

TOYOTA IN THE CZECH REPUBLIC

DISCLOSURE OF COUNTRY CONTRIBUTIONS

CZECH REPUBLIC

01 History of business expansion

1993
Toyota enters Czech market with local import and distribution operations

2003
Toyota Peugeot Citroën Automobile (TPCA) manufacturing plant established in Kolín

2005
Vehicle production begins, applying the Toyota Production System to deliver quality and efficiency

2021
Toyota acquires full ownership of the plant, creating Toyota Motor Manufacturing Czech Republic (TMMCZ)

2024
TME's first Vehicle Logistics Mega Hub opens in Kolín

2025
Aygo X HEV production begins, expansion of electrified vehicle production

02 Best-in-Town activities

ENVIRONMENTAL LEADERSHIP

TMMCZ has reduced CO_2 emissions by 63% since 2013, and is committed to energy efficiency, decarbonisation, biodiversity protection, and responsible land use.



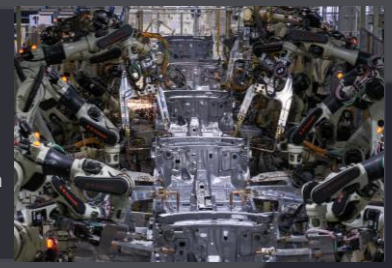
COMMUNITY IMPACT

Since 2005, TMMCZ has provided €6.3m (CZK 151m) in support of local education, community, environmental and social projects.



ECONOMIC IMPACT

TMMCZ invested €680m (CZK 16.6bn) in battery-electric vehicle production and battery assembly facilities, supporting the transition to zero-emission mobility.



03 Economic contribution to country

€680m (CZK 16.6bn)
New BEV investment

3,000+
Direct jobs supported

65%
Parts sourced from Czech suppliers

200,000
Vehicles sold since 1993

€11m (CZK 269.4 million)
Corporate income tax charge

TOYOTA

HISTORY OF BUSINESS EXPANSION

Toyota's presence in the Czech Republic began in 1993 with the establishment of its local import and distribution operations, marking the start of a long-term commitment to the local market. Over the past three decades, Toyota has sold nearly 200,000 vehicles in the country, steadily expanding its presence. This growth was supported by the introduction of other Toyota entities (such as **Toyota Logistic Services**), creating a comprehensive ecosystem for mobility, logistics, and customer service.

A major milestone came in **2003** with the establishment of the **Toyota Peugeot Citroën Automobile (TPCA)** manufacturing plant in Kolín, a joint venture that brought large-scale automotive production to the region. Vehicle production began in 2005, leveraging the Toyota Production System (TPS) to deliver high efficiency, quality, and operational excellence. The Kolín facility quickly became known for its ability to produce compact vehicles for multiple brands, demonstrating flexibility and competitiveness.



In **2021, Toyota Motor Corporation acquired full ownership** of the Kolín plant, transforming it into **Toyota Motor Manufacturing Czech Republic (TMMCZ).** This integration accelerated strategic development, aligning the site with Toyota Motor Europe and positioning it as a center of expertise for electrified and battery-electric mobility. Investments in new facilities, advanced manufacturing technologies, and infrastructure upgrades continue to strengthen Toyota's long-term competitiveness and sustainability in the Czech Republic.

A key milestone in the evolution of **Toyota Motor Manufacturing Czech Republic was the opening of Toyota Motor Europe's first Vehicle Logistics Mega Hub in Kolín in November 2024**. Developed with an investment of €17 million (CZK 415 M), the facility is the largest Toyota vehicle logistics operation of its kind in Europe, significantly expanding Kolín's role beyond manufacturing.

