



# Sustainability Report **2025**

Indus Motor Company Ltd.



OF KEEPING THE  
PROMISE OF TOMORROW





## Creating Mobility That Serves People, Planet, and Progress

For Toyota, mobility has never been only about vehicles. It is about enabling opportunity, strengthening communities, and contributing to a more resilient planet. As Indus Motor Company marks thirty-five years of partnership and progress, FY2024–25 reflects a deepening commitment to Toyota’s global vision of Creating Mobility for All, guided by concerns that extend well beyond the road.

Operating at the heart of Pakistan’s automotive industry, IMC continues to support national development through localized manufacturing, technology transfer, and the creation of skilled employment. These efforts reflect Toyota’s belief that sustainable mobility must be built on strong industrial ecosystems, human capability, and responsible growth.

During the year, IMC accelerated actions aligned with Toyota Motor Corporation’s Environmental Challenge 2050, strengthening decarbonization initiatives and improving resource efficiency across operations and the value chain. A major milestone was the expansion of renewable energy adoption, including the continued operation of Pakistan’s largest rooftop solar installation at 6.6MW at the manufacturing plant, alongside the increasing transition of dealerships to solar power. These initiatives support emissions reduction, energy resilience, and long-term operational sustainability.

Hybrid electric vehicle technology remains a cornerstone of Toyota’s global multi-pathway approach toward carbon neutrality. Through continued investment in hybrid mobility, IMC is supporting Pakistan’s climate ambitions while enabling customers to reduce emissions without compromising accessibility or reliability. In alignment with Toyota’s global Net Zero ambition, IMC remains committed to achieving net zero emissions by 2050.

Toyota’s responsibility extends beyond manufacturing. Inspired by the Grow Green, Give Back philosophy, IMC’s community initiatives continued to address pressing social challenges, including hunger relief, healthcare access, education, youth development, and environmental conservation. These programs reflect a shared belief that mobility and progress are meaningful only when communities thrive.

Amid global uncertainty and local economic pressures, IMC remained focused on innovation, operational excellence, and responsible value creation. Aligned with the UN Sustainable Development Goals, Toyota’s global sustainability framework, and Environmental Challenge 2050, the company continues to evolve as a responsible corporate citizen committed to people development, environmental stewardship, and long-term resilience.

This ninth Annual Sustainability Report captures IMC’s contribution to Toyota’s broader mission—advancing ESG practices, enabling cleaner technologies, and strengthening stewardship of shared resources. As we move into FY2026, IMC reaffirms its commitment to shaping a sustainable, inclusive, and carbon-neutral future—because Toyota’s concerns, and responsibilities, go far beyond cars.

What the  
Future  
Entrusted us with



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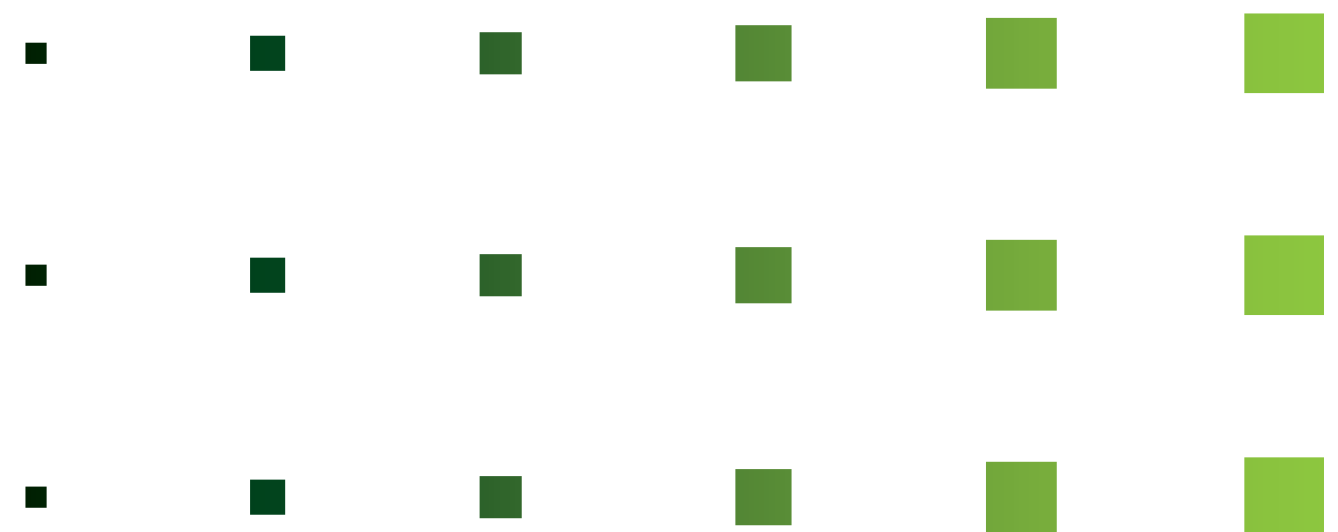
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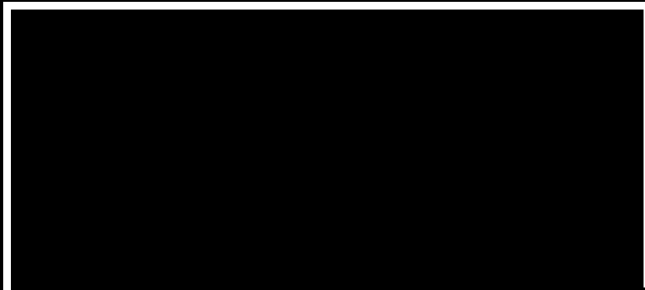


CSR  
*Spend*  
Since 2018

PKR 1 Billion +  
1% of Pre-Tax Profit







# About the Report

This 2025 Sustainability Report outlines our approach to sustainability management, highlights our social innovation initiatives and presents our performance for the fiscal year 2024-2025. It reflects our ongoing commitment to responsible business practices and continuous improvement. The report was published on 29 December 2025.

## Reporting Frameworks and Standards

The report aligns with Global Reporting Initiative (GRI) Standards and the United Nations Global Compact (UNGC) Ten Principles. It also maps our disclosures to the United Nations Sustainable Development Goals, providing a clear picture of our performance and contribution to national and global priorities. To meet evolving regulatory expectations, we have further strengthened our reporting approach by incorporating the ESG guidelines issued by SECP and PSX.

## Scope and Boundary

The report provides a comprehensive overview of our sustainability performance from July 1, 2024, to June 30, 2025 and excludes information on subsidiaries, associated companies, or joint ventures.

## Report Content and Methodology

Our reporting is guided by insights from stakeholder engagement and an evaluation of our economic, environmental and social impacts. The information and data presented in this report are sourced from existing management systems.

Quantitative figures are derived from actual scientific measurements wherever available, while estimates are applied in areas where direct measurement is not undertaken. Data collection and measurement methodologies have been applied consistently over time. Any corrections, revisions, or restatements made to rectify previously reported information are disclosed in the relevant sections. There were no changes to the reporting period, scope, or the list of material topics.

The report has not undergone external assurance. However, it has been reviewed by IMC's Safety, Health & Environment (SHE) Steering Committee to ensure accuracy and alignment with our sustainability objectives. We intend to pursue external review or assurance in future reporting cycles.

