



SUSTAINABILITY REPORT **2019**

The way towards the future of mobility



Corresponding to indicators on economic issues (period 01/04/2018-31/03/2020) and indicators on environmental and social issues (period 01/01/2018- 31/12/2019).

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GLOSSARY

ACTRA: Toyota Dealers Association of the Argentinian republic.

Akachin: Japanese brand that means first aid; possibility of accident, incident.

APTA: Toyota Argentina Suppliers Association.

Blending: Mix of waste with calorific value, to be used as an alternative fuel to natural gas in the furnaces of the cement factories.

Genchi Genbutsu: "Go and look." Observe the facts as they are in the workplace, without assumptions, so as to be able to see reality and take the right decision.

Group Leader: Supervisor.

Hoshin Kanri: Strategic planning system, to create an organization capable of achieving a high performance sustained in time.

Jidoka: Immediate detection of problems identified by staff or by a Pokayoke system.

Just in Time: Supply and produce what is needed, when needed and in the necessary quantity.

Kaizen: Continuous improvement.

Karakuri: The application of technique or equipment to take advantage of gravity to perform movements and displacements without the use of conventional energy

Pokayoke: Devices that detect irregular situations in a production

process before they happen or, once they happen, stop machinery or equipment and avoid the production of defective products.

SMATA: Union of Mechanics and Related of Automotive Transport

TASA: Toyota Argentina Public limited company.

TDB: Toyota from Brazil.

Team Leader: Cell leader.

Team Member: Versatile operator - Cell member.

TMC: Toyota Motor Corporation (headquarters - Japan).

Standardized Work: Once the most efficient method of work is fixed, it is always repeated in the same way.

TPS: Toyota Production System. System of production that pursues the optimal modernization of the entire system through the complete elimination of MUDA (no added value) and is directed to build Quality in the manufacturing processes while recognizes the principle of cost reduction. It also includes all necessary technology to achieve these goals. The two subsystems that support the Toyota Production System are Just in Time and Jidoka.

Yokoten: "The horizontal deployment" and refers to the practice of copying the good kaizen results in other processes.

Waku-doki: Japanese expression used to describe an anticipated emotion, the adrenaline that comes when someone is about to do something exciting.

MESSAGE FROM THE PRESIDENT

Contents GRI 102-14, 102-15

Estimates,

I want to welcome you to our 17th Sustainability Report, developed together with all the company's teams that accompany the sustainability of our operation, aligned with the Objectives of Sustainable Development. (ODS)

The COVID-19 pandemic, which affects people in our country and throughout the world, it is a crisis that brought a lot suffering. Even so, it is a stage of learnings. After waiting, we returned to produce with the effort of our collaborators, unions and governmental authorities from rigorous sanitary protocols, a great job that demonstrates maturity and mutual trust of those who build this project. But we also accompany those who most suffered the impact of the pandemic, through food assistance, health and logistics in the communities where we operate.

At Toyota we are sure that the COVID-19 crisis will also pass, that is why we remain committed to the challenges we face in the long term. In this sense, we have achieved a new achievement: our Zárate plant is already operating with 100% clean and renewable energy provided by YPF Luz, which means a saving of 14,079 tons of CO2. This achievement of zero emissions in plant is part of the "2050 Environmental Challenge", our guide to keep moving forward in the future of mobility by optimizing the use of resources, the culture of recycling and the protección of biodiversity.

Today, our entire society recognizes the need to continue working carbonated in all necessary measures to face climate change. At Toyota we also share this need, that's why we assume the responsibility of our own emissions. The electrification of our vehicles is an evolution that has no reverse gear, which is supported by our commitment to hybrid technology throughout the region.

We will continue betting on education. In 2019 we finished the "Educate for Change" program, an experience that fills us with pride: we have accompanied 91 students who dropped out of high school in the completion of their studies. It was a joint work with governments, universities and organizations that had one objective: to improve conditions of employability for young people.

We invite you to visit our report and learn what sustainability means for us. The advances we have reached from the economic, social and environmental generate great satisfaction, but also new opportunities to keep growing.

Buenos Aires, November 2020
Daniel Herrero
Presidente of Toyota Argentina



1. About Toyota

In Toyota Argentina, 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.



354.860 m²
Totals between buildings and logistics yards

+ than 5.700
Collaborators

2
Models produced in Argentina: Hilux and SW4

22
Years of operation in Argentina

43
Official dealers with 88 points of sale

140.000
Units produced since 1997

15
Marketed models

+ than USD 2.000
Millions cumulative investment since 1997

Alternatives propulsion technologies

1.400.000
Units of productive capacity

New connectivity technologies

Pioneers in hybrid technology

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.



By 31st March, 2019
To access the report of
Toyota Motor
Corporation (TMC)

https://global.toyota/pages/global_toyota/sustainability/report/sdb/sdb19_en.pdf

The **Toyota Global Vision** arises as a product of the articulation between the kind of company that Toyota is and what it hopes to be. The image of a tree has been chosen to symbolize it: from roots to fruits. The roots represent shared values, the "way of doing things"; the fruit is the product that Toyota offers its customers, "always better vehicles" and "improving the quality of life in the communities in which it operates"; the trunk is Toyota's underlying support, that is, "the stable base of business."

The global concept is based on ensuring sustainable growth, promoting the virtuous circle between **always better vehicles, enriching communities and a stable business base**. Since its founding in Japan in 1937, Toyota has adhered to the core principle of making a contribution to society by manufacturing high-quality products and services. Its business practices and activities, based on this central principle, have created business values, beliefs and methodologies that have been transformed, over the years, into a strong competitive advantage.

FRUITS
Enriching the life of the community
Contributing to the community and the future of mobility.

FRUITS
Always better cars
Developing vehicles that exceed the expectations of the consumer.

TRUNK
Stable base of Business

ROOTS
Toyota Values
- 5 principles of Toyota
- Toyota Guiding Principles
- Toyota Way



TOYOTA ARGENTINA

Material Aspects Economic Performance of the Organization, Sustainable Mobility, Innovation and Development 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

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 auto parts, components and accessories for the sale, distribution, commercialise and export of products designed or authorized by Toyota Motor Corporation (TMC). With the Toyota Mobility Services project, the by-laws was expanded, empowering¹ 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.

From the Toyota industrial plant in Zárate, 80% of the production is exported to 23 destinations in Latin America and the Caribbean.



Industrial Plant placed in Zárate, Buenos Aires Province

Commercial and administrative offices placed in Martínez, Buenos Aires Province

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

Toyota Argentina S.A. Annual Report and Financial Statements by 31st March, 2020. In millions of AR\$.

“ We are the result of teamwork between unions, employees, suppliers, dealers and also our customers, who are the ones who rely on our vehicles every day. Continuous improvement and long-term are the foundations of our sustainable project in the country.”

Daniel Herrero, President of Toyota Argentina

TOYOTA ARGENTINA PERFORMANCE		31/12/2019	31/12/2018
ECONOMIC PERFORMANCE	Units sold Toyota (Vehicles)	155.809	193.207
	Domestic market Toyota (Vehicles)	55.676	91.387
	Export market Toyota (Vehicles)	100.133	101.820
	Units produced Toyota (Vehicles)	125.295	141.164
ENVIRONMENTAL PERFORMANCE	Emissions of CO2 (Ton. CO2/vehicle)	0,27	0,31
	Energy consumption (GJ/vehicle)	3,85	3,28
	Waste generation (Kg/vehicle)	26,28	34,94
	Water consumption (m3/vehicle)	0,975	1,197
SOCIAL PERFORMANCE	Collaborators	5.750	5.802
	Personnel under agreement	79,5	80,8
	Cumulative accident frequency rate	0,3	0,61
	Social investment	\$19.510.043	\$22.909.479

¹TMC 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. de Ahorro para fines determinados.
*Source: ADEFA.

TRANSFER OF REGIONAL OPERATIONS FROM JAPAN TO ARGENTINA

In 2019, Toyota announced the transfer of its Latin American and Caribbean Division (LACD) operations from Japan to Argentina, creating new jobs in the country. The new office coordinates the operation of 37 independent distributors that the Company has in 36 countries of the region.

Toyota has been operating in Latin America and the Caribbean for 66 years. It has 4 vehicle production plants, 2 auto parts plants and 1 training centre.

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.

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.

INNOVATING IS GROWING AND BEING IN CONSTANT MOTION.

► **Sustainable Mobility:** Toyota's next-generation vehicles contribute to reducing environmental impact through the use of alternative propulsion technologies.

► **Future Mobility:** These ultra-compact vehicles were designed to improve urban mobility, not only through designs that help reduce environmental impact, but also through new connectivity technologies.

► **Hybrid Cars:** Hybrids were designed to make life easier. Hybrid technology gives you much more fuel savings, reduced emissions, and generation of your own recycled energy.

TOYOTA PRODUCTION SYSTEM

The **Toyota Production System** 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, Jidoka, Standardized Work and Kaizen.



Improvement of each process.

The system puts in emphasis on continuous improvement, the elimination of waste (muda) and the value of the commitment of collaborators, including the value chain. We boost excellence in the manufacture, thus producing what is necessary, at the exact time, with the best quality and at a competitive price.

ACTIVE SAFETY SYSTEM

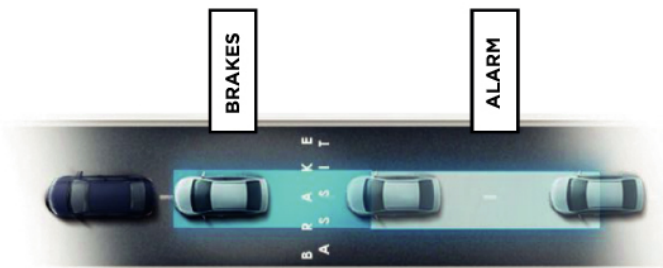
For Toyota Argentina, safety comes first, since it is the door and fundamental condition to carry out all work. We are committed to developing a solid safety culture, focused on taking care of ourselves and taking care of the health and safety of all the people who work in our Company.



The Active Safety System **Toyota Safety Sense** incorporates millimetre wave radar, combined with a monocular camera to detect a variety of hazards and alert the driver.

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

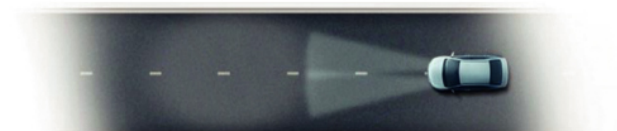
Frontal Pre-collision System (PCS): This system uses a monocular camera and a millimetre wave radar to detect vehicles that are driving ahead on streets and highways. If the system determines that a collision is likely, it prompts the driver to take action using audio and visual alerts. If the driver responds and applies the brake smoothly, the system will activate the Brake Assist to increase stopping power and thus avoid or mitigate the accident. If the driver does not brake on time, the emergency brakes are activated automatically to prevent or mitigate the collision.



Lane Departure Alert System (LDA): This system alerts the driver when the vehicle unintentionally veers from its lane. Use the monocular camera to detect the position of the vehicle in relation to the lane markings. If the vehicle begins to deviate from it without prior activation of the turn signal, the system warns the driver with an audible and visual alert. Additionally, the system can apply a small correction to the steering wheel, to help the driver to get back into the lane (depending on each model, the operation of the LDA may vary).



Automatic headlight system (AHB): It consists of a system designed to help the driver see more clearly at night, thanks to the frequent use of high beams (without distracting other drivers). The system uses the monocular camera to detect the headlights of oncoming vehicles and the taillights of the vehicles ahead and automatically switches between the high and low beams accordingly (the AHB system is not always available on all models with Toyota Safety Sense, consult each model in particular).



Adaptive cruise control system (ACC): It is a system similar to cruise control, which allows you to drive at a predetermined constant speed. In addition to fulfilling this function, this new system uses the millimetre wave radar and the camera to detect vehicles on the road, calculate their distance and adjust speed accordingly, to help maintain a safe distance between vehicles.










To know more about Toyota Safety Sense <https://landings.toyota.com.ar/seguridad/toyota-safety-sense.php>
Download our safety manual here <http://toyotadesarrollo.com/usuarios/seguridad/images/MANUAL.pdf>




MARKETED MODELS

MARKETED MODELS - UNITS SOLD²






CARS AND MINIVANS

	Etios* 13.822 31/12/19	29.449 31/12/18
	Yaris* 8.391 31/12/19	5.199 31/12/18
	Corolla* (Hybrid) 6.124 31/12/19	16.109 31/12/18
	Prius* (Hybrid) 122 31/12/19	437 31/12/18
	Camry* 42 31/12/19	114 31/12/18
	Toyota 86* 2 31/12/19	2 31/12/18
	Innova* 284 31/12/19	786 31/12/18

PICK-UPS AND COMMERCIALS

	Hilux** 101.995 31/12/19	111.331 31/12/18
	Hilux GR-Sport** 488 31/12/19	29 31/12/18
	Hiace* 36 31/12/19	- 31/12/18

SUV and Crossovers

	CH-R* (Hybrid) 44 31/12/19	- 31/12/18
	RAV4* (Hybrid) 1.276 31/12/19	1.523 31/12/18
	SW4** 23.005 31/12/19	28.100 31/12/18
	Land Cruiser Prado* 28 31/12/19	70 31/12/18
	Land Cruiser 200* 21 31/12/19	39 31/12/18

TOTAL

155.679
31/12/19

193.188
31/12/18

² Euro 5: complies with the Standard of level of emission of combustion gases. 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 produces in Argentina with domestic and foreign technologies, auto parts and components parts.

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

THE COMMITMENT TO HYBRID TECHNOLOGY

Toyota Motor Corporation made a global commitment not to sell more vehicles with internal combustion engines by 2050. In this sense, taking into account that we are a Company that always works thinking in the long term, since 2015 we have been working to align ourselves and contribute to this commitment also in Argentina. The Company's current electrified vehicle strategy focuses on accelerating the development and launch of Hybrid Electric Vehicles (HEV), Plug-in Hybrid Electric Vehicles (PHEV), Battery Electric Vehicles (BEV), and Fuel Cell Electric Vehicles (FCEV).

For Toyota Argentina, the incorporation of hybrid technology in our market means an important advance, since it is a bridge towards new forms of propulsion. This technology helps us educate on the new type of engines that save fuel and take care of the environment, without giving up driving performance or ride comfort. Hybrid technology, ideal for both Argentina and the Latin American region, does not need a charging infrastructure and generates its own energy to charge the electric battery. After launching the Prius in 2009, the first hybrid vehicle in our country, we incorporated the RAV 4 -hybrid in all its versions- into our line up; the CH-R crossover and the first vehicle in the region developed with this technology, the Corolla, produced in Brazil.



To know more about hybrid technology <https://landings.toyota.com.ar/hibridos/>

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, the Japanese luxury vehicle brand born in 1989, landed with its operation in Argentina in December 2018. With Japanese DNA, Omotenashi and advanced technology as the pillars of the brand,

Lexus has a unique and exclusive dealer in the city of Buenos Aires, called TAKUMI. This 2,400 m² premises is the largest in Latin America, it is located at 860 Libertador Ave., one of the most exclusive and best accessible areas of Buenos Aires City.

To know more about Lexus brand <https://www.lexus.com.ar/>



Marketed Models - Units Sold	31/12/19	31/12/18
NX 300h Luxury	66	13
IS 300h Luxury	26	-
NX 300 F-Sport	14	4
GS 450h Luxury	7	2
LS 500h Executive	3	-
RX 450h Luxury	4	-
RX 450h F-Sport	4	-
GS 450h F-Sport	1	-
IS 300 F-Sport	1	-
RC 350 F-Sport	1	-
RX 350 F-Sport	3	-
TOTAL	130	19



TOYOTA MOBILITY SERVICES, THE MOBILITY SERVICES PLATFORM*

Toyota Mobility Services is the first step for Toyota Argentina in the transition from a car company to a mobility company.

Toyota Mobility Services was officially launched in Argentina in November 2018, as part of the legacy of the Buenos Aires 2018 Youth Olympic Games. It proposes mobility options for people's different lifestyles, needs and desires. The platform invites users to live different experiences through the complete line-up of vehicles that Toyota offers in our market and two models developed exclusively for the Toyota Mobility Services fleet: Hilux with crane and Hiace, adapted to transport people with reduced mobility.

Toyota Mobility Services also allows the user to choose where to pick up and return their vehicle between different "Mobility Stations" in the dealers' network, as well as customize the vehicle based on their needs and preferences. necesidades y preferencias.



*In July 2020 Toyota Mobility Services changed its name to KINTO, as part of the global strategy. With the arrival of KINTO, Toyota Argentina will expand its mobility services, adding services for companies (B2B) and of subscription. To know more about Toyota Mobility Services <https://www.kintomobility.com.ar/>

TOYOTA GAZOO RACING

GAZOO Racing Company, in addition to being the brand of the group responsible for including motorsports activities, was born with the purpose of developing and evaluating new technologies in the most demanding environments in the world of competition. To do this, at the same time, it focuses on the training of human resources and engineers who, based on these experiences and learning, can apply them in designing increasingly better vehicles.

In this way, one of the fundamental pillars of GAZOO Racing Company is to develop a line-up of increasingly better vehicles, more passionate and sporty, 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.



To know more about GAZOO Racing Company <https://www.toyotagazooracing.com.ar/>



HILUX GR-SPORT

Hilux GR Sport is the first GAZOO Racing Company product developed in the region, designed mainly for off-road use, especially on fast dirt and gravel roads, with direct support from the GAZOO Racing Company. The Hilux GR Sport focuses on generating in the driver the sensation of adrenaline that is experienced during a rally race: high speed on low-grip roads. To do this, we worked on the behaviour of the suspension by modifying the hardness of the springs and increasing the damping capacity, by replacing the shock absorbers with monotubes with a larger diameter. This improves the driver's control over the vehicle and increases driving confidence on rough dirt and gravel roads at high speeds, while maintaining Hilux's own capabilities for ride comfort and load capacity. In addition, a firmer vehicle is achieved, with a lower degree of roll and very solid, as well as a more precise steering, with a more linear and progressive response in relation to the turn of the steering wheel.

The final result is a unique vehicle in the region and more amusing to drive, combining all the emotions of competitive driving, the aspirational appeal of a specially designed vehicle and the strengths and capabilities that make up the Hilux DNA: Quality, Durability, and Reliability.

GR GARAGE, A SPACE FOR FANS

In 2019, the launch of the **GR Garage** was announced, a new space specially designed for car enthusiasts and motorsport fans to find a place to meet, enjoy the passion for cars and motorsport and also have access to an extensive catalogue with exclusive GAZOO RACING accessories for the entire line of Toyota vehicles, official team apparel, and official drivers and merchandising items.

The GR Garage, which was inaugurated at Centro Motor dealer in the city of Córdoba, is the first to be installed outside of Japan and Asia. The choice of Córdoba to host the first GAZOO RACING Garage in the country is not by chance, since it is the city where the TOYOTA GAZOO Racing YPF Infinia team is based, which participates in the Argentine Super TC2000 and Top Race championships. A second GR Garage also opened its doors in the city of Pilar, within the facilities of the Toyota del Pilar dealer.

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

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:

1.

Produce vehicles in accordance with the international quality standards of our TMC headquarters.

2.

Comply with the applicable legal and regulatory requirements.

3.

Build and improve quality in the process, working on the basis of TPS.

QUALITY



LEVEL 1

QUALITY POLICY

Established by the Company Board under the guidelines of the TMC policy to ensure the quality of our vehicles.

LEVEL 2

QUALITY MANUAL

It describes the general activities carried out in Toyota Argentina in order to comply with the policy.

LEVEL 3

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 periphery sectors.

LEVEL 4

WORK INSTRUCTIONS

They specify in detail how to perform each operation of the productive process.

LEVEL 5

RECORDS

They are documents that are completed in accordance with the operational needs.



SUGGESTIONS AND QUALITY CIRCLES

In Toyota Argentina, 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.

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. The program has an auditing system, in order to recognize, together with the area management, those collaborators whose suggestions have marked a difference of excellence with respect to the rest. In adhesion, each suggestion is financially recognized based on the results achieved.

	31/12/2019	31/12/2018
Suggestions received	80.073	64.382
Increment with respect to the previous period	24%	9%
Average of suggestions per person	19,2	16,4
Collaborators	3.906	3.735
Distribution of Suggestions by Subject		
Safety	44%	42%
Working Environment	36%	36%
Quality	11%	12%
Productivity	6%	7%
Costs	1%	1%
Environment	2%	2%

QUALITY CIRCLES

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, for which members make use of quality tools. This way we build an organization capable of responding to the business world with flexibility.

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

Quality Circles by Subject

Productivity	25%	25%
Safety	20%	21%
Quality	26%	19%
5S	10%	19%
Ergonomics	12%	10%
Costs	6%	4%
Environment	1%	1%
Working environment	0%	1%



LOCAL QUALITY CIRCLES CONVENTIONS 2018 (21st edition) AND 2019 (22nd edition)

These activities were carried out in the auditorium of the Zárate Plant in June 2018 and 2019, with the participation of the 8 best Toyota Argentina circles, who presented their work to the top executives of Toyota Argentina, suppliers and dealers personnel, among others.

REGIONAL (TLAC) AND GLOBAL QUALITY CIRCLES CONVENTION

In August 2018 and 2019, Toyota do Brasil organized the 15th and 16th TLAC Convention, in which the best Quality Circles from Argentina and Brazil participated. The members of the best QCC from Argentina and Brazil travelled to Japan in October, both 2018 and 2019, to the Global Convention of Quality Circles, coordinated by Toyota Motor Corporation. More than 40 quality circles participated, representing the various Toyota subsidiaries around the world.

TOYOTA ARGENTINA AND YPF STRENGTHEN THEIR STRATEGIC ALLIANCE

Toyota and YPF signed a joint framework agreement between both companies in 2018. The strategic alliance includes, in addition to the provision of renewable electric energy supplied by YPF Luz, the supply and recommendation of fuels, initiatives to offer mobility solutions through Kinto, the development of new technologies and motorsports activities, among others.

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	✓	✓	✓
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	—
American Chamber of Commerce in Argentina - AMCHAM	CSR	✓	✓	✓
Industrial Union of Buenos Aires Province - UIPBA	Government Affairs	✓	✓	✓
Argentine Business Association - AEA	Presidency	—	✓	✓
Latin American Economic Research Foundation - FIEL	Presidency	✓	✓	—



ACKNOWLEDGEMENTS

New Car Evaluation Program for America and the Caribbean - Latin NCAP

Toyota Argentina received the Latin NCAP trophy, in recognition of obtaining the five stars for Adult and Child Occupant Protection in its SW4 and Hilux double cab models, according to the latest and strictest testing protocol of the regional entity

Business Citizenship Award - AMCHAM

Thematic Initiatives Modality, Corporate Governance axis.

We received an award in the category "Socio-environmental Responsibility Values". 2018.

Thematic Initiatives modality, environmental axis.

We received an award in the category of "Water use" 2019.

Eikon Awards

Social Sustainability Category. Toyota Visitors Centre: the doors that open to the community of Zárate.

10th Edition Ecumenical Forum Award

Award for the Best Social Report of Companies in Argentina.

Randstad Employer Brand Research 2018

Toyota received again a special mention in 2018 as the best employer in the automotive sector. In a sector as attractive as it is competitive, we have been able to maintain ourselves, over the years, at the top of the preferences of Argentine workers.

“ I am proud to receive this award. It is a difficult business and the employees appreciate that Toyota is a company that continues to advance, continues to grow, that offers job security and stability. Toyota's culture is based on two pillars, which we call the Toyota Way: respect for people and continuous improvement. This means that there is always a better way of doing things. And, as for respect, it has to do with trying to make people proud to work with us. ”

Andrés Massuh, Human Resources Director of Toyota

Platinum Konex

Category Company and Community for the period 2008-2018.

MERCO EMPRESAS: Companies with the best corporate reputation

3rd Place in 2018 and 2019

1st Place Automotive Sector in 2018 and 2019

MERCO LÍDERES: Top rated business leaders

3rd Place Daniel Herrero in 2018 and 2019

MERCO TALENTO: Companies that best attract and retain personal talent

2nd place in 2018 and 2019

1st Place Automotive Sector in 2018 and 2019

MERCO RESPONSABILITY AND CORPORATE GOVERNANCE: More responsible companies

4th place in 2018

1st Position Automotive Sector in 2018

Apertura, The 100 companies with the best image

3rd place in 2018

2nd place in 2019

Fortuna Award for the best and largest companies

Best Automotive Company in 2018 and 2019

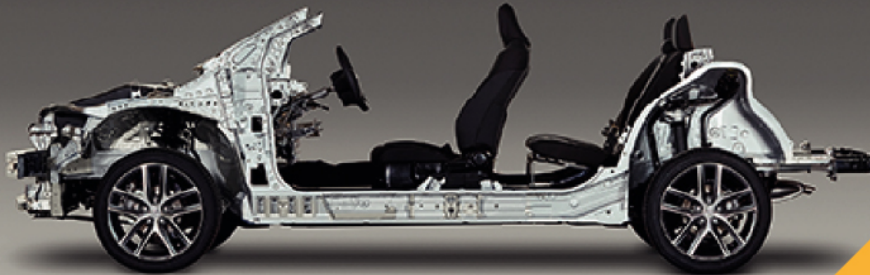
Fotos: Latin NCAP
Premio Ciudadanía Empresaria - AMCHAM



ALWAYS BETTER VEHICLES

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:

TNGA Toyota
New
Global
Architecture



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.

The new standards proposed by TNGA translate into more attractive, safer and more enjoyable vehicles to drive.

START YOUR IMPOSSIBLE

We make the world a more accessible place.

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 foundation of Toyota's transformation from an automobile to a mobility company. Mobility means something different to everyone around the world. At Toyota, we have always defined it as an opportunity for people to move freely, and we believe the time has come to share our vision and mobility solutions for all people.

YOUTH OLYMPIC GAMES BUENOS AIRES 2018

The global agreement with the International Olympic Committee (IOC) included the Buenos Aires 2018 Youth Olympic Games, where Toyota was a fundamental part of the organization, providing 338 support vehicles for different activities of the Olympic contest. In turn, Toyota participated in the Buenos Aires 2018 Torch Tour, with the support of the Hilux pick-up produced in Zárate, which transported the Youth Olympic flame through 17 cities in Argentina in almost 60 days, with a total route of 14.000 km. During the development of the Olympic competition, Toyota was also present in 2 of the Olympic parks in the city of Buenos Aires:

- **Green Park** presented by Toyota (Palermo's Forest): The park offered activities related to caring for the environment. The brand had a space dedicated to hybrid technology, with the presence of the Prius vehicle; showed the progress of the 2050 Environmental Challenge and developed actions aimed at sustainability and the education of boys and girls.
- **Tecnópolis Park:** With the exhibition of the Concept-i Series, different interactive activations were carried out, with the aim of representing Toyota's concept of "mobility for all people", through the artificial intelligence technology developed by the Company.

More information at <https://landings.toyota.com.ar/start-your-impossible/>



GLOBAL VISION

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.

OUR VISION

Lead the future of mobility, enriching lives throughout the world, with the safest and most responsible ways of transporting people. Through our commitment to quality, constant innovation and respect for the planet, our goal is to exceed the expectations and be rewarded with a smile. We seek to meet challenging goals by engaging the talent and passion of the people who believe that there is always a better way of doing things.

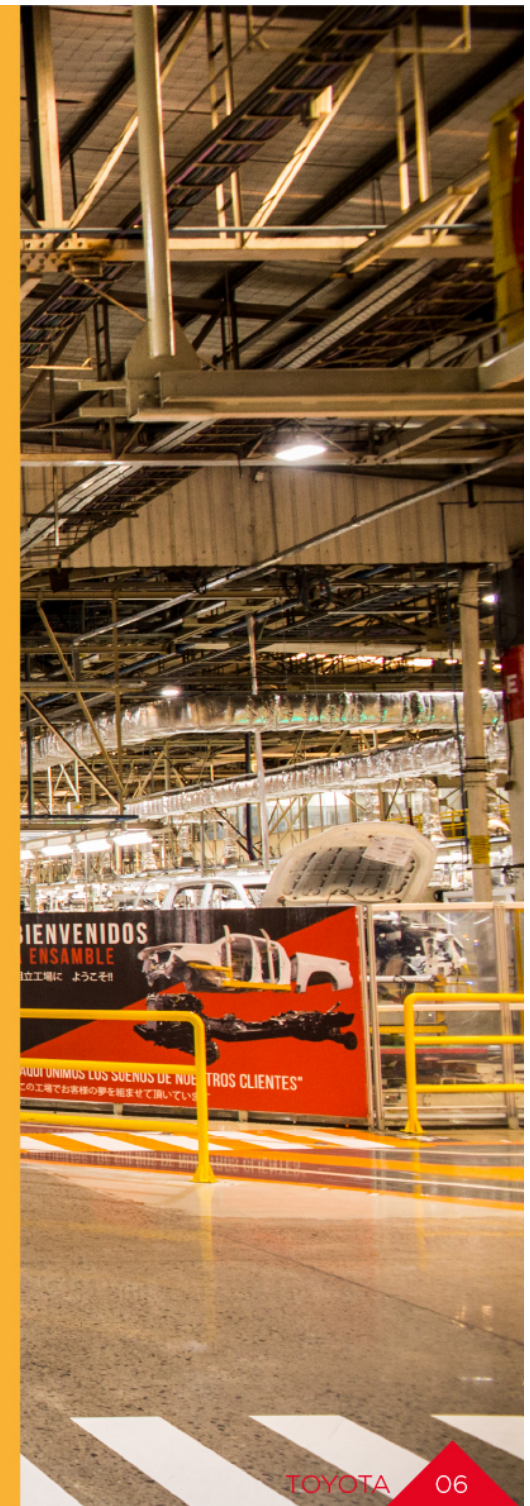
TOYOTA WAY

Framed in the Toyota Way, all the subsidiaries of Toyota Motor Corporation locally sustain the vision, values and methodologies that govern our operations at the global level. To do this, we follow the same common business culture, oriented to exceeding our customers' expectations.

Toyota Way expresses the beliefs and values shared by Toyota globally. It is based on the **Toyota Guiding Principles**, which defines Toyota's mission as a

Company and the values that encourage the construction of a corporate culture that guarantees a common spirit and a way of being and acting in all subsidiaries. **Toyota Way** is based on two fundamental pillars: Continuous Improvement and Respect for People. Together, they define the way people treat others and the way they do their job to bring the Company's values to their stakeholders.