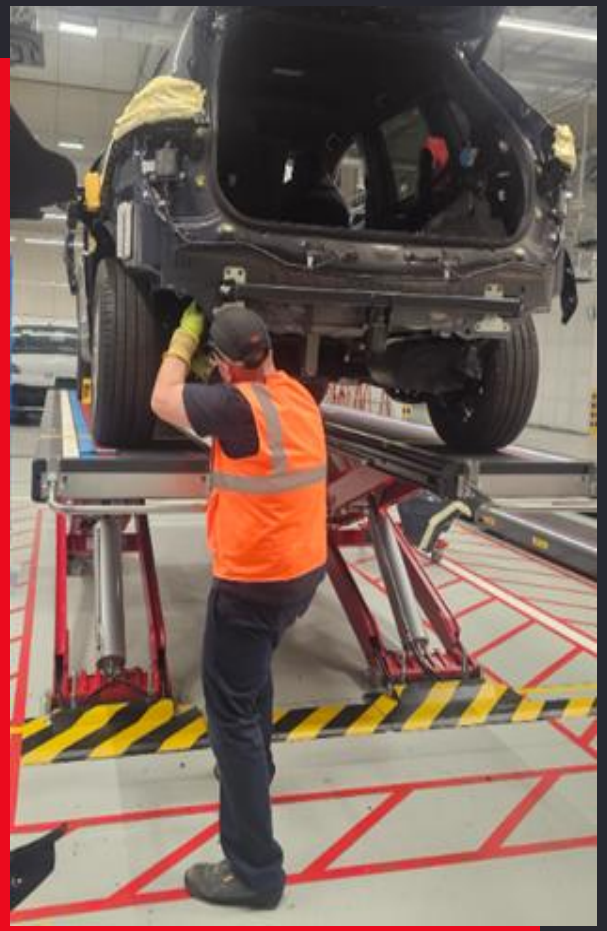
The Mega Hub serves Central European markets, including Germany, Austria, the Czech Republic, Slovakia, Hungary, and Poland, and can process up to 350,000 vehicles per year. By shortening vehicle lead times for Toyota and Lexus customers, it strengthens delivery speed, flexibility, and operational efficiency across the region.



Toyota Motor Europe's first Vehicle Logistics Mega Hub in Kolín



Start of production of Aygo X HEV, November 12th, 2025



Located within the TMMCZ site, the Mega Hub is directly connected to Toyota’s European manufacturing network via rail-based logistics infrastructure. This enables a structural shift from road to rail transport, supporting Toyota Motor Europe’s decarbonisation ambitions.

The facility also enhances vehicle quality and customisation by expanding Pre-Delivery Services (PDS) previously performed at retailer level. Centralising these activities improves accessorising quality, increases flexibility for market specific requirements, and reduces downstream complexity, allowing retailers to focus more on customer engagement and sales.

BEST-IN-TOWN ACTIVITIES

ENVIRONMENTAL LEADERSHIP



At Toyota Motor Manufacturing Czech Republic (TMMCZ), environmental leadership is founded on the principle that industrial growth and environmental responsibility must advance together. Guided by Toyota Environmental Challenge 2050, the Kolín site integrates energy efficiency, decarbonisation, biodiversity protection, and responsible land use into a single long-term strategy supporting sustainable mobility in Europe.

Continuous improvement driven by Toyota's Kaizen philosophy is a cornerstone of TMMCZ's environmental approach. Since 2020, a dedicated **ESCO (Energy Saving Collaboration)** team has systematically implemented energy saving initiatives across production and utility systems, addressing both electricity and natural gas consumption.

ESCO projects focus on optimising welding processes, compressed air systems, HVAC, ovens, pumps, circulation systems, humidification, and robotic cooling. Delivered as a structured, data driven program, these actions achieve measurable results while maintaining production stability and quality.

Toyota Logistics Services Czech s.r.o. (TLS) also engages employees in environmental activities, including regular clean-up events, nature care, and raising awareness about environmental protection in the communities surrounding logistics centres. These initiatives reinforce Toyota's commitment to sustainability at all levels of its operations.