## Contact Information

For any questions or feedback on the report, please contact the sustainability team at:

[feedback.sustainability@toyota-indus.com](mailto:feedback.sustainability@toyota-indus.com)







## Key Performance

Highlights  
2025



### Impact on People

#### CSR Impact



**201,565** Lives

2024: 160,453 Lives

#### Community Welfare



**PKR 231 Mn**

2024: PKR 168 Mn

#### Training Man Hours



**60,642** Hrs

2024: 67,298 Hrs



### Impact on Profit and Value

#### Vehicle Manufactured



**33,251** Units

2024: 19,599 Units

#### Net Profit After Tax



**PKR 23.1 Bn**

2024: PKR 15.1 Bn

#### Vehicles Sold



**33,757** Units

2024: 21,063 units

#### Net Sales



**PKR 215.1 Bn**

2024: PKR 152.5 Bn



### Impact on Planet

#### Tree Plantation



**920,000** Trees

2024: 870,000 Trees

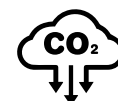
#### Mangroves



**6,000** Saplings

2024: NA

#### GHG Emissions (Scope I & II)



**12,080** MT

2024: 10,062 Metric Tons

#### Energy Consumption



**259,726** GJ

2024: 218,557 GJ

#### Water Consumption



**164** ML/year

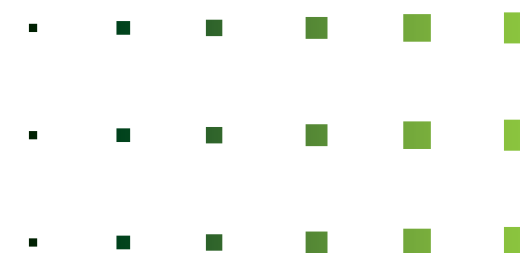
2024: 129 ML/year

#### Green Dealership Network



**46** Dealerships

2024: 33 Dealerships





# Sustainability Targets 2030



## Tree Plantation

Plant **one million** trees and **50,000** mangrove saplings to support biodiversity and carbon sequestration.



## Carbon Emissions

Achieve **75%** reduction in Scope 1 & 2 emissions from FY19 baseline; progress toward carbon neutrality.



## Renewable Energy

Source **50%** of electricity from renewable sources across all operations.



## Energy Efficiency

Improve energy efficiency by **30%** in manufacturing processes.



## Water Management

Reduce the water consumption by **30%** and utilize **100%** of treated water.



## Waste Management

Attain **zero waste** to landfill status; increase recycling and reuse of production materials.



## Product Sustainability

Expand portfolio of hybrid vehicles; target **10%** hybrid vehicle sales share in IMC total vehicle sales.



## Community & Social Impact

Invest in education, health and skill development programs and benefiting **one million** people in 5 years.



## Supply Chain

Achieve a **30%** reduction in carbon emissions from Tier-1 suppliers.



## Safety, Health and Environment

Maintain **zero fatality rate** and continuous improvement in workplace safety metrics.



## Employee Volunteerism

Achieve **10%** employee participation in volunteer programs annually; contribute **15,000** volunteer hours in 5 years.



## Training

Provide **35** hours of training per employee per year.



## Gender Diversity

Increase female representation to **20%** across all management positions.



## Road Safety

Conduct **100** road safety awareness sessions nationwide, reaching an average of **100,000** participants.



## Downstream Carbon Emission Reduction

Reduction of downstream carbon emission of carrier fleet by **34%** from FY19 baseline



## Carbon Neutral Dealership Network

Convert **90%** of the dealership network's energy consumption to solar energy.

# Company Overview





# COMPANY

## Profile



IMC has played  
a major role in  
the development  
of the local auto  
industry

# INDUS MOTOR COMPANY LIMITED

Indus Motor Company Limited (IMC) was incorporated in 1989 as a joint venture among certain House of Habib companies in Pakistan and Toyota Motor Corporation (TMC) and Toyota Tsusho Corporation (TTC) in Japan. Since its inception, IMC has been at the forefront of Pakistan's automobile industry, manufacturing and marketing Toyota vehicles nationwide.

Our product lineup includes multiple variants of the iconic Toyota Corolla and Yaris in the passenger car segment, Hilux (Toyota Revo) in the light commercial vehicle segment, Fortuner in the SUV segment and the Corolla Cross in the hybrid electric vehicle segment.

IMC's state-of-the-art manufacturing facility is located on a 109.5-acre site at Port Qasim, Karachi. Vehicles are delivered to customers nationwide through a robust network of 58 independent authorised dealerships, ensuring convenience and after-sales support across Pakistan.

Over the past 35 years, IMC has sold more than 1.2 million vehicles, demonstrating consistent growth and innovation. From its modest beginnings of producing 20 vehicles per day in 1993, the company's daily production capacity has expanded to 288 units per day (with overtime) on a double-shift basis. This achievement reflects IMC's strong commitment to developing human talent and embracing the Toyota Way of quality and lean manufacturing.

The company has made substantial investments in capacity enhancement and product development to meet evolving customer needs. The Toyota Corolla continues to dominate the 'C-segment' sedan category, while other models enjoy strong

success in their respective markets. In FY 2023-24, IMC proudly launched the Toyota Corolla Cross Hybrid Electric Vehicle (HEV), the first locally manufactured hybrid vehicle in Pakistan with the highest ever localised content.

In addition to serving the domestic market, IMC has this year expanded its international footprint by exporting vehicles to Oceanic countries. Models such as the Corolla Cross, Fortuner and Hilux are exported to oceanic countries, showcasing Pakistan's automotive manufacturing capability on the global stage.

IMC employs 3,017 people and places strong emphasis on training, leadership development and cultivating a culture of high performance, empowerment and teamwork. Guided by the company's core values, employees uphold high standards of business ethics and safety, communicate openly and foster mutual respect. According to Toyota Motor Corporation's bi-annual morale survey, IMC employees consistently rate the company highly for work environment and job satisfaction.

Beyond its own growth, IMC has been instrumental in developing Pakistan's automotive value chain. By nurturing localisation and technology transfer to 53 local vendors, the company has created thousands of jobs and contributed significantly to poverty alleviation at the grassroots level. IMC is also one of Pakistan's leading taxpayers and a key contributor to the national exchequer.



To be the most respected and successful enterprise, delighting customers with a wide range of products and solutions in the automobile industry with the best people and the best technology.

# VISION

# MISSION

IMC's mission is reflected in the company's slogan: Action, Commitment & Teamwork to become # 1 in Pakistan.





# Action Commitment

*Teamwork*



# ACT #1

Respect &  
corporate image

Customer  
satisfaction

Production  
& sales

Quality &  
safety

Best  
employer

Profitability



# CORE *Values*

- Being seen as the best employer
- World class production quality
- Achieving the ultimate goal of complete customer satisfaction
- Fostering the spirit of teamwork
- Inculcating ethical and honest practices



# 35 YEARS of Unstoppable Momentum

From the launch of our very first Corolla in Pakistan to the introduction of the nation's first locally manufactured Hybrid Electric Vehicle—The Toyota Corolla Cross, Indus Motor Company's 35 year journey has been one of continuous evolution. This journey not only celebrates our milestones but also reflects the momentum driving us into the future. Over the years, we have continued to drive employment creation, developed a skilled workforce, contributed significantly to the national exchequer, advanced localisation, and facilitated technology transfer, strengthening both the industry and the country.