Continuous Improvement	Challenge	We have a long-term vision, facing the challenges with courage and creativity to realize our dreams.
	Kaizen	We continuously improve the operation of our business, always seeking for innovation and evolution.
	Genchi Genbutsu	We go to the source to find the facts and make the correct decisions, build consensus and achieve the objectives at the fastest possible speed.
Respect for Our People	Respect	We respect the other, we strive to understand others, we assume responsibilities and do our best to build mutual trust.
	Teamwork	We stimulate personal and professional growth, we share development opportunities and maximize the individual and team performance.





2. Sustainability

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.



17th
Edition Of The
Sustainability
Report

1
Community
Relations Policy

24
Material Topics
reported

11
prioritized
Sustainable
Development
Goals

1
CSR
Committee

POLICY AND STRUCTURE OF SOCIAL RESPONSIBILITY

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

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 environmental management and projects.
- ▶ 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 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 **Policy Relations with the Community**), 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), in Toyota Argentina 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 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.

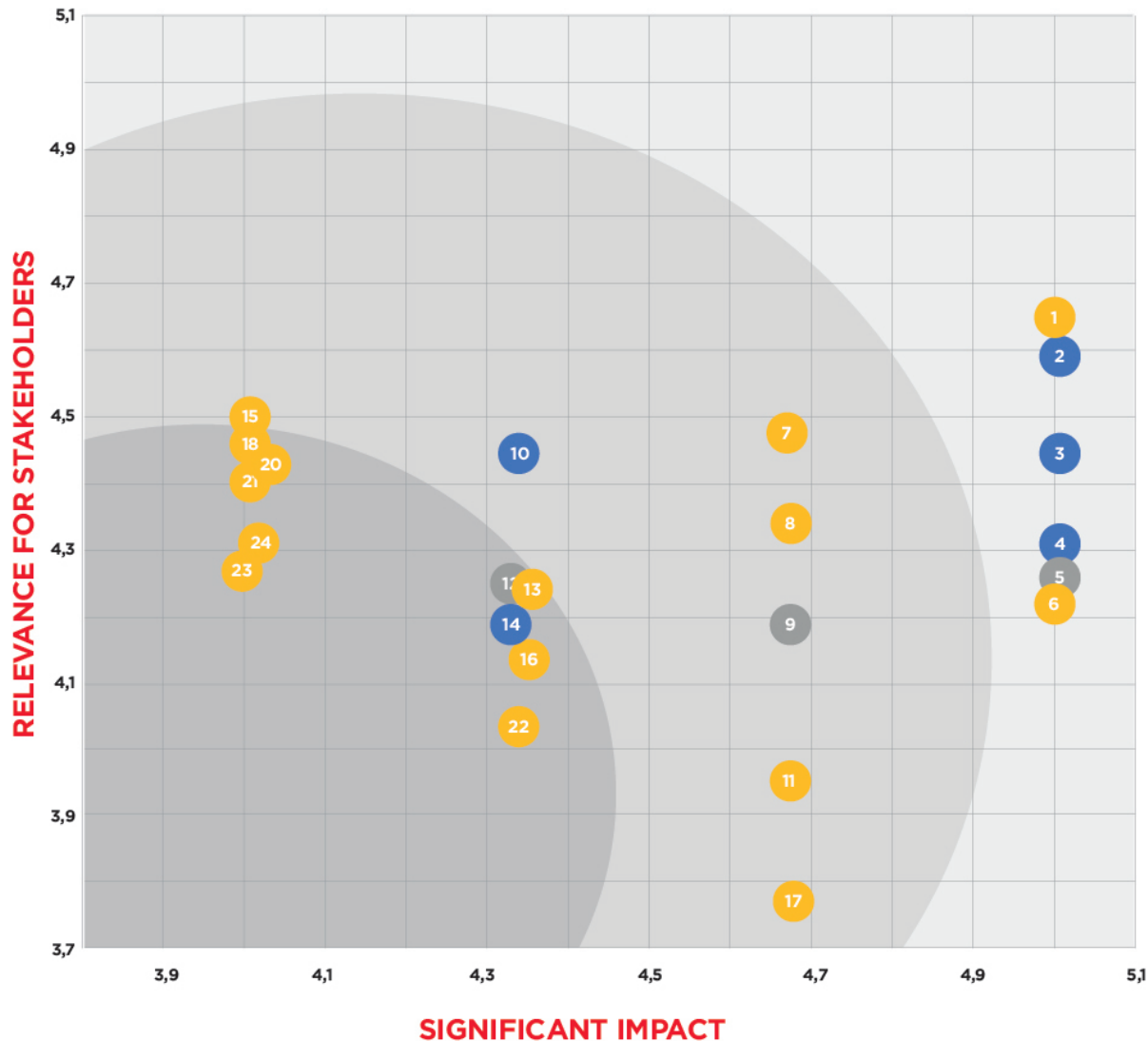


Strengthening the execution methods and reinvigorating the world partnership for the sustainable development.

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

Significant economic, environmental and social impacts of the Company (X axis).

Substantial influence on stakeholder valuations and decisions (Y axis).



- ENVIRONMENT
- CORPORATE GOVERNANCE, ETHICS AND INTEGRITY
- SOCIAL- Labour Practices
- SOCIAL- Value Chain
- SOCIAL- Community
- SOCIAL- Customers and Responsibility for Products and Services

1. Automotive Safety and Quality
2. Energy Efficiency and Renewable Energies
3. Water Management and Effluents Treatment
4. Climate Change, Air Quality and Reduction of GHG Emissions
5. Ethics and Anti-Corruption
6. Post-sale Strategy: Customer Service, Complaints and Claims Resolution
7. Health and Safety at Work
8. Training and Professional Development
9. Risk Management and Regulatory Compliance
10. Waste Management
11. Social and Environmental Evaluation of Suppliers
12. Economic Performance of the Organization
13. Road Safety
14. Environmental Education and Responsible Consumption
15. Life Quality and Work Environment
16. Labour Practices and Human Rights
17. Relations with Unions (Freedom of Association and Collective Bargaining)
18. Sustainable Mobility
19. Environmental Impacts
20. Innovation and Development
21. Diversity, Inclusion and Equal Opportunities
22. Sustainable Suppliers Management
23. Promotion of Employment in Local Communities (Education for Employability)
24. Talent Employment, Attraction and Retention

MATERIAL ASPECTS IDENTIFIED

Material Aspect	Coverage	GRI Standard associated	Chapter
Automotive Safety and Quality	Impacts on the health and safety of customers, on the life cycle of products and how we manage them.	416- Health and Safety of Customers	1.3 Quality Management System 4.3.2 Dealers' Network 4.3.3 Customers
Energy Efficiency and Renewable Energies	Energy consumption in the development of the production process.	302- Energy	5.1 Environmental Management System 5.2.1 Energy and Emissions
Water Management and Effluents Treatment	Consumption and use of water and discharge of effluents from productive development.	303- Water and Effluents	5.1 Environmental Management System 5.2.2 Water Resources
Climate Change, Air Quality and Reduction of GHG Emissions	Management of greenhouse gas emissions and impact on climate change.	305- Emissions	5.1 Environmental Management System 5.2.1 Energy and Emissions
Ethics and Anti- Corruption	Management of business ethics in all operations and in the value chain.	205- Anti-corruption	3.2 Ethics and Integrity
Post-sale Strategy: Customer Service, Complaints and Claims Resolution	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	4.3.3 Customers
Health and Safety at Work	Management of a safe and healthy work environment.	403- Health and Safety at Work	6.1.5 Health and Safety
Training and Professional Development	Management with regard to training and upgrading of employees skills, as well as with regard to performance evaluations and career development.	404- Training and Education	6.1.2 Training and Development 6.1.3 Performance Evaluations
Risk Management and Regulatory Compliance	Management of the risks inherent to the business and regulatory compliance.	307- Environmental Compliance 419- Socioeconomic Compliance	1.3 Quality Management System 4.2 Generated and Distributed Direct Economic Value 5.1 Environmental Management System
Waste Management	Management to minimize the final disposal of waste by promoting the reduction, reuse and recycling of materials.	306- Effluents and Waste	5.1 Environmental Management System 5.2.3 Waste
Social and Environmental Evaluation of Suppliers	Incorporate sustainability principles into the company's purchases policy.	308- Environmental Evaluation of Suppliers 414- Social Evaluation of Suppliers	4.3.1 Suppliers
Economic Performance of the Organization	Reference to the generated and distributed economic value (VEGD), among other direct economic impacts.	201- Economic Performance	1.2 Toyota Argentina 1.3 Quality Management System 4.2 Generated and Distributed Direct Economic Value 6.1 Commitment to Our Collaborators
Road Safety	Promote safe driving programs and activities.	Own Indicators	6.2.2 Road Safety
Environmental Education and Responsible Consumption	Raise awareness about the importance of establishing a society in harmony with nature.	Own Indicators	6.2.1 Environment
Life Quality and Work Environment	Our leadership style, communication channels, forms of recognition, values, among others.	Own Indicators	6.1 Commitment to Our Collaborators 6.1.4 Internal Communication
Labour Practices and Human Rights	Effective labour relations through continuous commitment and social dialogue, providing decent working conditions that comply with applicable national and international laws and regulations.	406- Non-discrimination 412- Evaluation of Human Rights	3.2 Ethics and Integrity
Relations with Unions	Guarantee the freedom of association of the company's collaborators and participation in collective bargaining.	402- Employee-Company Relations	6.1 Commitment to Our Collaborators
Sustainable Mobility	Sustainable mobility actions that help reduce the negative, environmental and social effects of the generalization of transport.	Own Indicators	1.2 Toyota Argentina
Environmental Impacts	Effect of our organization's activities on the environment.	Own Indicators	5.1 Environmental Management System
Innovation and Development	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	1.1 Global Vision
Diversity, Inclusion and Equal Opportunities	Our approach to diversity, inclusion and equal opportunity at work.	405- Diversity and Equal Opportunities	3.1 Corporate Governance 6.1 Commitment to Our Collaborators
Sustainable Suppliers Management	Create and strengthen stable and lasting relationships with suppliers, through the exchange of reasonable values (fair prices) and continuous support.	Own Indicators	4.3.1 Suppliers
Promotion of Employment in Local Communities	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	6.2.3 Education for Employability
Talent Employment, Attraction and Retention	Job creation and the working conditions provided.	401- Employment	6.1 Commitment to Our Collaborators

ABOUT THE REPORT

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

The Sustainability Report 2019 of Toyota Argentina has been prepared in accordance with the GRI Standards (Global Reporting Initiative): exhaustive option. It is issued annually and covers the period from 1st January to 31st December 2019. This is the 17th edition of the Sustainability Report and the last one published was the Sustainability Report 2018.

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

Section 8 includes an Index that facilitates the location of the contents in this Report, which has been subjected (for the eighth 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 this Report to

corporate@toyota.com.ar

This document is uploaded in digital format on
www.toyota.com.ar

MATERIAL ASPECTS AND COVERAGE

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

Identification:

In this first stage, we identified the potential issues that make the sustainability of our Company.



Priorization:

It was done through an online survey through which our different stakeholders gave an opinion regarding the relevance of each issue.



Validation:

Once the opinions of the stakeholders were collected they were analyzed, consolidated and validated together with the CSR Committee.



SUSTAINABILITY
REPORT

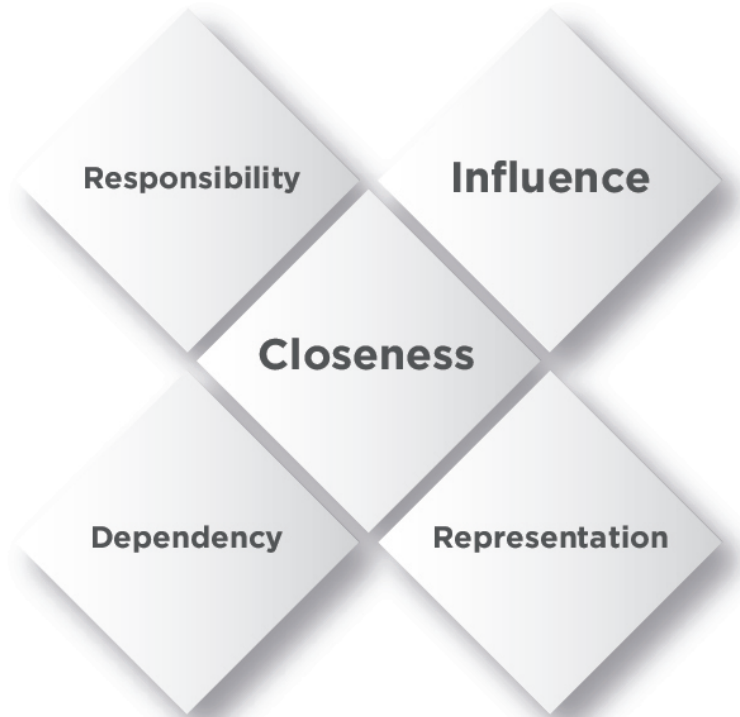


STAKEHOLDERS

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.

Group	Communication and Dialog Channel
Shareholders	Annual Report and Financial Statements. Sustainability Report. Shareholders General Meeting. Events and Meetings. Press Releases.
Unions and Representatives of the industry	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 (ADEFSA). Financial Community. Insurance Companies. Competitors.
Dealers	Association of Toyota Dealers of the Argentine Republic (ACTRA). Sales and Post sales 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 dealerships (second edition).
Suppliers	Service provision manual for contractors and subcontractors. Environmental shopping guide. Training activities and evaluation surveys. CSR Value + Competitiveness Program. CSR Guide for suppliers. Toyota Suppliers Association of the Argentine Republic (APTA).
Local Communities	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.
Collaborators	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, "Desde Adentro" magazine, Intranet, corporate e-mailing, billboards and corporate TV.
Governmental Organizations	Participation in chambers and governmental associations. Meetings with national, provincial and municipal authorities.
Customers	Customer Service Centre. Satisfaction and quality surveys. EDER activities (Early Detection and Early resolution). Contact with dealers. Social networks and corporate web site



TOYOTA

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.

563
people trained
in PLAFT System.

100%
of the Board has
received training
on anti-corruption.

Code of Conduct
for suppliers, dealers
and distributors.

Compliance
Week

100%
of complaints received
in the Ethics
Channel were
attended and solved.

100%
Of Staff Was
Informed About Anti-
Corruption Policies
And Procedures.



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 is a system of work adopted by Toyota all over the world, and is defined as 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 toward 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 Toyota'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 CICLE

In Toyota, we use the Plan-Do-Check-Action method to prepare reports. 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.



CODE OF CONDUCT

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 new 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, for the first time, 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, in order to reinforce communication, the due diligence process was continued with all our suppliers and dealers.

The **Compliance Week** was held during June 2019, 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. Also, they were given a pocket card with the most important points of the Code of Conduct and the Whistle-blower Channel.

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 course, so that they assume the commitment of its strict compliance.

Communication and training on anti-corruption policies and procedures	31/12/2019	31/12/2018
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 ³	100%	100%
Board members who have received anti-corruption training	100%	-
Directors and Managers who have received anti-corruption training	100%	-

During December 2019, communications were sent and trainings were held for Directors and Managers. Also, 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 were reinforced through communications, plant posters and 5-minute talks during Compliance Week.

³ Issuance of the Code of Conduct for Suppliers and Dealers in 2018. In 2018, 100% of our suppliers of auto parts and direct materials were communicated. In 2019, it was communicated to 100% of dealers and communication with the rest of the main suppliers began. In 2020, we continue working with the rest of the suppliers.

Semana de Compliance en TASA



¿Sabías que...

El Código de conducta de TASA nos ofrece normas claras, transparentes y seguras para cumplir nuestras funciones y responsabilidades de manera ética?

RECORDÁ QUE:

- Ante cualquier duda sobre el Código de Conducta podés comunicarte con el Área de Gobierno Corporativo y Compliance
- En caso de detectar alguna situación que incumpla con el Código de Conducta debés comunicarla a tu Superior o través del canal de ética.

REGLAS CLARAS PARA TODOS



Sitio web: www.canaltoyota.kpmg.com.ar
 Línea telefónica gratuita: 0800-888-1880
 E-mail: canaltoyota@kpmg.com.ar



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 of the Company. 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 of the Company, along with the help and support of the compliance area, identified and evaluated the main risks that could adversely affect the compliance with corporate objectives, and promoted the corresponding action plans in order to mitigate them.

During the reporting 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

E-mail canaltoyota@kpmg.com.ar

Personal interview 0800-888-1880

All employees receive training on the operation of these mechanisms at the moment of joining the Company. Also, the new 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**, formed by the areas of Legal Affairs, Internal Audit, Compliance and Human Resources, analyses each complaint received through the Ethics Channel.

	31/12/2019	31/12/2018
Complaints received	71	35
Facts Not Proved	15	22
Facts Proved	56	13
Dismissals	5	2
Corrective measures and improvement of the internal control	51	11
Complaints received and solved	100%	100%

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 of the Company at the time of doing business. In this sense, the Toyota Way is the moral basis of Toyota and its subsidiaries to share common values with all business units around the world. It comprises two main pillars: continuous improvement and respect for people. In addition, the Company promotes, actively and continually, the development of all its partners, linking the personal growth with the performance and growth of the Company.

During the reported period, 4 complaints of discrimination were received. After the investigations, 3 of them ended with dismissals. On the other hand, 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. However, we are working on a Human Rights due diligence process that extends to our operations.



ANTI-CORRUPTION 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, for TMC or for 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 (UIF). 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, training was provided via videoconference (webex) to the entire Toyota dealers' network, on the prevention of money laundering and terrorist financing, in which 475 people participated.
- ▶ Also, through e-learning, on the Toyota Institute platform, training was carried out for new personnel who joined the Company; 88 people participated.
- ▶ As part of the regulatory compliance and commitment adopted by Toyota Argentina, in this sense, the PLAFT - Legal sector implemented the necessary adjustments to comply with the new regulations on Politically Exposed Persons (PEP's).
- ▶ On the other hand, the UIF is reviewing the entire regulatory framework applicable to reporting entities, in order to adapt it to international standards on the matter. To do this, it contacts those it considers to be relevant market players. In this sense, in the last quarter of 2019, we answered to the information request made by the UIF (in addition to the one presented at the end of 2017).

TOYOTA GUIDING PRINCIPLES

These principles, which have served as a basis to build the **Toyota Global Vision** and the **Policy of Corporate Social Responsibility (CSR)**, guide the activities of more than 370.000 people who make up the company worldwide, and the more than 5.700 in Toyota Argentina.

- 1.** Honour the content and spirit of the laws of all the nations in the world and carry out open and fair political activities to be a good corporate citizen throughout the world.
- 2.** Respect the culture and traditions of all nations and contribute to the economic and social development through the corporate activities in the local communities.
- 3.** Dedicate ourselves to provide **clean and safe products, and contribute to the enhancement of the quality of life all over the world** through our activities.
- 4.** Create and develop advanced technology, and deliver top level products and services that meet the needs of our customers all over the world.
- 5.** Promote a corporate culture that enhances the individual creativity and the value of the teamwork, honouring at the same time, the mutual trust and respect between managers and employees.
- 6.** Achieve growth in harmony with the global community through an innovative direction.
- 7.** Work with the business partners in research and creation, to achieve a long term growth and get a mutual benefit, without losing sight of the possibilities to establish new business ties.



BOARD		Meetings	
Compliance Committee	CSR Committee		Board of Directors Meeting BOD
			Key Meeting KM
			Toyota Argentina Operational Meeting TOM
Crisis Committee	Ethics Committee	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, by strongly supporting the operations. 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

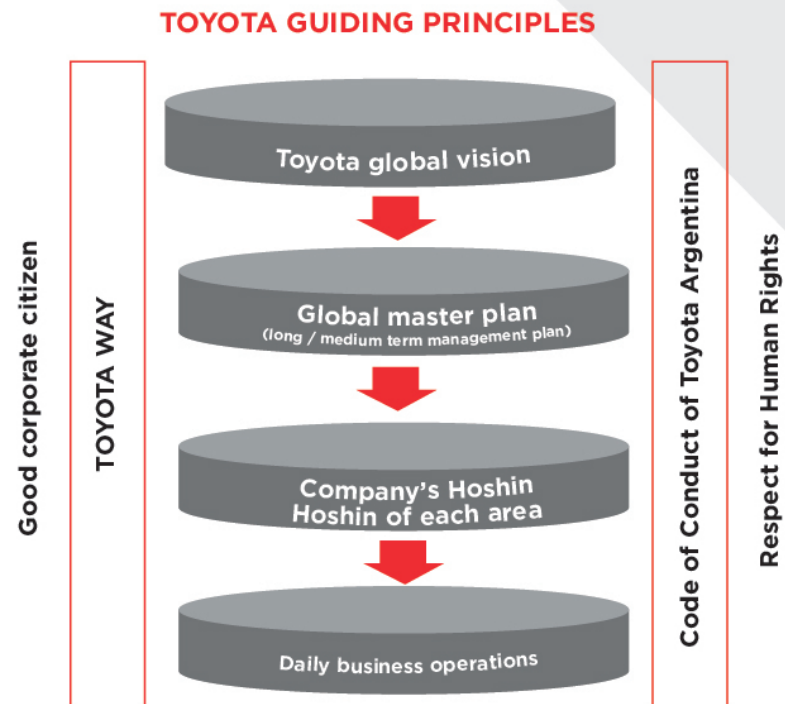
The Committee is formed by members of the Board of Directors and the areas of Legal, Compliance, Government Affairs and Human Resources, as well as by those responsible for the areas involved in the issue in question for which the Committee was convened. The role of the **Crisis Committee** is to analyse and outline countermeasures when there is an unusual event that could affect both the local community and the community of 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 2019, 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. At the same time, 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**.



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 formed by 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.

Composition of the Board by 31st March, 2020

Name	Executive Position	Position in the Board	Seniority in the Board
Daniel A. Herrero	President of Toyota Argentina	President	9 years
Mariano Barriola	Plant Director	Regular Director	3 years
Ichiro Ota	Senior Director	Regular Director	3 years
Masahiro Inoue	No position in Toyota Argentina	Regular Director	4 years
Gustavo Salinas	Senior Director	Regular Director	8 years
Akira Nagata	Director of Accounting and Finance	Regular Director	2 years
Rafael Chang Miyasaki	No position in Toyota Argentina	Deputy Director	0,25 year

By gender			By age			By nationality		
	FY 2019/2020	FY 2018/2019		FY 2019/2020	FY 2018/2019		FY 2019/2020	FY 2018/2019
Women	-	14%	Older than 50 years old	100%	100%	Argentinian	43%	43%
Men	100%	86%	Between 30 and 50 years old	-	-	Foreigners	57%	57%
			Younger than 30 year old	-	-			

DECISION MAKING

It is important to note that in Toyota Argentina, decisions are taken and become effective after a thoroughly 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.

TYPES OF MEETINGS

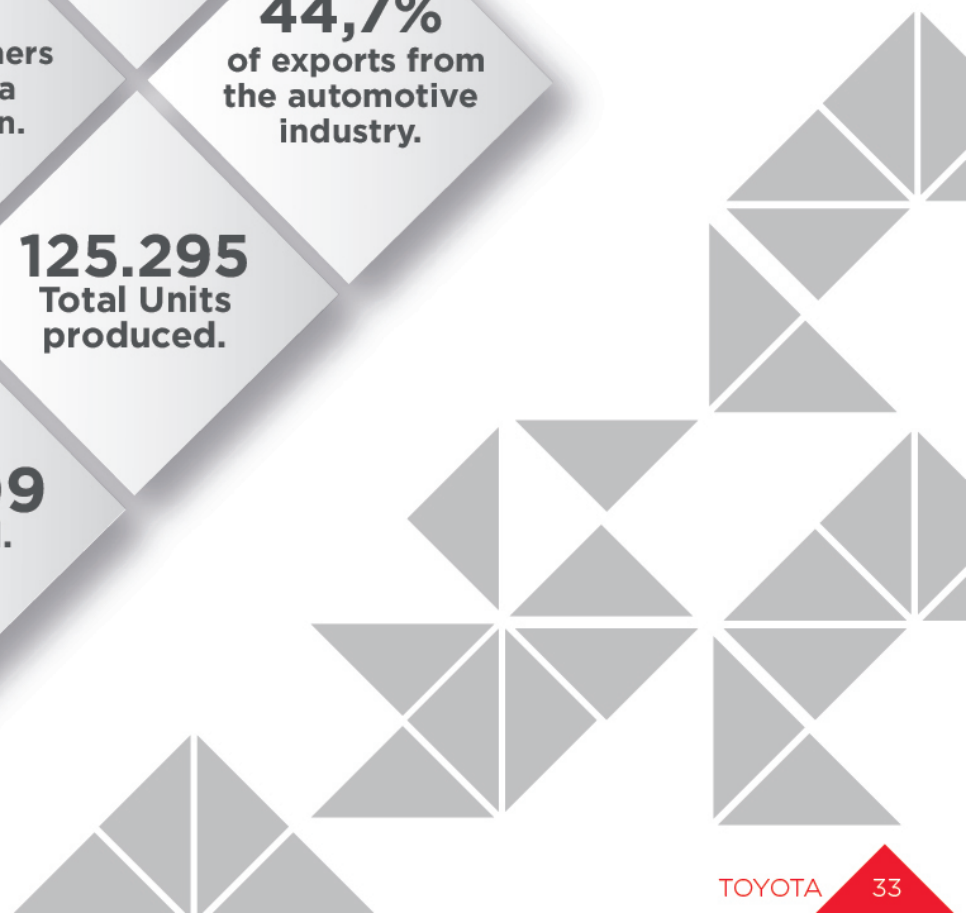
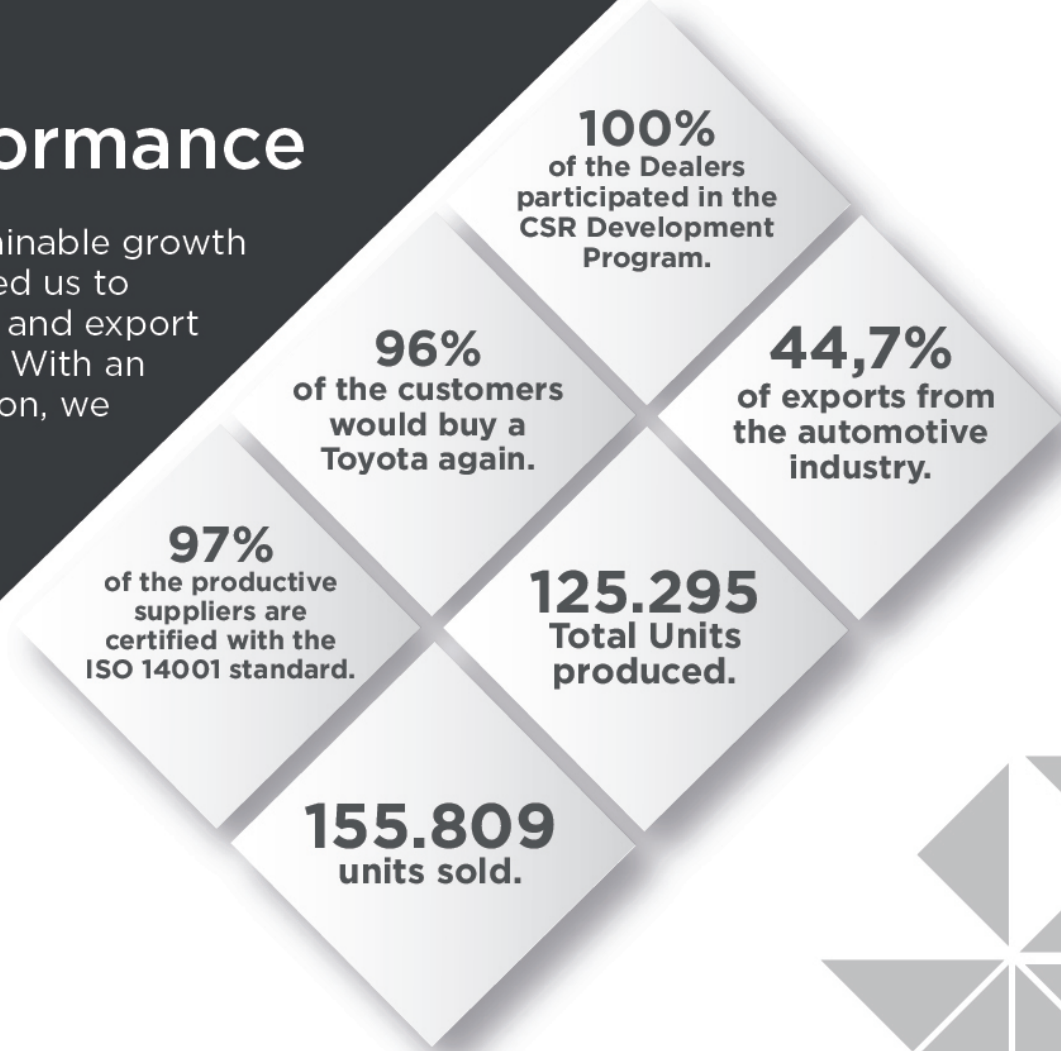
- **Board of Directors Meetings (BOD).** Meetings of the Board of Directors for the strategic decision-making, according to the headquarters guidelines.
- **Key Meetings (KM).** Key meetings conducted on a regular basis, in each division, with cross-participation of members of other divisions.
- **Toyota 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.



4. Economic Performance

We developed a project of sustainable growth 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 \$ 2.000 million, we are committed to growth and employment throughout the value chain and we promote the development of the community.



THE AUTOMOTIVE SECTOR IN ARGENTINA

The year 2019 was negative for the automotive sector. The fall in registration was 42.7% (the largest contraction for the sector since 2002). Annual sales amounted to 462 thousand units, the lowest record of the decade and the lowest since 2006.

The sharp drop in sales is mainly explained by the drop in activity, added to the successive jumps in the exchange rate that had a direct impact on vehicle prices, not accompanied by wages. The National Government program to stimulate demand, in June, July and August 2019, was a help for the sector without being enough.

On the other hand, sales financing contracted notably, partly as a consequence of the high benchmark interest rate that affected the pledge loans segment.

Vehicle production amounted to 315 thousand units, the lowest record since 2005, and totalled a drop of 32.5% compared to that observed in 2018.

