the sum of the major muscle-skeletal disorders (requiring surgery or more than 90 days of recovery) and minor muscle-skeletal disorders (cases with more than 4 consultations to in the medical service), over the hours worked multiplied by 1.000.000.

## HEALTH AND SAFETY COMMITTEE

The collective agreements subscribed with the unions contemplate the prevention of risks, the provision of work items and the creation of a **Health, Safety and Hygiene, Accidents Prevention and Industrial Ecology Committee (COHISE)**, where our staff is represented and 95% of health and safety issues are evaluated. COHISE raises points to discuss and these points are seen in meetings. This 95% reported is an estimate. It means that almost all the topics are covered in the meetings and those that are not covered are left for the following meetings.

COHISE ORGANIZATIONAL STRUCTURE*	
Regular Participants	Special Participants
SMATA's representative Industrial Safety Representative of TASA Human Resources Representative of TASA	SMATA's delegate Industrial Safety Technician of TASA Area Assistant Managers of TASA

\* The health and safety management system is subject to the locations within the Zarate Plant, the Martinez offices and the Lexus Dealer.

100% of the staff is covered by the Health and Safety Management System. About which 100% of the personnel under the agreement is subject to control by the COHISE committee. This represents 81.55% of employees of the entire Company.

## ERGONOMIC COMMITTEE

The **Ergonomics Committee** meets on a monthly basis, with the participation of the plant Director and all areas of production, demonstrating our commitment to the care of workers' health. To work more and more safely every day and carry out the same practices in our homes that we carry out at Toyota Argentina, in recent years we have reinforced the ergonomic conditions implemented since 2014 for each member of this great family. That is why in all areas of the Company, especially in the production line, we carry out a new internal security protocol to develop tasks with greater safety for this year and the following ones.

This is a new evaluation method, called **TEBA (Toyota Ergonomics Burden Assessment)**, which set parameters of action and prevention to assess physical workload.

In the last 4 years, work was done on ergonomic indicators, activities of implementation and improvement in the production areas.

## YOKOTEN<sup>11</sup>

This is a Japanese term that means replicating a successful countermeasure in a new place. By taking this term, we replicate and implement in our plant the countermeasures of the incidents in other places in the world.

YOKOTEN	31/12/2020	31/12/2019	31/12/2018
Opportunities identified to apply countermeasures	24	21	31
Countermeasures Implemented	66%	33%	100%
Countermeasures in Process	34%	67%	0%

## SAFETY CULTURE

In 2020, the indicator was updated to measure the safety culture of the company. This update provides a more precise measurement and considers fundamental aspects for the organization, such as behaviour, leadership, compliance with internal regulations and training.

In order to educate our staff in the culture of safety and make them aware of accident prevention, the Safety Learning Centre is used as a means of education and knowledge in:

- ◆ FIRE PREVENTION: STATIC ENERGY AND FUEL MANAGEMENT
- ◆ ENERGY MANAGEMENT: LOCKOUT AND RESIDUAL ENERGY
- ◆ BEHAVIOUR: KIKEN YOCHI AND HANDLING OF HAND TOOLS
- ◆ WORK AT HEIGHT: USE OF LADDERS AND USE OF SCAFFOLDING AND LIFTING EQUIPMENT

In the month of safety, 850 employees participated in the workshops offered to add knowledge about ergonomics, safety culture, 5 TEI and Kodokan<sup>12</sup>. In addition, we carried out the **#SafetyChallenge** in which more than 380 people participated and were awarded the best Near Miss and Brigade of 2019.



<sup>11</sup> Yokoten: The horizontal deployment "and refers to the practice of copying the good results of kaizen in other processes.  
<sup>12</sup> Kodokan: It is part of our philosophy: never forget the events of the past to learn from the mistakes made and achieve an improvement in the processes avoiding unnecessary risks. We are based on this concept to create our Safety Learning Center, a space for the training of collaborators and suppliers. The training is carried out through visual, tactile and experimental concepts to improve work processes within the production plant and develop people capable of taking the correct actions with knowledge and experience.

## HEALTH PROMOTION

We focus on health and safety to restart production at our Zarate Plant. We work together with government authorities and unions on all the measures that helped to minimize the risks of contagion, prioritizing the care of our workers and the continuity of the operation.

Since the return to production, after the authorization of the national, provincial and municipal government, in a joint effort with the unions, Toyota Argentina implemented a rigorous **Health and Safety Protocol** that sought to minimize the risks of our employees in the daily operation.

The considerations were developed and implemented to guarantee the care of our employees, with the agreement of the national, provincial and municipal authorities, seeking to produce in an orderly and efficient manner. The protocol included the readjustment of production shifts to limit interaction between employees and allow additional cleaning of the facilities, changes in transport, temperature control through thermal imaging cameras and new rules of distancing in common places. Workspaces were modified to ensure social distancing, while other areas remained closed.

The new procedures were shared with the production teams through an **instructional video**, which explains the changes incorporated. The prevention plan also included the administrative and commercial offices in Zarate and Martinez, while the remote work modality was strengthened in all areas.

In turn, all the implemented improvements and counter-measures that arose during the start of production were incorporated into the **Plant Guide**. This guide provides information on how to act and what to do in various situations that may arise due to the pandemic.

We carried out a campaign that we called "The best prevention is in your hands", through which advice and prevention measures were disseminated to be able to take care of each other.



## MEDICAL SERVICE

We have a Medical Service with a staff of 38 professionals who provide services 24 hours a day, every day. Currently, the service has:

- ◆ 6 doctor's offices (with ultrasound, dynamometer, temperature, pressure, and ear examination)
- ◆ Reception and waiting room (with screen for calls to doctor's offices)
- ◆ On-call office (with temperature, pressure, and general examination meters, medication and equipment for the treatment of sutures, burns and pathologies in general)
- ◆ Shock Room (with 2 beds, electrocardiograph, two multiparameter monitors and spirometers, kits for burn emergencies, AED)
- ◆ 5 kinesiology boxes (with laser, magnet and other equipment for general treatment)
- ◆ Nursery room
- ◆ Pharmacy (general medication, as well as for emergencies and general supplies)
- ◆ Conference room.

In addition, it has a new ambulance with the latest generation equipment with government authorization, for transfers outside the plant in life-threatening emergency situations. Likewise, a communication and logistics network has been implemented to attend to emergencies at the plant.



In 2020, the Medical Service incorporated temperature control equipment (thermal cameras and infrared thermometers) to evaluate the entry of personnel and suppliers in all its gates and locations. In turn, medical and paramedical personnel have been trained to provide containment and responses to suspicious cases and have been provided with all the personal protection elements required to deal with possible cases of COVID-19.



## PERIODIC MEDICAL EXAMS

Every year<sup>13</sup>, we conduct these tests in Zarate Plant and in the commercial offices in Martínez and Lexus (Buenos Aires City), which include the studies requested by law related to the workplace and others complementary studies. Once the results have been received, the medical service calls the staff to inform them, giving priority (within 72 hours of the studies) to cases with pathologies which should be dealt within the short or medium term, and performing the follow up.

## INFLUENZA VACCINATION CAMPAIGN

Annually, we provide to all our collaborators the possibility of getting vaccinated against the flu, free of charge and at their place of work. The graph shows the evolution and scope of this initiative:

	31/12/2020	31/12/2019	31/12/2018
Attendance	4.417	4.239	4.134
% of the total	75%	74%	73%

## PREVENTION OF ADDICTIONS

At the company we assume the responsibility of developing comprehensive actions to address alcohol abuse, the use of non-prescription drugs and other illegal drugs, emphasizing prevention and education. We carry out internal communication campaigns to raise awareness about the harmful effects of alcohol, tobacco and drug use. Upon admission, staff are informed about the **Addiction Policy**. In addition, we implement work areas without tobacco consumption. Daily, randomly, a selection of collaborators is made (3 per day), who must undergo alcohol and drug control, attending the Medical Service. There is suitable equipment for the measurement of substances in the body and a test protocol and counter-test of results.

## HEALTHY EATING

We offer a menu planned by nutritionists, with the object of providing a balanced diet to all our collaborators. We have low calorie options in the canteens.

## FITNESS CENTER

Currently, Toyota Argentina has 3 gyms in plant (a main one and 2 secondary ones) with the equipment and professionals needed to develop physical activities, oriented to health care. Currently due to COVID-19 it is only available for personnel rehabilitation, only one person can access every 30 minutes.

<sup>13</sup> Due to health issues related to COVID-19, periodic medical examinations were not performed in 2020.

## PHYSICAL FITNESS PROGRAM

Provides a tool for the prevention and improvement of physical conditioning of employees affected by production. Scholarships are awarded for staff to attend the company gym or other external, to strengthen the extremities most used in daily tasks.

## PSYCHOSOCIAL ASSISTANCE PROCESS

The **Psychosocial Support Service** is a free program that provides psychological assistance to the collaborators when there is a conflict and/or traumatic situation, to reset their emotional balance, both inside and outside the work environment. We have the assistance of 4 professionals, who provide services in the plant, in office or at the home address of the staff concerned, according to the needs and the seriousness of the case.