## LAYING THE CORNERSTONES

**1990** Ground Breaking Ceremony



**1991** Dealers Signing Ceremony

**1993** Mr. Tatsuro Toyoda inaugurates the plant



Mr. Ali S. Habib Places Toyota emblem on **1<sup>st</sup>** Corolla produced in Pakistan



**1<sup>st</sup>** Corolla driven by Mr. Ali S. Habib

**1995** Corolla Export Ceremony





## BUILDING FOUNDATION



**1997**  
25,000<sup>th</sup>  
Vehicle Produced

**1998**

Daihatsu Cuore  
Foundation Stone  
Laying Ceremony



**1999**  
Hilux Single Cabin  
Manufactured

**2000**

Launch of  
*Daihatsu Cuore*



## SHAPING NEW JOURNEYS



**2001**  
Local Vendors  
Convention

**2002**

Launch of the 9<sup>th</sup>  
generation Corolla  
with localised parts



**2003**  
10,000<sup>th</sup>  
Daihatsu Cuore  
Manufactured



## ADVANCING GROWTH



# 2006

Visit of Mr. Akio Toyoda,  
Executive Vice President, Toyota  
Motor Corporation, Japan

# 2007



Hilux Manufactured  
in Pakistan



50,000<sup>th</sup> Vehicle Sale



Inauguration of Pakistan's  
Largest Sheet Metal Press Shop



Launch of the 10<sup>th</sup> Generation  
Corolla Manufactured in Pakistan

# 2008

# 2009

20 years Celebration



# 2010

Pakistan's First Locally  
Assembled Hilux Launch

## ELEVATING IMPACT



# 2012

500,000<sup>th</sup>  
Vehicle Manufactured



# 2015

25 years  
Celebration



# INNOVATING WITH PURPOSE

**2017**  
750,000<sup>th</sup> Vehicle  
Manufactured



**2018**  
New Paint Shop  
*Inauguration*

**2019** 30 Years  
Celebration



President TMAP Visit



Start-Your-Impossible Initiative

**2020** Launch of Pakistan's  
First Locally  
Manufactured Yaris



# ENGINEERING THE FUTURE

**2022**  
*Celebrated*  
1,000,000<sup>th</sup> Vehicle Manufactured



**2023**  
First MAKE IN PAKISTAN Corolla  
Cross HEV Manufactured



Export of raw material to Toyota Egypt

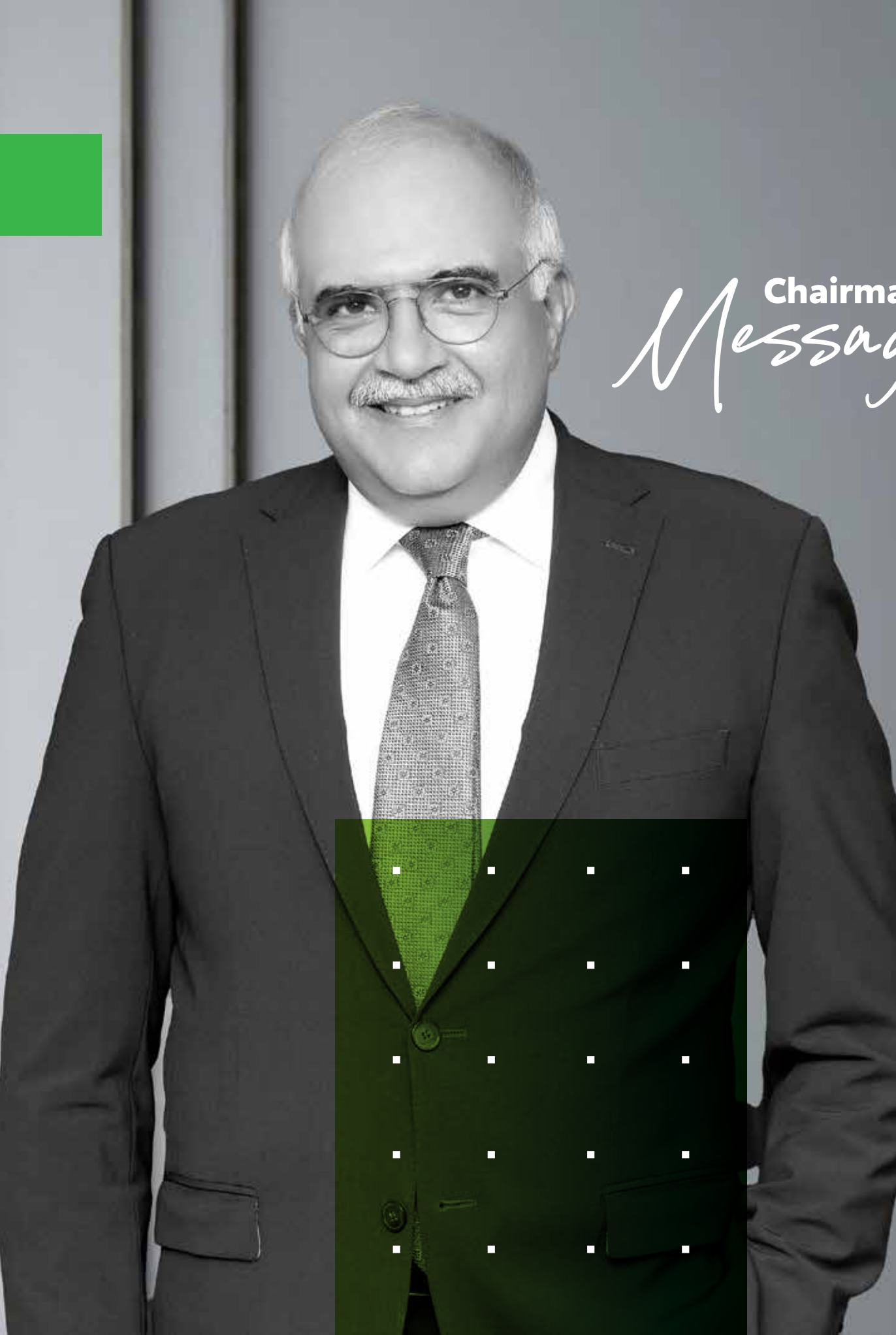


**2024** Export of Fortuner,  
Hilux and Corolla  
Cross to Oceanic  
Countries



**2025** Top  
Leadership  
visit to Aichi,  
Japan





## Chairman's *Message*

Dear Stakeholders,

As Indus Motor Company presents its 2025 Sustainability Report, FY 2024–25 marks a milestone—celebrating 35 years of Toyota’s partnership with Pakistan. This anniversary reinforces our enduring commitment to responsible growth, environmental stewardship, and sustainable mobility, while creating long-term value for shareholders and the communities we serve.

Sustainability remains central to IMC’s strategy and operations. Aligned with Toyota’s Environmental Challenge 2050, we aim to eliminate carbon emissions across the full vehicle lifecycle—from manufacturing and logistics to vehicle use and end-of-life. Translating this global vision to Pakistan’s context, we have developed our Environmental Action Plan 2030, with clear priorities, interim targets, and performance indicators to reduce carbon intensity, expand renewable energy, enhance resource efficiency, and scale lower-emission mobility solutions.

Pakistan faces significant climate and energy challenges. Our initiatives—from hybrid vehicle localization and solar energy deployment to nature-based interventions—are designed to deliver measurable impact today while laying the foundation for a resilient, low-carbon future.

Management drives our sustainability efforts with diligence and accountability, actively overseeing climate-related risks, environmental performance, and the execution of our sustainability strategy. These considerations are embedded into operational decision-making, risk management, and capital allocation. We approach climate change as both a challenge and an opportunity—to innovate, improve efficiency, and advance sustainable mobility—guided by transparent monitoring and robust reporting practices.

