TOYOTA IN FRANCE

DISCLOSURE OF COUNTRY CONTRIBUTIONS

FRANCE

01 History of business expansion

1967
Toyota enters the French market

1971
Toyota France established

1998
Establishment of Toyota Motor Manufacturing France (TMMF) in Onnaing, Toyota's largest production site in Europe

2000
Creation of Toyota Europe Design Development (ED^2)

2001
Yaris production and logistics expansion

2024
5 million vehicles produced

02 Best-in-Town activities

ENVIRONMENTAL LEADERSHIP

CO_2 emissions at TMMF have been reduced by 72% between 2001 and 2025 through efficiency, green electricity and heat recovery systems.

PEOPLE & INCLUSION

Toyota's philosophy of Mobility for All is promoted on local level through activities such as the Toyota Wheel Park Legacy Tour, promoting inclusivity through urban sports for wheelchair users.

ECONOMIC IMPACT

In France, €2.2 million has been invested in initiatives such as vehicle donations, road safety education, employment support, healthcare, environmental campaigns, and local sports associations.

03 Economic contribution to country

€1.5bn
Cumulative investment in France

12,000+
Employees supported

400,000
Vehicles processed annually

300,000
Vehicles produced annually

€81m
Corporate income tax charge

TOYOTA

HISTORY OF BUSINESS EXPANSION

Toyota's presence in France dates back to **1967**, when the Group began exporting vehicles into the French market. From 1971, an official distributor was established (Toyota France), and the development of a distribution structure and dealer network started. A second and decisive phase started in the **late 1990s**, following the end of European import quotas on Japanese vehicles. This regulatory change enabled Toyota to establish a long-term industrial footprint in France.

Since then, Toyota has made France a strategic pillar of its European operations through significant investments across manufacturing, design, logistics, and commercial activities. These investments include:

- The establishment of **Toyota Motor Manufacturing France (TMMF)** in Onnaing – Valenciennes (1998), which has become **Toyota's largest production site in Europe**, and the largest automotive production site in France
- The creation of **Toyota Europe Design Development (ED²)** in Sophia Antipolis (2000), one of the four Toyota design centers worldwide.
- The development of **two major logistics hubs (2001),** supporting vehicles as well as spare parts and accessories distribution.
- The expansion of a nationwide **dealer network of over 300 Toyota and Lexus sales outlets.**

Total cumulative investment in France (excluding the dealer network) exceeds **€1.5 billion**, with approximately 12,000 employees (including the dealer network), underlining Toyota's long-term commitment to the French economy and industrial base.

ACTIVITIES AND OPERATIONS

Toyota operates in France through a fully integrated value chain, covering design, manufacturing, logistics, sales, mobility services, and financial services.

Design and Development

Toyota Europe Design Development (ED²) has been based in Sophia-Antipolis since 2000 and operates as part of Toyota's global design network:

- Provides European-driven design concepts for both Toyota and Lexus, in line with Toyota's Mobility for All approach and Environmental Challenge
- Contributes a strong European perspective to global vehicle development
- Maintains active engagement with local and international creative communities.

Manufacturing

Toyota Motor Manufacturing France (TMMF), established in 1998, and located in the heart of Europe, began production of the Toyota Yaris in January 2001. Over successive generations of the Yaris, the site has continuously expanded its capacity and technological capabilities investing over €1.5 billion to become the number 1 production site in France. TMMF was the first plant to introduce Hybrid technology on a B-Segment vehicle (2012) and produced its 5th million vehicle in November 2024.

- Employs approximately 4,800 people,
- Produces up to 300,000 vehicles per year, doubling its initial capacity
- Operates with a production rate of nearly 1,250 vehicles per day, with a 58-second production cycle
- Manufactures 100% hybrid vehicles, contributing to the electrification strategy, as part of Toyota's Environmental Challenge
- Maximises local sourcing, both for its components and indirect materials
- Actively interacts with the local community (sports clubs, universities, training, etc.)

The Yaris was the first vehicle awarded the "Origine France Garantie" label in 2012, confirming that more than 50% of its value is produced in France. Yaris Cross has followed since 2021 and became the most produced car in France since 2023.