On the other hand, exports resulted in a 16.7% retraction in the year, totalling 224 thousand units shipped to foreign markets.

“ The economic sustainability of our project is an achievement shared with employees, unions, suppliers and dealers, who follow our long-term vision every day. ”

Fabiola Zandalazini, Finance Director

	31/12/2019	31/12/2018
Industry total production*	314.787	466.649
Toyota Production	125.295	141.164
Total industry sales**	327.530	467.187
Total Toyota sales ***	155.809	193.207

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

* 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.

GENERATED AND DISTRIBUTED DIRECT ECONOMIC VALUE

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 Generated and Distributed Direct Economic Value (VEDGyD), proposed by the Global Reporting Initiative, shows the flow of capital between the different stakeholders. During the reported period, no significant⁴ fines⁵ have been received as a result of non-compliance with laws and regulations in the social and economic scopes .

Generated and Distributed Direct Economic Value*	FY 2019/2020	FY 2018/2019
Generated economic value		
Income from ordinary activities	221.515.859.190	245.296.177.805
Sales of properties, plant and equipment	189.224.215	-
Results from participation in controlled companies	158.855.350	149.191.122
Financial income**	5.644.668.970	7.728.139.429
TOTAL GENERATED ECONOMIC VALUE	227.508.607.725	253.173.508.356
Distributed economic value		
Operative costs	201.086.763.507	232.797.963.638
Salaries and benefits	12.567.155.822	13.407.267.836
Paid rates and taxes	-6.018.844.162	6.277.286.705
Investment in the community ⁶	19.510.043	22.909.479
TOTAL DISTRIBUTED ECONOMIC VALUE	230.060.406.657	252.505.427.658
RETAINED ECONOMIC VALUE (LOSS)	-2.551.798.932	668.080.698

*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 2020, comparative with the previous period.

**Includes Financial Results for holding and the result of adjustment for inflation.

***Incluye resultados financieros y por tenencia, reevaluó de anticipos de clientes, y resultados por tenencias bienes de cambio.

⁴For the purposes of this indicator, a significant fine is one that exceeds 500,000 pesos

⁵Law of Consumer Protection.

⁶This 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.

TRAINING OF THE FIRST SUPERVISION LEVEL IN SUPPLIERS

In the second year of implementation of the program, we have reached 273 leaders of 22 companies.

We initiated a program for the formation of the first supervision level in suppliers. This program includes the role of the leader, leader daily activities, management of indicators, problems breakdown, problem solving, and standardization of the improvements. During this second year, the leader training tool reached the 4 main missions: safety, quality, efficiency and resource development.

Training of the First Supervision Level in Suppliers	31/12/2019	31/12/2018
Leaders	273	154
Companies	22	17

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. This year, 51 middle managers from 22 companies were trained.

ENVIRONMENTAL SHOPPING GUIDE

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

Through the Environmental Shopping Guide, we strive constantly to improve the environmental performance of our suppliers. This guide includes specific environmental requirements, depending on the area and the materials supplied by each provided. 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.

Productive Suppliers certified under ISO 14001 (%)	31/12/2019	31/12/2018
Suppliers certified under ISO 14001	99/102	98/101
Certified Suppliers by the type of material supplied	100%	100%
Auto-part	57%	55%
Non- productive purchases	14%	15%
Direct Materials	11%	11%
Logistics	10%	11%
Indirect Materials	8%	7%

In 2019, the quantity of productive suppliers certified under ISO 14001 reached 97%.

ACTIVITY OF REDUCTION OF CO₂

During 2018 and 2019, we continued working with suppliers, in order to reduce their carbon footprint (greenhouse gas emissions [CO₂eq]). In both years, 85% of the participant suppliers (auto parts, direct materials and logistics) presented and implemented an annual improvement plan, reaching a reduction of 2,8% and 2,15%, respectively.

	31/12/2019	31/12/2018
Participating Suppliers	58	60
Reduction of CO ₂	2,15%	2,8%

As a result of the Environmental Improvement Workshops, a significant increase in the participation of suppliers in CO₂ reduction activities was achieved. These were carried out at the beginning of the period in Buenos Aires and Córdoba, where environmental problems, **2050 Toyota Environmental Challenge**, and concrete improvements made in suppliers were exposed, in addition, the best practices of Toyota and its suppliers were shared.

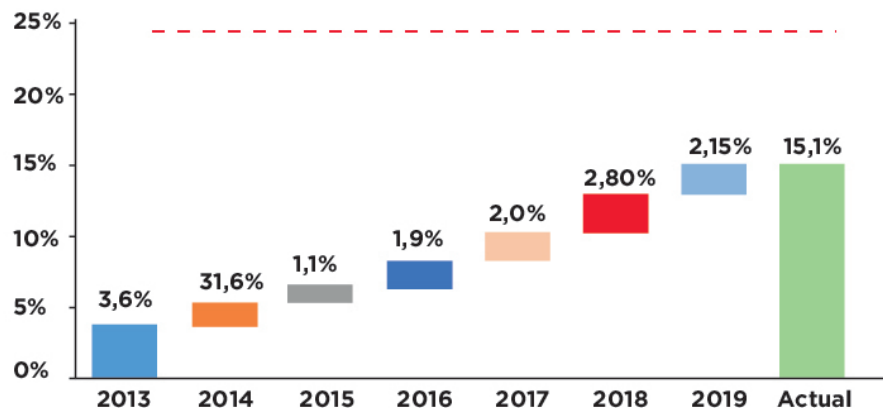
ESCO ACTIVITY

The ESCO (Energy Saving Collaborator) activity began in the second half of the period, to improve energy efficiency in production processes of suppliers considered as 3 major energy consumers: Albano Cozzuol (La Plata), Industrias Maro and Toyota Boshoku Argentina.

The activity began by forming a work team in each of the suppliers, being a multidisciplinary group, made up of environment, maintenance, production and staff personnel. The work team evaluated and defined the processes where the highest energy consumption was carried out and actions and measures were proposed to minimize the consumption of resources to reach the proposed 5%, obtaining an average reduction in the 3 suppliers of 11.26 net t / CO2.

Since 2013 we have been working together with the entire supplier base, in order to reduce the CO2 emissions generated in production. To do this, we establish annual reduction plans, aligned with 2030 Milestone (objective of achieving 25% reduction in the Carbon Footprint -on average- of the entire suppliers base by 2030). At the end of the period we achieved a reduction of 15.1%.

Acumulated CO₂ Reduction



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, in turn, 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.

For the new Toyota suppliers, they have an evaluation manual and registration of new suppliers (NSER), which assesses - among other things- the management of safety, environmental and legal compliance⁷.

CSR PURCHASING ACTIVITIES

The Purchasing area collaborated with the Bridgestone Solidarity Caravan, providing four Hilux 4x4 for the transfer of staff and donating 263 kg of non-perishable food items. The Bridgestone Solidarity Caravan went to five rural schools in southern Argentina and donated food, clothing and materials.

⁴ No new suppliers have entered after the manual was released



ANNUAL REGIONAL SUPPLIERS CONVENTION

“ Toyota is known worldwide for the quality of its products and services, and that is achieved thanks to the joint work that we carry out with all the members of our value chain. We accept the challenge of working regionally, standardizing processes and focusing on best practices, with the aim of growing sustainably and increasing competitiveness. We are also very happy to see that our suppliers have accepted the challenge ”

Celso Simomura, Purchasing and R&D Regional Officer of Toyota Latin America and Caribbean

In 2019, we developed the **1st Edition of the Annual Regional Suppliers Convention**, to recognize the companies that work alongside us. The event was attended by authorities from TMC, Toyota Argentina and Toyota Do Brasil, and 206 supplier companies. The event recognized suppliers who reached their goals and exceeded Toyota's expectations regarding the services and products delivered during 2018. In total, 52 suppliers (between Brazilians and Argentines) received the Award of Excellence and special recognitions.

For Argentina, the companies recognized according to the categories were:

Quality

(fulfilment of the objective of 0 PPM -parts per million-, without defects in the delivered parts)

- CGR, Dietech, Inergy, Pirelli, PPG, Stilo, Sumitomo and Ventalum

Logistics

(compliance with the deadline stipulated in the delivery of parts)

- Allevard, Brembo, Bridgestone, Dietech, Ferrosider, Fric Rot, latec, Intexar, JTEKT, Plimer, Siderar, TTA, Ventalum, Yazaki Argentina and Yazaki Uruguay.

Costs

(implementation of new ideas in cost reduction)

- Allevard, Fric Rot, latec, Spicer and Stilo.

Metalsa Argentina received special recognition for their commitment to promoting safety culture, and Industrias Maro and Toyota Boshoku Argentina were distinguished for their commitment to the environment.

Best supplier of 2018 from Argentina: Toyota Boshoku Argentina

Best supplier of 2018 from Brazil: Yazaki Do Brasil

e 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
Contents 103-1, 103-2, 103-3, 416-1, 416-2

“ Toyota’s philosophy with its dealers is based on long term relationships, seeking to exceed the expectations of each client and build, also with them, lasting relationships ”

Gustavo Salinas, Commercial Senior Director
of Toyota Argentina

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.

	31/12/2019	31/12/2018
Dealers	43	43
Official Outlets*	88	85
Service Points**	88	85

* It does not include one Official Outlet of Toyota Plan de Ahorro

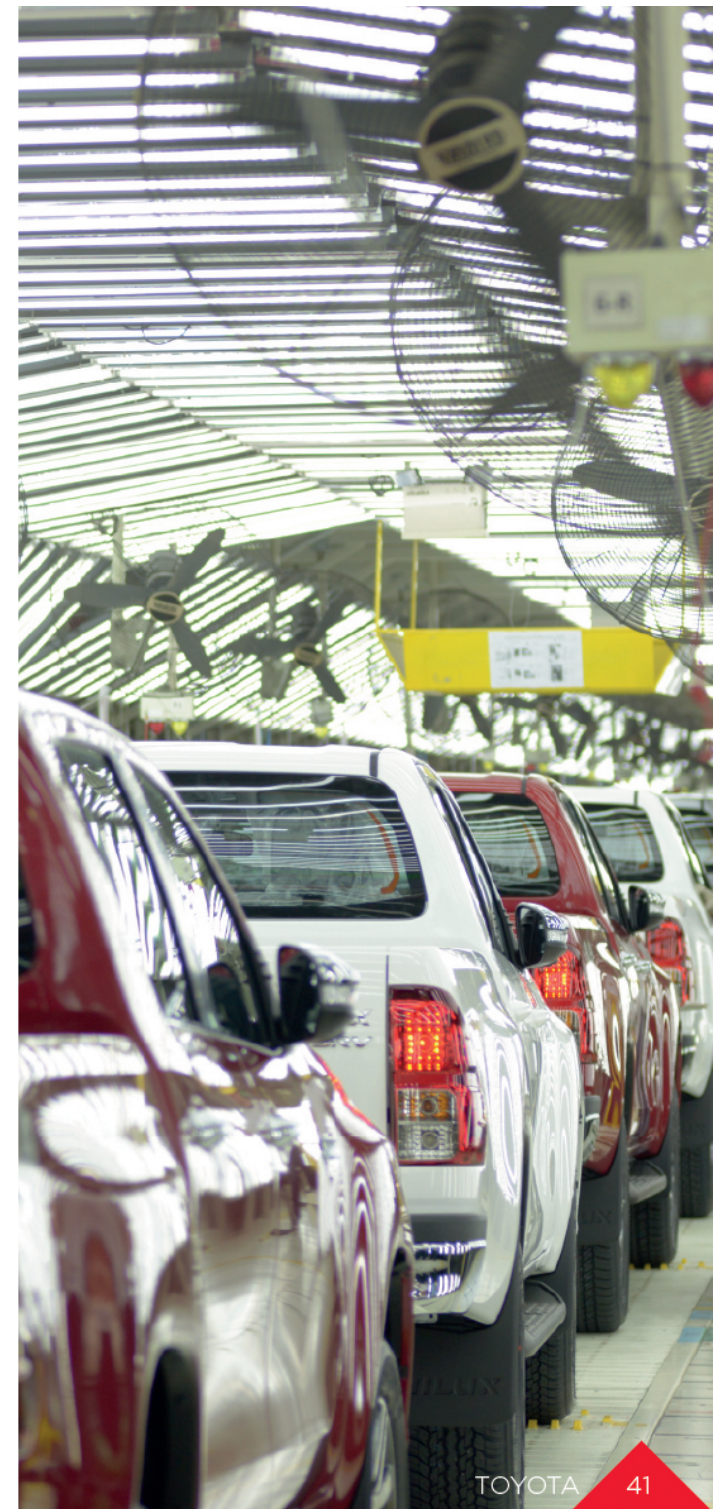
** It does not include a spare parts shop

Meet all our dealers at
<https://www.toyota.com.ar/concesionarios>

Señor González Dealer: Special Developments and Auto Parts in San Juan City

Showing sustainability and robustness, Señor González, Toyota's official dealer in San Juan City, opened SG Special Developments and Auto Parts, a workshop dedicated to the production of specialized solutions and custom-made auto parts, to meet the specific needs of vehicle fleets from different industries, such as mining, construction and the oil industry. With an area of 1.200 square meters, this plant contributes to the increase in manufacturing activity in the province, generating new jobs. Along with its manufacturing operations, it also has a research and development area, which is in charge of seeking continuous improvement in all the activities of the plant.

Not only does it represent an expansion of industrial activity in San Juan, but it also strengthens the development and growth of other economic activities within the province. By having the specialized services of SG Special Developments and Auto Parts, San Juan will offer added value for companies looking to establish or expand their operations in the area.



CSR DEVELOPMENT PROGRAM FOR DEALERS

From Toyota Argentina we developed the first sustainability training program for our dealers' network of the country. Its objective is to strengthen corporate sustainability and competitiveness in each of the dealers of Toyota Argentina, by facilitating CSR management tools. The Project, which was presented in Zárate Plant in June 2018, consisted of training, coaching and mentoring the 43 dealers in the development of their own sustainability plans, with the support of the Company and in the organizational and local context of each dealer.

The program stood out for the involvement and commitment of the dealers' owners, who had 100% attendance at its launch. In addition, each dealer identified a person in charge of CSR and developed its own social investment program, aligned with the strategy of Toyota Argentina and with the dealer's strengths, and based on the needs identified in the community.

“ The objective is to stimulate and accompany our dealers in the development of their own Corporate Social Responsibility programs, and in this way help them to be closer to the communities where they operate ”

Eduardo Kronberg, Corporate Social Responsibility General Manager of Toyota Argentina

The projects presented were evaluated by a committee of CSR specialists, who chose the five best initiatives and highlighted another five programs with special mentions. The selected sustainability initiatives established, as strategic lines of action, education for employability, environment, road safety, inclusion and corporate volunteering.



Participants:

43 dealers (all the dealers' network of Toyota Argentina).

Each dealer identified a person in charge of CSR. Involvement and commitment of the dealers' owners.

Trainings:

A two-day training session was held, in which the dealers' owners participated (half a day) (100% attendance).

Consulting and Project Contest:

3 face-to-face consultancies were carried out per dealer (from July to December).

In December each of the dealers presented their own CSR program, aligned with the strategy of Toyota. In addition, outstanding initiatives were recognized.

Implementation of CSR programs by theme:

Employability: 24
Community: 3
Disability: 8
Road safety: 16
Environment: 19
Volunteering: 4



Del Parque, Catamarca

"Ecovillages: Los Talas and Los Varela"
 CSR Axes: Road safety, environment, community and education for employability.

Nippon, Neuquén

"Promote: Valuing your experience"
 CSR Axes: Training, education and job reintegration for people over 45 years of age.

Special Mentions

Toyota Núñez, Ciudad de Buenos Aires "Keep moving forward"
 CSR Axe: Education for Employability
 Special mention: "Linked to the needs of the local community"

Audec, Corrientes "Commitment to sustainable well-being"
 CSR axes: Environment, road safety and education for employability
 Special mention: "Value of alliances"

Jorge Ferro, Ciudad de Buenos Aires "Urban solid waste reuse program (RSU)"
 CSR axe: Environment
 Special mention: "Product life cycle"

Bhassa, La Pampa "Sowing future"
 CSR axe: Environment
 Special mention: "2050 Environmental Challenge"

Yacopini, Mendoza "You take your Toyota, we all advance"
 CSR Axes: Employability and environment
 Special mention: "Sustainability of the project and long term"

With the aim of continuing to accompany the dealers' network in the development of its sustainability strategy, Toyota Argentina will implement the second edition of the "CSR Development Program for dealers" in 2020, including three major stages:

- Self-diagnosis of the different CSR matters: each dealer, through an on-line self-assessment platform, will identify its state of affairs in terms of sustainability.
- Face-to-face training sessions and virtual meetings: the objective is the exchange of ideas, knowledge, good practices and reflection on the challenges and opportunities of carrying out a CSR strategy.
- Remote consultancies: its objective is to design and / or implement improvements in the CSR strategy of each dealer.

OUTSTANDING INITIATIVES

5 winning initiatives and 5 special mentions were selected, which were awarded in a closing event with the participation of the Toyota dealers' owners.

Centro Motor, Córdoba

"Green Light: Driving towards the future"
 CSR axes: Road safety, environment, employability and corporate volunteering.

Homu, Formosa

"All adds up"
 CSR Axes: Employability, education, gender, corporate volunteering and care for the environment.

Señor González, San Juan

"Employ, educate and include"
 CSR Axes: Education for employability and disability.

MOBILE TECHNICAL SERVICE

“ Toyota’s commitment to our customers has always been to offer the best shopping experience, but above all, a post-sales service of excellence through continuous improvement ”

Bernardo Fernández Paz, Customer Service Director of Toyota Argentina

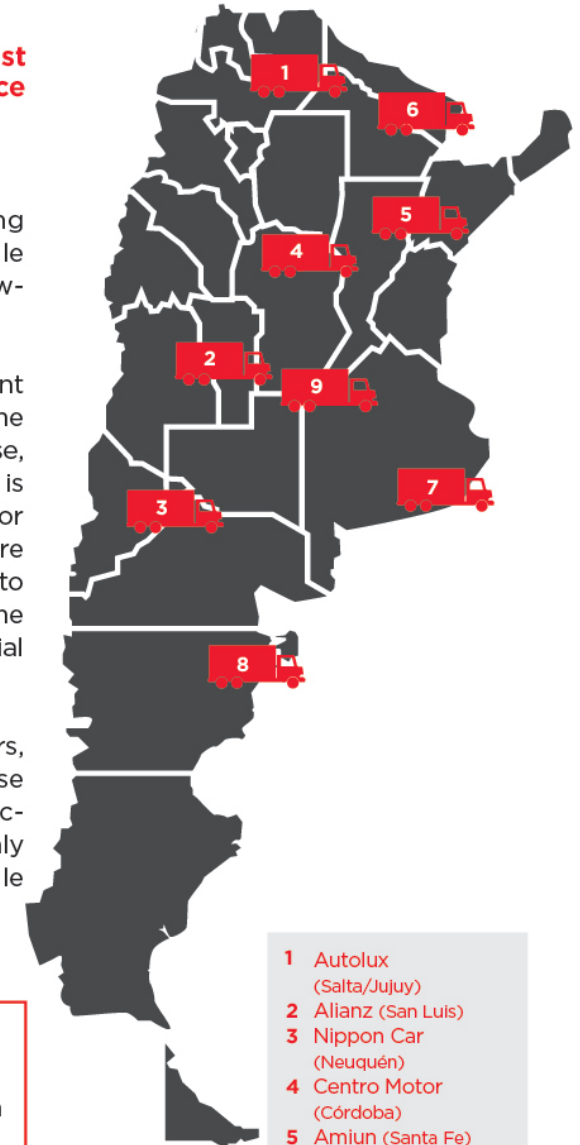
Looking toward continuous improvement, and with the purpose of exceeding the expectations of our customers, we have developed the Toyota Mobile Technical Service, in order to offer the best post-sales experience, allowing us to build a bond for life and strengthen the brand image.

This mobile garage, on a Hino truck, has the necessary equipment and qualified personnel –trained technicians– 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, in the current 9 dealers, 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, and a minimum monthly billing of \$ 400.000. The 9 network dealers, which have a Mobile Technical Service unit, are:

Mobile Technical Service to the Argentine Coast

During the summer months, Toyota disembarks on the Atlantic coast with an action focused on identifying the units reached by current service campaigns. The Mobile Technical Service has a fixed base in Pinamar and two itinerant routes, reaching various locations on the Argentine coast. With this proposal, the main objective of the Toyota Post-Sales Service will be to carry out special service campaigns, especially those related to free airbag replacement.



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

1ST OPERATION OF MOBILE TECHNICAL SERVICE WORKSHOP (STM)



In order to identify and analyse the main weaknesses of the unit, its performance and equipment, and then point out the key points for improvement that must be addressed, to share good practices and to define an operating standard for the Mobile Technical Service, the 1st Operation of Mobile Technical Service Workshop was held at Zárate Plant in February 2019. This was attended by the representatives of 8 dealers that operated until that time, a mobile technical service truck, and company authorities from Hino, Chamulla and Cocco, suppliers of the truck, body and accessories respectively. Each dealer received information on their "units in operation" (UIO) and their area of influence, to establish the routes and planning of operational areas of the STM, in order to reduce logistics costs, maximize billing and reach the largest number of customers located more than 100 km from the dealer.

CERTIFIED USED VEHICLE PROGRAM

After 18 months of implementation of the Toyota Certified Used Vehicle Program, the results have been analysed with the heads of our dealers, taking the best practices from each of them, as well as from other countries in the region. In 2019, with the aim of continuing to improve the program, Toyota Argentina implemented some modifications to strengthen this business unit:

Toyota Used Vehicles web page

An important factor for the development of the business is the visualization of the Toyota Used Vehicle Program by the customers. With the support of Toyota Compañía Financiera (TCFA), a web page was presented where customers can view the characteristics and values of the program, as well as search for used brand vehicles. In this web site, each dealer can exhibit Toyota used vehicles, whether certified (UCT) or general, opt for different means of financing through TCFA, and make direct inquiries to dealers. In turn, each dealer can request the registration and upload of certified used vehicle, check their approval, report their sale and download the warranty for each vehicle sold. This makes it possible to streamline processes and reduce approval times and documentation submission.

Know the web at <https://www.toyotausados.com.ar/home>

Eligibility for Certified Used Vehicle registration

Taking into account the new Toyota official warranty for new vehicles, and with the purpose of increasing the fleet of Toyota certified used vehicles, the limit was extended to 6 years or 160.000 km. At the same time, greater flexibility is contemplated in the criteria for registering an UCT, analysing it on a case-by-case basis and maintaining the necessary condition that it is in perfect state of maintenance and with the validation of the 150 inspection points.

Reduction of documentation required for UCT registration

To speed up the registration process of a UCT vehicle, Toyota Argentina reduced the documentation requested, going from 7 to only 4 items.

Change in time of debit of UCT certification

As of October 2019, said cost began to be debited when the sale of the UCT is made and not at the time of registration; in this way, it allows the vehicle to be exhibited as certificate without the need for prior payment of the certification cost.

Toyota Certified Used Vehicle Warranty

Toyota Argentina kept the official warranty of 1 year or 20.000 km, and is in addition to the factory warranty. This means, that the UCT 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 UCT Warranty in a repair case were maintained:

- Toyota Argentina takes care of spare parts up to a limit of \$ 70.200 for the entire warranty period of the vehicle.
- The dealer provides the labour.

24-hour vehicle assistance service

To all customers who purchase a Toyota Certified Used Vehicle, Toyota Argentina offers 24-hour vehicle assistance service free of charge for 1 year (towing service to the closest dealer or light mechanics service, if it is possible to do so).

For a better understanding of the announced improvements, web-based trainings were provided to dealers. At the same time, in support of these initiatives, Toyota Argentina developed a new POP material composed of: banner, magnetized tracing, stained glass tracing and specification sheet. These materials were uploaded to the Toyota platform, where dealers can download it for local production.

On the other hand, as mentioned in the Toyota Used Vehicles manual, and as had been done with ECT, in the second half of 2019 the Mystery Shopper of used vehicles began. Its objective is that, combined with the visit of the fieldman and the auditor, we continue improving the used business, achieving a better understanding of it and identifying different points for improvement.

There are already 37 dealerships of the brand that operate with this new modality. It stands out for its strict vehicle selection process, with a rigorous quality inspection, which verifies 150 specific technical / mechanical points.

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 for 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 the safety 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 Law⁸, 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.

⁸Law 24.240 and Decree 1.798/94.



Toyota Mobility Services – Active support service “Connected”*

With the aim of improving the experience and security of users, Toyota Mobility Services 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 Toyota Mobility Services team proactively contacts the driver of the vehicle, to provide the necessary assistance and resolve the situation as soon as possible.

The “Connected” system is provided free of charge, as an additional supplement to the services provided by Toyota Mobility Services, 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.

*Rebranding 2020: Kinto

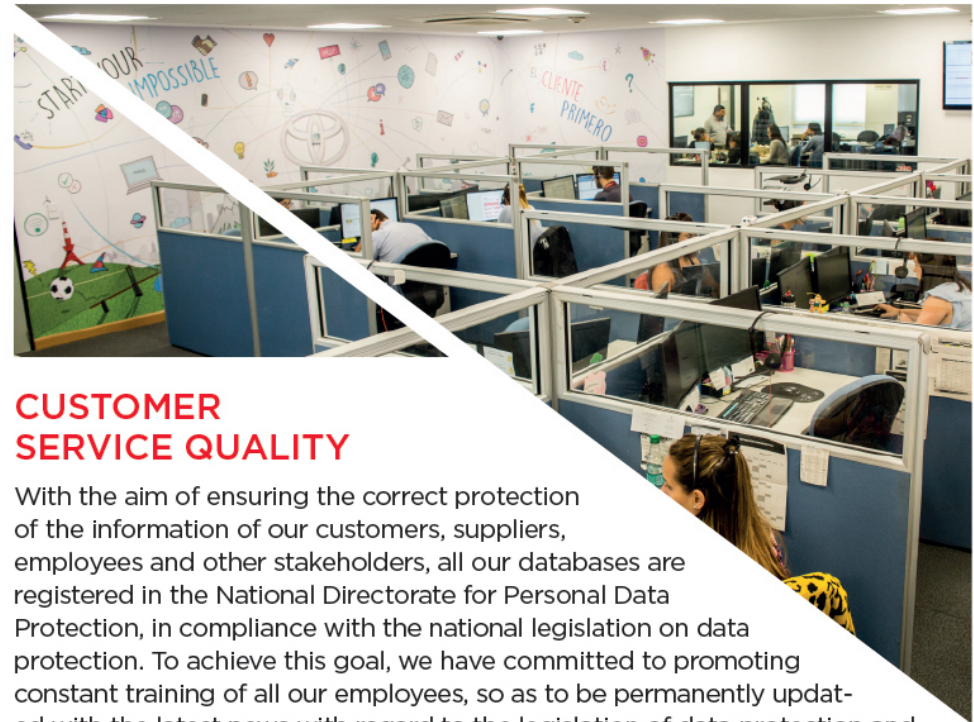
All our vehicles have a warranty of 5 years or 150.000 km

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 announced that the transferable warranty offered for all the models in its line-up will be, as of 1st September, 2018, 5 years or 150.000 km (whichever comes first). Additionally, as it is a transferable guarantee, 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, giving greater value to its product range and greater tranquillity for the customer.

People with disabilities

Toyota promotes an option for people with disabilities, offering a special discount 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. To achieve this goal, 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. Nor were there any 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:

	31/12/2019	31/12/2018
Management of queries received by phone, web and social networks (%)	100%	100%
Service grade. Calls taken before the phone rang 3 times (%) TASA and TPA	87,91%	86,93%
Mobility and Lexus Service grade. Calls taken before the phone rang 3 times (%)	86,40%	86,14%
Inquires Solved in the Customer Service Centre (TASA + TPA + Mobility + Lexus)	4.706	3.503
Inquires related to Plan de Ahorro (TPA)	1.818	739
Inquires related to Mobility + Lexus	374	-
Information requests answered at the Customer Service Centre (TASA + TPA + Mobility + Lexus)	81.374	60.712
Information requests answered related to Plan de Ahorro	26.435	26.433
Information requests answered related to Mobility + Lexus	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 780 FIR (Fix It Right) per month, of the Post-sales process, and 800 (560 by telephone and 240 by web) surveys per month for the sales process were carried out, through sampling and by telephone, by an external consultant.

96% of sales customers surveyed during 2019 would buy a Toyota again.

	31/12/2019	31/12/2018
Post- sales process		
Customer satisfaction Surveys (monthly)	920	1.080
FIR Surveys (Fix It Right)	800	920
Sales process		
Telephone Surveys (monthly)	560	610
Web Surveys (monthly)	240	260
Post-sale Customers and Users Satisfaction Survey		
Global Satisfaction Indicator	91,7	90,9
Customer Service Quality Indicator	90,6	89,8
Product / Service Quality Indicator	92,3	91,5
Loyalty Indicator	93,4	93,2
Recommendation Indicator	92	91,3
NPS	75,1%	72,8%

Toyota Mobility Services conducted a study to know the satisfaction of its customers. *

With the aim of knowing more about its users and providing them with an increasingly better user experience, Toyota Mobility Services conducted a study among active users of the service to find out their profiles, experiences and satisfaction rates, among other data. Among the results, the survey revealed that 67% used the mobility service, even having their own vehicle, and the reason for the use was 65% for leisure and / or vacations. These users found in Toyota Mobility Services a solution to a short or medium term need, with vehicles that adapt to the different experiences they want to live.

94% of the people surveyed indicated that they were very satisfied with the service provided and 91% would recommend it.

This study fulfils the dual function of, on the one hand, monitoring satisfaction rates and understanding the profile of users of the mobility service and, on the other hand, detecting opportunities for improvement of Toyota Mobility Services to provide a better service every day.

**Rebranding 2020: Kinto

MARKET QUALITY SURVEYS

Each year we conduct interviews to our customers of vehicles of up to 3 years 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:

DESIGN
SPECIFICATIONS
MANUFACTURE
SERVICE
SALES AND POST-SALES

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, TASA's 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.

NATIONAL CUSTOMER SERVICE AND TECHNICAL SKILLS CONTEST

This important event has been held uninterruptedly since 1998. Its objective is to strengthen the areas of sales and Post-sales service, in order to satisfy the needs of its customers. The activity awarded the best sales advisers, technicians and service advisers from the brand's dealers throughout the country.