Looking ahead, IMC will continue to pursue decarbonization and sustainable growth with discipline, collaboration, and purpose. By leveraging the strength of our people, partnerships, and technology, we remain committed to building a legacy of responsibility, progress, and shared value for future generations.

**Mohamedali R. Habib**  
Chairman  
Indus Motor Company Limited



As Indus Motor Company (IMC) marks 35 years of excellence in Pakistan, I am pleased to present the 2025 Sustainability Report, reflecting our commitment to innovation, resilience, and responsible growth. Over the decades, we have focused on delivering value to our customers, stakeholders, communities, and the environment, with renewed urgency as Pakistan faces critical climate challenges.

Our operational performance this year demonstrates both resilience and agility. Despite economic uncertainties and supply chain challenges, we achieved a 52% growth in net profit after tax, reaching PKR 23 billion. This milestone reflects the dedication of our teams in upholding core values of quality, safety, and customer satisfaction, while adapting to a rapidly evolving automotive landscape.

Sustainability remains central to our strategy. The Toyota Corolla Cross, Pakistan's first locally manufactured hybrid electric vehicle, marking a significant step toward carbon neutrality. Operationally, we achieved a 29% reduction in greenhouse gas emissions per vehicle and a 24.56% reduction in water withdrawal per vehicle. Energy efficiency initiatives, including our 6.6 MW rooftop solar installation at our plant and the Solar Support Program across dealerships, have already reduced electricity-related emissions by 38% since 2019, with plans for 80% of our dealerships to operate on fully solar energy by December 2025.

Our environmental stewardship extends to biodiversity and community engagement. IMC has planted over 920,000 trees nationwide, including 6,000 mangroves along Karachi's coastline, with a goal of one million trees by June 2026. These efforts demonstrate our alignment with Toyota's Environmental Challenge 2050.

Social responsibility remains equally important. In financial year 2025, we invested PKR 231 million in community development initiatives which is 38% increase from last financial year, focusing on education, skills development, healthcare, road safety, and environmental projects. Our employees contributed 2,000 hours to community programs, reinforcing our commitment to shared-value creation and socio-economic uplift.

As we look forward, IMC is determined to embed sustainability deeper into our business model, innovate to meet evolving customer expectations, and drive the adoption of eco-friendly mobility solutions. Guided by the Toyota Environmental Challenge 2050 and the UN Global Compact principles, we aim to advance a sustainable mobility ecosystem that delivers tangible environmental benefits today while preparing Pakistan for a greener tomorrow.

Celebrating 35 years of progress, we reaffirm our dedication to creating a cleaner, more resilient, and inclusive future through responsible business practices, innovation, and practical climate action.

**Ali Asghar Jamali**  
Chief Executive Officer  
Indus Motor Company Limited

## Chief Executive Officer's Message







Built on trust,  
proven over  
decades,

**1.2** MILLION+

Toyota vehicles have been purchased  
by customers.

**786,000+**

**COROLLAS**

have been driven over the past.

**35** YEARS

Our vast dealership network ensures easy  
access to purchases, expert service, and  
genuine parts.

Famous for low maintenance costs and best  
resale value, Toyota vehicles make a smart  
investment for customers.



# Product Lineup



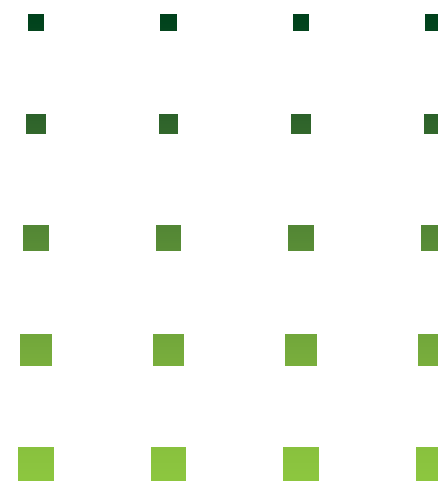
**Guided by Toyota's Global Vision to enrich lives through responsible mobility, we are dedicated to providing safe, reliable and environmentally friendly products that support the move toward a low-carbon economy.**

IMC continues to harness advanced technology to drive efficiency and innovation across its operations. Significant investments have enabled us to surpass customer expectations and diversify our portfolio of reliable vehicles. The Toyota Corolla remains the benchmark in the C-segment sedan category. At the same time, the Yaris has risen as the second leading model in the B-segment sedan category, affirming IMC's strong market position.

Recognizing the importance of eco-friendly mobility, IMC introduced the locally assembled Corolla Cross in 2024, marking Toyota's debut in Pakistan's hybrid electric vehicle segment.

Developed with the highest level of localization, backed by a \$100 million investment, this crossover SUV blends Toyota's renowned reliability with cutting-edge hybrid technology to deliver enhanced fuel efficiency and reduced emissions. This initiative reflects our commitment to meeting customer expectations while contributing to a low-carbon future.


Beyond catering to domestic vehicle requirements, IMC offers a range of imported models, complemented by warranties and extensive after-sales support delivered through its wide-reaching dealer network.



## CKD *Range*

 **Yaris**

 **Corolla**

 **Cross** HEV

 **Revo**

 **Fortuner**

## CBU *Range*

 **Hiace Commuter**

 **Hiace Deluxe**

 **Land Cruiser 300**

 **Land Cruiser Prado**

 **Coaster**

 **Camry**

## TOYOTA *Dealerships*

 **Dealerships 58**



# AUTOMOTIVE MARKET AND THE TOYOTA *Brand*



## Material Topic:

### Marketing and labelling

#### Brand Leadership and Customer Trust

For over thirty five years, IMC has maintained its leadership position in Pakistan's automotive industry, a feat that demonstrates its substantial brand value, steady strategic focus and unwavering dedication to excellence. Despite the challenges of a changing economic environment, IMC continues to enhance its reputation for producing safe, reliable and high-quality vehicles that meet customers' evolving needs.

## Relevant SDGs



IMC's marketing practices continue to align fully with Toyota's global values and ethical standards and it strictly adheres to applicable laws and voluntary industry guidelines. We prioritize transparency, accuracy and consistency in our communication, ensuring customers and stakeholders receive honest, reliable information about our products and services. All marketing materials undergo a structured internal review process to uphold these standards.

Customer satisfaction remains central to our operations. Beyond vehicle ownership, we aim to provide peace of mind and a superior driving experience, core aspects of the Toyota brand. By operating locally, creating jobs, developing skills and supporting the national economy, IMC has become a key player in Pakistan's industrial and technological progress.

Our ongoing focus on education, especially in engineering and technical fields, along with community development initiatives, reflects our broader responsibility towards society. To stay competitive, IMC regularly assesses brand perception and customer sentiment through detailed surveys across the entire value chain. Insights from these assessments help us refine our strategies to improve customer experiences and strengthen IMC's reputation as one of Pakistan's most trusted and respected automotive brands. Refer to page 95 for customer survey results.