Toyota's environmental commitment in the Czech Republic extends beyond manufacturing. As part of its broader presence, **Toyota Central Europe** actively supports sustainability initiatives at major cultural events, such as **Rock for People**, where zero-emission mobility solutions are provided. The company also partners with local organizations and foundations, contributing vehicles and financial support to projects that promote environmental stewardship and community well-being

Toward decarbonisation and future ready investments

Environmental leadership at TMMCZ is increasingly embedded in infrastructure and technology choices. Since 2023, all major new projects - including the Toyota Motor Europe Mega Hub and buildings related to the future BEV production project - have been designed as carbon zero facilities with no natural gas consumption, representing a structural shift toward fossil free manufacturing and logistics. TMMCZ has achieved a **63% reduction in CO_2** emissions compared to its 2013 baseline, corresponding to approximately 26,000 tons of CO_2 reduced annually, supported in particular using "Green certificate" electricity. The Mega Hub, that integrates advanced rail-based logistics, supporting decarbonisation and operational efficiency, has already avoided more than 4,200 tons of CO_2 emissions per year through rail connections with plants in the UK, France, and the Czech Republic.

Harmony with Nature: biodiversity and land stewardship

Beyond energy and emissions, TMMCZ applies a long term "Harmony with Nature" approach. Over 2020 - 2025, industrial development has been combined with active biodiversity management. Long term cooperation with ornithologists and environmental experts confirms the presence of over 40 bird species and several mammal species on site.

Biodiversity friendly site management includes mulching, nesting habitats, grass cutting aligned with breeding periods, and landscape features supporting local fauna and flora. TMMCZ also operates Toyota beehives, supports pollinators, and engages employees and local partners through regular, yearly tree planting initiatives and the TMMCZ Grant Program, ensuring that site expansion is accompanied by compensatory and restorative measures.

TLS also organises tree planting and mulching events, involving employees and partners in improving the environment around logistics hubs. These activities foster team spirit and contribute directly to local biodiversity and landscape restoration.

Renewable energy and long-term responsibility

Since 2019, TMMCZ has sourced 100% green electricity from renewable sources, complementing ESCO-driven optimisation and infrastructure investments that support decarbonisation. Together, these measures form a coherent, long term environmental leadership model, demonstrating how manufacturing excellence, logistics development, and harmony with nature can coexist within Toyota's European network.



EMPOWERING PEOPLE AND SOCIETY



At Toyota Motor Manufacturing Czech Republic (TMMCZ), people are central to long term success. From the outset, the Kolín plant has been developed not only as a manufacturing site, but as a workplace built on skills, responsibility, and mutual trust - principles that continue to guide TMMCZ as it evolves toward the future of mobility.

As one of the region's largest industrial employers, TMMCZ plays an important role in the local labour market. The plant offers stable, high-quality employment across a wide range of functions, from production and maintenance to engineering, IT, logistics, and management. Competitive wages, long term employment stability, and continuous investment in skills development make TMMCZ an attractive employer both locally and nationally.

TMMCZ actively recruits talent from abroad to support its operations, with employees from Ukraine, the Philippines, and other countries now representing over 30% of the workforce. Recognising this, the company takes shared responsibility for their integration into Czech society - through inclusive workplace practices, language and orientation support, and cooperation with local partners - so that international employees and their families can settle, participate, and build long term lives in the region. This commitment is further reinforced through support for education and labour market integration of foreign nationals in the region, including a € 29,000 (CZK 706,000) **Dr. Van Zyl Grant** awarded in 2026 to the Kolín Centre for the Integration of Foreigners, helping young migrants and qualified adults overcome language, educational, and employment barriers in the Kolín area.

3003

Number of employees at TMMCZ in 2025

Beyond the factory, TMMCZ maintains long standing partnerships with secondary schools, technical institutes, and universities across the Czech Republic. Through internships, practical training, curriculum cooperation, and joint research - particularly in engineering, automation, IT, and electromobility - the company helps develop future talent and strengthen links between education and industry.

TMMCZ also promotes inclusion, equal opportunity, and a safe working environment, reflecting the Toyota Way principle of Respect for People. In parallel, the company is deeply embedded in the regional community, engaging in employee driven volunteering, charitable programs, and targeted support for education, culture, sports, social services, and environmental projects - acting as a reliable partner to local communities with a growing scale of impact. **Since 2005, TMMCZ has provided a total of € 6,2 million (CZK 151 million)** in support of community initiatives.