## TRAINING IN FIRST AID AND CPR<sup>14</sup>

Training is provided in first aid, cardiopulmonary resuscitation (CPR) and use of the automatic external defibrillation device (AED) for all personnel.



<sup>14</sup> Could not be executed during 2020 due to health issues related to COVID-19.

# COMMITMENT TO OUR COMMUNITIES

GRI CONTENTS 102-21, 102,29, 102-44

The bond with the community is a central aspect of our sustainable management model. Our **CSR Policy** is the framework for the relationship and design of social programs and aims to contribute to the sustainable development of communities, promoting dialogue and based on three main lines of action:



We work collaboratively with the nearby communities where we operate in order to understand and attend to their needs, implementing social investment programs. Our focus is on the town of Zarate and all the towns near our industrial plant, such as Campana, Baradero, San Pedro, Escobar, among others. We implement joint action plans with all of them, following the following guidelines:

- ◆ **CORPORATE VOLUNTEERING:** We develop volunteer activities, with the solidarity commitment of our staff, in alliance with the SMATA and ASIMRA unions.
- ◆ **DONATIONS AND CONTRIBUTIONS:** We promote the strengthening and support of public good institutions.
- ◆ **MULTIFACTORIAL ALLIANCES:** We work articulately with organizations of the civil society, public organisms and companies on social development programs for the community.

## DIAGNOSIS OF COMMUNITY NEEDS

From Toyota Argentina, we carry out a biannual diagnosis of needs in the community of Zarate, where we also report their expectations towards the company. The last diagnosis was carried out in 2019 and among the most important aspects surveyed are: insecurity, employment, streets repair and health. In relation to the company, there is a positive perception from the community to the company, reaching more than 90% positive assessment, in addition to being the most recognized company for its commitment, prestige, vision for the future, contributions to the community and for being a good employer for the inhabitants of Zarate.

The results are presented to the presidency of Toyota Argentina together with a proposal for improvement in those aspects that require attention. Then, the new actions and initiatives are incorporated into the work plan of the corresponding areas.

In 2020, and in the face of the social health emergency that occurred due to the COVID-19 pandemic, we immediately contacted the main institutions of local communities (municipalities, hospitals, primary care rooms, etc.) to assess their needs and be able to design a community assistance action plan. The main problems surveyed were: health, food, lack of internet connectivity and mobility. In this way, we design a **Strategy for COVID Assistance** based mainly on 3 axes: strengthening the health system, food contribution and mobility solutions. This action plan was presented to the company's board of directors, who approved its content.

## ENVIRONMENT

THEME MATERIAL EDUCATION AND RESPONSIBLE CONSUMPTION

GRI CONTENTS 103-1, 103-2, 103-3

We consider the environmental impact of the vehicle throughout its life cycle and we develop programs to enrich the life of the communities where we operate.

**Objective 6** of the **2050 Toyota Environmental Challenge** seeks to establish a future society in harmony with nature, and focuses on promoting and carrying out conservation activities, building collaborative and cooperative relationships with organizations involved in promoting biodiversity, and voluntarily disclosing environmental information, to contribute to the development of a sustainable and transparent society.

By 2050 we will ensure a society in harmony with nature, working under three pillars:

- ◆ **CONNECTING COMMUNITIES (TOYOTA WAVE GREEN PROJECT)**  
In order to preserve the native flora and fauna, we have a 21-hectare natural reserve open to the public located within the facilities of our Industrial Plant.
- ◆ **CONNECTING WITH THE WORLD (TOYOTA TODAY FOR TOMORROW PROJECT)**  
We participate in different biodiversity conservation programs, providing support to different organizations that work in the conservation of species.

◆ **CONNECTING WITH THE FUTURE (TOYOTA ESO PROJECT)**

Since 2004, we have carried out the Environmental Awareness Program with the aim of raising awareness and promoting environmental education in children through workshops and recreational activities.

**TOYOTA NATURAL RESERVE**

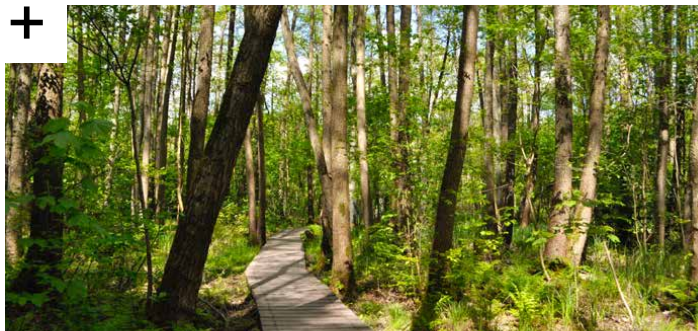
The reserve, located within the premises of the Zarate Plant, has the purpose of preserving the native flora and fauna of the northeast of Buenos Aires, the uptake of CO2 emissions and the reception of visitors with educational and recreational purposes. This natural protected area contributes to improve the quality of air, water and soil and to moderate the weather and it provides shelter and food to many native species of plants and animals of the region. In its 21 hectares, it retains samples of natural and cultural heritage as part of the biological corridor in the area, where three ecoregions converge: Pampeana Region, Espinal Region, Delta Region and Paraná Islands (grassland, wetland, marginal forest and logging). In this educational space, in addition to guided tours, we release native species, perform forestations and educational workshops.

As of March 2020, due to the isolation conditions arranged to go through the COVID-19 pandemic, the schools of our community could not be invited to the Nature Reserve, so the number of visitors reached only 461 people. However, this period was used to carry out a review of the Reserve's management plan and the necessary engineering was developed for the implantation of a 10,000 m2 lagoon, which will improve biodiversity by including new species that coexist with the water bodies of wetland ecosystems.



**Visitors received by our park ranger**

	2020	2019	2018
	461	5.042	3.861



**ENVIRONMENTAL AWARENESS PROGRAM**

Since 2004, we have been carrying out this program for students of 5th grade, which seeks to raise awareness of the importance of caring for the environment in everyday life, through environmental education workshops in schools. In 2017, we expanded its scope to the employees and their families, and to the schools of our dealers' network and in 2019 also to teachers.

During 2020, Environmental Awareness programs were affected in their face-to-face nature, having to be reviewed and in some cases reconverted to virtuality. In this regard, we developed workshops and talks, as well as the development of the Environment Month activities in June, which not only had an internal scope. The activities developed were:

**1. WORKSHOPS FOR TOYOTA ARGENTINA EMPLOYEES:**

- \_INTA workshops
- \_Circular economy
- \_Energy efficiency

**2. BIRDLIFE INTERNATIONAL & TOYOTA**

- \_CEO's Live
- Live virtual chat on biodiversity crisis

**3. WORLD CLEANUP DAY, SEPTEMBER 19**

- \_Virtual event for digital cleaning

**LA CRISIS DE LA BIODIVERSIDAD**  
UN DESAFÍO COMPARTIDO

EL VALOR DE LAS ALIANZAS GLOBALES ENTRE ORGANIZACIONES

**PATRICIA ZURITA**  
CEO DE BIRDLIFE INTERNATIONAL

**DANIEL HERRERO**  
PRESIDENTE DE TOYOTA ARGENTINA

**INGRESÁ ACÁ**

11 AM (HORA ARGENTINA) | TEAMS LIVE EVENTS.

## TLAC ECO AWARD PROGRAM

As part of the continuous improvement and performing yokoten<sup>15</sup> of an activity that takes place annually within the production areas of Toyota Argentina, together with the member subsidiaries of TLAC (Toyota Latin America and the Caribbean) the first **TLAC Eco Award Program** was carried out. This program seeks to choose the environmental improvement that has generated the greatest impact in your country, under the criteria of innovation, originality, cost of implementation and of course environmental impact.

For this edition, 21 TLAC countries were invited to participate virtually. As a result of the call, 15 countries attended, which contributed 20 environmental improvements that were evaluated by the Toyota Argentina-Toyota Brazil Committee. Among the 3 finalist countries, Chile, Peru and Costa Rica, the latter was selected as the Best Regional Kaizen. The improvement presented by these affiliates consisted in the development of the actions necessary for its management system to demonstrate carbon neutrality in all processes. For its development, it had the support of programs together with the government of Costa Rica, promoting public-private actions.

## ENVIRONMENTAL CONSERVATION

### “PATAGONIA PROGRAM” OF AVES ARGENTINAS

In order to contribute to the sustainability and preservation of biodiversity, 6 years ago we started a mutual collaboration alliance with the Aves Argentina's Association, a national organization that is a member of Bird Life international, which has been protecting wild birds and nature for more than 100 years.

Aligned with the **2050 Environmental Challenge**, we work on the conservation of the macá tobiano<sup>16</sup>, a native bird of our country that is in critical danger of extinction and that only lives in Argentinean Patagonia. To investigate more about this species, we collaborate with scientists and project volunteers with the loan and donation of vehicles.

In recent years, we have expanded the scope of the program to other native species of the region, such as: the huillín, the small gallineta, the duck of torrents and the orange chinchillón, among other charismatic, but little-known species of our country.