Logistics

Toyota Logistics Services France (TLSFR) supports both French and European distribution activities and operates two logistics hubs:

- Onnaing: distribution of vehicles produced at TMMF to the European dealer network, including preparation and delivery of all Toyota and Lexus vehicles into the French territory.
    - Processes approximately **400,000 vehicles** per year
    - Operates with a vehicle storage capacity of **18,500 units**
    - Employs approximately 280 people
- Le Pouzin (10.000m² logistics center): spare parts and accessories distribution to French retailer network and TLSFR Onnaing:
    - Processing over 15,000 orders of service parts and accessories per day
    - With a headcount of approximately 50 people
    - Focus on short lead-time and reactivity to ensure repair and maintenance activities, allowing customers to keep access to their mobility at a maximum.

Sales, distribution and mobility services

Toyota's commercial and after-sales activities in France are managed through **Toyota France**, headquartered in **Vaucresson** (Paris region).

- Sales and marketing of Toyota and Lexus vehicles
- Mobility through **KINTO France** (Long term renting & car sharing services)
- Financial services through **Toyota Financial Services and Toyota Insurance**
- **In CY 2025, Toyota** ranked as the **6th best-selling brand in France**, with just over 126.000 vehicles sold
- **Lexus** sold **6.150 units** (CY25)
- The dealer network employs approximately **6,700 people** across **300 outlets**.

Employee engagement indicators demonstrate long-term workforce stability, with an **average tenure of 10.5 years** and high levels of employee pride and leadership readiness.

BEST IN TOWN

At Toyota, our ambition is clear: to be recognised as the 'Best in Town' wherever we operate - on top of our 100% dedication to Customer Satisfaction, to serve others and build a responsible, supportive presence in every community.

ENVIRONMENTAL LEADERSHIP

Toyota's strategy in France supports Toyota Motor Europe's ambition to achieve **carbon neutrality across the entire value chain by 2040**. This is not just a regulatory target, it's a promise to lead the environmental transformation our world needs.

Key commitments include:

- Carbon-neutral manufacturing operations by **2030**,
- Full compliance with **2035 European vehicle emissions regulations** through a multi-pathway electrification approach
- Development of circular economy initiatives to maximise recycled content.

At the TMMF site, CO2 emissions have been reduced by 72% from 2001 to 2025, driven by systematically reducing energy consumption itself, gradually shifting from gas to electricity, which is 100% green since 2019, and the implementation of heat recovery systems.

Toyota is further investing in 18 MWp of solar panels, targeting covering of over 20% of annual electricity consumption, taking the next step in reinforcing the site's environmental performance.

TLSFR Le Pouzin, invested 1.7M€ in roof insulation (2024), leading to a reduction of 34% of energy consumption, equivalent to 50 tons of CO2 annually.