Over the last three years (2023-2025) the total budget for CSR activities was approx. € 500,000 (CZK 12,5 million). Most of the budget – around € 300,000 (CZK 7,5M) was allocated to the **TMMCZ Grant Programme**, supporting public benefit organisations, schools, municipalities, fire brigades, sport clubs and community institutions in the Kolín region. The programme primarily supported projects in the areas of Health & Safety, Education, Community and Environmental impact.





Projects supported within TMMCZ Grant Programme (2023 – 2025)

Category	Share	Typical supported projects
Health / Safety / Sport	~40%	Fire brigade equipment, medical devices for hospices, AED training tools, workout & exercise areas, sports facilities, hockey & athletics support, healthy lifestyle initiatives
Education	~30%	STEM & programming tools, technical classroom equipment, CNC hobby groups, technical education support, school classroom renovation, outdoor learning areas
Community / Social	~20%	Community events, playground renovations, sports & cultural equipment for villages, projects connecting local communities, family-oriented activities
Environment	~10%	Tree planting, school gardens, environmental education, recycling & reuse initiatives, greenery revitalisation projects

Another € 100,000 (CZK 2,5M) was allocated to employee sponsorship initiatives, where employees actively nominate and support projects in their local communities. The majority of submitted projects were focused on social, sport and community activities, followed by health & safety initiatives, educational projects and environmental activities.

Projects supported within TMMCZ Employee Sponsorship Programme (2023 – 2025)

Category	Share	Typical supported projects
Social / Sport Community	~75%	Football & futsal equipment, children sport activities, community tournaments, cultural & sport events, hockey school support, fishing clubs, playgrounds, family events, community infrastructure
Health / Safety	~15%	Fire brigade equipment, AED & resuscitation training tools, rehabilitation support, medical devices for hospices, safety equipment, health-related charity events
Education	~10%	STEM & programming tools, technical classroom equipment, educational games for children, school equipment, technical education support
Environment	<5%	Tree planting, greenery projects, school gardens, environmental improvements, recycling-related activities







In recent years, both the Grant Programme and employee-driven initiatives have regularly included projects focused on road safety, reflecting Toyota’s broader commitment to safe mobility. Concrete examples include the installation of speed-monitoring displays in 2024, followed in 2025 by the provision of a patrol vehicle for the city of Kolín and the organisation of a safe driving training course.





Toyota's commitment to people and society in the Czech Republic goes far beyond the factory gates. Since 1993, Toyota has built a network of 14 authorised partners and 36 sales and service locations, providing employment and development opportunities across the country. The company actively supports sports and culture, partnering with the **Czech Olympic and Paralympic Committees,** supporting **Team Toyota athletes (€450,000 (CZK 11 million) value in 2025)**, and providing mobility solutions for major events like **Rock for People and Cirk La Putyka (€45,000 (CZK 1.1 million) in 2025)**. Toyota also supports foundations such as the **Foundation of Police Officers and Firefighters**, helping families of officers injured or killed in the line of duty.

Toyota Logistics Services Czech s.r.o. (TLS) also plays an active role in supporting education and local communities. TLS collaborates with technical schools, such as Střední průmyslová škola Teplice, providing students with practical workshops, internships, and real automotive components for hands-on learning. TLS employees regularly participate in community events, including environmental clean-ups, tree planting, and charity runs, fostering team spirit and direct engagement with the region.



As part of its broader commitment to supporting talent and inspiring people beyond the workplace, Toyota in the Czech Republic - through joint support from Toyota Central Europe (TCE) and Toyota Motor Manufacturing Czech Republic (TMMCZ) - has partnered with **Czech Toyota GR rally driver Tomáš Ouředníček, a participant in the Dakar Rally**. By supporting an athlete competing at one of the world's most demanding motorsport events, Toyota contributes to the development of elite sporting talent while promoting values such as determination, resilience, and continuous improvement