The **Patagonia Program of Aves Argentina's** obtained financing from our headquarters, through the environmental grant program "Environmental Grant". It consists of a 2-year financial support to continue with the noble task of conserving our endangered species.

We invite you to know more about the project in:

[www.facebook.com/programapatagonia/](http://www.facebook.com/programapatagonia/)  
[www.facebook.com/avesargentinasAOP/](http://www.facebook.com/avesargentinasAOP/)

### “PANTANO PROJECT”

From Toyota Argentina we have supported for 2 years a project promoted by the Atlantic Forest Research Centre-CEIBA, a non-profit civil association created in 2005 that seeks to ensure the conservation of the world's southernmost population of the swamp deer ( Blastocerus dichotomus), and the wetlands of the Paraná Delta that support it, seeking to make this conservation process compatible with the regional socio-productive context. This project works on four complementary axes: scientific research, conservation management, environmental education and communication/dissemination.



CONSERVANDO EL CIERVO DE LOS PANTANOS EN EL DELTA DEL PARANÁ

Consultas técnicas y generales: [proyectopantano@gmail.com](mailto:proyectopantano@gmail.com) / Blog: [proyectopantano.org.blogspot.com.ar](http://proyectopantano.org.blogspot.com.ar) / [www.proyectopantano.org](http://www.proyectopantano.org)

<sup>15</sup>Yokoten: "The horizontal deployment" and refers to the practice of copying the good results of kaizen in other processes

<sup>16</sup> El macá tobiano (Podiceps gallardoi) es una especie de zambullidor, que habita lagos y lagunas de las mesetas patagónicas por e

The Argentine program seeks to prevent the disappearance of the deer from the swamps in the islands of the Lower Paraná Delta, and was the winner of the “Toyota Environmental Activities Grant Program 2020” award among the 26 finalists of the 157 projects submitted from around the world.

From Toyota Argentina we support and work with the Pantano Project to generate scientific information that allows the conservation of deer, while implementing communication strategies that make the species visible and valued.

*“Beyond the urgencies that the situation imposes on us and the challenges we face due to the COVID-19 pandemic, we continue working on our biodiversity conservation projects and on all environmental initiatives that allow us to achieve sustainable development in the long term.”*

*Javier Ruvolo, Toyota Argentina Sustainability Project Leader.*

## ACERCARSE PROGRAM

17 companies work together for the sustainable development of the communities where we operate. Every year we carry out activities with the aim of building a community space oriented to generate social value, promoting public-private articulation.

Since 2009, we have been part of this initiative together with other 20 companies of Zarate to promote the development of local communities with the technical support of the campana-Zarate Inter industry committee for Environmental Conservation, the General inspectorate of schools, and the Secretariats of Environment of both municipalities.

During 2020 the communication and development strategy of its actions was readjusted, migrating to a virtuality of the activities. This allowed us to implement for the eighth consecutive year the program “**La Basura Sirve**”, which works on aspects of separation and recycling of waste with students of schools of Zarate, Campana and Lima. This initiative, in addition to positively impact on the environmental quality, promotes awareness and commitment of the schools because they are granted a recognition for their performance.

At the same time, the design of capsules and virtual workshops allowed expanding the scope of the programs, thus increasing the number of participants.

ZÁRATE	CAMPANA	TOTAL SCOPE
35 schools 11.080 participants	30 schools 9.332 participants	65 schools 20.412 participants

### Training days for teachers

Within the framework of the **Institutional Strengthening Program in Educational Management**, teacher training seminars were developed. There were 8 meetings throughout the year that brought together 900 teachers from schools in Campana, Zarate and Lima. The topics addressed were related to: “Planning the transition from virtuality to face-to-face with evaluation as a support.” All the presentations were recorded and distributed so that those who could not access due to connectivity or time problems, could do so at any time they wanted.

### Technician's Day Conference

On October 14, the Technician's Day Conference was held with the participation of Gino Tubaro and about 200 students from technical schools throughout Region XI.

## ROAD SAFETY

MATERIAL ASPECTS ROAD SAFETY  
GRI CONTENTS 103-1, 103-2, 103-3

With the focus on improving road safety awareness, not only among employees, but also within society in general, we promote road safety training activities designed for the current reality. Our road safety programs propose to work on the concept of safe driving and the prevention of traffic accidents. This is achieved directly through the articulated participation of adolescents and their parents and, indirectly, through their dissemination.

## TOYOTA & VOS PROGRAM

We seek to contribute to the prevention of traffic incidents, raising awareness and educating future generations in safe driving habits and responsibility at the wheel and thus contribute to responsible mobility.

Since 2007, we have carried out the road safety program, called **Toyota & Vos. Driving safely is in our hands**, a free itinerant activity of safe driving, aimed at young people with driver's license and to their parents. The main differential of the program is the use of technology and simulators to replicate real risk situations in daily driving. Through this experience, drivers acquire -in safe conditions and before the eyes of professional instructors driving tools that will be then part of their set of skills and that can hardly be acquired without a risk in the day-to-day driving. The program starts with an introductory talk and then participants carry out practices that include an impact simulator, braking exercises, distractions, slalom (allows to know the vehicle behaviour in case of sudden changes of direction: load transfer and pendulum effect). During 2020, a work on virtual content was started without being able to carry out face-to-face activities.

## DREAM CAR ART CONTEST PROGRAM

*We support education and stimulate the creativity and imagination of the youngest children. We seek to inspire you to create great ideas to continue building our future.*

Since 2004, Toyota Motor Corporation has developed the art contest "**The car of your dreams**", as part of the initiatives with the community. The action invites children under the age of 16 years old of throughout the world, to share their ideas on the future of mobility, to promote their interest on cars and the importance of having a dream. Under the premise "Every great idea is born with a dream", in Toyota Argentina we stimulate creativity and we challenge the imagination of the next generation of great inventors, thinkers and dreamers.

**THE PROGRAM HAS BEEN CARRIED OUT SINCE 2012, AS A CSR ACTION FOCUSED ON STRENGTHENING THE FAMILY LINK TO GENERATE A SPACE OF APPROACH, EDUCATION AND COMMITMENT.**

It is a drawing contest, which consists of a first national instance, held in the different affiliates of Toyota at a global level. In each of them, 9 winning drawings are chosen (3 per category). The second instance takes place in Japan, where a world selection is made with the winning drawings of the national instances of each participating country.



The edition launched in September 2020 involved significant changes due to the COVID-19 pandemic, increasing the degree of digitization of the program in different aspects:

- ◆ The contest was broadcast on various digital platforms to reach both children and their parents
- ◆ For the first time, digital registrations were accepted for the first pre-selection stage: a measure that was applied to increase participation from home.
- ◆ The district inspectorates of Zarate, Campana and Escobar were a key factor in spreading the contest in all public and private schools in the community through a series of digitized materials.
- ◆ The relationship with the dealers was reinforced through monthly meetings to report the virtual and face-to-face actions carried out by each one of them in their respective provinces. In addition, the three dealers that submitted the most drawings received a monetary award to deliver to an institution with which they had worked the program.
- ◆ The event for Toyota Argentina staff and their families was also continued, with the aim of recognizing the participation and talent of the youngest members of the Toyota family.

In December 2020, children from the 8 community kitchens of the **Food Assistance Program** were invited to participate in the contest. The basic guidelines were shared, and the materials were delivered so that those under 16 years of age had the opportunity to participate. In total, 500 boxes of coloured pencils and more than 1.000 booklets with drawing sheets were delivered.

	31/12/2020	31/12/2019	31/12/2018
Dealers	39	31	38
Public Schools of Zarate, Campana and Escobar	28	54	46
Drawings	4.241	6.017	7.577

## EDUCATION FOR EMPLOYABILITY

MATERIAL ASPECTS ECONOMIC PERFORMANCE OF THE ORGANIZATION, PROMOTION

OF EMPLOYMENT IN LOCAL COMMUNIT

GRI CONTENTS 103,1 103-2, 103-3, 201-4

Another of the pillars of work with the community is to improve the employability of young people and adults, from education and in collaboration with it. Programs are designed jointly with national, provincial, regional and local educational authorities, which are then developed in different educational institutions.

### PESCAR FOUNDATION

The program that Toyota Argentina has with Pescar Foundation addresses education as a means of social integration, offering personal and job training to low-income young people for their insertion into the labour market. As a result of the epidemiological situation of 2020, it was possible to migrate a program that was purely face-to-face to a virtual format, in order to give continuity to this activity. 20 participants were selected from 6 public schools of basic secondary education, where soft skills modules were taught.

	31/12/2020	31/12/2019	31/12/2018
<b>Participants</b>	<b>20</b>	<b>26</b>	<b>20</b>
Men	8	14	7
Women	12	12	13
<b>Class hours</b>	<b>264</b>	<b>264</b>	<b>264</b>
<b>Hours*Participant</b>	<b>5.280</b>	<b>6.864</b>	<b>5.280</b>

### QUALIFIED INDUSTRIAL OPERATOR COURSE

We seek to promote employability and accreditation of professional practices for students who wish to obtain the title of Technician. Classes are given by teachers and Toyota collaborators on topics such as Quality, Labour Relations and Safety and Hygiene.