In November 2018 (21st edition) and December 2019 (22nd edition), we held the **National Customer Service Skills Contest**, in which sellers, technicians, service advisers and customer service managers selected from the 43 dealers' network participated. The objective of this event is to promote the continuous improvement of services offered in the official dealers' network, consolidating the sales and Post-sales service areas, the most recognized strengths of the brand.

In this new edition, the collaborators who best demonstrated the skills and techniques learned, through the training courses that are offered to the entire dealer network, were awarded:

The winners of Customer Service Managers 2019 were:

- 1st place: Miguel Ostan - Yacopini Inversora (Godoy Cruz, Mendoza)
- 2nd place: Manuel Hernández - Uzcudun (Tres Arroyos, Buenos Aires)
- 3rd place: Patricia Barreto - Tsuyoi (Comodoro Rivadavia, Chubut)

The winners of Customer Service Managers 2018 were:

- 1st place: Mercedes Ambrosetti - AUDEC (Corrientes)
- 2nd place: Hugo Bosio - Mendez Kyoudai (Venado Tuerto, Santa Fe)
- 3rd place: Natalia Rodríguez - UZCUDUN (Tandil, Buenos Aires)



New Integral Post-Sales Service Centre of the Toyota official dealer KANSAI

KANSAI, Toyota's official dealer, opened its new Post-sales service centre. More than 5.000 m2 distributed over 4 floors, dedicated to providing the highest standards of quality, care and service for all users of Toyota brand. In this way, the service capacity grew by 50%. With this renewal and expansion of surface, the dealer can receive and service 120 vehicles per day. The facilities include 14 jobs, 3 of which correspond to express maintenance, 4 jobs for washing units and the sale of tires was added. Bodywork and paint capacity to carry out repairs grew by 80%, with 15 positions for this type of task, 2 last generation paint booths, an exclusive colorimetric laboratory, where water-based paints are used for the caring for the environment and the most advanced technological equipment available worldwide.

During the event, KANSAI presented a mural designed with vehicle parts that entered the Post-sales service, and that were reused recreating plants and flowers, giving life to those materials that, for some reason, have been discarded. This work is a faithful reflection of the importance that KANSAI, as a sustainable company, gives to the environment care and the reuse of waste to turn them into new products.

TRAINING ACTIVITIES

In Toyota Argentina, together with Toyota Institute we work actively with our value chain through different activities, which include training, promotion and awareness with the aim of achieving 0 accidents in the suppliers' base.

SPECIAL SAFETY ACTIVITY

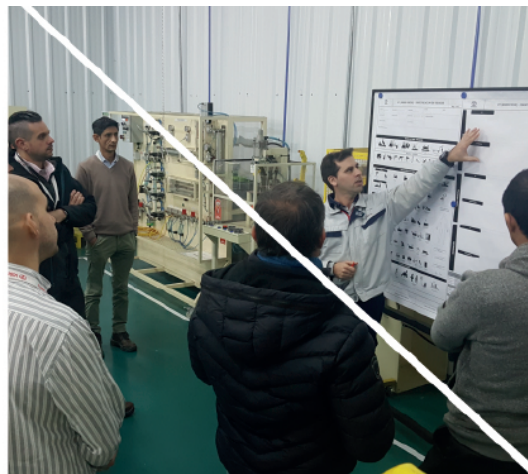
In 2018, in conjunction with one of our leading providers in safety issues, Industrias Maro, we conducted training to share the best practices from both companies. The activity consisted in a theoretical training in classroom and a practical one in the respective safety dojos. It was carried out on a model line or machine, with a duration of 7 months, providing continuous support in the implementation and monitoring of different security tools. This activity was repeated in 2019, the host was Ferrosider, which also has a solid security management in its production processes.

Year after year, the suppliers that have already participated in the special activity are monitored, where expansion plans are made to the rest of the production lines (yokoten). As of today, 15 suppliers have participated in the activity.

GENERAL SAFETY ACTIVITY

In 2019, the rate of accidents in the suppliers' base decrease by 98% since 2012, when this activity began to be measured.

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.



	31/12/2019	31/12/2018
Suppliers with risk map Stop 6	48	50
Suppliers with countermeasures plan	47	48
Rate of accidents in the Suppliers base*	0,04	0,13
Decrease in the rate of accidents (baseline 2012=2,23)	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.

EXPANSION OF THE TPS TOOL

We advanced in the training of key personnel for suppliers in the Toyota Production System (TPS), Job Instruction (how to carry out a correct work instruction producing without generating defects with safety and ergonomics), Problem Solving (problem solving methodology with Toyota methodology) and CRH (quick change of tooling). 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 the 4 host companies, where a concrete improvement job was performed, strengthening the practical knowledge of the TPS tool. Later, all the members did at least one job in their own plant. This way, our philosophy reached 35 companies, increasing considerably the amount of accumulated works and, in this way, the implementation of TPS in the value chain.

Expansion of the TPS Tool	31/12/2019	31/12/2018
Companies	35	33
Works	162	112

Companies and works accumulated year by year.

During 2018 and 2019 we continued with the implementation of TPS in 22 and 26 companies, respectively, where the staff of Suppliers Development works in situ to implement the TPS and developed the lower and medium management of the suppliers involved.

Regarding the plant evaluation of the suppliers, to know how developed they are in the application of the TPS, we have managed to take 11 companies to evolve to the next level. 6 suppliers entered level 2 (strengthening the pull system), another 4 suppliers were able to reach level 3 (Toyota Production System application) and 1 supplier maintained level 3 for 2 consecutive years, becoming a level 4 supplier (self-sufficient). In this way, we continue with our supplier development strategy, mainly of local capital and, especially, PyMEs.

SUPPLIERS

Material Aspects Social and Environmental Evaluation of Suppliers, Sustainable Suppliers Management GRI Contents 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 provider, 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 2019/2020	FY 2018/2019
Purchases by origin (%)	100%	100%
Local Suppliers	32%	31%
Foreign Suppliers	68%	69%
Purchases by origin (in millions of AR\$)	\$146.683.305	\$109.283.375
Local Suppliers	\$46.609.012	\$33.545.775
Foreign Suppliers	\$100.074.293	\$75.737.600

Figures by 31st March of each period.

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

In Toyota Argentina we analyse all our suppliers, contractors and other partners in the field of Human Rights. In this sense, during the reporting period, we did not identify any risks to the freedom of association and collective bargaining, child exploitation cases and/or episodes of forced labour in our suppliers.

We continue to contribute to the development of our value chain.

“ The objective of this space is to continue improving the operational efficiency and competitiveness of our suppliers, through relationships of trust and with a long-term perspective ”

Daniel Herrero, President of Toyota Argentina

Based on its continuous improvement philosophy, in October 2018, Toyota Argentina presented the second edition of “PyME Initiative” (PyME = Small and Medium Industry), a space that aims to continue strengthening the sustainability of its auto parts suppliers. The event, held at the auditorium of Zárate plant, was attended by 175 people from small and medium-sized companies.

During the day, the technical teams of the Secretariat of Entrepreneurs and PyMEs, the Secretariat of Industry, the Secretariat of Productive Simplification and the INTI, among other organizations, also participated. They explained the tools and projects available to PyMEs to improve their productive capacities and how access to government incentives can be simplified. In addition, a panel aimed at new financing instruments was shared, with the participation of executives from Banco Ciudad, Banco Nación, BICE, Garantizar and Nación Fideicomisos, who, at the end of the presentation, answered questions in personalized meetings with interested companies.

In this way, Toyota Argentina continues to strengthen the link with its value chain, working with those companies that contribute to the Company’s sustainable project in the country.



GOVERNMENTAL INCENTIVES

As a result of the productive investment, materialized through the enlargement of the industrial plant located in the city of Zárate, in Toyota Argentina we have been benefited with the industrial promotion established by Law 10.547. The benefit provides for a 100% exemption from the payment of the tax on gross income for a period of 10 years, on the increased turnover which results from the total production in the promoted plant. As per the above information, during the reporting period (1st April 2018 to 31st March 2019), we were exempted from paying gross income taxes by \$212.341.959.

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

We also enjoy the benefits of the laws on Strengthening of the Argentine Parts Business. Law 27.263 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.

Governmental Incentives	2019/2020	2018/2019
Exemption from the payment of the tax on gross income	-	\$212.341.959
Credit for Laws 26.393 and 27.263	\$5.106.427.812,6	\$458.883.658,73

*Alcance: Valores presentados

VALUE CHAIN

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.

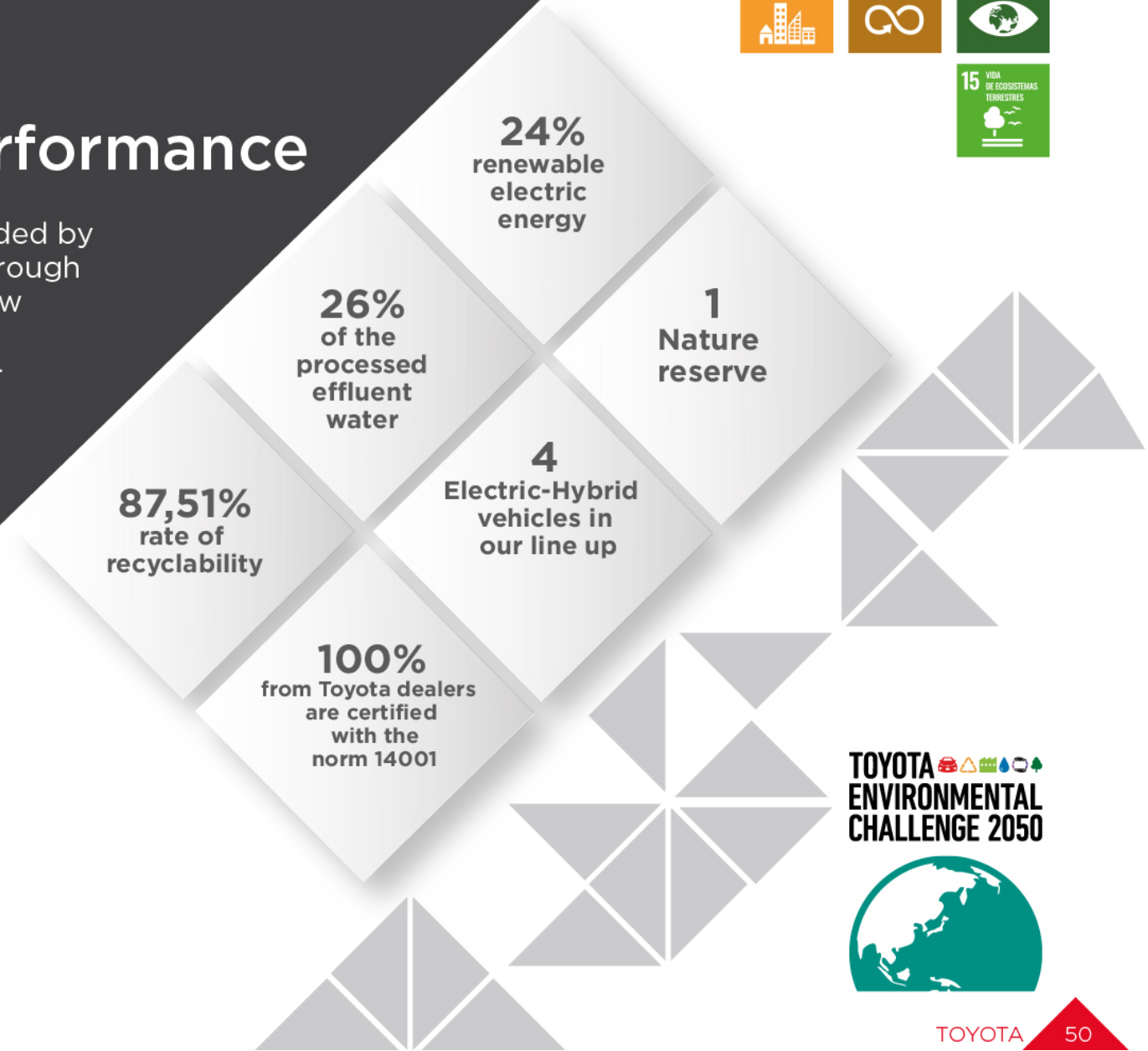
All of the Company's suppliers, distributors and dealers must have a proven track record that can guarantee their integrity. Likewise, they must develop practices that allow them to ensure compliance with the laws and regulations applicable to their business activity (while requiring and monitoring all 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.



5. Environmental Performance

Toyota's environmental strategy is guided by the 2050 Environmental Challenge, through which new ideas are promoted and new technologies are applied to develop better cars, that are sustainably manufactured and enriching the lives of the communities.



TOYOTA ENVIRONMENTAL CHALLENGE 2050



ENVIRONMENTAL MANAGEMENT SYSTEM

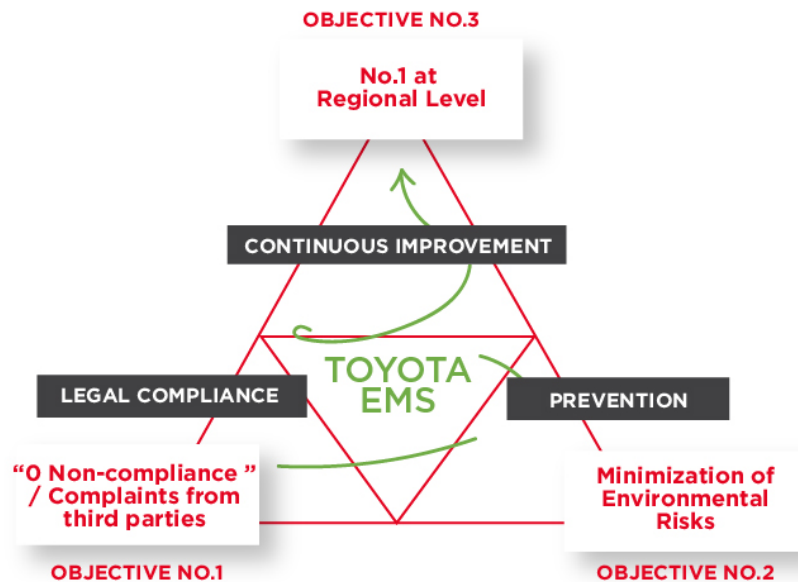
Material Aspects Energy Efficiency and Renewable Energies, Water Management and Effluents Treatment, Waste Management, Risk Management and Regulatory Compliance, Climate Change, Air Quality and Reduction of GHG Emissions, Environmental Impacts
GRI Contents 102-11, 103-1, 103-2, 103-3, 306-3, 307-1

We are strongly committed with the sustainable environmental development in Toyota Argentina. As the basis of Toyota Production System (TPS), we understand that, for the existence of an efficient and effective production, the preservation of the natural environment that contextualizes it must be ensured first.

Our **Environmental Management System** complements the standards set forth in ISO 14001, taking into account the principles, values and culture of work, aligned with the **Toyota Way**, wanting to achieve, thus, a superior system in terms of requirements and needs for environmental improvements.



At the same time, it is based on 3 pillars linked to our parent company: Legal Compliance, Prevention and Continuous Improvement.



The objective of the **Legal Compliance** pillar is zero legal breaches and zero receipt of complaints by third parties. Therefore, training is carried out on legal requirements, monitoring of the validity of environmental permits, environmental monitoring, annual audits of legal compliance with external consultants and controls on the chemical products used in the plant.

The objective of the **Prevention** pillar is to minimize the environmental risks of our activities. Internal and external audits are carried out to detect potential deviations and root causes are analysed, to then apply countermeasures and thus avoid recurrence.

Finally, the objective of the **Continuous Improvement** pillar is to foster space for suggestions and improvements to our standards.

The Environmental Management System allows us to identify and control the environmental aspects of the Organization, under a standardized system based on continuous improvement. The management of these environmental aspects seeks to reduce and mitigate negative aspects, re-establishing harmony with the environment and improving it when possible.



ENVIRONMENTAL ABNORMALITIES

The **Environmental Management System** establishes two categories of environmental abnormalities : Non-compliance and Complaints. These would affect the natural soil, water sources, biota or any other natural element and environmental findings, which would not affect the natural environment in a significant way, such as, for example, a chemical product spill on a paved yard in the Logistics area.

We have a rigorous procedure for the detection of situations outside the internal standard, which could cause a negative impact. The standard seeks to identify the source of the abnormality, with the aim of correcting the failure and preventing its recurrence.

In 2019, there was an environmental discovery as a result of the rupture of the hose of the containera in the area of the fiscal yard. The spill was contained internally, the causes were investigated and the corresponding countermeasures were taken to prevent its recurrence².

ENVIRONMENTAL DISCOVERY	CAUSES	COUNTERMEASURES
<p>There is evidence of a spill of hydraulic fluid (140 litres) in the container yard, due to a break in a hose from the containera machine.</p>	<p>Hydraulic hose failure.</p>	<p>Analyse the defective hose to identify cause of damage by external entity.</p> <p>Replace the current hose with one of greater reinforcement (R02 -> R12).</p> <p>Include the review of hydraulic hoses in the daily check of the machine and define audits by Toyota.</p>
	<p>The driver was not clear about the procedure to follow in the event of this contingency, therefore, he continued to circulate to the parking place of the containera machine.</p>	<p>Training of staff emphasizing good environmental practices on how to act in emergencies.</p> <p>Include visual material on the machine with indications for contingencies, for example: STOP - CALL - WAIT.</p> <p>Install a spill containment kit according to the volume stored.</p>

¹In the period we have not received claims, fines or sanctions due to non-compliance with current environmental regulations.

²Although no significant impacts were observed since the spill occurred on a paved ground, the incident caused the generation of special waste product of the cleaning of the area.

ENVIRONMENTAL EXPENSES AND INVESTMENTS

EXPENSES	31/12/2019 (\$)	31/12/2018 (\$)
Expenses for waste treatment and disposal	48.966.238,6	31.853.829,43
Expenses for environmental insurance	286.078	212.935
Expenses for the certification of environmental management system (ISO)	145.000	147.560
Green spaces	6.603.566,40	4.897.600
Investigative and legal environmental monitoring	4.543.682	3.475.638
Expenses for the operation of the composting plant	1.295.460	806.530

INVESTMENT	31/12/2019 (\$)	31/12/2018 (\$)
Investments on Natural Reserve environmental improvement projects	395.497	648.958
Expansion of roofed area for empty containers	-	7.280.731
Fire detection and alarm system in the waste area	-	941.861
LED lighting in offices and canteens	821.350,80	-
Replacement of fluorescent tubes with LED tubes at the plant	2.600.944,20	-
Replacement of mercury reflectors by LED reflectors in truck and container yards	932.944,63	-
Replacement of mercury reflectors by LED reflectors on test track	466.487,85	-
Solar panels installation project	1.885.231,67	-

ENVIRONMENTAL PERFORMANCE CONTENTS

ENERGY AND EMISSIONS

Material Aspects Energy Efficiency and Renewable Energies, Climate Change, Air Quality and Reduction of GHG Emissions
GRI Contents 103-1, 103-2, 103-3, 302-1, 302-3, 302-4, 302-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7

All activities related to the reduction of CO2 emissions and energy efficiency are framed within the **2050 Toyota Environmental Challenge** and, gradually, are included in the Action Plans.

Fundamentally, at Toyota we base on 3 pillars:

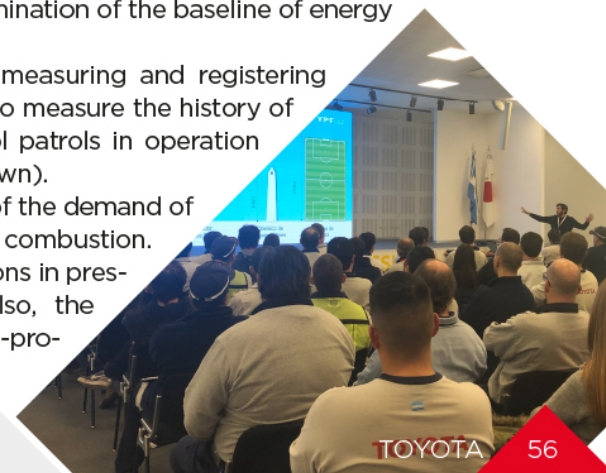
1. KAIZENES DIARIOS

Standardization and yokoten:

- Creation of ESCO (Energy Saving Collaborators) teams, composed of professionals from the different areas of the Company, who, as energy guardians, carry out improvements for the efficient use of energy, to be applied and shared among all the Toyota plants (yokoten practice). Within this framework, 3 engineers were sent to Japan for training at our headquarters.
- Delivery of training on efficient equipment design and sustainable development for plant engineers.
- Delivery of ESCO training for team members and team leaders.
- Awareness of collaborators and suppliers on the efficient use of energy.
- Periodic monitoring of the weekend energy consumption indicator with the plant sectors.

Efficiency improvements in the supply of plant service:

- ESCO activities, such as, for example, reducing consumption during non-production hours, working on the determination of the baseline of energy consumption.
- Improvements to the systems for measuring and registering indicators for the entire plant (KPI), to measure the history of energy consumption (energy control patrols in operation and during moments of plant shutdown).
- Improvements in the management of the demand of the boilers and in the optimization of combustion.
- Elimination of air losses and reductions in pressure delivered by compressors. Also, the compressors are stopped during non-productive hours.



Efficiency improvements in production processes:

- Continuation of building improvements: thermal insulation, layout designs with the application of the karakuri concept, use of the forces of gravity and skylights to take advantage of natural light.
- Shutdown of cooling towers during non-productive hours.
- Turning off fans of paint ovens during non-productive hours.
- Optimization of the down flow of the paint booth.
- Improvements in the logistics of materials, parts, finished products and transfer of people.

2. INTRODUCTION OF TECHNOLOGY FOR LOW EMISSIONS OF CO₂

- Replacement of mercury reflectors with LED reflectors on truck yards, test tracks and container yards.
- Replacement of 19.000 fluorescent tubes with LED tubes in administration and plant.
- Beginning of the project to replace pneumatic pumps with electric ones in the paint, bumper and engine sectors.
- Engineering for the replacement of steam by heat pump in the frame sector.

3. INTRODUCTION OF RENEWABLE ENERGIES

- Installation of 216 panels in the administrative building, with a total installed power of 60 kilowatts.
- Use of 24% of wind energy from the Manantiales Behr Park (YPF Luz).
- Monitoring of the progress of the Los Teros wind farm, to achieve 100% renewable energy during 2020.

In line with our Challenge 3: Zero emissions at the plant, we signed an agreement with YPF Luz, which will allow us to supply our Zárate Plant with wind energy, 24% from November 2018 and 100% from October 2020.



“This project is part of the Environmental Challenge that we set out to achieve by 2050 and which aims to reduce the impact during the manufacture and driving of vehicles to zero. The reduction of CO₂ emissions and the introduction of renewable energies are the basis of our Five-Year Environmental Action Plan. This initiative will allow us to widely exceed our global goals, by producing with 100% clean energy from 2020.”

Daniel Valeggia Plant Director of Toyota Argentina

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 Zárate plant are: renewable electric energy, non-renewable direct energy (for example, natural gas) and non-renewable indirect electric energy.

TOTAL ENERGY INTENSITY BY SOURCE (GJ/VEHICLE)		
	31/12/2019	31/12/2018
Consumption of electricity from renewable sources	0,57	0,07
Consumption of non-renewable source fuel (natural gas)	1,95	1,67
Consumption of electricity from non-renewable source	1,33	1,54
Total energy intensity	3,85	3,28

TOTAL ENERGY CONSUMPTION BY SOURCE (GJ)		
	31/12/2019	31/12/2018
Consumption of electricity from renewable sources	72.095	9.625
Consumption of non-renewable source fuel (natural gas)	245.278	238.030
Consumption of electricity from non-renewable source	167.087	219.612
Total energy intensity	484.460*	467.267

*Due to market conditions, the production plan was not reached, which affected energy consumption. In addition, the air conditioning in the plant was improved.
Conversion factors used: Electricity: 1 kWh = 0,0036 GJ. Gas: 1 Nm³ = 9.300 Kcal/m³. 9.300 kcal/m³ * 0,0000041868 GJ/Kcal = 0,039 GJ/ m³.

REDUCTION OF ENERGY REQUIREMENTS OF PRODUCTS

We have been working with the European standard on polluting emissions. This is a set of requirements that regulate acceptable limits for internal combustion gas emissions from new vehicles sold. Nowadays, Toyota Argentina, is complying with the EURO 5 standard with the Hilux and SW4 vehicles.

	YEAR	ENGINE CAPACITY	CO ₂ AVERAGE
2KD* Euro 3	2006 to Oct. 2011	2.5	259,9
2KD* Euro 4	Oct. 2011 to Oct. 2015	2.5	239,6
2KD* Euro 4	Oct. 2015 to Oct. 2017	2.4	206,1
2KD* Euro 5	Oct. 2017 to present	2.4	197,8

	YEAR	ENGINE CAPACITY	CO ₂ AVERAGE
1KD* Euro 3	2006 to Oct. 2011	3.0	256,9
1KD* Euro 4	Oct. 2011 to Oct. 2015	3.0	242,7
1GD* Euro 4	Oct. 2015 to Oct. 2017	2.8	212,4
1GD* Euro 5	Oct. 2017 to present	2.8	216,8

*Engine type.

We are continuously assessing and applying alternative methods to reduce the consumption of the energy used for the production of vehicles, for example:

Energy Reduction- Energy Kaizen - 2018		
Activity Description / Electricity	Kaizen Result (kWh/vehicle)	Gj
Replacement of lights to LED lights in production buildings, in administrative buildings and canteens.	34,04	12.414,34
Implementation of ESCO activities in non-productive hours	30,94	11.284,49
Replacement of fluorescent tubes with LED tubes at the plant (9.000 units)	7,78	3.926,10
Replacement of mercury reflectors with LED reflectors in truck and container yard, and test track	2,28	832,55
Improvement in the injection cooling system of the Bumper sector	1,94	706,54
TOTAL	76,98	2.9164,02
Activity Description / Gas	Kaizen Result (Gj/vehicle)	Gj
Oven shutdown at end of Top Coat shift	0,0075	756,69
Gas reduction due to solvent change in the bumper sector	0,0002	20,70
TOTAL	0,0077	777,39
Energy Reduction - Energy Kaizen - 2019		
Activity Description / Electricity	Kaizen Result (Gj/vehicle)	Gj
Replacement of fluorescent tubes with LEDs (10.000 units)	8,64	3.522,48
Change of reflectors in logistics yard	2,95	1.486,90
Removal of drying oven in the rear axle sector	2,36	1.191,03
Engine press automatic shutdown ED Paint oven automatic shutdown Air consumption reduction during weekends	3,2	1.614,63
Sodium HID reflector replacements to LED and standardized ignition	1,13	571,08
TOTAL	18,20	8.386,12
Activity Description / Gas	Resultado kaizen (kWh/vehículo)	Gj
Automation of heating equipment	0,10190	14.287,50
Reduction of gas consumption by air preheating	0,00036	51
TOTAL	0,10226	14.337,5

CARBON DIOXIDE EMISSIONS (CO₂)

The emissions of CO₂ are the result of the consumption of electric and thermal energy used in the production of vehicles, and are expressed as tonnes of CO₂ per vehicle, to relate the generation of emissions with the volume of production.

	31/12/2019	31/12/2018
Tons CO ₂ /vehicle	0,27	0,31
Reduction or Increase compared to the previous period (%)	-12,9%	-

Figures correspond to the emissions Scope 1 and 2.

For the calculations of CO₂ emissions, the conversion factors are, for 2018, 0.538 tCO₂ / MWh and, for 2019, 0.48 tCO₂ / MWh, provided by the Ministry of Energy of the Nation, which are updated periodically³.

CO₂ emissions are generated as a result of different activities:

- **Scope 1 Emissions:** These are generated as a result of the combustion of natural gas and liquefied petroleum gas used in the Zárate Plant.
- **Scope 2 Emissions:** They are generated as a consequence of the consumption of electrical energy in the Zárate Plant.
- **Scope 3 emissions:**
 - Logistics⁴: The origin of these emissions are the transport of production parts, vehicles and spare parts. The data is prepared jointly with the suppliers, considering fuel consumption, the kilometres travelled and the volumes of cargo transported in each operation.
 - Transfer of personnel: they respond to the emissions derived from the transfer of personnel (from and to Zárate plant); the data is provided by the supplier, who monthly reports the kilometres travelled, the type and quantity of fuel consumed and the CO₂ emissions associated with the activity.

³Emission factors in force at the beginning of the period.

⁴Includes considerations calculated based on total monthly trips by supplier.

	31/12/2019	31/12/2018
Total GHG emissions	90.220,20	113.352,59
Total Scope 1 (natural gas)	12.175,86	11.873,40
Total Scope 2 (electrical energy)	22.278,31	32.050,79
Total Scope 3	55.766,00	69.428,00
- Scope 3 (logistics)	49.233,20	61.873,40
- Scope 3 (transfer of personnel)	6.532,80	7.554,60

Figures in tonnes of CO₂.

Total Scope 1 emissions were calculated following GRI guidelines, an emission factor equivalent to 1,936 tCO₂ / 1.000 m³. Emission factors in force at the beginning of the period reported by the Secretary of Energy of the Nation.

For the calculations of CO₂ emissions, Scope 2, the conversion factors are, for 2018, 0.538 tCO₂ / MWh and, for 2019, 0.48 tCO₂ / MWh, provided by the Ministry of Energy of the Nation, which are updated periodically. Emission factors in force at the beginning of the period.

For the Scope 3 logistics calculations, improvements were made using maritime logistics for the routes of Brazil and Bolivia, as well as the use of bi-trains for the routes of Brazil and Córdoba.

The reduction in emissions of tonnes of CO₂, Scope 3, due to the transfer of personnel, is due to the kilometres travelled.

VOCS EMISSIONS

Some products used in the production of vehicles, such as solvents, paints, adhesives and sealants, derivatives of hydrocarbons, emit volatile fractions called volatile organic compounds (VOCs).

VOLATILE ORGANIC COMPOUNDS (GRAMS/M ²)		
	31/12/2019	31/12/2018
GRAMS PER M ² PAINTED / YEAR	33,00	33,09

Figures in g/m² painted per year.