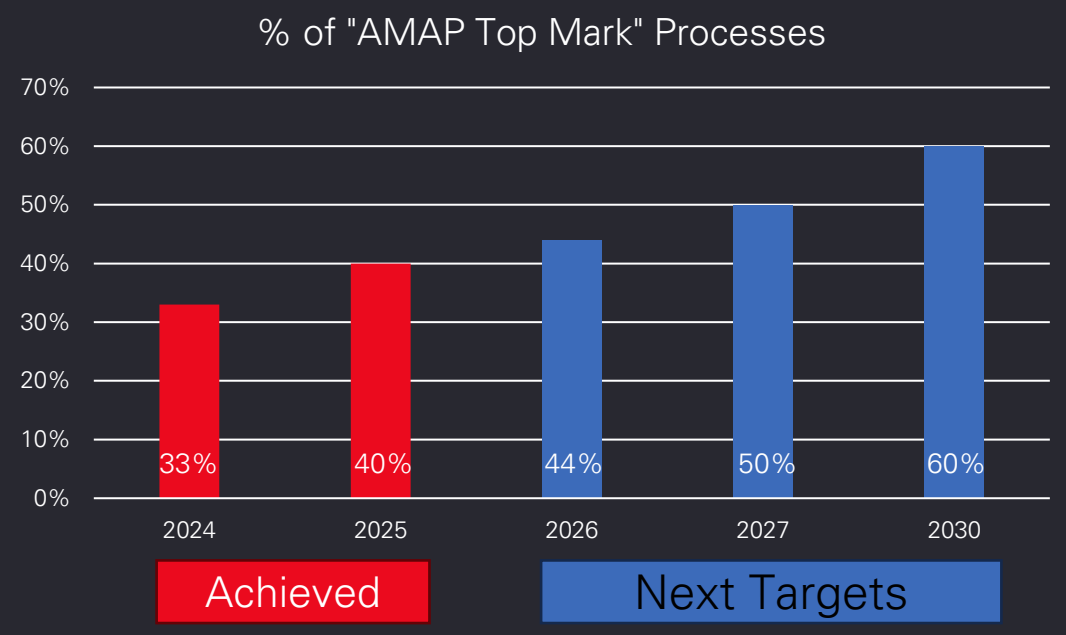
PEOPLE, INCLUSION AND COMMUNITY ENGAGEMENT

Toyota promotes a people-centered approach under its "Leave no one behind" vision.

In the workplace, Toyota is actively promoting diversity, equity and inclusion (DE&I). Differences and individuality are treated as a powerful asset that enriches the organisation and strengthens Toyota. This is reflected in the (DE&I) policies, internal networks and awareness events. Processes and workplaces are designed in such a way that makes them accessible to as many people as possible.

A key example is the application of AMAP (Any Member Any Process), which is applied throughout all manufacturing and logistics processes. This provides not only ergonomic benefits but opens opportunities for gender equality, as well as for members who would, under normal conditions, be treated as restricted.

In addition, TMMF is honouring its commitment to provide job offers to people with a "Contract de Professionnalisation" (oriented to people with difficulties to enter the job market). In 2025, 255 members have been recruited under this scheme (of which 33% female).



Toyota's philosophy of *Mobility for All* is being promoted by the different French entities on local level through activities such as

- The Toyota Wheel Park Legacy Tour, promoting inclusivity through urban sports for wheelchair users (TFR)
- Providing means of transportation for children and senior citizens (TMMF - TFR)

Finally, Toyota engages locally, contributing to develop and support in several domains (not limited to):

Education & Employment

- Donation of vehicles to local schools to allow development of technical skills (TMMF – TFR)
- Support to Fondation des Possibles: dedicated to job access and start-up support (TMMF)
- Teenager education and sensibilisation on Road Safety (ED²)
- Ateliers de l'Ostrevent: employ disabled people (TMMF)

Health & Human Services

- Blood donation (TMMF)
- Fondation des Garches: research and support of disabled persons (TFR – FY25)
- Premiers de Cordée organising sports for hospitalised and disabled children (TFR)

Civic & Community

- Toyota Valenciennes Foundation: support of local NGO's focussing on environment, road safety and job access (TMMF)
- Participation in environmental campaigns (Global Clean-Up Day (TMMF) and local Trash Walks (TLSFR)
- Financially support local sports associations (TMMF)
- Take up mandates in local and regional Associations (oriented towards education, employment and economic development) (TMMF²)

Arts & Culture

- Opéra de Paris: Contribute to preserving and highlighting French heritage (TFR – continues until FY26).

ECONOMIC CONTRIBUTION TO FRANCE

Toyota's economic contribution in France extends beyond employment and investment to include substantial tax payments and compliance with all applicable national and EU regulations.

The company is committed to building a long-term, fair, and sustainable working environment, delivering reliable products and technologies in full compliance with local regulations, while fostering inclusive growth and organisational development. The number one objective is to secure sustainable employment, both in terms of job security and welfare at work.

In France, the Group reports a corporate income tax charge (tax accrued) of €81 million, resulting in an effective tax rate (ETR) of approximately 36%,compared to the French statutory corporate income tax rate of 25%.

The higher effective tax rate is largely driven by the application of the exceptional surtax ("majoration exceptionnelle") applicable to large companies in France as well as non-deductible items. Overall, the Group's tax position in France remains aligned with local tax legislation, with the higher effective tax rate mainly attributable to this exceptional measure rather than to recurring operational or structural differences.

CONCLUSION

Toyota's operations in France represent a **fully integrated, long-standing, and strategically important presence** within the Toyota's European footprint. Through manufacturing excellence, innovation, environmental leadership, and responsible economic and social contributions, Toyota continues to be a major industrial and social stakeholder in France.

Note: All numbers and data refer to 2025, unless otherwise mentioned.