This program consists of 3 courses: Quality, Safety and Hygiene and Labour Relations. and each of them is 60 clock hours. These are recognized by the DGCyE of the Province of Buenos Aires and certify the Professionalizing Practices of 7th year students from technical schools: EEST1, EEST2, EEST3, EEST4, EEST5 and Vanguardia College of Zarate City. In 2020, a virtual format program was implemented in order to give continuity to this activity.

	31/12/2020	31/12/2019	31/12/2018
Participants	245	170	159

### SECONDARY EDUCATIONAL INTERNSHIPS

These professionalizing practices are intended for students in the 6th year of intermediate level schools and 7th year of technical schools. They are carried out between September and December, both in plant and administrative sectors. In 2020, they had to be suspended due to the COVID-19 pandemic.

### UNIVERSITY INTERNSHIPS

We agree on educational internship plans, complying with Law 26.427. where students develop skills in the world of work and put into play the knowledge learned in the classroom. We generate agreements with different universities: University of Economics, Engineering, Social Sciences, Law (UBA); UTN; ITBA; UNLU; University of Economics, Engineering (UCA); UADE; Austral University; University of Morón; etc.

	31/12/2020	31/12/2019	31/12/2018
Participants	37	45	51
Hours	705,62	828	828
Hours*Participant	26.108	37.260	42.228

## TAX CREDIT

Through this program, Toyota Argentina (in conjunction with the Ministries of Education) provides resources for equipment and for teacher and community training courses to educational institutions throughout the country. In this way, these institutions improve the times for updating

Year of Disbursement	Disbursement	Quantity of Files
2014	\$ 2.935.197,00	21
2015	\$ 2.800.611,00	16
2016	-	-
2017	-	-
2018	\$ 7.828.510,00	15
2019	\$ 15.396.312,00	42
2020*	\$ 1.988.754,91	15

\* Includes: Equipment Projects plus recommended facilities + Training Actions Projects.

## AUTOMOTIVE TECHNICAL EDUCATION IMPROVEMENT PROGRAM (META)

It is a professional internship program with technical training, aimed at 7th year students. It integrates the work of the schools with that of the dealers, encouraging the employability of students and strengthening technical education. At the end of the project, dealers can recruit the students who completed the experience.

In this sense, we provide dealers with technical training support and materials that are provided to technical schools. In 2020, the program was suspended as a result of the Preventive and Mandatory Social Isolation generated by COVID-19.

## EDUCATION ON WHEELS PROGRAM

Toyota contributes to technical education throughout the country.

The main objective of this program is to provide tools and strengthen the learning processes of technical schools with mechanical or automotive orientation, to make available to students the technology developed by Toyota and improve the employment conditions of those who graduate. Since its beginning, 43 non-rolling vehicles, 52 engines and 15 million pesos were donated to finance educational projects in 14 provinces. In coordination with the National Institute of Technological Education (INET), the provincial governments and SMATA, the project

seeks to contribute to the formative development of students of technical schools, focused on the automotive industry. Equipment and units were delivered in Buenos Aires, Córdoba, La Pampa, Santiago del Estero, San Luis, Entre Ríos, Catamarca, Misiones, Formosa, Mendoza and San Juan.

	31/12/2020	31/12/2019	31/12/2018
Donated vehicles	3	19	21
Donated Engines	0	12	40
Provinces	1	7	9

## LOCAL COMMUNITIES

### VISITOR CENTRE

We continue strengthen ties with the communities and transmit the philosophy and the Toyota production system.

55.000 people have already visited the Visitors Centre of Toyota in Zarate.

The **Visitor Centre**, inaugurated in March 2016, it has become a strategic space, where we receive corporate, educational, governmental, press, dealers and clients visits. The year 2020 was a pandemic year with which the Centre had to cancel its visits from March to September. In this context, a 360 ° production video was launched through social networks and was seen by 117.209 people. After the restrictions were relaxed, we were able to end the year with 1.123 visitors, implementing new protocols such as reduction in the number of visits, sanitization of equipment, use of mandatory masks and mandatory social distancing.

For guided tours of the production plant, spaces can be reserved through our website:

[www.somostoyota.com.ar/nuestra-comunidad/centro-de-visitas](http://www.somostoyota.com.ar/nuestra-comunidad/centro-de-visitas)





## TPS (TOYOTA PRODUCTION SYSTEM) IN THE COMMUNITY

We seek to strengthen the management of social organizations, through the application of the principles of the Toyota Production System (TPS), which aim to optimize and improve processes. With this proposal, we share the Kaizen philosophy (continuous improvement) with the organizations of our community.

During 2020, we developed the second edition of the project that links TPS with civil society organizations. The proposal consists of providing them with tools that are part of our work philosophy, to improve management and make their processes more efficient.

On this opportunity, we work together with the Favalaro Foundation, which is an international reference centre with 46 years of experience and that not only offers medical assistance, but also integrates teaching and research at the service of the entire community.

In the first instance of the project, the company's TPS team made a diagnosis of the Foundation's main needs and established a joint action plan whose objective was to improve processes in 4 key areas: bed management, billing, pharmacy and operating room. Work teams made up of collaborators from the institution and Toyota were formed for each of the areas involved. In this way, progress was made with the implementation of the improvement project following the TPS guidelines.

The work spanned a total period of 12 months and had a significant impact on the operation of each area, both in management results and in staff development.



## RILCOMUNITY IN MOBILITY

In 2020 we formed an alliance with the **Local Innovation Network (RL)** or the launch of the **RIL Community in Mobility** aimed at all the municipalities of the country. RIL is a civil association that works with municipal government teams, with the aim of improving their management capacities and enhancing the power of transformation of cities.

The RIL communities are thematic virtual spaces made up of municipal officials who articulate with business leaders, civil society organizations and academia, with the aim of sharing information and trends, generating exchange of experiences and good practices, inspiring with cases of cities of Argentina and the world and accompany and share projects.

The mobility community was launched in April 2020 and had an agenda of topics that we had to redesign based on the socio-health emergency that the country was suffering. In this way, the first objective of the community was to accompany the municipalities in the challenges that the return to activity and mobility in the country would imply (protocols for public transportation, permits to transfer between different jurisdictions, driver's licenses, etc.) and in the opportunities that the months of quarantine presented them in terms of mobility.

Throughout the year, other topics related to sustainable mobility and municipal management aspects were incorporated. From Toyota we offer the talk "Sustainable Mobility: public-private articulation for the promotion of new technologies".

Here is a summary of the topics addressed throughout the year

### Temas por Comunidad

Síntesis de los principales temas tratados en intercambios, consultas, casos compartidos y webinarios



COMUNIDAD VIRTUAL



Likewise, we incorporated the “carbon neutrality” dimension with a focus on alternative propulsion technologies to the Self-Diagnosis Index that RIL developed together with the Metropolitan Foundation. This index establishes the key components of a comprehensive urban mobility policy, allows an action plan to be developed and evaluated to advance in a continuous improvement process. Then we held a workshop for the municipalities to do their own self-diagnosis. As a result of joint work throughout 2020, it was possible to reach:



## COVID-19 EMERGENCY ASSISTANCE

*When we work as a team, anything is possible. Therefore, we work together with employees, unions, suppliers and dealers to contribute to our communities against the challenges of the pandemic, through a comprehensive program of social assistance that reached those who needed it most.*

*Eduardo Kronberg, Gerente General de Sustentabilidad.*

Regarding the economic and health crisis caused by COVID-19, from Toyota Argentina we define 3 lines of action:

## STRENGTHENING THE HEALTH SYSTEM

**Argentine Red Cross:** Support in the “Argentina Needs Us” Campaign, with a monetary donation for the purchase of medical equipment.

### Donation of sanitary supplies:

#### ◆ LOCAL COMMUNITY:

- **Zarate Hospital:** Delivery of 300 beds to the Municipality of Zarate destined to isolation areas for asymptomatic patients or with mild symptoms (geriatric, clubs, etc.). They were carried out at a supplier in Zarate, contributing to local development. In addition, a financial contribution was made to the Hospital Cooperator.
- **Campana Hospital:** Delivery of 3 table pulse oximeters and medical supplies for medical equipment.
- **San Pedro Sewing Workshop:** Support to the local community sewing workshop through the provision of supplies for the manufacture of biosafety items (chinstraps, chemise, boot covers, caps) with a production capacity of 6,000 biosafety kits per week.

#### ◆ HEALTH ORGANIZATIONS THROUGHOUT THE COUNTRY:

Delivery of 334,000 approved surgical masks for use by health and community care personnel.

- Zarate Hospital (Provincial): 10,000
- Rene Favalaro de Zarate Municipal Hospital (Municipality): 10,000
- Lima Hospital: 2,000
- Campana Hospital (Municipality): 10,000
- Escobar Hospital: 2,000
- Baradero Hospital (Municipality): 10,000
- San Pedro Hospital (Municipality): 6,000
- Ezeiza Hospital (Municipality): 10,000
- San Fernando Hospital (Municipality): 6,000

- Red Cross and Zarate Firefighters (support and assistance to local population): 2,000
- Police Prov. Bs.As. (Zarate / Campana) control campaign on public roads: 2,000
- Ministry of Health of the Province of Buenos Aires. Head of Cabinet: 100,000
- Secretary of Health of the City of Buenos Aires: 20,000
- Large cities in the interior of the country: 144,000 (these donations were made together with the Official Network of Toyota Dealers based on population and cases).