REDUCTION OF VOCs EMISSIONS / VOCs KAISEN

During 2018 and 2019, we implemented the following activities of VOCs emission reduction:

ACTIVITY DESCRIPTION	Result (grams/m ²)
	2018
Unnecessary paint cutting in dummy	0,02
Flow adjustment in confirmation cycles in the paint booth of Top Coat	0,02
Automatic painting of B-CAB deckless units in paint booth of Top Coat	0,01
TOTAL OF REDUCTIONS (%)	0,05

ACTIVITY DESCRIPTION	Result (grams/m ²)
	2019
New JIG for 2-tone GRS units	0,05
Reduction of direct materials in the ED plant	0,01
Pre-spray paint reduction	0,001
TOTAL OF REDUCTIONS (%)	0,061

AIR QUALITY

The gaseous emissions that are generated in Zárate 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 serve the regulatory parameters, and to obtain the permit for gaseous emissions into the atmosphere. The results obtained in the reported period of air quality are described below⁵:

	CONTAMINANT	GUIDE LEVEL*	POSITION (WINDWARD)	POSITION (WINDWARD)	POSITION (LEEWARD)	POSITION (LEEWARD)
LEGAL CAMPAIGN WINTER 2018	Butanol	-	<120	<120	<120	<120
	Ethylbenzene	-	<120	<120	<120	<120
	Methyl ethyl ketone	390 (24h)	<120	<120	<120	<120
	Toluene	1.400 (8h)	<120	<120	<120	<120
	Isopropyl benzene	-	<120	<120	<120	<120
	Benzene	0,096 (1 año)	<120	<120	<120	<120
	Xylene	5200 (8h)	<120	<120	<120	<120
LEGAL CAMPAIGN SUMMER 2019	Butanol	-	<120	<120	<120	<120
	Ethylbenzene	-	<120	<120	<120	<120
	Methyl ethyl ketone	390 (24h)	<120	<120	<120	<120
	Toluene	1.400 (8h)	<120	<120	<120	<120
	Isopropyl benzene	-	<120	<120	<120	<120
	Benzene	0,096 (1 año)	<120	<120	<120	<120
	Xylene	5200 (8h)	<120	<120	<120	<120
LEGAL CAMPAIGN WINTER 2019	Butanol	-	630	640	<10	<10
	Ethylbenzene	-	<10	620	<10	<10
	Methyl ethyl ketone	390 (24h)	<10	<10	<10	<10
	Toluene	1.400 (8h)	360	400	<10	<10
	Isopropyl benzene	-	<10	<10	<10	<10
	Benzene	0,096 (1 año)	<0,09	1,69	<0,09	<0,09
	Xylene	5200 (8h)	420	1530	<10	<10
LEGAL CAMPAIGN SUMMER 2020	Butanol	-	<10	<10	<10	<10
	Ethylbenzene	-	20	30	20	30
	Methyl ethyl ketone	390 (24h)	<10	<10	<10	<10
	Toluene	1.400 (8h)	30	<10	20	50
	Isopropyl benzene	-	<10	<10	<10	<10
	Benzene	0,096 (1 año)	<0,09	<0,09	<0,09	<0,09
	Xylene	5200 (8h)	390	2680	240	580

*They are guide levels established in table B of annex III of RD 1074/18. Values <120 correspond to the detection limit of the equipment.

*They are guide levels established in table B of annex III of RD 1074/18. Values <10 y <0,09 correspond to the detection limit of the equipment. In windward positions, the wind enters the plant, and in leeward positions, the wind leaves the plant.

⁵ During the period of this Report, we have not had emissions of ODS (substances that deplete the ozone layer).

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

The water management is aligned with the **2050 Toyota Environmental Challenge**, specifically with the Challenge 4, which objective is 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 wastewater to reuse it or return it properly to the environment.

Toyota Argentina has a groundwater conditioning plant for entering the production process. The water comes from the Puelche and Hipopuelche aquifers and goes through a reverse osmosis system, achieving the quality requested for the production process.

WATER CONSUMPTION	31/12/2019	31/12/2018
M ³ /vehicle	0,975	1,197

Water used exclusively for the vehicles manufacture.

WATER EXTRACTION BY SOURCE	31/12/2019	31/12/2018
Subterranean	341.345	413.939
Reuse water from treated effluents	92.307	61.979
Total	433.652	475.918

Figures in m³/year.

REDUCTION OF WATER CONSUMPTION - WATER KAIZEN

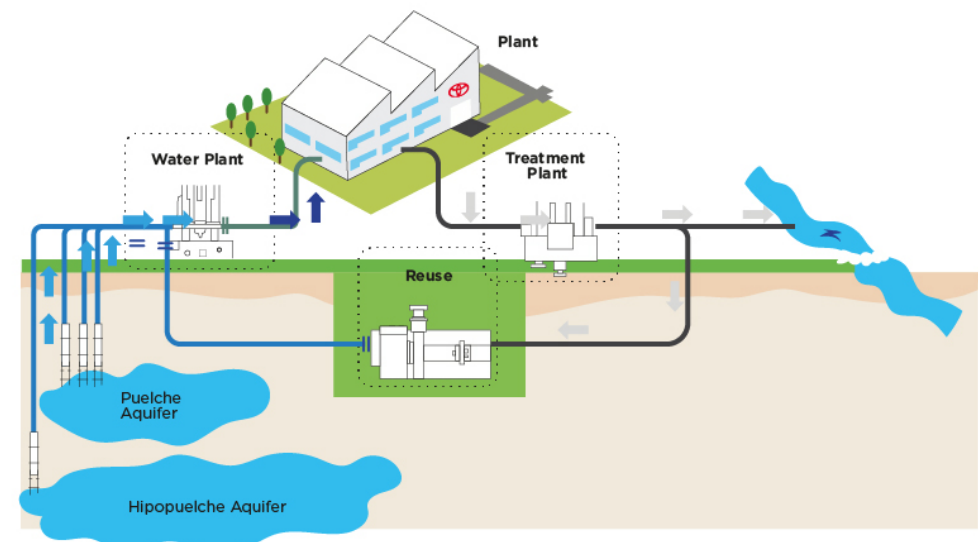
The painting process is the one with the highest water consumption; however, work is done from all areas, presenting improvements to reduce consumption:

Activity description	Result (m ³ /vehicle) 2018
Optimization of the plant of treated effluents reuse	0,61
Reduction of excess industrial water in the mud basin of the paint booth of Top Coat	0,00015
Saving water in tanks of Hot Water and Pre-treatment Rinse 2 and ED	0,016
Total	0,62615

Descripción de la actividad	Result (m ³ /vehicle) 2019
Use of new cleaning products in the paint plant	0,03
Water dosing cut-off between bodies in Pre-treatment and ED	0,065
Elimination of fresh water for product dilution	0,003
Use of UTA water condensate	0,00035
Reduction of DI water consumption in paint plant rinses	0,05
Total	0,14835

In addition to actions to reduce water consumption, we have a water reuse plant, through which we recycle and reuse treated effluent water, reducing the consumption of that coming from aquifers.

Currently, 26% of the processed effluent water is reused industrially for the production of the vehicle *. This reflects an improvement of 20% over the previous year, obtained through various kaizens that were carried out by personnel from the Utilities area.



*Measurements through flow meters located at key points, prior to entering the water used for pre-treatment.

EFFLUENTS

The wastewater, derived from the productive and sanitary processes of the plant, is treated in the effluents treatment plant, where periodic laboratory tests are carried out, to ensure the quality of the water returned to nature. The treatment plant has a three-stage system:

- **Physicochemical:** in this stage, physical actions are carried out and chemical substances are incorporated, which allow the solid phases (mud) to be separated from the liquid ones and, thus, to give better treatment to the polluting component of the waste.
- **Biological:** at this stage, bacteria are injected to help degrade the polluting substances present in the effluents.
- **Sand filter:** it was incorporated as part of the continuous improvement plan of the effluents treatment plant in the last expansion of the plant. The objective is to mechanically filter the remaining suspended solids.

In this way, a better quality of the discharged wastewater is obtained than that of the Santa Lucía stream (receiving medium). The treated effluents are disinfected with hypochlorite in the gauging chamber and discharged into the Santa Lucía stream, which flows into the Paraná River. It is not a protected area.

EFFLUENTS	31/12/2019	31/12/2018
M³/year	262.426	327.227

Figures in m³/year. Gauging chamber: measurement of treated / discharged flows.

Toyota Argentina has its water quality laboratory, in which we carry out periodic monitoring to carry out a more exhaustive control. This ensures both compliance with legal requirements and the standards determined by our parent company. In turn, we established more demanding limit values than those stipulated by 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.

QUALITY OF ANNUAL OF LIQUID EFFLUENTS

	Unit	Legal limit Res. 336/03	2019 Average	2018 Average
Aluminium	mg/l	2	0,0116	0,0182
Arsenic	mg/l	0,5	0,0223	0,0293
Barium	mg/l	2	0,1383	0,1007
Boron	mg/l	2	0,7083	0,6092
Cadmium	mg/l	0,1	0,005	0,0043
Cyanides	mg/l	0,1	0,0125	0,0106
Free Chlorine	mg/l	0,5	0,1483	0,1633
Cobalt	mg/l	2	0,001	0,0020
Copper	mg/l	1	0,0023	0,0039
Faecal coliforms	NMP/100ml	2.000	3,58	3,0000
Total Chromium	mg/l	2	0,0015	0,0023
Hexavalent chromium	mg/l	0,2	0,0116	0,0108
D.B.O	mg/l	50	5,56	6,7417
D.Q.O	mg/l	250	24,23	23,9000
Phenolic substances	mg/l	0,5	0,015	0,0100
Total Phosphorus	mg/l	1	0,2416	0,2000
Soluble Iron	mg/l	2	0,06	0,0317
Soluble Manganese	mg/l	0,5	0,0116	0,0217
Mercury	mg/l	0,005	0,001	0,0008
Nickel	mg/l	2	0,0167	0,0103
Ammoniacal nitrogen	mg/l	25	0,1225	0,5883
Kjeldahl Organic nitrogen	mg/l	10	2,462	3,4933
Total Kjeldahl nitrogen	mg/l	35	2,57	4,0667
pH	-	6.5-10	7,79	7,8000
Lead	mg/l	0,1	0,001	0,0010
S.A.A.M.	mg/l	2	0,085	0,1717
Selenium (Se)	mg/l	0,1	0,0019	0,0015
Sedimentable Solids 10 minutes	mg/l	Ausencia	0	0
Sedimentable Solids 2 hours	mg/l	1	0,108	0,1000
Sulphides	mg/l	1	0,02	0,0275
SSEE	mg/l	50	6,58	7,5000
Temperature	C°	45	20,90	22,0167
HTP	mg/l	30	0,2	0,2083
Zinc	mg/l	2	0,0122	0,0138

WASTE

Material Aspect Waste Management
GRI Contents 103-1, 103-2, 103-3, 306-2, 306-4

For a 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 wastes, already in the INTERNAL collection centre, are weighed and recorded in a database.

	31/12/2019	31/12/2018
Recyclable	23.199.958	24.146.345
Special	2.177.622	3.409.132
General	1.134.393	1.566.160
Total Kg/vehicle	26,28*	34,94

*An improvement was made in waste management, thus reducing the kilograms of waste for final disposal. Alternative treatments were implemented, such as blending *** for effluent plant sludge, dry general waste, and non-recyclable general waste. On the other hand, suppliers were developed to be able to recycle new waste from new production processes, such as, for example, polystyrene and electronic lags.

** Mixture of waste with calorific value, to be used as an alternative fuel to natural gas in cement plant kilns.

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

The recyclability rate, which reflects the efficiency of the Environmental Management System, is 82.58% for 2018 and 87.51% for 2019.

GENERATION OF WASTE BY TYPE OF DISPOSAL / TREATMENT

Type of waste (primary classification)	Type of waste (secondary classification)	2019		2018		Disposal and Treatment		
		Kg generated	Kg/treated vehicle and/or recycled	Kg generated	Kg/treated vehicle and/or recycled			
Special	Special (solids and liquid)	2.177.622	17,28	3.409.132	23,94	Security landfill / incineration		
General	Non-special industrial	1.134.393	9,00	1.566.160	11,00	Landfill		
RECYCLABLE	Special	Batteries	35.960	0,29	49.511	0,35	Recycled	
		Solvent	356.848	2,83	327.899	2,30		
		Oil	8.229	0,07	22.518	0,16		
		Electronic	8.919	0,07	-	-		
	Blending	Special and General	980.143	7,78	357.787	2,51	Alternative fuel	
	No Special		Wood	452.958	3,60	230.972	1,62	Recycled
			Metal	18.357.772	145,71	20.332.270	140,74	
			Plastic and nylon	335.024	2,66	313.105	2,20	
			Styrofoam	29.334	1,23	12.042	0,08	
			Paper and paperboard	2.393.123	18,99	2.461.614	17,29	
	Auction	78.747	0,63	38.628	0,27			

WASTE MANAGEMENT RESULTS (PESOS)

	31/12/2019	31/12/2018
a) Income for recycling	111.436.983	71.039.484
b) Total Cost	86.653.314	65.249.941
Economic benefit (a-b)	24.783.668	5.789.544

Figures of for total savings figures derived from annual waste management.



Compared to the previous year, an increase in compost production was achieved. This is due to the introduction of uneaten organic waste from the canteens into the composting plant. The separation is made by the diner, with the aim of making him/her aware of the responsible consumption of food.

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 green space maintenance, 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 impacts for the environment and for the health of the communities.

	31/12/2019	31/12/2018
Kg composted waste / year	138.019	103.344

CHEMICAL 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, which ensures that all chemicals used in the facilities and in the processes meet the approval standards of our headquarters and the legal requirements, before entering the premises. For this reason, we consider the national and international regulatory updates that apply to us, committing ourselves to ensuring the absence of prohibited substances in the life cycle of vehicles. 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.

In addition, we ensure that the chemical substances that make up all our auto parts and all those substances that are applied in our processes, and that are part of our vehicles (paint, motor fluids, etc.), comply with the environmental specifications of our parent company, which are fed by national and international regulations, which restrict or prohibit the use of substances that are harmful to health and the environment.



To achieve this, we established a global system, where each supplier of auto parts or direct materials declares all the chemical substances that constitute the products that they supply us, specifying substance by substance and their percentages by weight. In this way, we can ensure that no harmful substances are part of our products.

RELEVANT ACTIVITIES OF THE PERIOD

ACKNOWLEDGMENTS

GLOBAL ECO AWARD

The Global Eco Award is an award in which the best environmental kaizens are chosen from all the subsidiaries of TMC. It has a local, a regional and a global instance, which takes place in Japan.

	2018	2019
KAIZEN	<p>It consisted of recycling certain types of special and non-special waste, which (previously) were sent to be treated and disposed of in security landfills, occupying a volume of soil for its degradation. The proposed recycling method takes advantage of the calorific value and the low humidity contained in the mud from the effluents treatment plant of Toyota Argentina, the solvent distillation tailings and general waste, to generate an alternative fuel to the natural gas used in the concrete production process. This method is called Blending, because these wastes must be mixed to achieve the necessary energy properties. As a result, it was possible to reduce 5.06 kg / vehicle of non-recyclable waste.</p>	<p>It consisted of ensuring the quality at the discharge point of the treated effluent, by cancelling the on-off control to an analogue control for the hypochlorite dosing pump. Although the values of hypochlorite in the discharge have not exceeded, at any time, the legal limit, with this improvement it was possible to have a greater control of the parameter in the face of flow variations.</p>
2050 ENVIRONMENTAL CHALLENGE	 <p>Challenge N° 5: Establish a society based on the culture of recycling.</p>	 <p>Challenge N° 4: Minimization and optimization of water use.</p>
AREA	Waste	Utilities
AWARD	<p>Both kaizens were selected internally for the Eco Award 2018 and 2019 of Toyota Argentina. They went to a regional selection instance, led by TMC and achieved the recognition "Silver Award" (second place, together with other subsidiaries around the world) in their respective years.</p>	



ENVIRONMENTAL POLICY

The **Environmental Policy of Toyota Argentina** 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. It is integrated into the **Safety, Occupational Health and Environment Policy**.

We are committed to carrying out the activities of manufacture, import, sale, distribution, marketing and export of motor vehicles, auto parts, accessories and materials, complying with this Policy:



Continuous improvement: To develop our activities in a sustainable way, complying with the highest standards of safety and environmental protection.



Prevention: To evaluate the risks of our activities and processes and implement control measures to minimize the exposure to injuries or occupational illnesses.



Legal compliance and other requirements: To comply with the Safety, Occupational Health and Environment legislation and other requirements to which TASA adheres to.



Cooperation with the Society: To manage our sustainable growth, maintaining cooperative relationships with the society and concerned organizations.



Spreading and awareness raising: To spread and to raise awareness among employees, contractors, visitors and other interested parties on the importance of taking care of Safety, Occupational Health and the Environment.



Commitment: To assume the commitment to grow in harmony with nature and progressively achieve the goal of zero CO2 emissions by 2050; and the goal of zero accident.

More information at: <https://www.toyota.com.ar/acerca-de-toyota/sustentabilidad>

ENVIRONMENTAL ACTION PLAN

In Toyota Argentina we have developed the **6th Five-Year Environmental Action Plan (2016-2020)** establishing specific goals and actions for each of our key indicators: consumption of water, energy, emissions of carbon dioxide (CO2) and volatile organic compounds (VOCs) and generation of waste.

Indicator	Unit	31/12/2019			31/12/2018		
		Result	Target value	Compliance	Result	Target value	Compliance
Energy Consumption	GJ/vehicle	3,85	3,71	⚠*	3,28	3,35	✓
Electricity Consumption	kW-hour/vehicle	526,31	528,99	✓	456,26	466,49	✓
Natural Gas Consumption	M3/vehicle	50,19	46,40	⚠*	42,86	42,90	✓
CO2 Emissions	Kg CO2/vehicle	274	316,35	✓	313,32	332,63	✓
VOCs Emissions	g/m2 (painted)	33,00	33,01	✓	33,09	33,23	✓
Industrial Water Consumption	M3/vehicle	0,975	1,167	✓	1,197	1,34	✓
Waste Generation	Kg/vehicle	26,28	29,3	✓**	34,94	35,06	✓

✓ Target Achieved ⚠ Target Partially Achieved ✗ Target Not Achieved.




















Conversion factors used: Electricity: 1 KWh = 0,0036 GJ. Gas: 1 Nm3 = 9.300 Kcal/m3. 9.300 kcal/m3 * 0,0000041868 GJ/Kcal = 0,039 GJ/ m3.

*Due to market conditions, the production plan was not reached, which affected energy consumption. In addition, the air conditioning in the plant was improved.

An improvement was made in waste management, thus reducing the kilograms of waste for final disposal. Alternative treatments were implemented, such as blending * for effluents plant sludge, dry general waste, and non-recyclable general waste. On the other hand, suppliers were developed to be able to recycle new waste from new production processes, such as, for example, Styrofoam and electronic lags.

*** Mix of waste with calorific value to be used as an alternative fuel to natural gas in cement kilns.

The most relevant environmental aspects of our activity, their relationship with the 2050 Environmental Challenge and the actions carried out are set out below:

2050 TOYOTA ENVIRONMENTAL CHALLENGE		SDG	ENVIRONMENTAL ASPECTS	ACTIONS
Challenge 1	 <p>Zero emissions of CO₂ in new vehicles.</p>	 	CO ₂ emissions generated by new vehicles.	<ul style="list-style-type: none"> •Reinforcement in hybrid vehicles sales campaigns in Argentina: improvements in the communication of the benefits of these vehicles. •Analysis of the introduction of electric vehicles in Argentina.
Challenge 2	 <p>Zero emissions of CO₂ in the life cycle of the product</p>	 	CO ₂ emissions generated in the value chain.	<ul style="list-style-type: none"> •Optimization in the logistics of auto parts and vehicles, for example, bi-train trucks. •ISO 14001 certification in suppliers. •100% of Toyota Argentina dealers certified ISO 14001. •ECO DEALERS program. •Monitoring of CO₂ emissions in suppliers and dealers, with the implementation of joint improvements with Toyota Argentina team. •Implementation of ESCO groups in suppliers.
Challenge 3	 <p>Zero emissions of CO₂ generated in the vehicles manufacturing plants.</p>	  	CO ₂ emissions generated in plants of production.	<ul style="list-style-type: none"> •Introduction of low CO₂ emissions technology. •Continuous improvement of energy savings in processes and equipment. •Use of renewable energies (%). •Implementation of photovoltaic self-generation in the plant.
Challenge 4	 <p>Minimization and optimization of the use of water.</p>		Use of water.	<ul style="list-style-type: none"> •Reduction of the amount of water used in production processes through environmental kaizens. •Operational controls on significant water use equipment. •Treatment and purification of the water used. •Reuse of discharge water and reverse osmosis.
Challenge 5	 <p>Establish a society based on a recycling culture.</p>	  	Generation of waste	<ul style="list-style-type: none"> •Use of sustainable materials. •Use of new technology for recycling. •Use of recycled materials. •Recycling of tires. •Composting of organic waste. •Circular economy in lead acid batteries. •Project to reuse hybrid car batteries.
Challenge 6	 <p>Establish a future society in harmony with nature.</p>	 	Generation of gaseous emissions into the atmosphere.	<ul style="list-style-type: none"> •Opening of the Natural Reserve to the community. •Planting of native trees. •Maintenance and forestry of the forest curtain.

For more information about 2050 Environmental Challenge, visit: <http://www.toyota-global.com/sustainability/environment/challenge2050/>

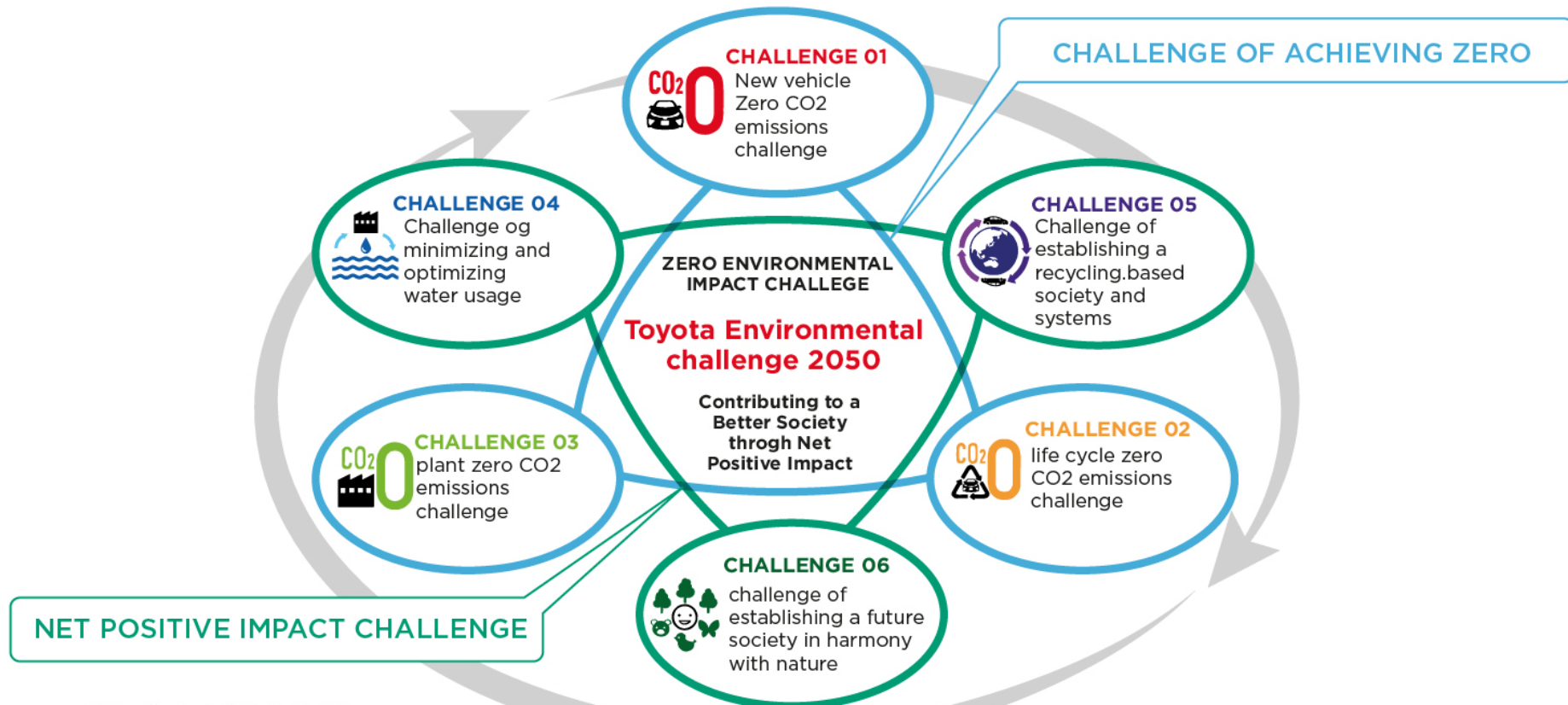
In the development of the Environmental Management System, all the activities of the Company are evaluated in order to determine the environmental aspects depending on the more relevant equipment. Then, a record of equipment is made, detailing their impact, those responsible for their correct operation and the critical parameters to control under different conditions: normal, stop and start, maintenance and emergency. This leads to the preparation of action plans and the consequent training of the staff involved in environmental management.

2050 TOYOTA ENVIRONMENTAL CHALLENGE

Commitment to the environment is a philosophy and a permanent source of inspiration for the operations of Toyota at a worldwide level. The 2050 Environmental Challenge consists of a series of ambitious objectives to achieve zero CO2 emissions in our vehicles and throughout the entire value chain; achieve positive impacts on the community, seeking to build a society in harmony with nature.

The **Environmental Management System** feeds on the **2050 Toyota Environmental Challenge**. It is the first global long-term strategy linked to sustainability, developed by TMC. In it, goals are proposed that serve as a guide for the development of the **Five-Year Action Plan**, which includes improvements to reduce CO2 emissions related to the consumption of electricity, gas and water consumption, as well as the consequent streams of solid waste, liquid (effluents) and gaseous (emissions of combustion gases, particulate material and volatile organic compounds).

In Toyota Argentina we assume the responsibility of preserving our planet for the future generations through 6 challenges:

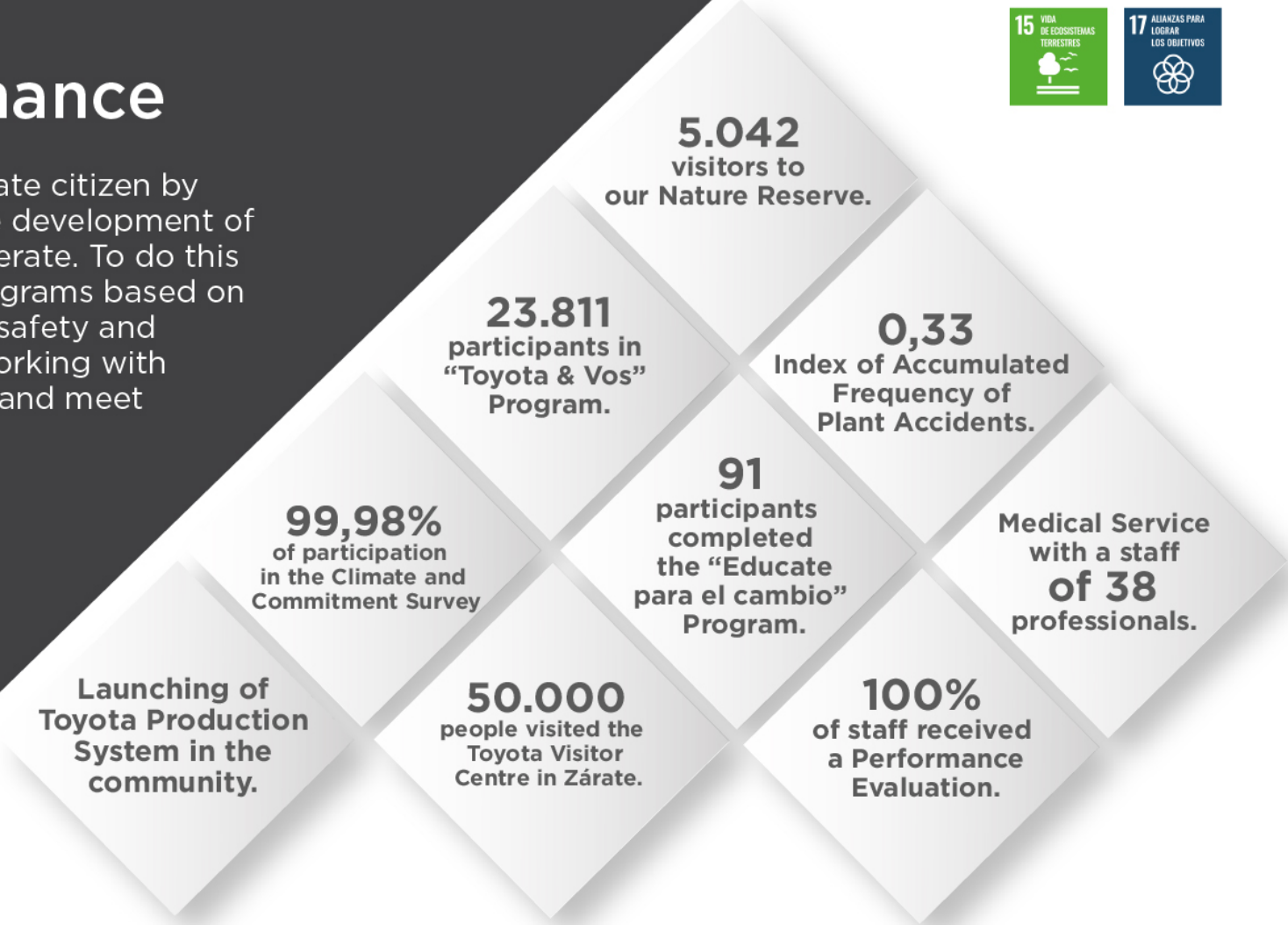


Know more at <https://youtu.be/USmOvPycNBg>



6. Social Performance

We strive to be a good corporate citizen by contributing to the sustainable development of the communities where we operate. To do this we carry 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.