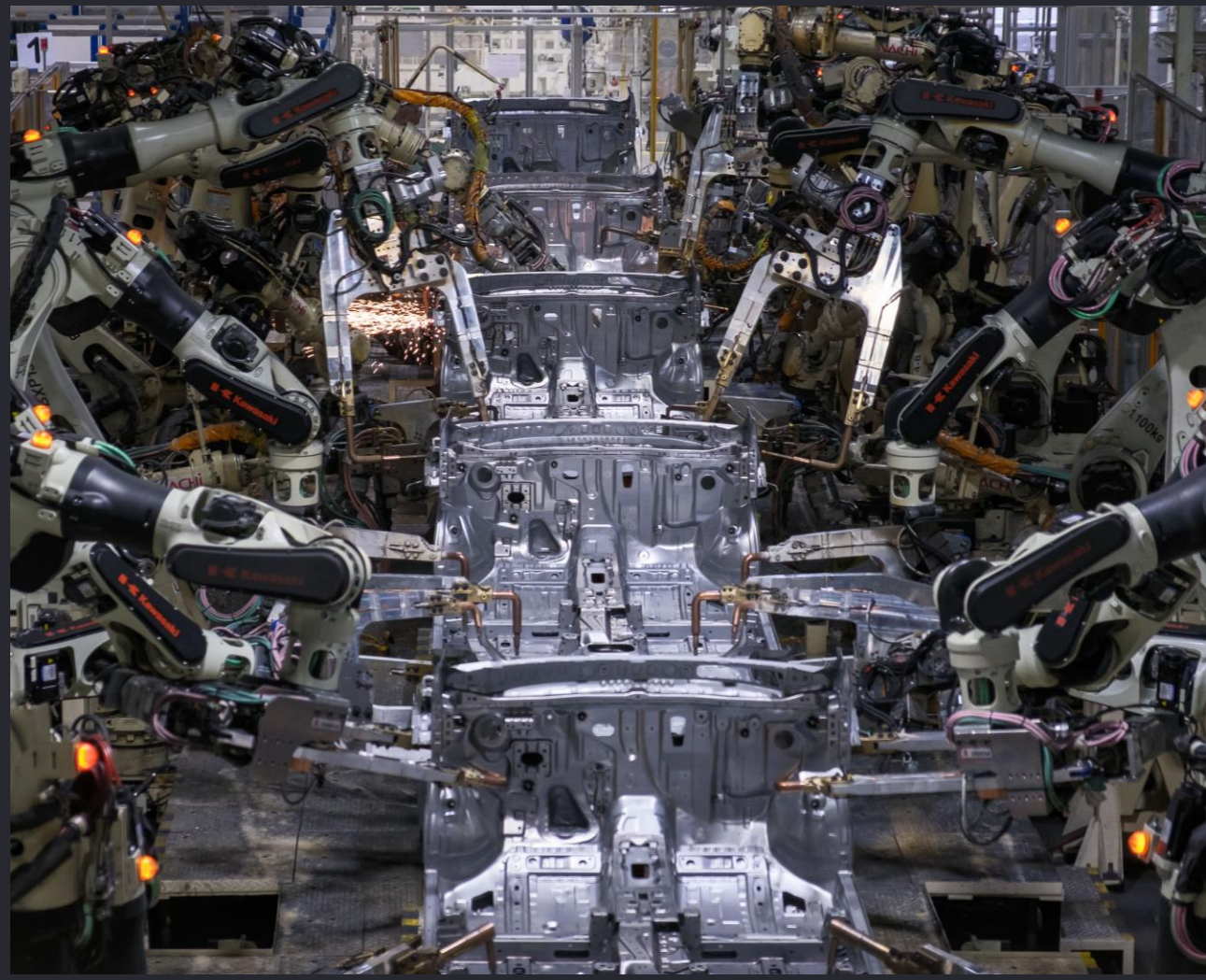


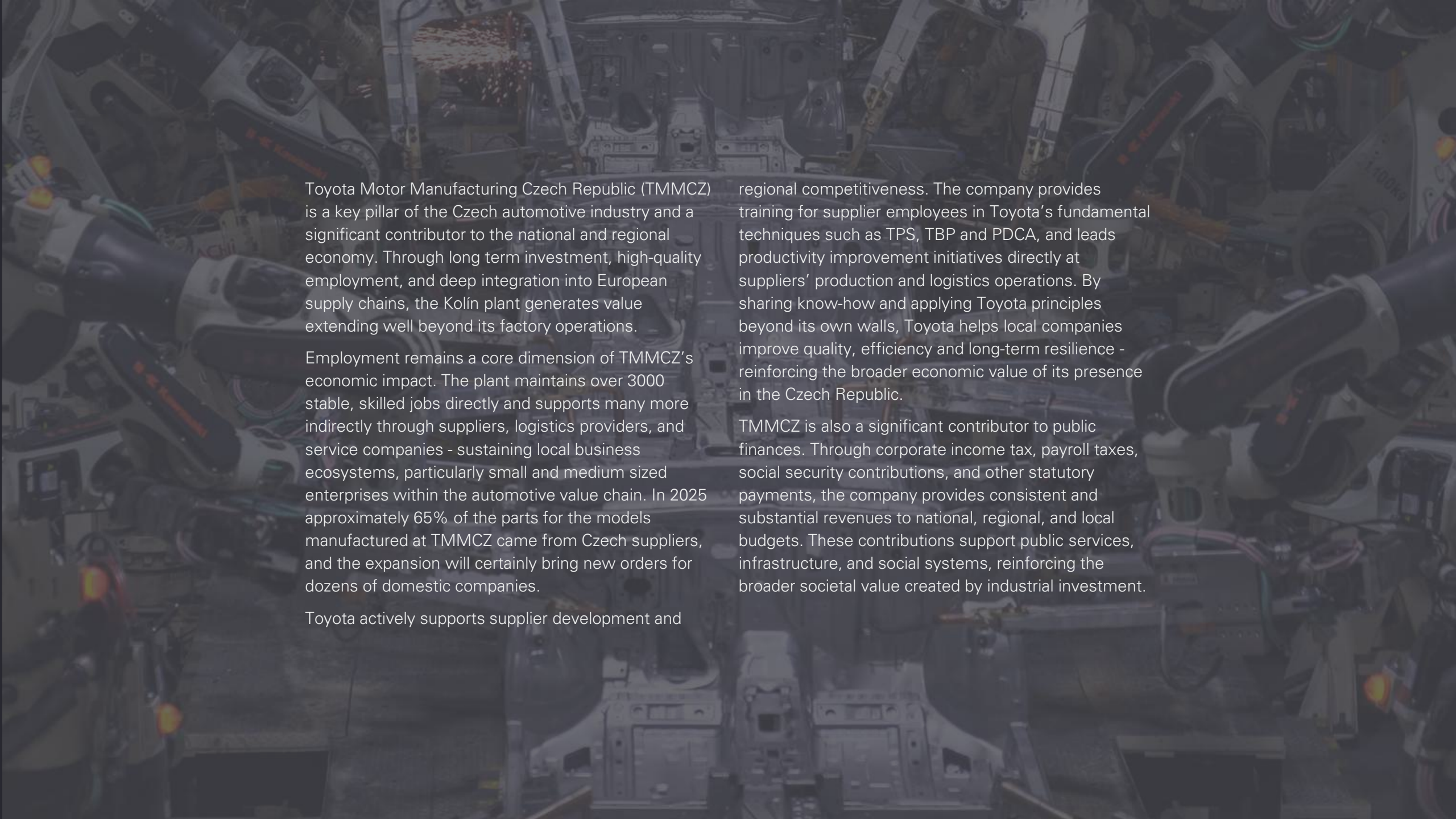
Toyota has been donating cars for public organisations: police, firefighters, sports clubs, healthcare providers, etc.

ECONOMIC IMPACT

Toyota's operations in Czech Republic significantly impact the local economy through monetary contributions, employment, investment and infrastructure development. In the Czech Republic, the Group reports a corporate income tax charge (tax accrued) of €11 million (CZK 269.4 million), resulting in an effective tax rate (ETR) of approximately 25%, which is above the Czech statutory corporate income tax rate of 21%. The higher effective tax rate is driven by the impact of non-deductible expenses and other permanent differences between accounting profit and the taxable base. These items increase the taxable income relative to accounting profit and therefore lead to a higher overall tax charge.