## FOOD CONTRIBUTION

### Support for the "Let's Be One" Food Campaign

The objective of the project was to meet the needs of 4 million people during the peak of the COVID-19 pandemic, with the assembly of 1 million boxes with food and hygiene products. The CIAS (Centre for Research and Social Action), CARITAS, Food Bank, ACIERA (Christian Alliance of Evangelical Churches of the Argentine Republic), the Council of Evangelical Pastors of CABA and AMIA participated, who in turn summoned associations, unions and chambers of companies to respond together in the face of this emergency.



### #UnidosenRed

Through an alliance with Banco de Alimentos, Unilever and ASIMRA, we continue to strengthen our social commitment in the face of the socio-health emergency situation arising from COVID-19. In this sense, we come together to respond to the demand for food and hygiene products in our communities, reaching different organizations and dining rooms in Pilar, Zarate and Campana. As part of the campaign, Unilever contributed with the donation of essential products and, from Toyota - and together with ASIMRA - we contributed with logistics and volunteering during distribution, under the coordination of the Food Bank.

*“Since the pandemic began, the demand from social organizations has increased considerably. Being able to count on the commitment of Unilever and Toyota in this initiative is key for the Food Bank to be able to respond and continue to fulfil its mission, that of helping those who suffer from hunger”.*

*Marisa Giráldez, Director of the Food Bank*

The initiative involved 400 hours of volunteer work and managed to reach 8 community dining rooms with more than 9,000 kg of food and 1,000 kg of cleaning supplies. These types of initiatives and synergies between all parties allow us to continue collaborating with the most vulnerable sectors of society and supporting the community to cope with the health emergency.

### Comprehensive Food Assistance Program with Volunteering

Donation of food to local canteens (Zarate, Campana, Lima and Alsina) in alliance with SMATA, ASIMRA, Cookins (food service provider) and the Zarate Red Cross:

- ◆ 10 tons of food products
- ◆ 120,000 eggs in alliance with Fundación Iniciativa Solidaria (FIS) and the Argentine Chamber of Poultry Producers (CAPIA).

### MOBILITY SOLUTIONS

**Donation of ambulances:** 6 Hilux 4x4 pick-ups adapted as ambulances with highly complex equipment for intensive care were donated to the national government, and one ambulance to the Santa Victoria Este community, in the province of Salta.

**Vehicle loan:** 30 vehicles were assigned on loan to logistics service in the health emergency of the different municipalities and the Army operating throughout the national territory.

### CORPORATIVE VOLUNTEERING

We develop volunteer actions in our close community, with the solidarity commitment of our collaborators in alliance with SMATA and ASIMRA.

### CHRISTMAS CELEBRATIONS

Given the context of the pandemic, we had to adapt the Christmas celebrations with children between 7 and 12 years old, coming from homes and clubs in peripheral areas of Zarate and Campana. That is why we decided instead of inviting them to our Visitor Centre, as every year, to visit them ourselves. The corresponding protocols were implemented to ensure health measures, and Santa Claus once again came to each of them with a gift, a delicious snack and a sweet bread to share with his family.

**More than 600 children participated in the Christmas day, thanks to Toyota's joint work with SMATA and Cookins.**

Likewise, together with ASIMRA, we accompany and support the Christmas celebration at the Pancitas Llenas picnic area in the town of Campana. To celebrate, the organization chose to make 1,200 sweet breads that were later donated to families in vulnerable situations in the neighbourhood.



## COMPREHENSIVE FOOD ASSISTANCE PROGRAM WITH VOLUNTEERING

During the COVID-19 pandemic, the needs of our community increased significantly. The **Food Assistance Program with Volunteers** was implemented in 8 community kitchens of Obra Don Bosco together with the Bishopric Zarate-Campana and in a strategic alliance with our supplier Cookins.

Since the month of September, 1,500 meals a day began to be delivered, which includes more than 33,000 kg of food between fresh and dry of high nutritional value. In addition, baskets were donated for the classification of waste, equipment and security elements, Kanban boxes for the basic application of the TPS (Toyota Production System) in the preparation and distribution of food, first-aid kits, lighters made by the Kaizen area and fire extinguishers for each of the dining rooms of the Work.

Employees received training in cookbooks, good practices in the kitchen, first aid and safety in alliance with Cookins and the Red Cross.

The group of Japanese expatriates from Toyota decided to honour those responsible for the dining rooms of the Don Bosco work with a lunch to celebrate Christmas and as a way of appreciating everything they do to help the community. They were in charge of serving it themselves, shared experiences and donated 1,300 sweet bread for all attendees and their communities.



## WATER FILTER DELIVERY

Toyota Argentina, through an alliance with the Safe Water Project and with the collaboration of SMATA and the Municipality of Zarate, seeks to provide concrete solutions in the island area to the water crisis with the objective that all people, especially children, enjoy the right of access to safe water in a sustainable way. This initiative is part of the local chapter of the Environmental Challenge 2050, which bases one of its axes on the enrichment of the life of the communities.

In December we made a visit to said area together with SMATA and in alliance with the Municipality of Zarate and the Argentine Navy. We surveyed families with children and delivered 13 LifeStraw water purifying filters, as well as non-perishable food and toys.

# TABLE OF CONTENTS



# GRI TABLE OF CONTENTS

We prepare the following content index in accordance with the GRI Standards and the topics that emerged as materials from the analysis carried out.

GRI Contents 1

## GRI 102 - GENERAL CONTENTS (2016)

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>1. Organization Profile</b>						
102-1	Name of the organization	10				
102-2	Activities, brands, products and services	10				
102-3	Location of the headquarters	10				
102-4	Location of operations	10				
102-5	Ownership and legal form	10				
102-6	Markets served	10				
102-7	Organization size	10				
102-8	Information about employees and other workers	10, 66		8 - 10	✓	01/01/2020 - 31/12/2020
102-9	Supply chain	36, 37				
102-10	Significant changes in the organization and its supply chain	22				
102-11	Precautionary principle or approach	26, 52				
102-12	External initiatives	10				
102-13	Memberships to associations	10				
<b>2. Strategy</b>						
102-14	Declaration of senior executives responsible for decision-making	3				
102-15	Main impacts, risks and opportunities.	3, 26				
<b>3. Ethics and Integrity</b>						
102-16	Values, principles, standards and code of conduct	5, 30		16		
102-17	Advisory mechanisms and ethical concerns	30		16		
<b>4. Governance</b>						
102-18	Governance structure	26				
102-19	Delegation of authority	19				
102-20	Responsibility of economic, environmental and social issues at the executive level	19				
102-21	Composition of the highest governance body and its committees	22, 82		16		
102-22	Composition of the highest governance body and its committees	26		5 - 16		
102-23	President of the highest governance body	26		16		
102-24	Nomination and selection of the highest governance body	26		5 - 16		
102-25	Conflicts of interest	26, 30		16		

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
102-26	Role of the highest governance body in the selection of purposes, values and strategy	26		16		
102-27	Collective knowledge of the highest governance body	26				
102-28	Performance evaluation of the highest governance body	74				
102-29	Identification and management of economic, environmental and social impacts	19, 82				
102-30	Effectiveness of risk management processes	26, 30				
102-31	Evaluation of economic, environmental and social issues	19				
102-32	Role of the highest governance body in the preparation of sustainability reports	19				
102-33	Communication of critical concerns	26				
102-34	Nature and total number of critical concerns	26		16		
102-35	Remuneration policies	69	Confidential Confidential			
102-36	Process to determine remuneration	69				
102-37	Stakeholder involvement in remuneration	69				
102-38	Annual total compensation ratio	–				
102-39	Ratio of percentage increase in total annual compensation	–				
<b>• 5. Participation of Stakeholders</b>						
102-40	List of stakeholders	20				
102-41	Collective bargaining agreements	10, 66		8	✓	01/01/2020 - 31/12/2020
102-42	Stakeholder identification and selection	20				
102-43	Approach for stakeholder participation	20				
102-44	Key issues and concerns mentioned	20, 46, 82				
<b>• 6. Practices for Report Preparation</b>						
102-45	Entities included in the consolidated financial statements	22				
102-46	Definition of the contents of the reports and the Coverage of the topic	22				
102-47	List of material topics	22				
102-48	Information restatement	22				
102-49	Changes in the report preparation	22				
102-50	Reporting period	22				
102-51	Date of the last report	22				
102-52	Cycle of report preparation	22				
102-53	Contact point for questions about the report	22				
102-54	Declaration of preparation of the report in accordance with GRI standards	22				
102-55	GRI content index	94				
102-56	External verification	22				