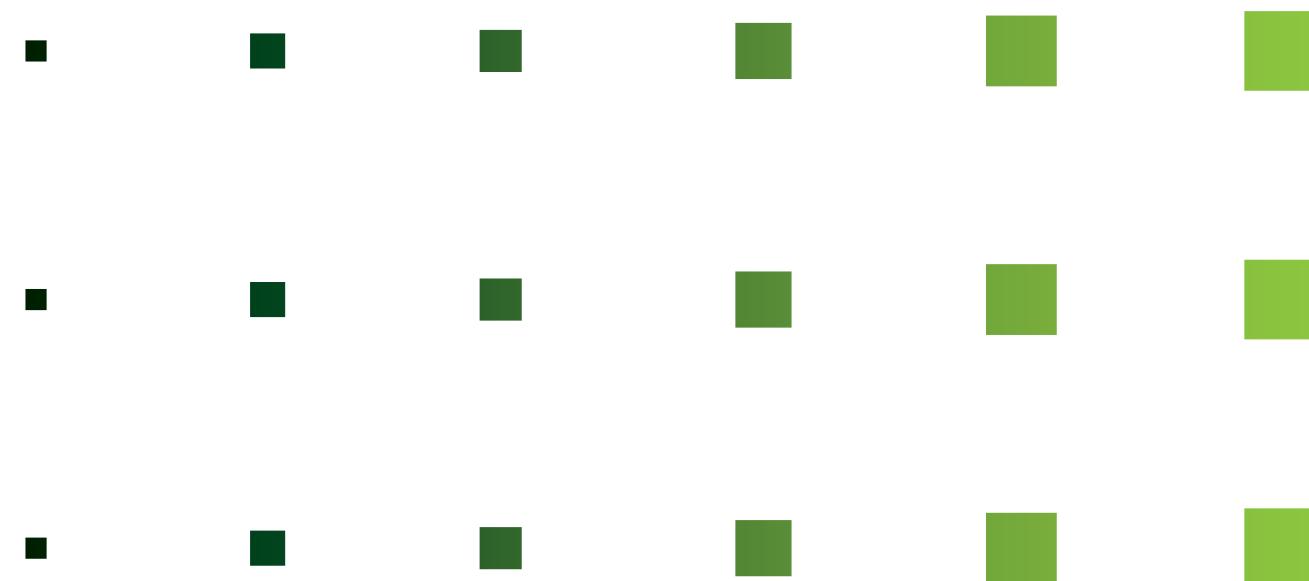
## Safety Leads the Way at Toyota

At IMC, safety remains the foundation of our operations and customer commitments. We are deeply committed to protecting the well-being of our customers, employees and the environment by providing transparent communication about product features, proper use, environmental impacts and responsible disposal methods.

Our Owner's Manuals offer detailed guidance on driver and passenger safety, vehicle functions, maintenance and technical specifications to help customers operate their vehicles confidently and carefully. We also include comprehensive information on the origin, safe use and proper disposal of Toyota Genuine Parts and Toyota Genuine Motor Oil, the latter formulated strictly in accordance with Toyota Motor Corporation (TMC) standards. It is certified by leading global authorities like the American Petroleum Institute (API) and the Society of Automotive Engineers (SAE) International.

Our nationwide dealership network actively organizes safety awareness campaigns to educate customers about vehicle safety features and responsible driving practices. IMC maintains full compliance with all relevant laws and voluntary codes related to marketing, product information and customer communication. To reinforce this commitment, regular internal assessments are conducted to ensure adherence to these standards.

During the reporting period, no incidents of non-compliance were recorded regarding product and service information, marketing communication, or customer data privacy, emphasizing our dedication to maintaining customer trust and safety as Toyota's top priority.





# Value Creation Business Model

## Financial Capital

|  |  |  |
|--|--|--|
| Shareholder equity and retained earnings                 | <ul style="list-style-type: none"> <li>33,757 units sold</li> </ul>                                  | Sustained profitability and strong cash flows                                  |
| Revenue from vehicle sales, parts and service operations | <ul style="list-style-type: none"> <li>PKR 215.1 billion revenue generated</li> </ul>                | Increased market confidence and long-term value creation                       |
| Access to credit lines and banking facilities            | <ul style="list-style-type: none"> <li>PKR 292.7 earnings per share</li> </ul>                       | Improved manufacturing competitiveness through localization                    |
| PKR 185 billion total assets                             | <ul style="list-style-type: none"> <li>PKR 111 billion contribution to national exchequer</li> </ul> | Strengthened supply chain ecosystem supporting national industrial development |
| PKR 108 billion liabilities                              | <ul style="list-style-type: none"> <li>PKR 165 billion paid to supply chain partners</li> </ul>      |  |

## Human Capital

|  |   |  |
|--|---|--|
| Skilled and diverse workforce (3,017) across manufacturing, engineering, sales and corporate functions | <ul style="list-style-type: none"> <li>29.03 Training hours per employee</li> </ul>   | Resilient, motivated workforce                                     |
| Comprehensive training and development programs, including Toyota Production System (TPS)              | <ul style="list-style-type: none"> <li>6.8% Employee turnover rate</li> </ul>   | Higher productivity, reduced downtime and improved product quality |
| Strong culture rooted in Toyota values, teamwork, safety and continuous improvement (Kaizen)           | <ul style="list-style-type: none"> <li>PKR 5.6 billion paid as salaries and wages</li> </ul>  | Strong employer brand leading to attracting and retaining talent   |
|  | <ul style="list-style-type: none"> <li>Active employee involvement in Kaizen, 5S, QC circles and problem-solving initiatives</li> </ul> | Safer, healthier and more inclusive workplaces                     |
|  | <ul style="list-style-type: none"> <li>2,000 hours of employee volunteerism</li> </ul>  | Enhanced innovation capacity                                       |

## Social and Relationship capital

|   |  |  |
|---|--|--|
| Strong relationships with customers, dealers, suppliers and vendors across the value chain                          | <ul style="list-style-type: none"> <li>Enhanced customer satisfaction and loyalty</li> </ul>                                   | Trusted brand with strong customer loyalty and market reputation   |
| Long-standing partnership with Toyota Motor Corporation, enabling technology transfer and global standards adoption | <ul style="list-style-type: none"> <li>58 Toyota certified dealers</li> </ul>  | Resilient supply chain ecosystem aligned with Toyota's global quality and safety standards                 |
| Community relationships built through initiatives   | <ul style="list-style-type: none"> <li>53 Key suppliers</li> </ul>   | Enhance national industrial strength via localization and vendor development.                              |
| Ethical business practices building stakeholder confidence  | <ul style="list-style-type: none"> <li>201,565 beneficiaries under CSR initiatives</li> </ul>                                  | Deeper community impact contributing to social well-being, youth empowerment and environmental stewardship |
|   | <ul style="list-style-type: none"> <li>Capacity building and localization opportunities for suppliers and vendors</li> </ul>   |  |
|   | <ul style="list-style-type: none"> <li>Reliable and safe mobility solutions supported by strong after-sales service</li> </ul> |  |

## Natural capital

|  |  |  |
|--|--|--|
| Raw materials and components used in vehicle manufacturing, including metals, plastics, batteries and chemicals. | <ul style="list-style-type: none"> <li>12,080 MT emission</li> </ul>               | Reduced carbon footprint through decarbonization measures                              |
| 259,726 GJ total energy used   | <ul style="list-style-type: none"> <li>164 ML water consumption</li> </ul>         | Improved resource efficiency   |
| 16,601 GJ renewable energy used  | <ul style="list-style-type: none"> <li>2,768 MT waste generated</li> </ul>         | Enhanced compliance with national environmental standards and global Toyota benchmarks |
| 229 ML water withdrawal  | <ul style="list-style-type: none"> <li>920,000 trees planted since 2018</li> </ul> | Contribution to national climate goals through hybrid vehicles                         |