Toyota's broader presence in the Czech Republic further amplifies its economic impact. Since 1993, Toyota has sold nearly 200,000 vehicles locally. In 2025 Toyota operated through a network of 14 authorised partners and 36 sales and service locations and was the second best-selling brand in the country with an 8.3% market share. Toyota is also the market leader in light commercial vehicles, supporting business mobility and logistics across the region.





Toyota Motor Manufacturing Czech Republic (TMMCZ) is a key pillar of the Czech automotive industry and a significant contributor to the national and regional economy. Through long term investment, high-quality employment, and deep integration into European supply chains, the Kolín plant generates value extending well beyond its factory operations.

Employment remains a core dimension of TMMCZ's economic impact. The plant maintains over 3000 stable, skilled jobs directly and supports many more indirectly through suppliers, logistics providers, and service companies - sustaining local business ecosystems, particularly small and medium sized enterprises within the automotive value chain. In 2025 approximately 65% of the parts for the models manufactured at TMMCZ came from Czech suppliers, and the expansion will certainly bring new orders for dozens of domestic companies.

Toyota actively supports supplier development and regional competitiveness. The company provides training for supplier employees in Toyota's fundamental techniques such as TPS, TBP and PDCA, and leads productivity improvement initiatives directly at suppliers' production and logistics operations. By sharing know-how and applying Toyota principles beyond its own walls, Toyota helps local companies improve quality, efficiency and long-term resilience - reinforcing the broader economic value of its presence in the Czech Republic.

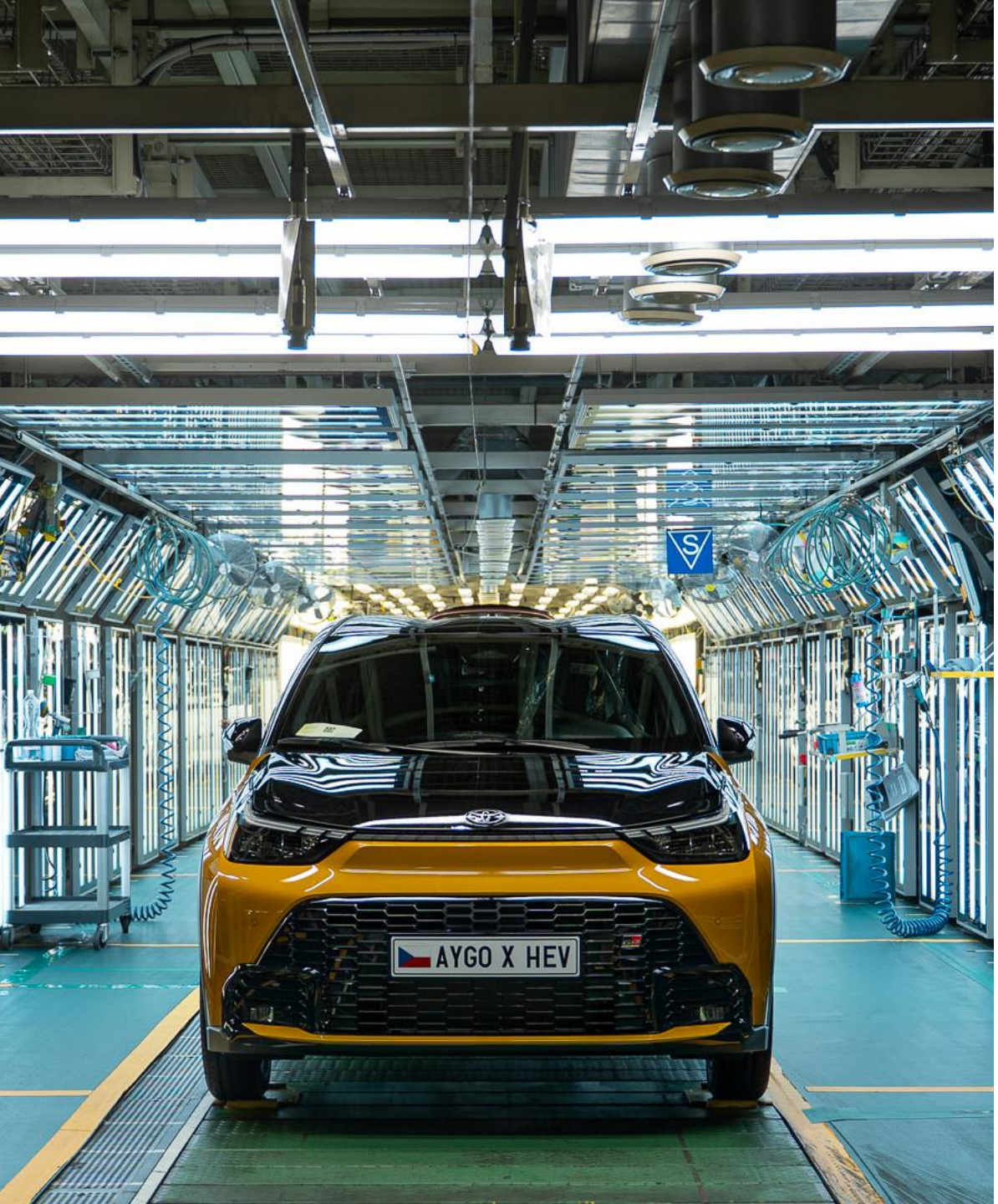
TMMCZ is also a significant contributor to public finances. Through corporate income tax, payroll taxes, social security contributions, and other statutory payments, the company provides consistent and substantial revenues to national, regional, and local budgets. These contributions support public services, infrastructure, and social systems, reinforcing the broader societal value created by industrial investment.