## GRI 200- ECONOMIC STANDARDS

### ECONOMIC PERFORMANCE

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	10, 22, 35, 69, 87				
103-2	Approach of management and its components	10, 35, 69, 87				
103-3	Assessment of the management approach	10, 35, 69, 87				
<b>• GRI 201 ECONOMIC PERFORMANCE (2016)</b>						
201-1	Generated and distributed direct economic value	35		8 - 9	✓	01/04/2020 - 31/03/2021
201-2	Financial implications and other risks and opportunities arising from climate change	10		13		
201-3	Obligations of the defined benefit plan and other retirement plans	69				
201-4	Financial assistance received from the government	35, 87			✓	01/04/2020 - 31/03/2021

### ANTICORRUPTION

<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 30				
103-2	Approach of management and its components	30				
103-3	Assessment of the management approach	30				
<b>• GRI 205 ANTICORRUPTION (2016)</b>						
205-1	Operations evaluated for risks related to corruption	30		16		
205-2	Communication and training on policies and anticorruption procedures	30		16	✓	01/01/2020 - 31/12/2020
205-3	Confirmed cases of corruption and measures taken	30		16	✓	01/01/2020 - 31/12/2020

## GRI 300- ENVIRONMENTAL STANDARDS

### ENERGY

<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 52, 54, 55, 56, 57				
103-2	Approach of management and its components	52, 54, 55, 56, 57				
103-3	Assessment of the management approach	52, 54, 55, 56, 57				
<b>• GRI 302 ENERGY (2016)</b>						
302-1	Energy consumption within the organization	56		7-8-12-13	✓	01/01/2020 - 31/12/2020
302-2	Energy consumption outside the organization	–	Information not available	7-8-12-13		
302-3	Energy intensity	56		7-8-12-13	✓	01/01/2020 - 31/12/2020



Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>• GRI 302 ENERGY (2016)</b>						
302-4	Reduction of energy consumption	55		7-8-12-13		
302-5	Reduction of the energy requirements of products and services	57		7-8-12-13		
<b>WATER AND EFFLUENTS</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 52, 54, 61				
103-2	Approach of management and its components	52, 54, 61				
103-3	Assessment of the management approach	52, 54, 61				
<b>• GRI 303 MANAGEMENT APPROACH (2018)</b>						
303-1	Interaction with water as a shared resource	61		6		
303-2	Management of impacts related to water discharges	61		6 - 12		
<b>• GRI 303 WATER AND EFFLUENTS (2018)</b>						
303-3	Extraction of water	61		6	✓	01/01/2020 - 31/12/2020
303-4	Water spill	61		6	✓	01/01/2020 - 31/12/2020
303-5	Water consumption	61		6	✓	01/01/2020 - 31/12/2020
<b>EMISSIONS</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 52, 54, 55, 56, 60				
103-2	Approach of management and its components	52, 54, 55, 56, 60				
103-3	Assessment of the management approach	52, 54, 55, 56, 60				
<b>• GRI 305 EMISSIONS (2016)</b>						
305-1	Direct GHG emissions (scope 1)	56		3-12-13-14-15	✓	01/01/2020 - 31/12/2020
305-2	Indirect GHG emissions when generating energy (scope 2)	56		3-12-13-14-15	✓	01/01/2020 - 31/12/2020
305-3	Other indirect GHG emissions (scope 3)	56		3-12-13-14-15	✓	01/01/2020 - 31/12/2020
305-4	GHG emissions intensity	55, 56		13-14-15	✓	01/01/2020 - 31/12/2020
305-5	Reduction of GHG emissions	55		13-14-15		
305-6	Emissions of substances that deplete the ozone layer (ODS)	*		3-12		
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions	60		3-12-14-15	✓	01/01/2020 - 31/12/2020

\*Based on our chemical products management system, substances that deplete the ozone layer are prohibited, therefore from Toyota Argentina, we do not emit these substances.

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>WASTE</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22,52,54,62				
103-2	Approach of management and its components	52,54,62				
103-3	Assessment of the management approach	52,54,62				
<b>• GRI 306 MANAGEMENT APPROACH (2020)</b>						
306-1	Generation of waste and significant impacts related to waste	62		3-6-12-14		
306-2	Management of significant impacts related to waste	62		3-6-12		
<b>• GRI 306 WASTE (2020)</b>						
306-3	Generated waste	62		3-6-12-14-15	✓	01/01/2020 - 31/12/2020
306-4	Waste not destined for disposal	62		3-12		
306-5	Waste destined for disposal	62		6-14-15		
<b>ENVIRONMENTAL COMPLIANCE</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	14, 22, 52				
103-2	Approach of management and its components	14, 52				
103-3	Assessment of the management approach	14, 52				
<b>• GRI 307 ENVIRONMENTAL COMPLIANCE (2016)</b>						
307-1	Non-compliance with environmental legislation and regulation	52		16		
<b>ENVIRONMENTAL EVALUATION OF SUPPLIERS</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 37				
103-2	Approach of management and its components	37				
103-3	Assessment of the management approach	37				
<b>• GRI 308 ENVIRONMENTAL EVALUATION OF SUPPLIERS (2016)</b>						
308-1	New suppliers that have passed selection filters according to environmental criteria	37				
308-2	Negative social impacts in the supply chain and measures taken	37				

## GRI 400- SOCIAL STANDARDS

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>EMPLOYMENT</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 66, 69				
103-2	Approach of management and its components	66, 69				
103-3	Assessment of the management approach	66, 69				
<b>• GRI 401 EMPLOYMENT (2016)</b>						
401-1	New hires of employees and turnover of staff	66		5-8-10	✓	01/01/2020 - 31/12/2020
401-2	Benefits for full-time employees not provided part-time or temporary employees	69		3-5-8		
401-3	Parental leave	69		5-8		
<b>EMPLOYEE - COMPANY RELATIONSHIP</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 69				
103-2	Approach of management and its components	69				
103-3	Assessment of the management approach	69				
<b>• GRI 402 EMPLOYEE - COMPANY RELATIONSHIP (2016)</b>						
402-1	Minimum notice periods for operational changes	69		8		
<b>HEALTH AND SAFETY AT WORK</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 77				
103-2	Approach of management and its components	77				
103-3	Assessment of the management approach	77				
<b>• GRI 403 MANAGEMENT APPROACH (2018)</b>						
403-1	Occupational health and safety management system	77		8	✓	01/01/2020 - 31/12/2020
403-2	Hazard identification, risk assessment and incident investigation	77		8		
403-3	Occupational health services	77		8	✓	01/01/2020 - 31/12/2020
403-4	Worker participation, consultation and communication on health and safety at work	77		8-16	✓	01/01/2020 - 31/12/2020
403-5	Training of workers on health and safety at work	77		8	✓	01/01/2020 - 31/12/2020
403-6	Promotion of workers' health	77		3	✓	01/01/2020 - 31/12/2020

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
403-7	Prevention and mitigation of impacts on the health and safety of workers directly linked to business relationships	77		8		

• **GRI 403 HEALTH AND SAFETY AT WORK (2018)T**

403-8	Occupational health and safety management system coverage	77		8	✓	01/01/2020 - 31/12/2020
403-9	Work accident injuries	77		3-8-16	✓	01/01/2020 - 31/12/2020
403-10	Occupational diseases and illnesses	77		3-8-16		

## TRAINING AND EDUCATION

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	22, 70, 74				
103-2	Approach of management and its components	70, 74				
103-3	Assessment of the management approach	70, 74				

• **GRI 404 TRAINING AND EDUCATION (2016)**

404-1	Average hours of training per year per employee	70		4-5-8-10	✓	01/01/2020 - 31/12/2020
404-2	Programs to improve the skills of employees and programs to help during the transition	70		8	✓	01/01/2020 - 31/12/2020
404-3	Percentage of employees receiving periodic performance and career development reviews	74		5-8-10	✓	01/01/2020 - 31/12/2020

## DIVERSITY AND EQUAL OPPORTUNITIES

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	22, 26, 66, 69				
103-2	Approach of management and its components	26, 66, 69				
103-3	Assessment of the management approach	26, 66, 69				

• **GRI 405 DIVERSITY AND EQUAL OPPORTUNITIES (2016)**

405-1	Diversity in bodies of governance and employees	26, 66		5-8	✓	01/01/2020 - 31/12/2020
405-2	Ratio of basic salary and remuneration of women compared to men	69		5-8-10		

## NON DISCRIMINATION

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	22, 30				
103-2	Approach of management and its components	30				
103-3	Assessment of the management approach	30				

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period

• **GRI 406 NON DISCRIMINATION (2016)**

406-1	Cases of discrimination and corrective actions taken	30		5 - 8	✓	01/01/2020 - 31/12/2020
-------	--	----	--	-------	---	-------------------------

**EVALUATION OF HUMAN RIGHTS**

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	22, 30				
103-2	Approach of management and its components	30				
103-3	Assessment of the management approach	30				

• **GRI 412- EVALUATION OF HUMAN RIGHTS (2016)**

412-1	Operations subjected to revisions or impact evaluation on human rights	30				
412-2	Training of employees in policies or procedures on human rights	—	For the next report, being a material issue for Toyota Argentina and based on the update of the GRI standards, the development and subsequent delivery of a training course on policies and human rights for employees is being evaluated.			
412-3	Significant investment contracts and agreements with clauses on human rights or subject to evaluation of human rights	—	For the next report, being a material issue for Toyota Argentina and based on the updating of the GRI standards, the development and subsequent delivery of a training course on policies and human rights for suppliers is being evaluated.			