## Manufactured capital

|  |   |  |
|--|---|--|
| State of the art manufacturing facilities, assembly lines and machinery built on Toyota Production System principles | <ul style="list-style-type: none"> <li>33,251 units produced</li> </ul>   | Strong production capability ensuring consistent supply                                      |
| Equipment, tooling and robotics supporting precision, quality and efficiency   | <ul style="list-style-type: none"> <li>3,987 hybrid unit produced</li> </ul>  | Improved cost competitiveness through efficient operations and higher localization           |
| Warehousing, logistics infrastructure and dealer network facilities (58)   | <ul style="list-style-type: none"> <li>Localized parts and components manufactured through a strengthened vendor ecosystem</li> </ul>                 | Increased capacity to adopt new technologies and solutions                                   |
| Investments in hybrid vehicle production and localization  | <ul style="list-style-type: none"> <li>Reliable service and after sales support delivered through dealer and service center infrastructure</li> </ul> | Enhanced customer satisfaction driven by reliable products and strong service infrastructure |
|  |   | Long term operational resilience   |

## Intellectual capital

|  |  |   |
|--|--|---|
| Toyota Production System (TPS) methodologies   | <ul style="list-style-type: none"> <li>Efficient production processes</li> </ul>                                   | Strong competitive advantage                      |
| Technical expertise related to product design, engineering and hybrid technologies from Toyota | <ul style="list-style-type: none"> <li>Enhanced product reliability</li> </ul>                                     | Increased productivity and operational excellence |
| Digital systems  | <ul style="list-style-type: none"> <li>Standardized operating procedures and quality management systems</li> </ul> | Accelerated adoption of new technologies          |
|  | <ul style="list-style-type: none"> <li>Data driven decision making</li> </ul>                                      | Enhanced customer trust                           |

## Commitments And External Initiatives

Demonstrating our ongoing commitment to responsible business practices, we actively endorse the international initiatives, charters and principles presented below:

- ISO 50001 (Energy Management System)
- ISO 14001 (Environmental Management System)
- Global Environmental Management
- System (G-EMS), designed by Toyota for environmental protection and a sustainable future, aligned with global targets set by SBTi.
- United Nations Global Compact (UNGC) "Ten Principles"
- Sustainable Development Goals (SDGs)
- GRI Sustainability Reporting Standards
- WWF Green Office Program

IMC continues to foster collaboration within the industry by maintaining membership in key associations and supporting their initiatives through sponsorships and active participation.

- Karachi Chamber of Commerce and Industry
- Federation of Pakistan Chambers of Commerce and Industry
- Overseas Investment Chamber of Commerce and Industry
- Pakistan Automotive Manufacturers Association
- Pakistan Business Council
- Bin Qasim Association of Trade and Industry
- Landhi Association of Trade and Industry



# Corporate Sustainability Philosophy





## GLOBAL VISION

Toyota will lead the future mobility society, enriching lives around the world with the safest and most responsible ways of moving people. Through our commitment to quality, ceaseless innovation, and respect for the planet, we strive to exceed expectations and be rewarded with a smile. We will meet challenging goals by engaging the talent and passion of people who believe there is always a better way.

The tree has been used to symbolise the Toyota Global Vision from roots to fruits. The tree is a symbol of natural strength, useful and sustainable, something that continues to grow and nourish year after year.

## FRUITS

### Always better cars

- Develop vehicles which exceed customer expectations

### Enriching lives of communities

- Contribute to communities
- Contribute to the future of mobility

Tree of  
*life*

## TRUNK

- Stable base of business

## ROOTS

### Toyota Values

- The Toyoda Precepts
- Guiding Principles at Toyota
- The Toyota Way



# TOYOTA *receipts*

Always strive to build a homelike atmosphere at work that is warm and friendly.

Always be studious and creative, striving to stay ahead of the times.

Always be faithful to your duties, thereby contributing to the Company and to the overall good.

Always have respect for spiritual matters, and remember to be grateful at all times.

Always be practical and avoid frivolousness.

Since its inception in 1937, Toyota Motor Corporation has been dedicated to fostering sustainable growth and environmental responsibility. Through the consistent delivery of innovative and superior products and services, Toyota and its affiliates have endeavored to make a positive impact on society and the planet. Toyota's Guiding Principles are the foundation of IMC's corporate management philosophy, guiding its path toward sustainable development.

## GUIDING PRINCIPLES TOYOTA

1. Honor the language and spirit of the law of every country and region and undertake open and fair business activities to be a strong corporate citizen of the world.
2. Respect the culture and customs of every country and region and contribute to economic and social development through corporate activities in their respective communities.
3. Dedicate our business to provide clean and safe products and to enhancing the quality of life everywhere through all of our activities.
4. Create and develop advanced technologies and provide outstanding products and services that fulfill the needs of customers worldwide.
5. Foster a corporate culture that enhances both individual creativity and the value of teamwork, while honoring mutual trust and respect between labor and management.
6. Pursue growth through harmony with the global community via innovative management.
7. Work with business partners in research and manufacturing to achieve stable, long-term growth and mutual benefits, while remaining open to new partnerships.



# Sustainability Fundamental *Policy*

We, Toyota Motor Corporation and our subsidiaries, have inherited the spirit of Toyota Principles since our foundation and have aimed to create a prosperous society through our business activities, based on The Guiding Principles at Toyota. In 2020, based on these Principles, we compiled the Toyota Philosophy and set the mission of "Producing Happiness for All." We aim to be the "best company in town" that is both loved and trusted by the people. We will contribute to the sustainable development of our society/planet by promoting sustainability, as we have, under the Toyota Philosophy, based on the Sustainability Fundamental Policy and individual policies.

## Customers

Based on our philosophy of Customer First, we develop and provide innovative, safe, and outstanding high quality products and services that meet a wide variety of customer demands to enrich the lives of people around the world. (Guiding Principles: 3 and 4)

We will endeavor to protect the personal information of customers and everyone else we are engaged in business with, in accordance with the letter and spirit of each country and region's privacy laws. (Guiding Principle: 1)

## Employees

We respect our employees and believe that the success of our business is led by each individual's creativity and solid teamwork. We support personal growth for our employees. (Guiding Principle: 5)

We support equal employment opportunities and diversity and inclusion for our employees. We do not discriminate against them. (Guiding Principle: 5)

We strive to provide fair working conditions and to maintain a safe and healthy working environment for all our employees. (Guiding Principle: 5)

We respect and honor the human rights of people involved in our business and, in particular, do not use or tolerate any form of forced or child labor. (Guiding Principle: 5)

Through communication and dialogue with our employees, we build and share the value "Mutual Trust and Mutual Responsibility," working together for the success of our employees and the company.

We recognise our employees' right to freely associate, or not to associate, complying with the laws of the countries and regions in which we operate. (Guiding Principle: 5)

Management of each company takes leadership in fostering a corporate culture and implementing policies that promote ethical behavior. (Guiding Principles: 1 and 5)

## Business Partners

We respect our business partners such as suppliers and dealers and work with them through long-term relationships to realise mutual growth based on mutual trust. (Guiding Principle: 7)

Whenever we seek a new business partner, we are open to any and all candidates, regardless of nationality or scale of the company, and evaluate them based on their overall strengths. (Guiding Principle: 7)

We maintain fair and free competition in accordance with the letter and spirit of each country and region's competition laws. (Guiding Principles: 1 and 7)

## Shareholders

We strive to enhance corporate value while achieving stable and long-term growth for the benefit of our shareholders. (Guiding Principle: 6)

We provide our shareholders and investors with timely and fair disclosure on our operating results, financial condition and non-financial condition information. (Guiding Principles: 1 and 6)