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

We are strongly committed to our collaborators, aligned to the principles and values known as **Toyota Way** and **Toyota Guiding Principles**. These concepts, which are shared with all the subsidiaries around the world, go beyond languages and nationalities, and are applicable to any territory and society.

Toyota bases 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 collaborators and job candidates. We provide equal employment opportunities and seek to maintain fair and stable working conditions. We select, hire, develop and promote without regard to race, colour, religion, national origin, gender, sexual orientation, marital status, age, disability or any other category protected by law.



	31/12/2019	31/12/2018
Collaborators	5.750	5.802
Men	5.495	5.565
Women	255	237
Distribution by age	100%	100%
Older than 50 years old	2%	2%
Between 30 and 50 years old	68%	64%
Younger than 30 years old	30%	34%
Distribution by professional category and gender		
Women	100%	100%
Executives and Managers	2,4%	3%
Mid-Level managers	5,8%	6,3%
Group Leader and Team Leader	-	-
Team Member	4,3%	4,6%
Analysts and Administrative employees	87,5%	86,1%
Men	100%	100%
Executives and Managers	1,7%	1,6%
Mid-Level managers	3,5%	3,1%
Group Leader and Team Leader	19,5%	18,6%
Team Member	65%	67%
Analysts and Administrative employees	10,3%	9,7%
Distribution by workplace	100%	100%
Martínez	1,5%	1,5%
Buenos Aires City	0,3%	0,3%
Zárate	98,2%	98,2%
Distribution by type of contract	100%	100%
Permanent	89%	87%
Temporary	11%	13%

Average Seniority (in years)		
By gender		
Women	7,97	8,21
Men	8,74	7,86
By workplace		
Martínez	9,68	8,84
Buenos Aires City	4,16	3,38
Zárate	8,71	7,87

Training Programs and Workshops		31/12/2019		31/12/2018	
		People	Hs.	People	Hs.
Induction Courses	They transmit the Toyota philosophy and quality, safety, environment standards and kaizen (continuous improvement).	355	2.840	707	5.656
Initial general training of plant staff	Once a year, during the plant shutdown in July, the activities stop for maintenance and development of new projects and that time is used to intensively train the production staff.	562	22.480	571	22.840
Advanced general training of plant staff	Training in skills necessary for each level of development.	2.120	25.440	635	7.620
Program of Training of Leaders	Development of specific skills and competencies to strengthen the internal leadership aligned to Toyota's philosophy.	29	2.224	118	8.800
Language training	The offer in language training, aligned to the annual screening of needs includes: English, Portuguese, Japanese and Spanish.	215	7.969	257	12.178
Virtual e-learning courses	E-learning training offer in corporate security, Toyota Prius, Code of Conduct and Compliance.	3.153	2.364	2.559	1.919

Average Training by Job Category - Hours of Training	31/12/2019	31/12/2018
Induction	2.840	5.656
Executives and Managers	24	16
Mid-Level managers	8	40
Team Members	1.284	3.267
Analysts and Administrative employees	1.524	2.333
General Training		
Executives and Managers	1.856	704
Mid-Level managers	2.878	1.682
Team Members	22.480	22.840
Analysts and Administrative employees	7.560	6.888
Initial general training of the Team Member		
Team Member	22.480	22.840
Advanced general training		
Team Member	22.080	6.012
Team Leader	3.360	1.608
Program of Training of Leaders		
Team Member	864	5.760
Team Leader	1.360	3.040

DIPLOMA AND MASTER'S DEGREE IN INDUSTRIAL MANAGEMENT

This training, which is done jointly with the Technological Institute of Buenos Aires (ITBA) is oriented towards plant engineers and high-level administrative employees who need to acquire management skills, taking into consideration the competitive, technological and business environment of the industry.

Diploma and master's degree in industrial management	31/12/2019	31/12/2018
Enrolled	19	21
Graduates	17	20

We continuously advance in the training of personnel, in order to improve processes. Each training is provided by certified instructors, with theoretical and practical activities in the plant.

TRAINING IN OTHER TOYOTA SUBSIDIARIES (ICT)

With the central objective of achieving knowledge transfer among Toyota subsidiaries worldwide, between January and December 2019, 24 employees from Toyota Argentina were part of the ICT Program.

Training in other Toyota Subsidiaries (ict)	31/12/2019	31/12/2018
Collaborators	24	23

From the 24 participants in the program, 7 were at our headquarters in Japan, 2 in Thailand, 1 in Chile, 1 in Colombia, 13 in Brazil.

INNOVATION PROGRAM

In 2019 we launched a preliminary Innovation program, 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 Innovation pilot program included 16 staff collaborators between analysts and engineers. They had different meetings at the Zarate facilities, from the beginning of the program to its completion, and with the advice of an Innovation team made up of a total of 2 directors and 3 managers from various Divisions. Spaces for interaction were also created with the ITBA, which provided the theoretical framework regarding the Design Thinking methodology.

In the closing, 5 projects were nominated, discussed in an evaluation table, made up of the Innovation team and Presidency. Resources were allocated to the winning project to develop the idea in the future.



TECHNICAL TRAINING CENTRE (CET)

Our Technical Training Centre -CET- is a functional area dependent on the Toyota Institute, which functions are oriented towards the training of staff. The main training activities are:

- Program of basic skills for the collaborators of the productive sectors of press, welding, frame, paint, injection, plastic part paint, assembling, engines, material handling, quality control and maintenance.
- Training program in operational skills and each of the instances of the production skills.

Average Training by Job Category		
Type of Training	31/12/2019	31/12/2018
Basic productions skills		
Fundamental Skill Training (FST-reconfirmación)	1,380	745
Shop Skill Training (SST- solo ensamble y MH)	169	118
AHA training	390	270
New collaborators	6	251
License issuance/ renewal	962	834
Special trainings	74	49
Retraining	2	5
Relocation	24	23
Internships	53	30
Training in operational skills + Skill Contest		
Skill Contest	326	243

BASIC PRODUCTION SKILLS TRAINING⁷

Its objective is the training in basic production skills of the new members of the family of Toyota Argentina and to consolidate the knowledge of experienced members.

Since 2018, a process of reconfirming basic skills has been carried out. Its purpose is to review them to keep in mind the basic skills that are part of the work elements of the standard sequences with which our vehicles are built, which leads to better quality indicators.

Starting in 2018, the training called Shop Skill Training (SST) began to be prepared, which seeks to reinforce the concepts of safety and quality, to apply them specifically in each area. 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 4's and discipline.

This training lasts 40 hours and involves a maximum of 6 operators per edition. During 2019, we have trained 169 operators. To carry out this activity, 3 trainers were prepared in Assembling and 2 in MH.

This global content will continue to expand to other areas of production, welding and painting. For this, the process of training 4 trainers for the welding sector and 5 trainers for the painting sector began, in order to start teaching this content in 2020.

Also, since the beginning of 2018, the deployment of the training called AHA, aimed at Team Leaders, has been started, which seeks to improve the ability to teach, identify and improve the key points of each operation and be able to give feedback appropriately. This training lasts a day and a half and, to carry out its deployment, 3 supervisory level trainers were prepared. During 2019, 390 people have been trained.

During the last period, 6 people were trained under the modality of new collaborators. Considering that 54 hours of training are invested in basic skills per person, it is concluded that during the period 324 hours were allocated in the training of basic skills for new collaborators.

⁷This program was developed by our headquarters in Japan. It is denominated by the acronym FST (Fundamental Skill Training) or Basic Production Skills.

In addition, 962 industrial vehicle driving licenses were issued or renewed. This activity involves training in the driving of forklifts and towing car. Renewals have two types of modalities: full course (which last 24 hours and are aimed at those who have an expired license) and renewals (which are 2-hour theoretical courses).

Experienced staff occasionally change sectors, requiring each person to be trained as new collaborator. 24 people were trained, who were relocated to other productive sectors.

Considering the workload of 54 hours per person, the total man-hours invested in this activity were 1.296 hours. Then, due to specific needs of the process, 2 people were retrained. On the other hand, it was necessary to adapt the standard training to meet specific demands of the production line and, under this modality, the CET trained another 74 collaborators.

The CET provides services to the community in general. In the last period, 53 high school interns were trained in modules of 4 hours a day for 3 weeks, just as if it were new collaborators. Thus, 60 hours were invested per intern. During 2019, there were 26 Mondays where production was stopped for maintenance tasks from 6:00 a.m. to 11:00 a.m., and part of the staff has attended the CET to receive training on quality and safety; mainly, during this time, 2.756 people were trained for this activity during these 4 hours, which gives, as a result, 11.024 hours of training.

OPERATIONAL SKILLS TRAINING

It is an annual program of four stages which cycle starts every September.

1st stage

Training in operational skills.

2nd stage.

Production Skills Contest.

3rd stage.

Mercosur Skills Contest.

4th stage.

Festival of exchange of skills, held in our headquarters in Japan during September.



In April 2018, the 9th Local Skills Contest was held, in which, on average, 10 people participated per each of the 8 categories. The first and second places went to the next stage (Mercosur Skills Contest). In July 2018, in Toyota do Brasil, the Regional Contest was held. From the participants of the regional contest (Mercosur), the best representatives of the region were selected and participated (in September 2018) in the Skills Exchange Festival in Japan. In that occasion, Toyota Brasil was represented in the sectors of Press, Welding, Assembling, Material Handling, Quality Control and Maintenance. Toyota Argentina, was represented by Nicolás Miga in Painting. In that instance, the 2017-2018 operational skills training program cycle ended. In September 2018, the 2018-2019 operational skills training phase began. 243 people enrolled, completing the 16-hour training by December 2018. The best exponents from the eight sectors were selected.

Between February and April 2019, the stage of the internal Skills Contest was carried out. 73 collaborators participated in this stage and competed in the local contest.

In April 2019, the 10th Local Basic Skills Contest was held, where 243 applicants were registered and, finally, after the preselection, there were 10 participants for each of the 9 Dojos. It should be noted that, for the first time, the competition in the Frame sector was held locally. The first and second places qualified for the regional competition with the TDB subsidiaries (Indaituba and Sorocaba), being TASA the host this time.

From the TLAC regional contest, the best of each area was selected for Skill Festival TMC in October 2019; the representatives for TASA were Braillard (MT), Kerbes MH, Leiva (A), Merlo (W) and Pérez (Press) and, for TDB, De Souza (T) and Da Silva (QC).

In October 2019, the 1st stage of the 2019-2020 operational skills training program began, with a total of 326 enrolled, who began the selection process during the last stage of 2019.

The purpose of the contest is to motivate and develop staff in order to improve themselves. In several editions, the winners of the stages are not the first year they participate, and this is proven. If we make a parallel with the organizational culture that seeks continuous improvement of processes, this contest would contribute, together with other programs, to the continuous improvement of people.

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 system that we use by creating spaces for dialog where objectives and plan development opportunities can be clarified, considering:

- The contribution of the collaborator to the fulfilment of objectives set (assessment of objectives).
- The development of the attitudes and skills used to comply with their role (competence evaluation).

All participants receive feedback on their annual performance, and improvement areas are agreed for the following year. The stages of this system are:



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 peer 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 objectives defined by each member at the beginning of each year and agreed with the top management.

In the case of personnel included in the collective agreement, supervisors carry out the same performance evaluation system as for personnel not included in the agreement. In the case of team members and team leaders, they are evaluated by their supervisors and assistant 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

During the reported period, performance evaluations were carried out on 100% of the personnel within and outside the agreement.

WORK ENVIRONMENT SURVEY

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. In this edition it was made in a 100% digital format. This survey seeks to know the different points of view of the company's collaborators in order to continue on the way of continuous improvement based on the opinion of those who make up the company.

Toyota Commitment Toyota 77%

Corporate Policies (business goals and objectives) 85%

Company Image 82%

Personal satisfaction 74%

INTERNAL COMMUNICATION

Material Aspects Quality of Life and Work Environment
GRI Contents 103-1, 103-2, 103-3

In Toyota Argentina, we work to build labour relations based on mutual trust and respect, encouraging teamwork and promoting the understanding of Company affairs and the business, through a fluid communication with the collaborators.

The management of internal communication allows us to transmit the values, objectives and challenges of the company. Toyota promotes open and continuous communication among its collaborators, at all hierarchical levels. In this way, they are encouraged to go to their supervisors to make inquiries, comment on concerns or present suggestions and proposals aimed at improving their performance or that of the company.



FACE-TO-FACE COMMUNICATION

Different interpersonal communication activities are developed to promote spaces for open and comprehensive dialogue between all levels of the Company.

BUSINESS MEETINGS

Each member is an important part of the success of the Company. Therefore, these business meetings are held, with the aim of sharing the main news and business indicators, the market situation, the short, medium and long term strategy, and how each work team can contribute to achieve the proposed goals

	31/12/2019	31/12/2018
BUSINESS MEETINGS	68	48
Staff business meetings	13	5
Participation	81%	90%
Satisfaction	99%	99%
Production business meetings	55	43
Participation	87%	79%
Satisfaction	99%	99%



LUNCHES AND BREAKFASTS WITH EXECUTIVES


Monthly, breakfasts and lunches are organized between the staff and the President of the Company or the main Executives. The objective is to create a space for dialogue between collaborators and superiors, to promote an exchange of opinions and seek joint solutions to common issues. Thus, thanks to the feedback from our staff, we can continuously improve the Company's processes.

LUNCHES AND BREAKFASTS WITH EXECUTIVES	31/12/2019	31/12/2018
Participants	368	163
Men	301	-
Women	67	-

97% of the concerns, which arose from the participants, in the various lunches and breakfasts, were resolved.

EMPLOYEES' OPINION	31/12/2019	31/12/2018
Received Concerns	57	54
Resolved Concerns	97%	97%
Qualification of the covered topics		
Excellent	57%	51%
Very good	40%	46%
Good	3%	3%
Importance of the covered topics		
Very important	78%	76%
Important	22%	24%

OPEN TABLES

These are spaces for open dialogue, without an agenda, in which each cell supervisor or assistant manager / plant manager meets with their team of collaborators, to listen to them and openly discuss concerns in general. In these meetings, emerging issues that need follow-up are recorded and, when solving them, feedback is given to the collaborator, as a closure. 

OPEN TABLES	31/12/2019	31/12/2018
Received Concerns	1.576	1.392
Closed Concerns	1.462	1.315
Open Concerns	114	77
Resolved Concerns	93%	94%

OTHER COMMUNICATION CHANNELS

- Corporate Intranet.
- Corporate E-mailing (Hacemos Toyota & TASA Info Management).
- Information boards, strategically distributed in the places with the greatest circulation.
- Internal magazine Desde Adentro.
- Monthly production diary "En Linea".
- Corporate TV with content that is renewed weekly.
- 5' talks at the plant.
- Institutional campaigns.



DESDE ADENTRO
LA REVISTA DE LOS QUE HACEMOS TOYOTA

**DESAFIAMOS
NUESTROS
LÍMITES Y LAS
FRONTERAS**

TOYOTA
Nº 47
MAYO de 2019

SPECIAL CAMPAIGNS

START YOUR IMPOSSIBLE

At the local level, different actions were carried out within the comprehensive internal communication campaign, with the aim of installing the new vision of Toyota and generating conversations about how to overcome barriers, challenge the impossible and achieve our dreams. In Zárate Plant and Martínez offices, various shared and high-traffic spaces were plotted with inspiring images or images of the team of Toyota's athletes, under the concept Start Your Impossible.

Likewise, the theme was worked on in business meetings under the slogan Tell Us Your Impossible, to learn about the dreams and wishes of our staff. In line with this action, inspiring stories from collaborators related to overcoming an impossible were shared in the institutional magazine "Desde Adentro". An institutional video was also created with this theme, which was used in various motivational and engagement activities.

In 2019, as part of a comprehensive action of the company at a global level, a campaign was launched to discover inspiring and improving stories of our staff. Regionally, two representatives were elected, a collaborator from Argentina and a collaborator from El Salvador, who travelled to Japan to transport the Olympic torch on a journey.



WORK ENVIRONMENT AND COMMITMENT CAMPAIGN

In February and March 2019, a comprehensive campaign was developed to make the Work Environment and Commitment Survey. The main concept that was worked on was to promote employees, at all levels of the Company, as the protagonists of the campaign and an active participation in communications, where the emoji language was used as an innovative element.

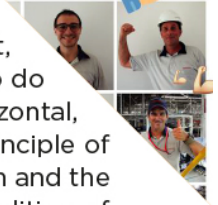
To generate the graphic pieces, a photo shooting was carried out, where the collaborators simulated or imitated an emoji that had to do with some of the actions of the survey. The idea of using a more horizontal, everyday and playful language was also related to generating a principle of cultural change in the Company, related to the digital transformation and the horizontality of the processes. Unlike previous editions, this new edition of the work environment survey went from paper to digital format.

The campaign was very well received by staff and a record participation in the survey of 99.98% was achieved.

Finalizamos la toma de la ENCUESTA DE CLIMA Y COMPROMISO 2019 ¡Récord de participación: 99,98%!



¡Muchas gracias a todos por sumarse!



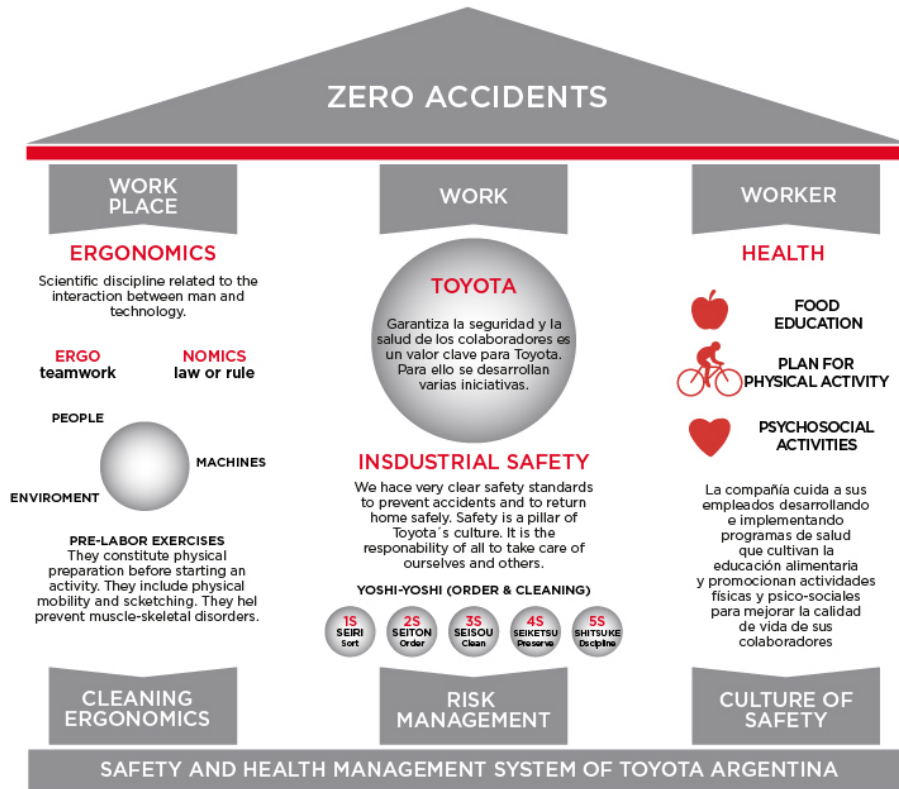
AROUND THE TASA WORLD

Through videos, and with the testimony and the voice of its protagonists, we went through the main projects of Toyota Argentina that took place in 2019. We toured different sectors in Zárate Plant like paint and engines; we got to know the complete experience at GAZOO Day; we visited Takumi, Lexus Dealer in Argentina, among others. The project generated great empathy and recognition among the collaborators, who quickly wanted to be part of Around the TASA World. Therefore, in 2020 we will continue with the second season.

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

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. Each one must take appropriate measures to protect their physical safety and comply with safe and responsible work practices, such as, for example, respect the security procedures for access to company facilities, immediately inform their supervisor of any injuries or work-related illness and follow the safety guidelines established in internal regulations.



SAFETY AND HEALTH MANAGEMENT SYSTEM

The area of Safety and Industrial Hygiene is responsible for, among other things, the following activities:

- Periodical follow-up and analysis of safety conditions.
- Evaluation and monitoring of ergonomic improvement in workplaces.
- Prevention of accidents and professional diseases.
- Early detection of potential accident risks and countermeasures to be taken.
- Promotion of the compliance with the internal and legal rules on safety and hygiene.
- Training to all staff on safety and industrial hygiene.
- Working jointly with the medical service.
- Training the brigade to act in the event of contingencies.

Pillars of safety in the industrial plant

COLLABORATOR

- To achieve the highest level of safety culture in our people.
- To generate empathy among all and a sense of belonging.
- To strengthen links and commitment.

WORK

- We study all the risks of job positions and develop capabilities of detection of risks and evaluation of hazards in the staff, including the contractors.
- We prioritize health to any situation or interest.
- We work aligned to the decalogue (respect the standardized work).

WORK PLACE

- We give priority to the ergonomics in the workplace, to work with more comfort and safety.
- We apply the 5S in our places, generating tidy and warm rooms.
- We respect the policies of the 2050 Environmental Challenge and the environmental care.

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

HEALTH AND SAFETY	31/12/2019	31/12/2018
Worked Hours	12.254.965,86	13.202.840,36
Accidents rate with lost days of work ⁸	-	-
Accidents without lost days of work ⁹	4	8
Akachin ¹⁰	7	8
Fatalities	-	-

Interdisciplinary studies are performed among medical service, those responsible for the safety area and the supervisors of each shop for the control of labour activities with a high incidence of diseases.

ACCUMULATED ACCIDENT FREQUENCY INDEX	31/12/2019	31/12/2018
Accumulated Accident Frequency Index ¹¹	0,33	0,61

ABSENTEEISM RATE	31/12/2019	31/12/2018
Absenteeism Rate ¹²	2,74	2,99

The Ergonomics Incident Rate (EIR) is our indicator on the most relevant occupational diseases in our industry. It is focused on muscle-skeletal disorders¹³.

ERGONOMICS INCIDENT RATE (EIR)	31/12/2019	31/12/2018
Rate EIR	1,63	2,42
Objective EIR	2,18	3,7

The information provided in the tables applies only to employees of Toyota Argentina. Contractors are submitted to a preliminary risk analysis (APR). In the period, there were 3.500 APRs in activities developed by contractors.

⁸Severe injury, prolonged absence due to the complexity of the medical treatment the injury requires.

⁹Require medical treatment superior to first aid.

¹⁰Japanese trademark which means first aids; they are very minor, slight cases.

¹¹It 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 sex is not a representative variable to make an opening, taking into account the distribution between men and women in the indicator considered.

¹²For 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 leaves related to the workplace (illness or accident), medical leaves that are not related to the workplace (illness or accident), legal or conventional leaves, unexcused absences and medical discharges. The division by sex is not a representative variable given the distribution between men and women.

¹³The 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

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)**.

Collaborators are represented at COHISE, where 100% of relevant health and safety issues are taken into account.

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

The 100% of the union employees are subject to control. This represents 79,5% of the company employees.

ERGONOMICS 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.

Ergonomics improvements in the production plant.

**AJUSTANDO
LA
ERGONOMÍA**

YOKOTEN

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	31/12/2019	31/12/2018
Detected opportunities to apply countermeasures	21	31
Implemented Countermeasures	33%	100%
Countermeasures in Process	67%	0%

SAFETY CULTURE

At the beginning of 2019, a special training was developed aimed at improving the safety culture of The Company. This activity received the name of "Safe Behaviour" and consisted, mainly, in the promotion of the "Yosh" technique. This technique is a control carried out by operators in the plant to verify safety conditions. It started, for the first time, in the trains of Japan and today it is applied in all plants of Toyota in the world. This technique can be applied both to make a street crossing and to operate equipment and tools. All plant personnel participated in this activity, that contributed to the improvement of the Company's safety culture.



HEALTH PROMOTION

MEDICAL SERVICE

We have a staff of 38 professionals who provide services 24 hours a day, every day.

In this period, the expansion and building remodelling works of the Medical Service were completed (expansion from 485 m2 to 795 total m2). Currently, the service has:

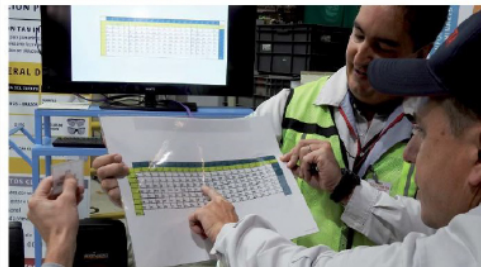
- 6 doctor's offices (with ultrasound, dynamometer, temperature, pressure, and ear examination)
- Waiting room (with screen for calls to offices)
- Reception
- On-call office (with temperature, pressure, and general examination meters, medication and equipment for the treatment of sutures, burns and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

Ensamble

Nos capacitamos para mejorar la seguridad

Realizamos en el Dojo de Seguridad y Ergonomía de Ensamble una capacitación de comportamiento seguro para jefes y gerentes de Ensamble. A través de actividades dinámicas y didácticas reforzamos la importancia de aplicar y respetar las normas de seguridad para prevenir riesgos dentro de planta.

Participarán del curso todos los colaboradores de todos los sectores durante el transcurso del año.



¿Sabías qué?

Se comprobó que la utilización de Yosh puede reducir hasta un 70 por ciento los errores de una operación.



¿Dónde podemos aplicar Yosh para minimizar accidentes?

- Cruce de calles
- Confirmación de correcto ensamble de partes
- Confirmación de condiciones de seguridad

¿Se te ocurre alguna otra?

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, together with a network of AED.

On the other hand, a process of digitizing medical records was completed and software was implemented to manage documents in digital format. In addition, a renewal of the Toyota Intranet work modules was implemented, including software to generate digital attention requests and calls through screens in the waiting room.

PERIODIC MEDICAL EXAMS

Every year we conduct these tests in Zárate Plant and in the commercial offices in Martínez and Lexus (Buenos Aires City), which include the studies requested by law related to the workplace (audiometry, spirometry, laboratory, etc.). In addition, we carry out complementary studies to the staff (inside and outside the union agreement) (Chest x-rays, electrocardiogram, complete laboratory and a detailed clinical examination). 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. The graph shows the evolution and scope of this initiative:

	31/12/2019	31/12/2018
Attendance	5.195	4.806
% of the total	99%	96%

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:

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

PREVENTION OF ADDICTIONS

We recognize that alcohol abuse, the use of drugs without a prescription and other illegal drugs constitute a significant social problem. This damages the health and quality of life of people and their families. In addition, if present in the workplace, it negatively impacts on the safety and work environment. In the company, we assume the responsibility to develop comprehensive actions to address those problems, emphasizing prevention and education. We perform internal communication campaigns to raise awareness about the harmful effects of alcohol, tobacco and drugs consumption. Since the employees join the company, they are informed about the policy on addictions. In addition, we have implemented labour areas free of tobacco consumption.

Daily and randomly, a selection of collaborators is made (3 per day), who must undergo alcohol and drug control, attending medical services. It has suitable equipment for the measurement of substances in the body and a test protocol and counter-test of results.

Awareness talks on addictions and healthy living were held by specialists in the field, for 583 people in 2019 and 570 in 2018.

In turn, joint work is being done with the Sedronar, SMATA and ASIMRA, to address the issue in a comprehensive and effective way.

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 (with fruits and desserts) in the canteens. On a monthly basis, the amount of guests who opt for such a healthy alternative increases and near 17% of the staff chooses it.

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. Expansion works for the main gym changing room were completed, as well as works to improve air circulation and temperature in the place.

PHYSICAL FITNESS PROGRAM

We launched this program to have a tool of prevention and improvement of the physical conditioning of the collaborators affected to production. This is performed through the provision of grants for the staff to attend the gym of the Company or an external gym to strengthen the limbs that are more used in the 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, improving the quality of life of the worker. 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

The first aid training program, cardiopulmonary resuscitation practices (CPR) and use of the automatic external defibrillation device (AED) continued for all personnel. 279 employees were trained, in addition to those trained in the plant shutdown training courses.

FLENI MARATHON

In order to promote good healthy practices, Toyota Argentina supported FLENI as the main sponsor of its Annual Marathon for Inclusion, where all the collected is used to buy and renew equipment for the diagnosis and treatment of stroke.

1135 Company employees ran in the different versions of 3K and 10K.



ENVIRONMENT

Material Aspects Environmental Education and Responsible Consumption
GRI Contents 103-1, 103-2, 103-3

“ Every year we celebrate World Environment Day, to raise awareness of environmental issues and inspire people around the world to do something positive for our planet. Aligned with our 2050 Environmental Challenge, we continue working to make our own operation more efficient, in accordance with the Company’s environmental objectives ”

Daniel Herrero, President of Toyota Argentina

We work to assess the environmental impact of the vehicle throughout its life cycle and to develop programs to enrich the lives of the communities in which 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. *desarrollo de una sociedad sostenible y transparente.*



By 2050 we will ensure a society in harmony with nature, working under three pillars: connecting communities, connecting with the world and connected with the future.

Connecting communities (Toyota Wave Green Project)

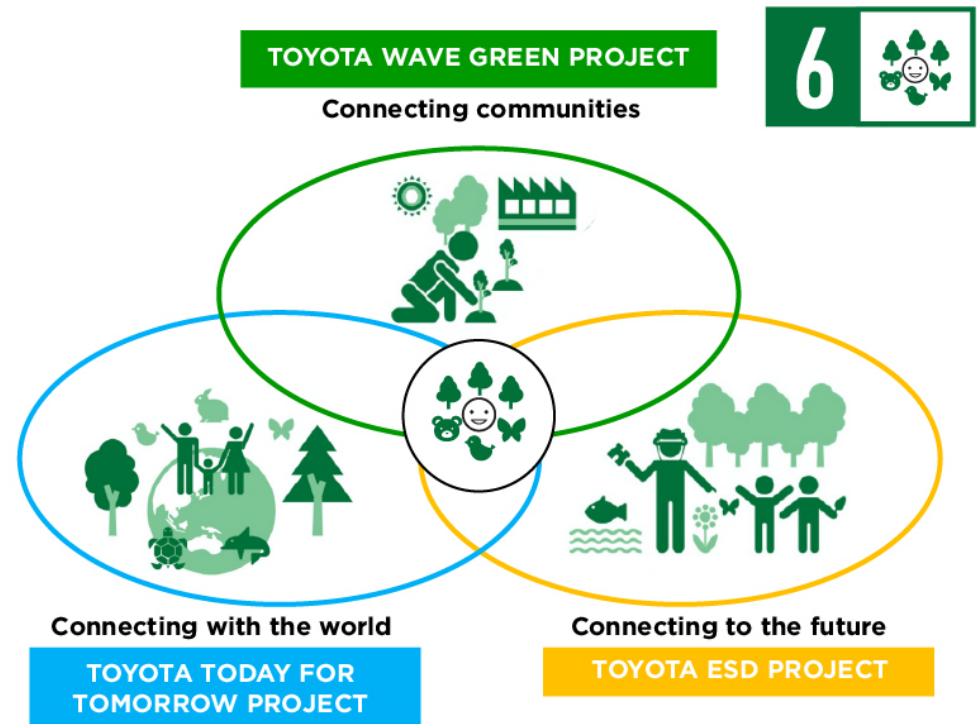
In order to preserve the native flora and fauna, we have a 21-hectare natural reserve open to the public located within the facilities of our Industrial Plant.