**SOCIAL EVALUATION OF SUPPLIERS**

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	22, 37				
103-2	Approach of management and its components	37				
103-3	Assessment of the management approach	37				

• **GRI 414 SOCIAL EVALUATION OF SUPPLIERS (2016)**

414-1	New suppliers that have passed selection filters according to social criteria	37		5 - 8 - 16		
414-2	Negative social impacts in the supply chain and measures taken	37		5 - 8 - 16		

**HEALTH AND SAFETY OF CUSTOMERS**

• **GRI 103 MANAGEMENT APPROACH (2016)**

103-1	Explanation of the material issue and its Coverage	5,10,14,22,36,41,46				
-------	--	---------------------	--	--	--	--

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
103-2	Approach of management and its components	5, 10, 14, 36, 41, 46				
103-3	Assessment of the management approach	5, 10, 14, 36, 41, 46				
<b>• GRI 416 HEALTH AND SAFETY OF CUSTOMERS (2016)</b>						
416-1	Assessment of the health and safety impacts of products or services categories	10, 41, 46				
416-2	Cases of non-compliance related to the impacts on health and safety of the categories of products and services	41, 46		16		
<b>SOCIOECONOMIC COMPLIANCE</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	14, 22, 35				
103-2	Approach of management and its components	14, 35				
103-3	Assessment of the management approach	14, 35				
<b>• GRI 419 SOCIOECONOMIC COMPLIANCE (2016)</b>						
419-1	Non-compliance with laws and regulations in the social and economic spheres	35		16		
<b>POST-SALE STRATEGY: CUSTOMER SERVICE, COMPLAINTS AND CLAIMS RESOLUTION</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 46				
103-2	Approach of management and its components	46				
103-3	Assessment of the management approach	46				
<b>• POST-SALE STRATEGY: CUSTOMER SERVICE, COMPLAINTS AND CLAIMS RESOLUTION</b>						
Own Indicator	Customer Satisfaction Survey	46				
<b>ROAD SAFETY</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 85				
103-2	Approach of management and its components	85				
103-3	Assessment of the management approach	85				
<b>• ROAD SAFETY</b>						
Own Indicator	Initiatives that promote Road Safety	85				

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period

## ENVIRONMENTAL EDUCATION AND RESPONSIBLE CONSUMPTION

### • GRI 103 MANAGEMENT APPROACH (2016)

103-1	Explanation of the material issue and its Coverage	22, 82				
103-2	Approach of management and its components	82				
103-3	Assessment of the management approach	82				

### • ENVIRONMENTAL EDUCATION AND RESPONSIBLE CONSUMPTION

Own Indicator	Initiatives that promote Road Safety	82				
---------------	--------------------------------------	----	--	--	--	--

## QUALITY OF LIFE AND WORK ENVIRONMENT

### • GRI 103 MANAGEMENT APPROACH (2016)

103-1	Explanation of the material issue and its Coverage	22, 75				
103-2	Approach of management and its components	75				
103-3	Assessment of the management approach	75				

### • QUALITY OF LIFE AND WORK ENVIRONMENT

Own Indicator	Moral Survey and Commitment	75				
---------------	-----------------------------	----	--	--	--	--

## SUSTAINABLE MOVILITY

### • GRI 103 MANAGEMENT APPROACH (2016)

103-1	Explanation of the material issue and its Coverage	10, 22				
103-2	Approach of management and its components	10				
103-3	Assessment of the management approach	10				

### • SUSTAINABLE MOVILITY

Own Indicator	Initiatives that promote Sustainable Mobility	10				
---------------	---	----	--	--	--	--

## ENVIRONMENTAL IMPACTS

### • GRI 103 MANAGEMENT APPROACH (2016)

103-1	Explanation of the material issue and its Coverage	22, 52				
103-2	Approach of management and its components	52				
103-3	Assessment of the management approach	52				

Content	Description	Page of Reference	Omission	ODS	Verification	
					Verified	Period
<b>• ENVIRONMENTAL IMPACTS</b>						
Own Indicator	Five-Year Environmental Action Plan	52				
<b>INNOVATION AND APPROACH</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	5, 10, 14, 22				
103-2	Approach of management and its components	5, 10, 14				
103-3	Assessment of the management approach	5, 10, 14				
<b>• INNOVATION AND DEVELOPMENT</b>						
Own Indicator	Initiatives that promote innovation and development of our products and services	5, 10, 14				
<b>SUSTAINABLE SUPPLIERS MANAGEMENT</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 36, 37				
103-2	Approach of management and its components	36, 37				
103-3	Assessment of the management approach	36, 37				
<b>• SUSTAINABLE SUPPLIERS MANAGEMENT</b>						
Own Indicator	Initiatives that promote the sustainable management of suppliers	36, 37				
<b>JOB PROMOTION IN LOCAL COMMUNITIES</b>						
<b>• GRI 103 MANAGEMENT APPROACH (2016)</b>						
103-1	Explanation of the material issue and its Coverage	22, 87				
103-2	Approach of management and its components	87				
103-3	Assessment of the management approach	87				
<b>• JOB PROMOTION IN LOCAL COMMUNITIES</b>						
Own Indicator	Initiatives that promote Education for Employability	87				



# SASB TABLE OF CONTENTS

## SASB

### SUBJECTS TO BE ANNOUNCED ABOUT SUSTAINABILITY AND ACCOUNTING PARAMETERS

CODE	ACCOUNTING PARAMETER	Page or Reference	Omission
<b>• Security of the Products</b>			
TR-AU-250a.1	Percentage of vehicle models classified by NCAP programs with a overall safety score of five stars, by region.	Information not available for this Report. We will work on it to include it in the next ones.	
TR-AU-250a.2	Number of claims for defects related with the safety, percentage investigated	Information not available for this Report. We will work on it to include it in the next ones.	
TR-AU-250a.3	Number of recalled vehicle	Information not available for this Report. We will work on it to include it in the next ones.	
<b>• Labour Practices</b>			
TR-AU-310a.1	Percentage of the active labor force covered by collective bargaining agreements	69	
TR-AU-310a.2	(1) Number of work interruptions and (2) total days of inactivity	Information not available for this Report. We will work on it to include it in the next ones.	
<b>• Fuel and emissions savings in the use</b>			
TR-AU-410a.1	Moderate fuel saving in passangers vehicle fleet weighted by sales, by region	Information not available for this Report. We will work on it to include it in the next ones.	
TR-AU-410a.2	Number of (1) vehicles with zero emissions (ZEV), (2) hybrid vehicles and (3) sold plug-in hybrid vehicles	Information not available for this Report. We will work on it to include it in the next ones.	
TR-AU-410a.3	Analysis of the fleet's fuel economy management strategy and emissions risks and opportunities	52	
<b>• Suppy of materials</b>			
TR-AU-440a.1	Description of risk managements associated with the use of critical materials	Information not available for this Report. We will work on it to include it in the next ones.	
<b>• Recycling and material efficiency</b>			
TR-AU-440b.1	Total amount of waste from manufacturing, percentage recycled	62	
TR-AU-440b.2	Weight of material recovered at the end of useful life, percentage recycled	Information not available for this Report. We will work on it to include it in the next ones.	
TR-AU-440b.3	Average recyclability of the sold vehicles	62	
<b>PARAMETERS OF THE ACTIVITY</b>			
TR-AU-000.A	Number of produced vehicles	10, 35	
TR-AU-000.B	Number of sold vehicles	10, 35	

## Informe de seguridad limitada independiente sobre el Reporte de Sustentabilidad 2020 de Toyota Argentina S.A. Correspondiente a los indicadores sobre temas económicos (período 01/04/2020 - 31/03/2021) e indicadores sobre temas ambientales y sociales (período 01/01/2020 al 31/12/2020)

A los señores Presidente y Directores de Toyota Argentina S.A.  
Domicilio legal: Ruta Nacional 12 Km 81  
Zárate, Buenos Aires - B2800FA  
Argentina  
CUIT 33-67913936-9

Hemos sido contratados por los directores de Toyota Argentina S.A. (en adelante, "la Sociedad") para realizar un encargo de seguridad limitada sobre cierta información contenida en el Reporte de Sustentabilidad 2020 de Toyota Argentina S.A. Correspondiente a los indicadores sobre temas económicos (período 01/04/2020 - 31/03/2021) e indicadores sobre temas ambientales y sociales (período 01/01/2020 al 31/12/2020), por el período iniciado el 1 de Enero de 2020 y finalizado el 31 de Marzo de 2021 (en adelante, "la Memoria"). Nuestro trabajo, fue realizado por un equipo multidisciplinario integrado por contadores públicos, licenciados en administración de empresas, licenciados en gestión ambiental, y especialistas en responsabilidad social empresaria.

### Información sujeta a análisis

Nuestro trabajo de seguridad limitada consistió en la revisión de la siguiente información contenida en la Memoria:

- Indicadores claves detallados en el "Índice de Contenidos GRI", identificados con el símbolo √.
- La manifestación realizada por el Directorio de Toyota Argentina S.A. respecto a que se ha cumplido con los lineamientos del "Global Reporting Initiative" (en adelante "GRI"), versión Standards, nivel de conformidad Exhaustivo.