## Environment

We aim for growth that is in harmony with the environment by seeking to minimise the environmental impact of our business operations, such as by working to reduce the effect of our vehicles and operations on climate change and biodiversity. We strive to develop, establish, and promote technologies that enable the environment and economy to coexist harmoniously, and to build close and cooperative relationships with a wide spectrum of individuals and organisations involved in environmental preservation. (Guiding Principle: 3)

## Community

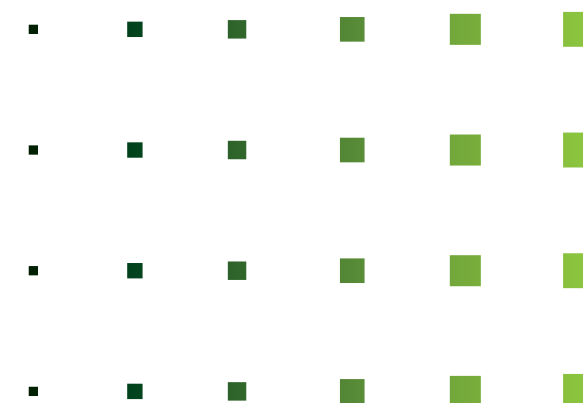
We implement our philosophy of respect for people by honoring the culture, customs, history, and laws of each country and region. (Guiding Principle: 2)

We constantly pursue safer, cleaner, and improved technologies that satisfy the evolving needs of society for sustainable mobility. (Guiding Principles: 3 and 4)

We do not tolerate bribery of or by any business partner, government agency, or public authority, and maintain honest and fair relationships with government agencies and public authorities. (Guiding Principle: 1)

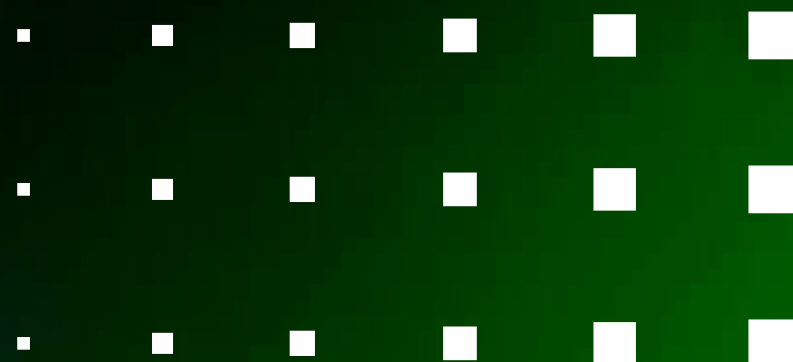
## Social Contribution

Wherever we do business, we actively promote and engage, both individually and with partners, in social contribution activities that help strengthen communities and contribute to the enrichment of society. (Guiding Principle: 2)





# Corporate Sustainability Philosophy



Our corporate sustainability philosophy is anchored in the **Toyota Global Vision**, which aspires to promote happiness and mobility for all. Guided by this vision, along with our core values and innovation-driven approach, we have shaped a comprehensive sustainability strategy. Through our **“Concern Beyond Cars”** initiative, we reaffirm our commitment to fostering sustainability within the automotive sector while contributing to the socio-economic development of our communities, with a particular focus on marginalized groups.

As an automotive company committed to providing sustainable mobility solutions, we acknowledge the broad impact of our operations, value chain and products on the economy, environment and society. Our sustainability strategy is designed to address these impacts responsibly by enhancing the management of our operations, supply chain and product lifecycle, while continuing to deliver reliable and essential mobility solutions that benefit society.

Recognizing the growing impacts of climate change and the heightened expectations of investors, regulators and other stakeholders, we are strengthening our strategy to manage sustainability-related risks and opportunities more effectively. This approach considers how these factors may influence our business model, supply chain and long-term growth. By integrating climate and sustainability insights into strategic planning, we aim to enhance resilience, sharpen competitiveness and deliver sustainable value over the long run.

The Sustainable Development Goals (SDGs) provide a universal framework adopted by the United Nations to address the world’s most pressing social, economic and environmental challenges. They promote inclusive and sustainable growth by guiding collaboration among governments, businesses and civil society. With priorities such as climate action, clean water, quality education and responsible consumption, the SDGs encourage an integrated approach that balances economic development, social well-being and environmental stewardship to support long-term global sustainability.

## SDGs & TMC

Toyota's commitment to the SDGs is reflected in its vision, "Toyota's Aim," which is driven by initiatives focused on three key areas: the environment, society and its workforce.

**Aim** | Producing happiness for all individuals in the era of diversification, with a “YOU perspective” that sees the other side of the story.

**Initiatives** | Promoting initiatives based on the desire to work for the benefit of others has been passed on since Toyota’s founding. The initiatives include:

- Initiatives for the Global Environment
- Initiatives for a happier society
- Initiatives for working people

Toyota Motor Corporation has transformed into a mobility company, providing increased value to its stakeholders while contributing to sustainable development.

## SDGs & IMC

IMC is dedicated to producing safe, reliable and eco-friendly vehicles, following its CASE (Connected, Autonomous, Shared and Electric) concept, participating in socially responsible initiatives, addressing human rights issues and promoting diversity. Toyota’s commitment to the SDGs serves as a guiding framework for Toyota affiliates in their support of the Sustainable Development Goals (SDGs).

## SDGs Leadership Program

IMC recognizes that alignment with the SDG is essential to creating long-term value and advancing Pakistan’s sustainable development agenda. The company integrates the SDGs into its strategy and operations to drive responsible growth, resilience and inclusive progress. As an affiliate of Toyota Motor Corporation, IMC aligns its sustainability initiatives with global priorities by producing environmentally friendly vehicles, enhancing energy efficiency and minimizing its carbon footprint. The company also upholds its social responsibility by supporting local communities, fostering diversity and promoting human rights. Through these collective efforts, IMC contributes meaningfully to societal well-being and to sustainable development in Pakistan.

The SDG icons are displayed in relevant sections of this report to highlight areas where IMC’s initiatives and activities have contributed to specific goals.

Global Goals  
& IMC





# Toyota Environmental Challenge 2050



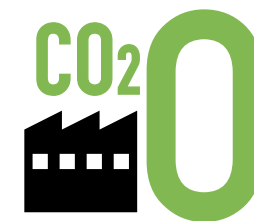
## CHALLENGE 1

New Vehicle Zero  
CO2 Emissions  
Challenge



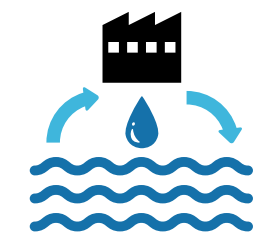
## CHALLENGE 2

Life Cycle Zero  
CO2 Emissions  
Challenge



## CHALLENGE 3

Plant Zero  
CO2 Emissions  
Challenge



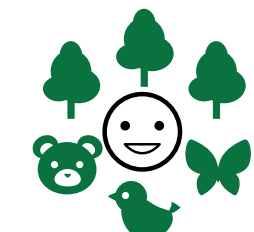
## CHALLENGE 4

Challenge of  
Minimising and  
Optimising  
Water Usage



## CHALLENGE 5

Challenge of  
Establishing a  
Recycling-based  
Society and Systems



## CHALLENGE 6

Challenge of  
Establishing a Future  
Society in Harmony  
with Nature

### Driving progress toward a harmonious coexistence between people, mobility and nature.

Toyota's long-term goals are detailed in the Toyota Environmental Challenge 2050 (Challenge 2050), a set of six worldwide objectives introduced by Toyota Motor Corporation, Japan, in 2015 after thorough research and stakeholder input. These challenges aim to go beyond simply decreasing negative environmental impacts and focus on creating positive value for the planet and society.


