CEO Akio Toyoda 1 Toyota-Cho, Toyota City Aichi 471-8571 Japan

November 4, 2022

Dear CEO Akio Toyoda,

As consumer and environmental groups representing millions of members and supporters, we write to express deep concern and disappointment over your recent comments on electric vehicles (EVs) in Las Vegas, Nevada. You stated that it will be "difficult" to comply with rules phasing out the sale of internal combustion engines by 2035, said that Toyota will not change its strategy on EVs, and claimed to be following consumer demand. These remarks are divorced from reality and are unacceptable. They also follow a disturbing pattern of conduct. Your company has been exceedingly slow to produce EVs and has lobbied to delay their adoption so rigorously that you have been ranked the third most obstructive organization in the world on climate policy, behind only the notorious climate-denying oil giants Chevron and ExxonMobil.

One recent media <u>report</u> suggests that your company may be changing its EV strategy. If true, this is a welcome and necessary development. However, given that this contradicts statements you made in your capacity as the CEO of Toyota just weeks earlier, we will assume that Toyota's strategy remains unchanged until you make an official announcement to the contrary.

No automaker has been able to keep up with the surging consumer demand for battery electric vehicles, but Toyota has not even attempted to meet it. Over <u>one third</u> of Americans already plan to buy or lease an EV or are seriously considering doing so, and polls show that <u>fifty-five percent of U.S. voters</u> support requiring manufacturers to sell only electric vehicles by 2030. You have only offered one EV model for sale, beginning in 2022, a full decade after Tesla demonstrated that there is a strong market for electric vehicles.

Your competitors have made much more progress and plan to go fully electric at a much quicker pace: General Motors, Volvo, Mercedes-Benz, and Ford have <u>committed</u> to work towards 100% zero-emission new car and van sales in leading markets by 2035. New Audi models will all be fully electric starting in 2026 and it will <u>end internal combustion engine vehicle sales</u> in 2035. Even your subsidiary Lexus has said it will produce <u>only battery electric vehicles</u> by 2035.

Your refusal to lead a rapid transition to electric vehicles and your advocacy against ZEV policies not only contradicts what consumers want, but also harms them. In addition to causing climate change, air pollution from burning fossil fuels is responsible for one in five deaths globally. The positive impact from Toyota producing hybrids, including plug-in hybrid electric vehicles (PHEVs), does not outweigh the harm from your opposition to EVs, your decade of cheating on emissions

<u>testing</u>, or the <u>poor fuel efficiency of your fleet overall</u>. Additionally, your executives have <u>overstated</u> the benefits of PHEVs: recent research shows that their real-world fuel consumption and carbon emissions are on average <u>three to five times higher than expected</u>.

EVs are the future: with no tailpipe emissions, they're better for our health and essential to keeping our planet livable. Increasingly, zero-emission vehicles are also required by law. Toyota can and must shift swiftly to EVs or risk obsolescence. Toyota Motor Corporation must:

- 1. phase out internal combustion engine vehicles (including hybrids and plug-in hybrids) in the U.S. and Europe by 2030 and globally by 2035;
- 2. align advocacy and lobbying with the goal of phasing out internal combustion engines, and be a voice for 100% renewable energy economy-wide;
- 3. require 100% renewable energy use throughout your supply chains globally by 2035;
- align with SteelZero Commitment to source 100% net zero steel by 2050, with an interim commitment of using 50% responsibly produced steel by 2030, without relying on carbon offsets; and
- 5. require that the minerals in your electric vehicle batteries are sourced responsibly, and develop battery design that allows for easy reuse and recycling of minerals.

These measures will do more than just meet your ethical responsibilities. They will position Toyota as an industry leader for decades to come.

We request a meeting to discuss these issues and look forward to your response by November 30, 2022.

Sincerely,

Public Citizen

350 Sacramento
Austrian Sustainable Mobility
Better New Zealand Trust
Center for Community Action and
Environmental Justice
Coltura
Elders Climate Action
Environmental Working Group
EVDrivers, A.C.

Interfaith Power and Light Let's Green CA! Mighty Earth Project Green Home SanDiego350 Stand.earth SumOfUs The Sunrise Project