El alcance de nuestra revisión incluye solamente la información contenida en la sección de la Memoria a la cual se hace referencia en forma precedente, por lo tanto, no hemos realizado ningún procedimiento con respecto a períodos anteriores o cualquier otra información incluida en la Memoria, no emitiendo una conclusión al respecto.

### Criterios con los cuales fue preparada la Memoria

Los indicadores claves detallados en el "Índice de Contenidos GRI", identificados con el símbolo √, y la manifestación realizada por el Directorio de la Sociedad respecto a que se ha cumplido con los lineamientos del GRI, fueron preparados de acuerdo con las recomendaciones y principios incluidos en dicha guía, versión Standards, nivel de conformidad Exhaustivo, (en adelante, "los Criterios").

### Responsabilidad del Directorio por la información incluida en la Memoria

El Directorio de Toyota Argentina S.A. es responsable de la preparación de la información incluida en la Memoria, preparada de acuerdo con los Criterios identificados en forma precedente. Esta responsabilidad incluye el diseño, implementación y mantenimiento del control interno necesario para que dicha información se encuentre libre de errores significativos, ya sea por fraude o error.

### Limitaciones inherentes

La información no financiera está sujeta a limitaciones propias distintas que la información financiera, dada su naturaleza y los métodos utilizados para determinar, calcular, hacer muestreos o estimar valores. Las interpretaciones cualitativas de relevancia, materialidad y exactitud de los datos, están sujetas a suposiciones y criterios individuales.

### Independencia y Control de Calidad

Hemos cumplido con las normas de independencia y otros requisitos éticos incluidos en el Código de Ética Internacional para Contadores Públicos (incluidas las normas de independencia) emitido por el Consejo de Normas Internacionales de Ética para Contadores, que se fundamenta en los principios fundamentales de integridad, objetividad, competencia profesional y debido cuidado, confidencialidad y conducta profesional.

Nuestra firma aplica la Norma Internacional de Control de Calidad 1 y, por lo tanto, mantiene un sistema integral de control de calidad que incluye políticas y procedimientos documentados sobre el cumplimiento de los requisitos éticos, normas profesionales y los requisitos legales y reglamentarios aplicables.

### Nuestra responsabilidad

Nuestra responsabilidad consiste en expresar una conclusión de seguridad limitada sobre la información incluida en la Memoria que se detalla en el apartado "Información sujeta a análisis" en función de los procedimientos de revisión que hemos realizado y de la evidencia que hemos obtenido. Hemos llevado a cabo nuestro trabajo de revisión de acuerdo con la Norma Internacional sobre Compromisos de Seguridad (NICS) 3000 emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento (IAASB por sus siglas en inglés), adoptada en Argentina mediante la Resolución Técnica N° 35 de la Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE), la cual exige que planifiquemos y ejecutemos nuestra tarea con el fin de obtener una seguridad limitada sobre si la información identificada en el apartado "Información sujeta a análisis", se encuentra libre de incorrecciones significativas.

Un trabajo de seguridad limitada implica la evaluación del uso de los Criterios por parte de la Dirección de la Sociedad para la preparación de la información sujeta a análisis identificada en forma precedente, principalmente evaluando los riesgos de incorrecciones significativas en la preparación de dicha información debido a fraude o error y la presentación general de la información sujeta a análisis. Un trabajo de seguridad limitada es sustancialmente menor en alcance que un trabajo de seguridad razonable, tanto en relación con los procedimientos de evaluación de riesgos, el entendimiento del control interno, como en relación a los procedimientos que se realizan en respuesta a los riesgos identificados.

Los procedimientos realizados fueron basados en nuestro juicio profesional e incluyeron indagaciones, observación de los procesos realizados, inspección de documentos, procedimientos analíticos, la evaluación de la idoneidad de los métodos de cuantificación y la evaluación de las políticas de presentación de la información y la concordancia con los registros utilizados.

Nuestro trabajo consistió, entre otros procedimientos, en:

- Realizar entrevistas con la gerencia y altos directivos para evaluar la aplicación de los lineamientos GRI.
- Evaluar el diseño de los procesos claves y controles para monitorear, registrar y reportar la información seleccionada. Nuestro trabajo no incluyó el testeado de la efectividad de los controles operativos para el período bajo análisis.
- Realizar pruebas, sobre bases selectivas, para verificar la información presentada.
- Inspeccionar, sobre bases selectivas, la documentación para corroborar las manifestaciones de la gerencia y altos directivos.
- Revisar la presentación de la información referida en el acápite "Información sujeta a análisis".

Los procedimientos realizados en un trabajo de seguridad limitada varían en naturaleza y oportunidad y son de menor alcance que los efectuados para un trabajo de aseguramiento razonable. En consecuencia, el nivel de aseguramiento obtenido es sustancialmente menor. Por consiguiente, no expresamos una opinión de seguridad razonable sobre si la información de Toyota Argentina S.A. incluida en el acápite "Información sujeta a análisis" se ha preparado, en todos los aspectos significativos, de acuerdo con los Criterios.

### Conclusión

Sobre la base del trabajo realizado descrito en el presente informe y la evidencia obtenida, nada llamó nuestra atención que nos hiciera pensar que la información de Toyota Argentina S.A. sujeta a análisis, incluida en el acápite "Información sujeta a análisis", no ha sido preparada, en todos sus aspectos significativos, de conformidad con los Criterios identificados.

### Otras cuestiones: uso del presente informe

El presente informe se preparó únicamente para su utilización por parte del Directorio de la Sociedad. Permitimos su difusión solamente a los fines de colaborar con el Directorio en su divulgación de las actividades y el desempeño de la Sociedad en temas de sostenibilidad y, por lo tanto, no aceptamos ni asumimos ninguna responsabilidad ante cualquier otra persona o entidad que no sea dicho Directorio.

Ciudad Autónoma de Buenos Aires, 26 de Octubre de 2021

PRICE WATERHOUSE & CO. S.R.L.



(Socio)

C.P.C.E.C.A.B.A. T° 1 F° 17  
Dr. Diego Hernán López  
Contador Público (UBA)  
C.P.C.E.C.A.B.A. T° 285 F° 44



## IMPACT OF COVID

During this period, the company has developed its operations under the challenging circumstances derived from the COVID-19 virus pandemic, declared by the World Health Organization in March 2020.

The coronavirus continues to cause difficulties in business and economic activities at the global and local levels. In Argentina, the measures adopted by the National Government to contain the spread of the virus included the closure of borders and the mandatory isolation of the population, together with the cessation of non-essential commercial activities for a prolonged period of time, with variations depending on the region from the country.

As a result of the pandemic, the company was forced to reduce or suspend its operations and the marketing of its products. Production at the Zarate plant during the month of April was suspended, returning on May 18 with a single shift and restoring normality from July 27, 2020, with two production shifts. This translated into a decrease in revenue from the first quarter to June 2020 of approximately 68%, compared to the same period of the previous year.

In order to help alleviate the economic impacts on companies, the National State launched a series of financial assistance measures. Among them, the company has accessed the Emergency Assistance Program for Work and Production (ATP) by which the State has taken charge of a portion of the wage cost in April 2020, returning said funds to the State in the month of May 2020.

The final scope of the coronavirus outbreak and its impact on the global economy and the country is unknown. However, although it has produced significant effects in the short term, they are not expected to affect business continuity. Given the current financial strength of the company, it is estimated that the company will be able to continue meeting its financial commitments.

The Board of Directors continues to closely monitor the situation and take all necessary measures to preserve human life and the company's business. These actions include compliance with sanitary protocols to keep production active, remote work by administration staff, and preventive testing.

## ISSUANCE OF THE SUSTAINABILITY REPORT IN THE CURRENT CONTEXT

As mentioned, there is uncertainty regarding the impacts that the COVID-19 pandemic could have on the global economy and on our business.

The 2020 Sustainability Report that we are presenting includes our material issues and social and environmental performance indicators from 01/01/2020 to 12/31/2020; and economic performance indicators from 04/01/2020 to 03/31/2021. It should be noted that the results of the crisis, which has had economic and political consequences in Argentina, may require a reevaluation of our objectives based on the internal and external changes that may arise in the coming months.

We intend to remain responsive and effective in our endeavour to promote a positive impact for all of our stakeholders in light of their priority demands. That is why we will continue to monitor the effects of the pandemic on our 2021 performance indicators and work together with our stakeholders to face this crisis.

## COLLABORATED IN THIS REPORT:

---



- ◆ **Coordination and contents:**  
Corporate Affairs - Toyota Argentina



- ◆ **External Consulting**  
Sustainable AG



- ◆ **External audit:**  
PWC Argentina



- ◆ **Visual communication:**  
GREY Argentina



---

### Feedback

Your opinion is important for us.

Mail: [corporate@toyota.com.ar](mailto:corporate@toyota.com.ar)

---

This report is the result of the joint work of the different areas of the company.

**TOYOTA**