The plant's economic role is set to expand further through its contribution to Europe's transition toward electrified mobility. The construction of the new production line for battery electric vehicles will be secured through Toyota's new capital expenditures amounting to approximately €680 million (CZK 16.6bn), including an investment incentive from the Czech government of up to €64 million (CZK 1.566bn) for a dedicated battery assembly facility. This decision reaffirms Toyota's multi-pathway approach to zero-emission mobility, aiming to achieve carbon neutrality in Europe. Additionally, by localising key parts of the value chain, TMMCZ will support higher value-added production and the development of new industrial capabilities.

Toyota Logistics Services Czech s.r.o. (TLS) further supports the regional economy through partnerships with technical schools, practical training, and community engagement. TLS employees participate in local events, environmental initiatives, and charity activities, strengthening ties with the community and supporting workforce development in logistics and automotive sectors.

By hosting Toyota Motor Europe's first Mega Hub, Kolín has evolved into a strategic logistics and coordination centre, integrating manufacturing, distribution, and quality enhancement in one location. This transformation strengthens the resilience of Toyota's European operations while anchoring high value logistics capabilities in the Czech Republic and supporting long term, sustainable growth across Central Europe.





CONCLUSION

Toyota's presence in the Czech Republic is defined by a long-term commitment to mobility, innovation, and community partnership. Over three decades, Toyota has evolved from a new market entrant to a leading automotive brand, consistently adapting to changing customer needs, technological progress, and societal expectations.

Today, Toyota's activities in the Czech Republic encompass not only strong sales and manufacturing, but also a broad network of partners, advanced logistics, and a deep engagement in social, cultural, and environmental initiatives. The company's investments in electrification, digitalisation, and sustainable operations reflect a forward-looking strategy that supports both business growth and the country's transition toward low-emission mobility.

Toyota's impact extends beyond vehicles and factories. Through support for education, sport, culture, and local communities, Toyota contributes to the development of talent, social cohesion, and quality of life across the Czech Republic. The company's approach is rooted in responsibility, partnership, and a belief that mobility should empower people and benefit society as a whole.

As Toyota looks to the future, its integrated presence in the Czech Republic - spanning sales, manufacturing, logistics, and community engagement - positions the company as a trusted partner in shaping sustainable mobility and supporting the country's continued economic and social development.

