

The background features a repeating pattern of white hands clasped together, each enclosed within a white heart shape, set against a dark grey background. This pattern is visible along the top and left edges of the slide.

# **CLC Masterclass Toyota New Zealand SBT Case Study**

**April 2023**

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**TOYOTA**

# Committing to SBTs

## Getting exec across the line

- TNZ have 35 years market leadership in selling vehicles.
- The carrot had more engagement.



<p><b>It's the right thing to do</b> (TW: Act for others)</p>	<p><b>Regulation</b> changes: Paris agreement <b>to limit warming to 1.5 degrees</b></p>
<p><b>Brand gain</b> ↑ <b>Profitability</b> (TW: Work with integrity)</p>	<p><b>Brand risk</b> ↓ <b>Profitability</b> as customers consider sustainability</p>
<p><b>We moved TNZ forward</b> (TW: Continue the quest for improvement)</p>	<p><b>We held TNZ back</b></p>



NZ is part of UN and depends on clean green image for export and tourism

- **Regulation – not if... when.**

Customers are increasingly considering sustainability when making purchases.

- **We need to be sustainable and we need to be above reproach.**

The world will move with or without the company, the company will move with or without you.

- Will this be **a feather in your cap** or a **mark against your reputation?**

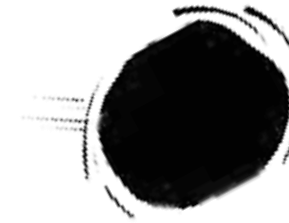
# Committing to SBTs

TNZ has committed to emissions reduction **alignment** with Science Based Targets

- Limiting warming to 1.5 degrees (Scope 1&2, and 3).
- Measured in absolute instead of relative reductions.
- 50% of our suppliers (by emission) to align with SBTs by 2025.

Picking soft targets/pathways leaves TNZ open to criticism, and rightly so.

Will TNZ reduce its emissions?	The consequences are too great if we don't.
What program will we use to scaffold our reduction?	SBTs and Toitu audits are the gold standard.
What pathway will we commit to?	If we're going to do it, do it properly, 1.5 degrees.
What will our measurement method be?	Absolute reduction required for long-term.



Regulations



Competitors



Customers

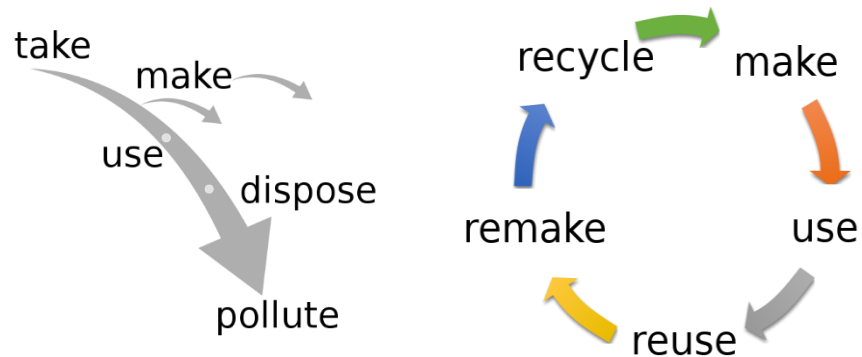
Customers are already more engaged with sustainable business practices.

Transitioning to a sustainable business model will be easier if we're moving ahead of regulation.

# New business models by 2050

Companies are successful when their products benefit their customers.

### Why do people buy your product/service?

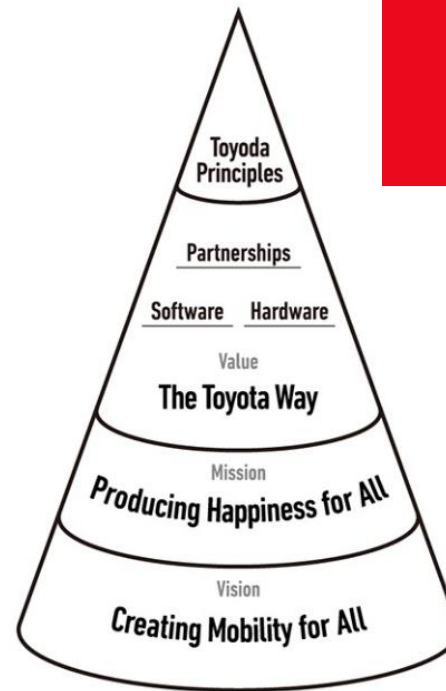


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**An unsustainable business won't be in business for long**

Our products provide Mobility for our customers

**Toyota is a Mobility company**



**Let's Go Places**

3 Brand Pillars

Mobility  
Sustainability  
Community