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. One of them is the Patagonia Program of Aves Argentinas.

Connecting with the future (Toyota ESD 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

5.042 visitors were received in the period by our park ranger.

The reserve, located within the premises of the Zárate 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 a large number of 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.

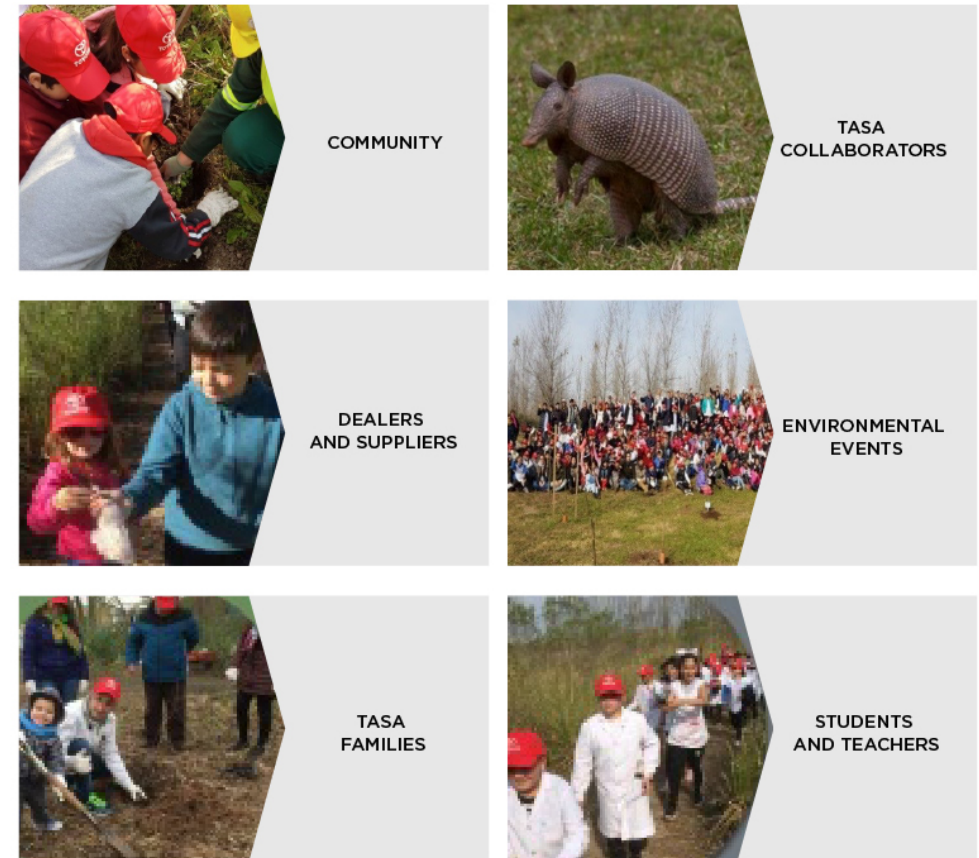
Toyota Natural Reserve	31/12/2019	31/12/2018
Visitors received by our park ranger	5.042	3.861



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.

22.400 people have participated in the Program since 2004.



SCHOOLS

Since the opening of the Nature Reserve we have invited children in 5th grade of schools in Zárate and Campana to learn about the flora and fauna in our classroom open to the sky. The park ranger of the reserve carries out educational visits spreading the passion for the care and preservation of the environment.

Environmental awareness in Primary Schools	31/12/2019	31/12/2018
Workshops	67	55
Primary Schools and Clubs	43	38
Students	1.623	1.453

DEALERS

In the framework of the 2050 Environmental Challenge and in order to raise awareness among a greater number of children from all over the country, we partnered with our dealers' network to implement the programs in schools in their communities.

Environmental awareness in Dealers	31/12/2019	31/12/2018
Workshops*	-	67
Schools	-	21
Dealers	-	16
Students	-	2.295

*For 2019, the workshops were scheduled to take place in March 2020 in the provinces of Misiones and Corrientes, but were suspended due to the suspension of classes due to mandatory preventive isolation.

COLLABORATORS

On 5th June, 2019, Environment Day, a commemorative activity was held in our Natural Reserve, in which the Top Management of the Company, staff of Environmental Affairs and Corporate Social Responsibility, the Mayor of Zárate, representatives of National Parks, various NGOs and more than 200 boys and girls from nearby schools participated. The initiative included the planting of 100 native trees and the release of a rescued and recovered species by the NGO Carburé-i, called "Mulita Tatú".

Environmental awareness for Collaborators	31/12/2019	31/12/2018
Workshops *	10	8
Collaborators	139	112
Participants Environment Stand at Family Fest	520	550

* Workshops held with the Department of Environmental Affairs.

Toyota Argentina continued the celebration of Environment Day throughout June. In this campaign, different activities and communications were carried out to promote environmental care and culture inside and outside our facilities, such as:

- Activities:
 - Native plants workshop.
 - Course on Toyota hybrid vehicle technologies.
 - Course of good practices for the design of efficient equipment.
 - Talks on self-generation of renewable energy at home.
- Conferences:
 - Renewable energy and energy efficiency, by the Subsecretariat of Energy Savings and Efficiency.
 - Provision of wind energy to Toyota Argentina, by our supplier YPF Luz.
- Planting days in our Natural Reserve with production staff.
- Screening of "Conservation Heroes", a nature documentary series about our native fauna and the conservation projects that are carried out in the country. Its objective was to sensitize collaborators on the importance of conserving the species of our native fauna and highlight the support of Toyota Argentina in the development of the audio-visual, through the loan of trucks for filming.
- Talk on Waste Management to students of the Environmental Information career at the University of Luján.
- Guided visits to environmental facilities of the plant:
 - Composting area.
 - Natural reserve.
 - Water and effluents plant.
 - Waste storage area.

TEACHERS

In 2019 we opened the doors of our Natural Reserve to teachers, creating a space where they can be trained together with the collaboration of the Fundación Vida Silvestre Argentina. Teachers are the amplifiers and the indispensable link so that students can work on environmental issues (both inside and outside the classroom). Therefore, we offer them a space where they can exchange experiences and provide them with tools to promote environmental issues in the classroom.



ENVIRONMENTAL CONSERVATION: “PATAGONIA PROGRAM” OF AVES ARGENTINAS

In order to contribute to the sustainability and preservation of biodiversity, 5 years ago we started a mutual collaboration alliance with the Aves Argentinas 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**¹⁴, 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**.

We also **donated a generator set** necessary for the captive breeding project. So far, veterinarians have managed to successfully breed a specimen of silver macá, which was named Botija and released into its natural environment. In addition, under the slogan You do not take care of what you do not want and you do not want what you do not know, we have made **4 trips to the Patagonian plateau** with renowned journalists from various media, to spread the importance of conserving this species.

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 Argentinas 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.

Los invitamos a conocer más del proyecto en:

<https://www.facebook.com/programapatagonia/>

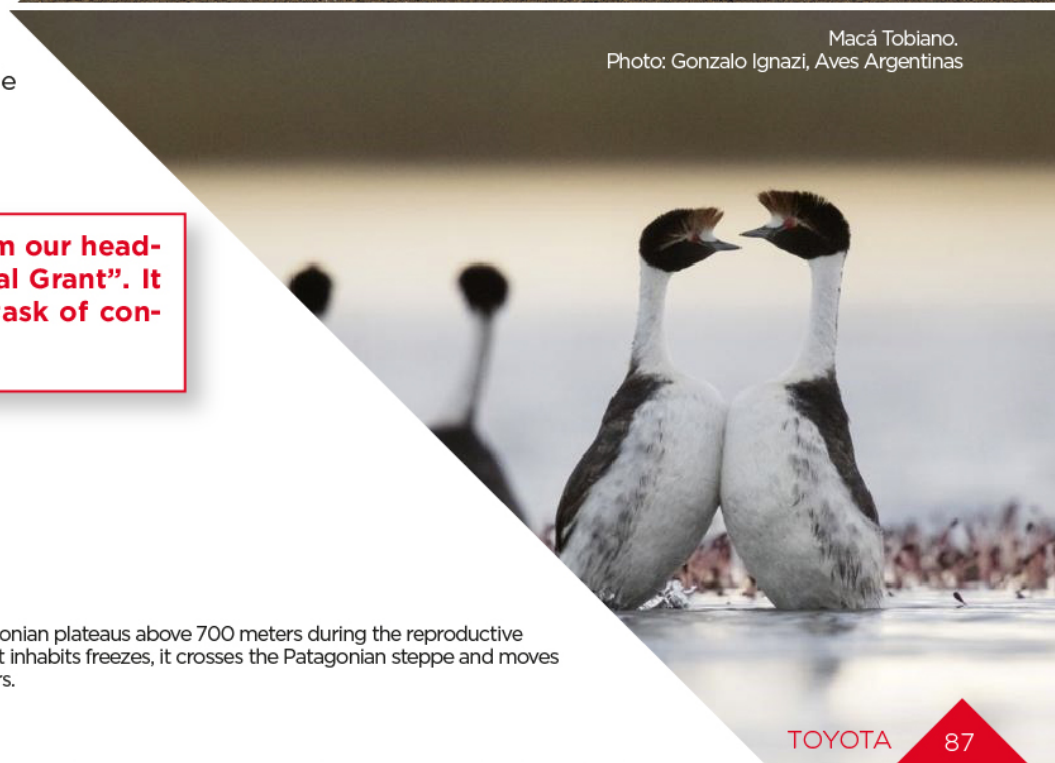
<https://www.facebook.com/avesargentinasAOP/>

<https://www.youtube.com/watch?v=Y7X4dIVKX-l&feature=youtu.be>

¹⁴The macá tobiano (*Podiceps gallardoi*) is a species of diver, which inhabits lakes and lagoons of the Patagonian plateaus above 700 meters during the reproductive period (November to March). During the winter months, when a large part of the bodies of water in which it inhabits freezes, it crosses the Patagonian steppe and moves towards the Atlantic coast of the same province, in the estuaries of the Santa Cruz, Coyle and Gallegos rivers.



Macá Tobiano.
Photo: Gonzalo Ignazi, Aves Argentinas



ACERCARSE PROGRAM

Since 2009, we have been part of this initiative together with other 20 companies of Zárate to promote the development of local communities with the technical support of the Campana-Zárate Interindustry Committee for Environmental Conservation, the General Inspectorate of schools, and the Secretariats of Environment of both municipalities.

In 2019 we implemented for the seventh consecutive year the program “La Basura Srive”, which works on aspects of separation and recycling of waste with students of schools of Zárate and Campana. This initiative, in addition to positively impact on the environmental quality, promotes awareness and commitment of the schools because -at the end of each year-, they are granted a recognition for their performance. During the year, the program included:

- Tasks for collecting PET containers, differentiating in transparent and colour.
- Circus performances with an environmental theme focused on the 3Rs (Reduce, Reuse and Recycle).
- Trainings for teachers, with exchange and training meetings, as well as visits to schools, to provide support and accompaniment in the learning process.
- Carrying out a specific work on the institutional project of each school.
- Annual recognition of schools.
- Carrying out 6 environmental education workshops, with specific topics that complement the College's curriculum.

Acerarse Program	31/12/2019	31/12/2018
Kg of PET collected	2.560	2.529
Students	5.518	4.877
Schools	13	11
Participants of the employability conference	475	399

ROAD SAFETY

Material Aspects Road Safety
GRI Contents 103-1, 103-2, 103-3

Toyota Argentina continues to promote road safety and safe driving.

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 aim at working on the concept of safe driving and in the prevention of traffic accidents. This is directly achieved by the active participation of teenagers and parents and indirectly, through broadcasting.

TOYOTA & VOS PROGRAM

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).

TOYOTA & VOS KIDS

This program aims at raising awareness and educating children from 5 to 9 years old about the proper behaviour in the street and the knowledge and respect for the rules and traffic signs. Thus, since 2012, it has offered theoretical and practical concepts that allow children to be better pedestrians and to correct their parents' driving habits. This is achieved by combining a show with actors, practices in a mobile road safety education park and other recreational activities and/or workshops on road safety.

The 14th edition of the Toyota and Vos Kids Program was held in Zárate (and Lima), Campana and Escobar; more than 3.500 children participated jointly with their parents and teachers. Since its beginnings, the program could raise awareness in more than 21.000 children. In addition, it already has 16 editions and 170 workshops in various cities of the country.

TOYOTA & VOS TEENS

During 2018 and on the occasion of the Youth Olympic Games in the city of Buenos Aires, Toyota Argentina joined the FIA initiative and participated in road safety activities carried out in the Green Park in the Palermo neighbourhood, where 7.090 young people participated.

In 2019 and in order to work with the group with the greatest impact on road accidents, the Program Toyota & You received a review of its content and its pedagogical application, seeking to generate content to work with young people from the last 2 years of secondary schools in various municipalities.

In this edition of the program, the use of simulation technologies was added, by which young people experienced the sensations of driving a vehicle under the influence of alcohol consumption. Practical workshops were also added with glasses to simulate the consumption of alcohol and psychotropic substances, dictated by the Red Cross, and training on CPR and first aid in the event of an accident.

TOYOTA & VOS	31/12/2019	31/12/2018
Total children trained since the beginning of the program	23.811	21.581
Participants**	2.230	3.581
Institutions	41	21
Cities	3	3

** In 2019, the road safety program was carried out, focused on adolescents in the last years of secondary school. Went from Toyota & You Kids to Teens.

TOYOTA & VOS COLLABORATORS AND COMMUNITY

In 2018 and in 2019, Toyota Argentina held 9 workshop days of Toyota & You at its Zárate Plant, with the participation of collaborators and their children under 18 years of age, neighbours and members of the transit areas of the municipalities of Zárate, Campana, Escobar, Baradero and San Pedro.

The activity was divided into two stages:

- Theoretical-didactic, where concepts of mobility and safe driving, the risk

factors in driving and the different audiences involved in daily mobility were transmitted.

- Practical session: on the test track, to carry out the experience of driving in conditions of distraction, emergency braking, slalom, manoeuvrability in wet conditions, etc.

Together with Toyota Argentina, the Bridgestone company participated with a low speed impact simulator and gave a talk on the importance of tires in driving. Finally, the Red Cross offered a workshop on CPR and on simulating the effects of alcohol consumption through the use of approved glasses.



DREAM CAR ART CONTEST PROGRAM

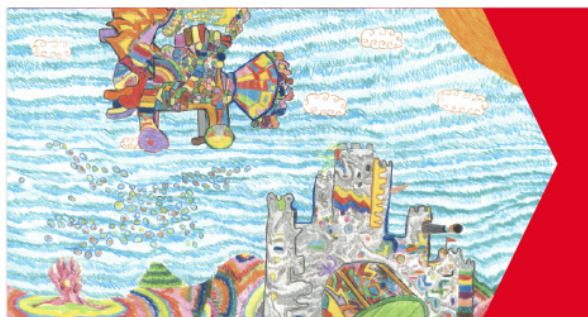
Since 2004, Toyota Motor Corporation has developed the art contest “The car of your dreams”, as part of the initiatives with the community. The action invites children under the age of 16 years old of throughout the world, to share their ideas on the future of mobility, to promote their interest on cars 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 subsidiaries 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.



Leonardo Carrizo and his family together with the winners of the 2018 world event visiting the Motomachi Plant (Japan).



“The car of time” by Leonardo Carrizo (10 years old, Tucumán) is one of the winning drawings of the 2018 edition, also awarded in Japan during the world event.

For the 2019 edition, it was decided to add a third extraordinary instance, in which the jury selected an outstanding work from the 9 national winners. The artist received as a prize a trip within Argentina, yet to be carried out, thus fostering a communion with our land and our culture.

Dream Car Art Contest Program	31/12/2019	31/12/2018
Dealers	31	38
Zárate Public Schools	54	46
Drawings	7.577	6.017

EDUCATION FOR EMPLOYABILITY

Material Aspects Economic Performance of the Organization,
Promotion of Employment in Local Communities
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.

SCHOLAS CENTRE

The Sholas-Toyota Centre 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. 20 students were selected in 2018 and 26 in 2019, from 6 secondary public schools and basic secondary schools that do not teach technical contents.

Throughout the 10 months of work, they made visits to places of cultural interest in the Autonomous City of Buenos Aires and also to national universities in the region.

SCHOLAS Centre	31/12/2019	31/12/2018
Students	26	20
Men	14	7
Women	12	13
Class hours	264	264
Hours * Students	6.864	5.280

QUALIFIED INDUSTRIAL OPERATOR COURSE

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 Zárate City.

QUALIFIED INDUSTRIAL OPERATOR COURSE	31/12/2019	31/12/2018
Participants	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

SECONDARY EDUCATIONAL INTERNSHIPS	31/12/2019	31/12/2018
Participants	65	66
Hours	20	240
Hours * Participants	1.300**	15.840*

* Include hours in the Toyota Training Centre (CET) and in Plant.

** Hours in the Toyota Training Centre (CET).

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.

UNIVERSITY INTERNSHIPS	31/12/2019	31/12/2018
Participants	45	51
Hours	828	828
Hours * Participants	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 equipment and technical knowledge, providing opportunities to achieve competencies that - otherwise - would be difficult to achieve.

TAX CREDIT	
14 Equipment Projects plus recommended facilities - INET Tax Credit executed in 2018	\$7.485.753
36 Equipment Projects plus recommended facilities - INET Tax Credit executed in 2019	\$14.971.500
6 Training Actions Projects - INET Tax Credit executed in 2019	\$424.812

EDUCATE PARA EL CAMBIO PROGRAM

“We are proud that these young people have been able to take the first step to achieve their impossible. In order for us to continue evolving as a society, we all need to commit ourselves to education and be an example, encouraging and inspiring young people to transcend their limits and surpass themselves every day.”

Daniel Herrero, President of Toyota Argentina

“Educate para el cambio” encourages the completion of secondary education in young people between 18 and 25 years old, who had dropped out at approximately 15 years of age, to improve their employability conditions. It has the support of the Ministry of Education of the Nation, through the National Institute of Technological Education (INET), the Ministry of Education of the Province of Buenos Aires, the University of Salvador (USAL) and SMATA.

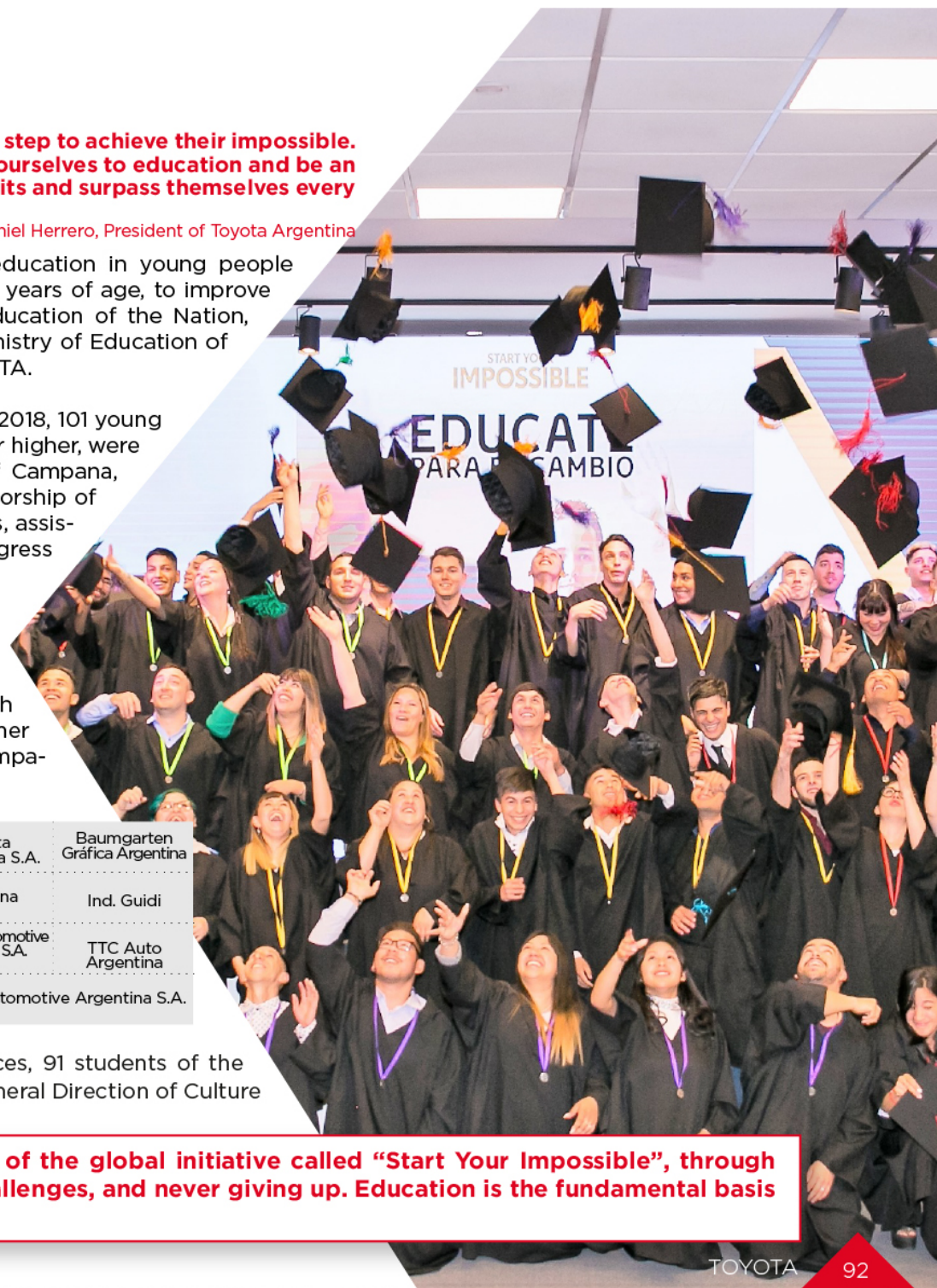
In alliance with our partners Randstad, Manpower and Adecco, in August 2018, 101 young adults between 18 and 25 years old who had not finished their third year or higher, were selected. The lecturing was held at the Vocational Training Centres of Campana, Escobar, Pilar, San Miguel and Zárate. Each young person had the sponsorship of company collaborators: president, directors, general managers, managers, assistant managers, analysts and team leaders who regularly followed the progress and difficulties that young people faced, and helped them solve them.

In addition, each training centre had a counsellor / tutor, who shared with them the entire day, both for curricular and attitudinal development. The training consisted of fundamental subjects (such as Mathematics, Chemistry and Language, among others) and work orientation workshops (such as mechanics, computer science, among others). In addition, in the summer recess months of the schools, the students carried out internships in companies in the area:

Ignis Lighting	Autonort	Bedson	Randstad	Manpower	Toyota Argentina S.A.	Baumgarten Gráfica Argentina
Ferrosider Parts S.A.	Luxcar S.A.	Tsusho	Zarcam	Cetrogar	Agrofina	Ind. Guidi
Yazaki Argentina SRL	Tbar-Boshoku	Adecco	Establecimientos Romet	Gonvarri Argentina	Intexar Automotive Systems S.A.	TTC Auto Argentina
Bombas Grundfos de Argentina S.A.	Banco Provincia	UNE SRL	Cookins	Jtekt Automotive Argentina S.A.		

After a 14-month course, with theoretical sessions and business practices, 91 students of the program obtained an official secondary school diploma, issued by the General Direction of Culture and Education of the Province of Buenos Aires (DGCyE).

“Educate para el cambio” is developed within the framework of the global initiative called “Start Your Impossible”, through which Toyota reinforces their values of humility, overcoming challenges, and never giving up. Education is the fundamental basis of any society in the world.



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.



From 2008 to date, 905 interns have participated, of which 80 were recruited.

80 hours of training per year¹⁵

11 provinces reached.

Within the framework of the META Program, 8 engine and transmission units were delivered to technical schools in Mar del Plata, San Juan, Neuquén, Resistencia, Formosa, Junín and Lobos.

The School of Technical Secondary Education N° 1, Antonio Bermejo, of the City of Junín (participant of the META Program) received a TOYOTA SW4 for didactic and formative practices. The unit has a cut out on its side and on the ceiling, which allows students to carry out different practices. The official act was held at the facilities of Toyota Argentina on 18th June 2019, where the unit key was delivered to the Director of the educational establishment.

	31/12/2019	31/12/2018
Dealers	17	19
Schools	23	25
Interns	83	91
Men	76	85
Women	7	6
Recruited	6	5
Men	6	4
Women	-	1

¹⁵5 groups of 16 hours each. General agenda: Toyota Philosophy, Product, Preventive Maintenance, Visitors Centre and Plant Visit.

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. As part of the program, a donation of 40 non-rolling vehicles, 52 engines and 15 million pesos was made 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.

Education on Wheels Program	31/12/2019	31/12/2018
Donated Vehicles	19	21
Donated Engines	12	40
Provinces	7	9

LOCAL COMMUNITIES

VISITORS CENTRE

We continue to strengthen ties with the communities and transmit the philosophy and the Toyota production system. 50.000 people have already visited the Visitors Centre of Toyota in Zárate.

The Visitors Centre, inaugurated in March 2016, arose in response to the need to open the doors of our Plant to different stakeholders and, especially, to the community. Since its inauguration, it has become a strategic space, where we receive corporate, educational, governmental, press, dealers and clients visits. On 15th November, 2019, we celebrated the 50.000th visit and, as of 31st December, we exceeded 53.000 accumulated visits. The centre continues its constant innovation and the following improvements have been developed:

- New stands were inaugurated:
 - For motor sport lovers, Toyota GAZOO Racing Garage was renewed, where they can live the experience of making the engine of the Super TC Corolla, champion in 2013, roar.

A new space was added, where we interconnected environmental challenges and sponsoring with the Olympic and Paralympic Games within the Start Your Impossible corporate initiative, which introduces the new vision of the Company. In this new stand, we include different Olympic disciplines, such as cycling and athletics; furthermore, through its practice, it allows the generation of clean energy, the focus of one of the environmental objectives.

- We incorporated virtual reality guided tours for all those people who - for different reasons - cannot take the tour in person.

Visitors Centre	31/12/2019	31/12/2018
Educative Institutions	12.480	9.024
Community	959	1.428
Organizations	2.025	1.932
Guests	1.892	2.687
Collaborators	81	239

Did you know that in our Toyota Visitors Centre you can learn about the process of assembling a Hilux?
To take guided tours of the production plant, visitors must make a reservation through the website: <https://www.toyota.com.ar/acerca-de-toyota/centro-de-visitas>



LAUNCH OF TOYOTA PRODUCTION SYSTEM IN THE COMMUNITY

The program seeks to strengthen the management of social organizations, through the application of the principles of Toyota Production System, that aim to optimize and improve processes. With this proposal, Toyota Argentina shares with its community the philosophy of Kaizen, a Japanese word that means "continuous improvement".

In 2019 the first edition of the program was held together with the Baradero Municipal Hospital, Dr. Lino Piñeiro, focusing on the turns delivery system. The objective was to reduce waiting times for patients when requesting an appointment and being seen. To achieve this, the TPS team of Toyota Argentina made a diagnosis of the hospital processes, articulated an improvement plan and provided training for hospital staff. In this way, the waiting time to request an appointment

was reduced by 48%. Likewise, the receptionist workspace was improved under the 4S modality and new signage was incorporated, which improves visual information for patients. Thus, the articulated work between the Hospital, SMATA Union and Toyota contributed to a more efficient management.

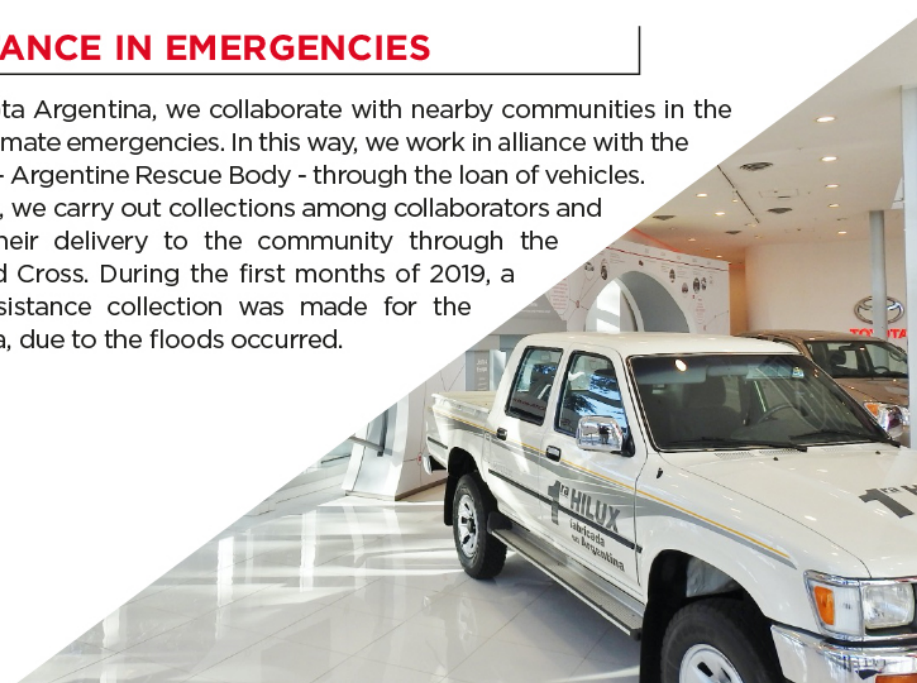
Likewise, Toyota Argentina, SMATA and APTA worked together with volunteer actions to improve the hospital facilities, painting corridors, waiting rooms, ceilings and the front of the hospital. Additionally, seats and fans were donated for the turns room.

The integral work of TPS, volunteering and donations, together with the alliance between the institutions, contributed to improve the conditions of patient care at the Baradero Municipal Hospital.



ASSISTANCE IN EMERGENCIES

From Toyota Argentina, we collaborate with nearby communities in the event of climate emergencies. In this way, we work in alliance with the NGO SAR - Argentine Rescue Body - through the loan of vehicles. In addition, we carry out collections among collaborators and manage their delivery to the community through the Zárate Red Cross. During the first months of 2019, a special assistance collection was made for the Chaco area, due to the floods occurred.



CORPORATE VOLUNTEERING

CHRISTMAS FESTIVITIES

For the fourth consecutive year, we received children between 7 and 12 years old coming from peripheral homes and clubs of Zárate and Campana. The children enjoyed a show for the whole family, a play full of humour with characters that tell stories through acrobatics and juggling. They also shared a breakfast or snack along with teachers and collaborators of the Company and the day culminated with the arrival of Santa Claus, who gave a gift to each child.



More than 600 boys and girls participated in the Christmas day, thanks to the joint work of Toyota, SMATA, Cookins and Masterbus.

VOLUNTEERING AT THE VIRGEN DEL CARMEN HOSPITAL

During the months of October and November 2018 and in order to respond to the needs of the Zárate community, Toyota together with SMATA union and APTA, donated instruments for surgery by video laparoscopy to the Hospital Zonal General de Agudos Virgen del Carmen, a surgical technique that allows diagnosing and performing minimally invasive surgeries. In addition, it meant the closing of the third volunteer day, where 100 employees made paint and lighting improvements in the hospital facilities.

SOLIDARITY JOURNEY TO THE IMPENETRABLE

From 12th to 15th April, 2018, a group of volunteers from the company made a solidarity trip to Impenetrable as an initiative of SMATA union with the aim of collaborating with communities in that area. For this journey, 24 employees covered 3.000 km in 4 days, 8 Hilux were used, 27 water filters were delivered, 10.000 kg. of food donated by company employees and medicines for 2 health centers.



SOLIDARITY TRIP TO THE CHACO SALTEÑO



From 23rd to 26th May, a group of volunteers from the Company made a solidarity trip to Chaco Salteño, in collaboration and as an initiative of the Fundación Cultura Nativa, with the aim of helping to improve the quality of life of the communities of those marginalized areas. In this journey, 4 Hilux have been used, which were destined to distribute what was donated by the Company, collaborators and

suppliers of Toyota Argentina, Cookins, Andrómaco, Maxiconsumo and Autolux Official Dealer of the city of Salta. 1.200 kg of food, 4 boxes of medicines according to the needs of the area, 150 caps and 200 soccer balls were donated.

In addition, together with a group of medical professionals, we visited Wichis and Chorotes communities and families.

FAMILY FEST COLLECTION

In the celebration of the end of the year for our collaborators and their families, we organized a collection of non-perishable food items to be donated to meal centres of the community of Zárate. In the last meeting, we collected 6.000 kilograms of food, which were delivered -jointly with the Red Cross, SMATA and ASIMRA- to 7 meal centres in Zárate, Campana and Lima.

STRATEGIC ALLIANCE: HONDA MOTOR OF ARGENTINA AND SMATA



During 2019, actions were carried out for the third consecutive year together with SMATA and Honda Motor of Argentina for the communities of Zárate and Campana.

- "Todos al cole": collection of school supplies for kindergartens. The activity was developed with volunteers from both companies and included a playful activity based on the importance of teamwork, a shared snack and gift backpacks.

- Children's Day: 100 volunteers from the companies participated in support of dining rooms where a day of games, a theatre play and a snack were shared with all the children.

COMMITMENT TO OUR COMMUNITIES

GRI Contents 102-21, 102,29, 102-44

Our CSR Policy objective is to contribute to the sustainable development of communities, fostering dialogue and based on three main lines of action:

- Environment
- Road safety
- Education for employability

This policy is not only applied internally, but we work to extend it to our value chain, promoting in it full compliance with all applicable laws, regulations and social guidelines in our country, based on respect for people and continuous improvement. In addition, we work with the nearby communities where we operate to understand and meet their needs, implementing social investment programs.

- **Corporate volunteer work:** We develop volunteer actions in our nearby community, with the solidary commitment of our collaborators, in alliance with the SMATA and ASIMRA unions.
- **Donations and contributions:** We promote the strengthening and support of community service institutions.
- **Multiactoral alliances:** We work articulately with organizations of the civil society, public organisms and companies in 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 Zárate, 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.

300 surveys of local residents	8 in-depth interviews with local referents
2 focus group with neighbours and collaborators	1 meeting-workshop with 30 NGOs from the local community

Employment, environment and security appear as the 3 main themes in which residents consider that the private sector should help.

In relation to the Company, the main results were:

- High community assessment of the Company, reaching more than 90% positive assessment.
- Toyota is Top of mind among companies for the inhabitants of Zárate. It is the most recognized for its commitment, prestige, vision of the future, contributions to the community and for being a good employer.
- The excellent quality of its products, its organization and its vocation for growth stand out. In 2019, the perception of commitment to the community and of working and salary conditions increases.
- Toyota Argentina's contributions to public health are highlighted.
- Communication of the Company's environmental management and the impact on local economic development appear as the main aspects to improve.



Paternity and Maternity Leaves	31/12/2019	31/12/2018
Started maternity or paternity leave		
Men	298	294
Women	10	14
Returned to work at the end of their leave		
Men	297	294
Women	9	16
Continued working after a year of returning from their leave		
Men	289	274
Women	10	8
Reincorporation Rate		
Men	100%	100%
Women	100%	84,2%
Retention Rate		
Men	98,3%	98,2%
Women	62,5%	100%

MATERNITY 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. The launch was in April 2019 and consists of 2 stages: the first is applied in the last 3 months of pregnancy, where they enjoy 3 days of home office and we reserve preferential parking for them (in case of attending in their own vehicle). The second stage, which goes from their 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 nursery.

PATERNITY POLICY

Thanks to the synergy among Toyota Argentina, SMATA and ASIMRA, it was possible to implement this benefit for the fathers of the company, so that they can share with their families the first days of the birth or adoption of their children. The benefit was launched in November 2019 and consists of a special leave of 7 consecutive days from the birth or adoption.

HOME OFFICE

The Home Office Program is voluntary and covers those cases where the nature of the position within the company allows it, with the proper approval of the direct superior. The scheme contemplates a fixed day per

week or fortnight, and a notebook or virtual access from the personal PC is granted to the personnel who adhere to the program. We are currently working to expand the scope of the program to all staff.

We believe in the importance of maintaining flexible hours in our workspaces. In this way, we allow our teams to maintain a balance between their personal and work life.

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
GRI Contents 103-1, 103-2, 103-3, 404-1, 404-2

Did you know that TOYOTA Institute is a training, education and coaching 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.

Taking the **Toyota Way** as the basic foundation, the development of the talents of our collaborators is performed through an educational program based on the on-the-job training:

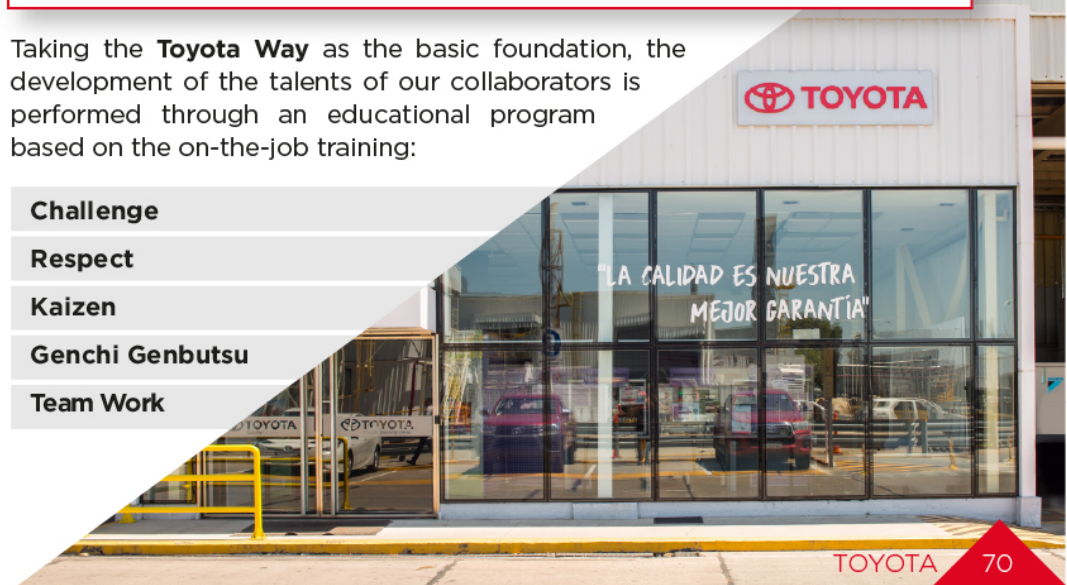
Challenge

Respect

Kaizen

Genchi Genbutsu

Team Work



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.

3,0 times has the minimum wage of Toyota Argentina exceeded the Minimum Mobile Vital Wage⁶.

Staff under agreement	31/12/2019	31/12/2018
Staff under agreement (SMATA AND ASIMRA)	79,5%	80,8%
Toyota minimum wage	\$ 40.821	\$26.882
Minimum Mobile Vital Wage	\$13.790	\$10.033
Relation Toyota minimum wage and Minimum Mobile Vital Wage	3,0	2,7

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

The remuneration policy for the highest governance body consists of a monthly salary, a short term incentive and a long term incentive. With regard to senior executives, it is composed of a monthly salary and a short term incentive. Short and long-term incentives are linked to objectives in the different areas, such as financial, production, sales, safety, customer service and human resources, depending on the function and the position. Severance payments are defined in accordance with the Labour Contract Law, except in those cases in which a differential payment is agreed. With regard to the retirement plan, it complies with the requirements of the Argentine regulations in force.

Notice periods are ruled 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. 

⁶based on the minimum wage of Toyota Argentina and the Minimum, Vital and Mobile Salary corresponding to April 2019.

BENEFITS

To increase the levels of satisfaction and motivation of our staff, corporate benefits are reviewed and continuously 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 the Zárate 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 0 km (it includes spare parts and accessories).
- Discounts at gyms, banks, groceries, hotels, 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.



	31/12/2019	31/12/2018
Staff turnover		
By gender	193	225
Women	22	22
Men	171	203
By workplace	193	225
Martínez	11	12
Buenos Aires City	3	-
Zárate	179	213
By age	193	225
Older than 50 years old	5	8
Between 30 and 50 years old	89	107
Younger than 30 years old	99	110
Staff turnover rate*	3,36%	3,88%

* Calculation method: quotient between the number of dismissals and resignations produced in the year and the total staff at the close of the calendar year.

	31/12/2019	31/12/2018
New recruitments		
By gender	135	573
Women	36	37
Men	99	536
By workplace	135	573
Martínez	10	24
Buenos Aires City	2	0
Zárate	123	549
By age	135	573
Older than 50 years old	7	2
Between 30 and 50 years old	59	157
Younger than 30 years old	69	414
New recruitments rate	2,3%	9,9%

*Calculation method: quotient between the number of recruitments produced in the year and the total amount of the staff at the close of the calendar year.

	31/12/2019	31/12/2018
Expatriates	33	27
Women	32	26
Men	1	1

In order to improve the employability of young people, we have an Internship Program, in which 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, in a space for exchange that encourages innovation.

	31/12/2019	31/12/2018
Interns	39	48
Women	31	37
Men	8	11

Toyota Argentina joined 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 develop their activities in the Toyota Visitor Centre, collaborating in the preparation and reception of visits and, in turn, we provide training and contribute to their development.

COMPENSATIONS AND BENEFITS

Material Aspects Economic Performance of the Organization, Relationship with Unions, Employment, Retention and Attraction of Talent, Diversity, 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

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



7. GRI Table of Contents

We have elaborated the following table of contents in accordance with the GRI Standards and themes that emerged as materials of the analysis performed.

Content	Page or Reference	Omission	SDG	Verified	
				Verified	Period
• 1. Organization Profile					
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102-4	Location of operations	9			
102-5	Ownership and legal form	9			
102-6	Markets served	9			
102-7	Organization size	9			
102-8	Information about employees and other workers	9, 67	8 - 10		
102-9	Supply chain	36			
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• 2. Strategy					
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102-15	Main impacts, risks and opportunities.	3, 26			
• 3. Ethics and Integrity					
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102-20	Responsibility of economic, environmental and social issues at the executive level	20			
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305-2	Indirect Emissions of GHG when generating energy (scope 2)	56		3 - 12 - 13 - 14 - 15	✓	01/01/2019 - 31/12/2019
305-3	Other indirect emissions of GHG (scope 3)	56		3 - 12 - 13 - 14 - 15	✓	01/01/2018 - 31/12/2019
305-4	Intensity of GHG emissions	56		13 - 14 - 15	✓	01/01/2019 - 31/12/2019
305-5	Reduction of GHG emissions	56		13 - 14 - 15		
305-6	Emissions of ozone depleting substances (ODS)	56		3 - 12		
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• GRI 306 EFFLUENTS AND WASTE (2016)						
306-1	Water discharge depending on its quality and destination	The effluent contents of GRI 306: Effluents and Waste 2016 (Contents 306-5) have been updated and can be found in GRI 303: Water and Effluents 2018.		3 - 6 - 12 - 14		
306-2	Waste by type and method of disposal	63		3 - 6 - 12		
306-3	Significant spills	51		3 - 6 - 12 - 14 - 15	✓	01/01/2018 - 31/12/2019
306-4	Transport of hazardous waste	63		3 - 12		
306-5	Water bodies affected by discharges of water and/or runoff	The effluent contents of GRI 306: Effluents and Waste 2016 (Contents 306-5) have been updated and can be found in GRI 303: Water and Effluents 2018.		6 - 14 - 15		

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• GRI 103 MANAGEMENT APPROACH (2016)

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• GRI 307 ENVIRONMENTAL COMPLIANCE (2016)

307-1	Non-compliance with environmental legislation and regulations	51		16	
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ENVIRONMENTAL EVALUATION OF SUPPLIERS

• GRI 103 MANAGEMENT APPROACH (2016)

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• GRI 308 ENVIRONMENTAL EVALUATION OF SUPPLIERS (2016)

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308-2	Negative environmental impacts in the supply chain and measures taken	36				

GRI 400- SOCIAL STANDARDS

EMPLOYMENT

Content	Page or Reference	Omission	SDG	Verified	
				Verified	Period
• GRI 103 MANAGEMENT APPROACH (2016)					
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103-3	Assessment of the management approach	67, 68			
• GRI 401 EMPLOYMENT (2016)					
401-1	New hires of employees and turnover of staff	67		5 - 8 - 10	✓ 01/01/2018 - 31/12/2019
401-2	Benefits for full-time employees not provided to part-time or temporary employees	68		3 - 5 - 8	✓ 01/01/2018 - 31/12/2019
401-3	Parental leave	68		5 - 8	✓ 01/01/2018 - 31/12/2019

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• GRI 402 EMPLOYEE - COMPANY RELATIONSHIP (2016)					
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• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	22, 78			
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• GRI 403 MANAGEMENT APPROACH (2018)						
403-1	Occupational health and safety management system	78		8	✓	01/01/2018 - 31/12/2019
403-2	Hazard identification, risk assessment and incident investigation	78		8		
403-3	Occupational health services	78		8	✓	01/01/2018 - 31/12/2019
403-4	Worker participation, consultation and communication on health and safety at work	78		8 - 16	✓	01/01/2018 - 31/12/2019
403-5	Training of workers on health and safety at work	78		8	✓	01/01/2018 - 31/12/2019
403-6	Promotion of workers' health	78		3	✓	01/01/2018 - 31/12/2019
403-7	Prevention and mitigation of impacts on the health and safety of workers directly linked to business relationships	78		8		
• GRI 403 HEALTH AND SAFETY AT WORK (2018)						
403-8	Occupational health and safety management system coverage	78		8		
403-9	Work accident injuries	78		3 - 8 - 16		
403-10	Occupational diseases and illnesses	78		3 - 8 - 16		

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• GRI 103 MANAGEMENT APPROACH (2016)						
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• GRI 404 TRAINING AND EDUCATION (2016)						
404-1	Average hours of training per year per employee	70		4 - 5 - 8 - 10		
404-2	Programs to improve the skills of employees and programs to help during the transition	70		8	✓	01/01/2018 - 31/12/2019
404-3	Percentage of employees receiving periodic performance and career development reviews	74		5 - 8 - 10	✓	01/01/2018 - 31/12/2019

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412-2	Training of employees in policies or procedures on human rights	-					
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 employees is being evaluated.

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)							
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• GRI 414 SOCIAL EVALUATION OF SUPPLIERS (2016)							
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• GRI 416 HEALTH AND SAFETY OF CUSTOMERS (2016)					
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• GRI 419 SOCIOECONOMIC COMPLIANCE (2016)					
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• GRI 103 MANAGEMENT APPROACH (2016)					
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Own Indicator	Initiatives that promote Environmental Education	84				

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	Work Environment and Engagement Survey	75				

SUSTAINABLE MOBILITY

• GRI 103 MANAGEMENT APPROACH (2016)						
103-1	Explanation of the material issue and its coverage	9,22				
103-2	Approach of management and its components	9				
103-3	Assessment of the management approach	9				
• SUSTAINABLE MOBILITY						
Own Indicator	Initiatives that promote Sustainable Mobility	9				

ENVIRONMENTAL IMPACTS

• GRI 103 MANAGEMENT APPROACH (2016)						
103-1	Explanation of the material issue and its coverage	22,51				
103-2	Approach of management and its components	51				
103-3	Assessment of the management approach	51				
• ENVIRONMENTAL IMPACTS						
Own Indicator	Five-Year Environmental Action Plan	51				

INNOVATION AND DEVELOPMENT

• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	5, 9, 15, 22			
103-2	Approach of management and its components	5, 9, 15			
103-3	Assessment of the management approach	5, 9, 15			
• INNOVATION AND DEVELOPMENT					
Own Indicator	Initiatives that promote innovation and development of our products and services	5, 9, 22			

SUSTAINABLE SUPPLIERS MANAGEMENT

• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage				
103-2	Approach of management and its components	22, 36			
103-3	Assessment of the management approach	36			
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• TAINABLE SUPPLIERS MANAGEMENT					
Own Indicator	Iniciativas que promuevan la gestión sostenible de proveedores	36			

JOB PROMOTION IN LOCAL COMMUNITIES

• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	22, 90			
103-2	Approach of management and its components	90			
103-3	Assessment of the management approach	90			
• JOB PROMOTION IN LOCAL COMMUNITIES					
Own Indicator	Initiatives that promote Education for Employability	90			

GRI 300- ENVIRONMENTAL STANDARDS

ENERGY

Content	Page or Reference	Omission	SDG	Verified	
				Verified	Period
• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	22, 51, 56			
103-2	Approach of management and its components	51, 56			
103-3	Assessment of the management approach	51, 56			
• GRI 302 ENERGY (2016)					
302-1	Energy consumption within the organization	56		7 - 8 - 12 - 13	✓
302-2	Energy consumption outside the organization	–	Unavailable information	7 - 8 - 12 - 13	
302-3	Energy intensity	56		7 - 8 - 12 - 13	✓
302-4	Reduction of energy consumption	56		7 - 8 - 12 - 13	
302-5	Reduction of the energy requirements of products and services	56		7 - 8 - 12 - 13	

WATER AND EFFLUENTS

• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	22, 51, 61			
103-2	Approach of management and its components	51, 61			
103-3	Assessment of the management approach	51, 61			
• GRI 303 MANAGEMENT APPROACH (2018)					
303-1	Interaction with water as a shared resource	61		6 - 12	
303-2	Management of impacts related to water discharges	61		6	
• GRI 303 WATER AND EFFLUENTS (2018)					
303-3	Extraction of water	61		6	✓
303-4	Water spill	61		6	✓
303-5	Water consumption	61		6	✓

GRI 200- ECONOMIC STANDARDS

ECONOMIC PERFORMANCE

Content	Page or Reference	Omission	SDG	Verified	
				Verified	Period
• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	9, 22, 34, 68, 90			
103-2	Approach of management and its components	9, 34, 68, 90			
103-3	Assessment of the management approach	9, 34, 68, 90			
• GRI 201 ECONOMIC PERFORMANCE (2016)					
201-1	Generated and Distributed Direct Economic Value	34	8 - 9	✓	01/04/2018 - 31/03/2020
201-2	Financial implications and other risks and opportunities arising from climate change	9	13		
201-3	Obligations of the defined benefit plan and other retirement plans	68			
201-4	Financial assistance received from the government	34, 90		✓	01/04/2018 - 31/03/2020

ANTI-CORRUPTION

• GRI 103 MANAGEMENT APPROACH (2016)					
103-1	Explanation of the material issue and its coverage	22, 28			
103-2	Approach of management and its components	28			
103-3	Assessment of the management approach	28			
• GRI 205 ANTI-CORRUPTION (2016)					
205-1	Operations evaluated for risks related to corruption	28	16		
205-2	Communication and training on policies and anti-corruption procedures	28	16	✓	01/01/2018 - 31/12/2019
205-3	Confirmed cases of corruption and measures taken	28	16	✓	01/01/2018 - 31/12/2019

Content	Page or Reference	Omission	SDG	Verified	
				Verified	Period
102-27	Collective knowledge of the highest governance body	26			
102-28	Assessment of the performance of the highest governance body	74			
102-29	Identification and management of economic, environmental and social impacts	20, 83	16		
102-30	Effectiveness of the risk management processes	26, 28			
102-31	Assessment of economic, environmental and social issues	20			
102-32	Role of the highest governance body in the preparation of sustainability reports	20			
102-33	Communication of critical concerns	26			
102-34	Nature and total number of critical concerns	26			
102-35	Remuneration policies	68			
102-36	Process for determining the remuneration	68			
102-37	Stakeholders engagement in the remuneration	68	16		
102-38	Total annual compensation ratio	–		Confidential	
102-39	Ratio of percentage increase of the total annual compensation	–		Confidential	
• 5. Stakeholders engagement					
102-40	Stakeholders List	21			
102-41	Collective bargaining agreements	9, 67	8		
102-42	Identification and selection of stakeholders	21			
102-43	Approach for stakeholders participation	21			
102-44	Key issues and concerns mentioned	21, 46, 83			
• 6. Practices for the Preparation of Reports					
102-45	Entities included in the consolidated Financial Statements	22			
102-46	Definition of the contents of the reports and the Coverage of the issue	22			
102-47	List of material issues	22			
102-48	Restatement of information	22			
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102-52	Reporting cycle	22			
102-53	Point of contact for questions about the report	22			
102-54	Declaration of the elaboration of the report in accordance with the GRI standards	22			
102-55	GRI Table of contents	97			
102-56	External verification	22, 110			



INFORME DE SEGURIDAD LIMITADA INDEPENDIENTE SOBRE EL REPORTE DE SUSTENTABILIDAD 2019 DE TOYOTA ARGENTINA S.A. CORRESPONDIENTE A LOS INDICADORES SOBRE TEMAS ECONÓMICOS (PERÍODO 01/04/2018 - 31/03/2020) E INDICADORES SOBRE TEMAS AMBIENTALES Y SOCIALES (PERÍODO 01/01/2018 AL 31/12/2019)

A los señores Presidente y Directores de Toyota Argentina S.A.
Domicilio legal: Ruta Nacional 12 Km 81
Zárate, Buenos Aires - B2800OFA
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 Anexo I del Reporte de Sustentabilidad 2019 de Toyota Argentina S.A. Correspondiente a los indicadores sobre temas económicos (período 01/04/2018 - 31/03/2020) e indicadores sobre temas ambientales y sociales (período 01/01/2018 al 31/12/2019), por el período iniciado el 1 de Enero de 2018 y finalizado el 31 de Marzo de 2020 (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 empresarial.

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.

Price Waterhouse & Co. S.R.L., Bouchard 557, piso 8°, C1106ABG - Ciudad de Buenos Aires

Price Waterhouse & Co. S.R.L. es una firma miembro de la red global de PricewaterhouseCoopers International Limited (PwCIL). Cada una de las firmas es una entidad legal separada que no actúa como mandataria de PwCIL ni de cualquier otra firma miembro de la red.

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 testeo 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, 13 de Noviembre de 2020

PRICE WATERHOUSE & CO. S.R.L.

BOB R A D O R (Socio)
Nombre del socio

IMPACTO DEL CORONAVIRUS

El surgimiento y la diseminación del virus denominado "Coronavirus" (o Covid-19) hacia fines del año 2019, ha generado diversas consecuencias en los negocios y actividades económicas a nivel global. En marzo de 2020, dada la magnitud de su transmisión, varios gobiernos de todo el mundo implementaron medidas drásticas para contener la propagación, incluido, entre otros, el cierre de fronteras y la prohibición de viajar hacia y desde ciertas partes del mundo por un período de tiempo, y finalmente el aislamiento obligatorio de la población junto con el cese de actividades comerciales no esenciales. Con fecha 11 de marzo, la Organización Mundial de la Salud clasificó al brote de Covid-19 como pandemia.

En la Argentina, el Gobierno Nacional implementó una serie de medidas tendientes a disminuir la circulación de la población, disponiendo el aislamiento social preventivo y obligatorio desde el 20 de marzo hasta el 08 de Noviembre de 2020, permitiendo la circulación sólo de aquellas personas vinculadas a la prestación/producción de servicios y productos esenciales.

A partir del 09 de Noviembre de 2020 y considerando la evolución de la situación epidemiológica, el Gobierno Nacional estableció a través del Decreto 875/2020, una prórroga del mencionado Distanciamiento Social, Preventivo y Obligatorio y del Aislamiento Social, Preventivo y Obligatorio hasta el 29 de noviembre, inclusive. En esta nueva etapa, y teniendo en cuenta que se ha verificado un descenso sostenido en la cantidad de casos en las semanas previas al decreto, el Área Metropolitana de Buenos Aires pasó al esquema de Distanciamiento Social. El decreto amplía, a su vez, la vigencia del cierre de fronteras hasta la fecha indicada.

Con posterioridad a la declaración de la pandemia, la compañía se ha visto obligada a suspender sus operaciones y la comercialización de sus productos, a partir de una caída drástica en la demanda de sus productos, lo cual se tradujo en una disminución del ingreso de marzo

2020 de aproximadamente 23% en comparación con el mes anterior y de aproximadamente 14% en comparación con el mismo trimestre del año anterior.

El alcance final del brote de Coronavirus y su impacto en la economía del país es desconocido e imposible de predecir. Sin embargo, si bien ha producido efectos significativos a corto plazo, no se prevé que los mismos afecten la continuidad de los negocios. Dada la solidez financiera actual de la compañía, aun con el impacto en su operación, se estima que podrá seguir haciendo frente a sus compromisos financieros de los próximos doce meses.

El Directorio está monitoreando de cerca la situación y tomando todas las medidas necesarias para preservar la vida humana y los negocios de la Compañía:

- Luego de establecer nuevos protocolos de prevención, Toyota Argentina reinició la operación en su planta de Zárate el 18 de mayo. Las medidas de seguridad fueron desarrolladas e implementadas para garantizar la salud de sus empleados, con el acuerdo de las autoridades nacionales, provinciales y municipales, buscando producir de forma ordenada y eficiente.
- Las normas incorporadas complementan las ya utilizadas por la compañía en su operación diaria. Los protocolos de reapertura incluyeron la programación de un solo turno de producción hasta fines de julio para limitar la interacción entre los empleados y permitir una limpieza adicional de las instalaciones. Algunos espacios de trabajo y sectores comunes fueron modificados para permitir el distanciamiento social, mientras que otras áreas permanecerán cerradas.
- Los nuevos procedimientos fueron compartidos con los equipos de producción a través de un video instructivo, el cual explica los cambios en el transporte, el nuevo control de temperatura a través de cámaras termográficas

y un fuerte distanciamiento en espacios como comedores y salas de reuniones. El plan de prevención también se aplicará en las oficinas administrativas y comerciales en Zárate y en Martínez, mientras que se continuará con la modalidad de trabajo remoto en todas las áreas donde se puedan desarrollar normalmente las actividades.

- Además, Toyota Argentina continúa colaborando con quienes más lo necesitan a través de la donación de insumos y equipamientos médicos, ayuda en la zona de influencia donde opera su planta y soporte a diferentes instituciones locales y organizaciones sin fines de lucro a nivel nacional con el préstamo y/o donación de vehículos.

EMISIÓN DEL REPORTE DE SUSTENTABILIDAD EN EL CONTEXTO ACTUAL

Como se ha mencionado, existe incertidumbre respecto a los impactos que la pandemia de COVID-19 podría generar en la economía global y en nuestro negocio. Esto podría traducirse en afectaciones negativas sobre los resultados futuros de nuestras operaciones.

El Reporte de Sustentabilidad 2019 que estamos presentando incluye nuestros asuntos materiales e indicadores de desempeño sociales y ambientales del 01/01/2018 al 31/12/2019; e indicadores de desempeño económicos del 01/04/2018 al 31/03/2020. Cabe señalar que los resultados de la crisis pueden exigir una reevaluación de nuestros objetivos en función de los cambios, internos y externos, que surgirán en los próximos meses.

Tenemos la intención de seguir siendo receptivos y efectivos en nuestro propósito de promover un impacto positivo para todos nuestros grupos de interés en base a sus demandas prioritarias. Es por eso que continuaremos monitoreando los efectos de la pandemia sobre nuestros indicadores de desempeño 2020, y trabajando junto a nuestros stakeholders para enfrentar esta crisis.

COLABORARON EN ESTE REPORTE:

► **Coordinación y contenidos:**

Dirección Asuntos Corporativos - Toyota Argentina

► **Asesoramiento Externo**

AG Sustentable
<https://agsustentable.com/>



► **Auditoría externa:**

PWC Argentina

► **Comunicación Visual:**

GREY Argentina

Agradecemos la colaboración de quienes participaron activamente en la elaboración de este informe.

Feedback

Su opinión es importante para nosotros.

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