Under Challenge 2050, Toyota aims to achieve carbon neutrality across the entire vehicle lifecycle by 2050, while also promoting positive environmental contributions through water conservation, circular resource use and biodiversity protection. These efforts demonstrate Toyota's broader commitment to building a sustainable and resilient future.

To achieve this vision, Toyota has set medium-term milestones and is implementing comprehensive strategies to tackle climate change, water scarcity, resource depletion and biodiversity loss. The company remains committed to reducing its environmental impact and encourages its partners to actively participate in initiatives that promote harmony with nature and sustainable societal progress.

# TOYOTA ENVIRONMENTAL CHALLENGE 2050







Positioning Pakistan's  
automotive industry on the  
global stage, Indus Motor  
Company is among Toyota's  
**zero-defect** manufacturing  
facilities

*Globally*

This momentum is reflected in the expansion of production capacity,  
From

**5,000** to **76,000**  
**vehicles** **vehicles**  
in 1992 annually



# Corporate Governance



Trust

Stands in perfect  
symmetry





## Our Commitment

### Policies

IMC's policies demonstrate our commitment to responsible, ethical and compliant business conduct and align with international conventions and treaties on human rights and labour rights ratified by the Government of Pakistan. They guide how we manage our economic, environmental and social impacts across all operations. Developed in accordance with Toyota Motor Corporation's Global Guidelines, the Toyota Production System (TPS) and international best practices, these policies form the foundation of our sustainability approach. Approved by the Board of Directors, these policies apply to all employees and value chain partners, ensuring consistent standards of conduct and performance.

Policy updates are shared through internal circulars and emails, while key documents are accessible on the company intranet. Core policies, including the Code of Conduct, Safety Policy and Energy Policy, are also publicly available at <https://toyota-indus.com/corporate/>.

We recognize that our impacts extend beyond our facilities to the broader value chain. Accordingly, we work closely with suppliers, dealers and business partners through well-defined policies, due diligence processes and capacity-building initiatives that promote responsible and sustainable practices. This collaborative approach strengthens resilience and enhances positive outcomes. Further details on value chain initiatives are included in the relevant sections of this report.

The Toyota Way underpins our culture and expectations, setting the standards for behaviour, decision-making and accountability. Our Integrated Management Systems Policy, Health and Safety Policy, Environmental Policy and Code of Conduct guide our commitment to responsible corporate practices. We also follow the precautionary principle outlined in Article 15 of the Rio Declaration, ensuring proactive risk assessment and sound management across operations, planning and product development.

### Embedding policies

IMC actively embeds its commitments into policies, procedures and day-to-day operations. The Chief Executive Officer is responsible for integrating these commitments into corporate policies and for ensuring their effective implementation and periodic review. Regular awareness and training sessions help employees understand key policies, particularly those on ethics, governance, environment and safety.

Compliance is further reinforced through internal audits, external reviews and third-party certifications, as outlined in the management approaches throughout this report.

### Remediating negative impacts

IMC is committed to preventing and addressing adverse impacts across our operations and value chain. We follow a proactive approach that emphasises early identification, assessment and mitigation of potential risks. When negative consequences are unavoidable, we take suitable corrective measures and work with partners to address and reduce their impact.

The Toyota Production System principles, Just-In-Time and Jidoka, are central to our preventive approach. Just-In-Time promotes efficient resource use by producing only what is needed, when needed. Jidoka empowers employees to stop operations to address issues immediately, reinforcing accountability, quality and safety.

IMC also maintains a structured grievance mechanism that enables employees, suppliers, community members and other stakeholders to report concerns related to environmental, social or operational impacts. All grievances are reviewed promptly, addressed through appropriate measures and transparently communicated to the relevant parties.

## Corporate Governance

The Board aims to ensure the highest standards of corporate governance, accountability and risk management. The main philosophy of business has been to create value for all stakeholders through fair business practices. This translates into policies approved by the Board of Directors and implemented throughout the Company to enhance the economic and social value for all stakeholders of the Company.

### Board's Function and Decision Making

The Board of Directors, acting as fiduciaries on behalf of shareholders, is primarily responsible for the governance and strategic oversight of the Company. In fulfilling this role, the Board provides strategic direction to management, sets performance benchmarks, and monitors progress to ensure alignment with organisational goals.

The overarching objective of the Board is to safeguard and enhance shareholder value. At IMC, the Board is actively engaged in addressing strategic priorities and supervising the Company's operations, with a focus on identifying and managing emerging risks and opportunities. Additionally, the Board plays a critical role in formulating, reviewing, and approving the Company's long-term strategies, annual targets, and financial objectives.

### Decisions Delegated to the Management

Management is principally responsible for the execution of strategies and implement policies approved by the Board of Directors. It is tasked with overseeing the day-to-day operations of the Company in an efficient, ethical, and compliant manner, ensuring alignment with the strategic objectives set by the Board.

### Board's Annual Evaluation of Performance

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Board of Directors of IMC conducts an annual review of its performance, including a formal self-evaluation of the Board and its committees. This structured assessment is aimed at measuring the Board's effectiveness and aligning its performance with the strategic objectives of the Company.

For the financial year ended June 30, 2025, the Board completed its annual self-evaluation exercise. A report by the Chairman, in accordance with Section 192 of the Companies Act, 2017, detailing the Board's overall performance, is included in this Annual Report.

A comprehensive evaluation framework has been developed to assess performance across multiple dimensions, both at the individual and collective levels.

### Directors' Orientation

The Company has made sufficient arrangements to carry out orientation sessions for their directors to acquaint them with company's operations, applicable laws and regulations and their duties and responsibilities in order to enable them to effectively govern the affairs of the company on behalf of shareholders.

### Directors Training Program

All the directors of the Company have either acquired the prescribed certification under the Director training programs offered by Pakistan Institute of Corporate Governance or Institute of Chartered Accountants of Pakistan or are exempted based on their education and experience.

### External Oversight of Functions

IMC is committed to maintaining the efficiency, effectiveness, and integrity of its operations through continuous performance monitoring and benchmarking. Functional goals are regularly assessed to ensure alignment with strategic objectives, and performance is evaluated against clearly defined standards.

The following is a summary of the oversight measures implemented to achieve and sustain these benchmarks:

- All processes and functions are subject to systematic audits conducted by the Internal Audit Department to ensure compliance and control effectiveness.
- Comprehensive Safety, Health, and Environmental (SHE) audits of both plant site and the corporate office were conducted by SHE specialists to assess adherence to global best practices.



- The Company's information systems and network security infrastructure were independently audited by qualified external IT auditors to evaluate cybersecurity resilience and data protection measures.
- Manufacturing operations are continuously reviewed and benchmarked against Toyota Global standards and regulatory guidelines.
- Parts quality assessment are routinely carried out to verify the accuracy as per Toyota Global standards.

**Policy for Governance of Risk and Internal Controls**

IMC has established a comprehensive risk management framework aimed at proactively identifying, assessing, and mitigating risks to safeguard the Company's long-term strategic objectives and overall sustainability. Regular risk assessments are conducted to maintain a clear understanding of key risk exposures, assign accountability, and implement targeted actions to effectively address them.

Given their strategic significance, material issues and principal risks are fully embedded within IMC's business planning processes and are subject to continuous oversight by the Board of Directors. Risks across strategic, commercial, operational, financial, and compliance domains are evaluated and prioritised based on their potential impact and likelihood of occurrence.

For each identified risk, appropriate mitigation strategies and action plans are formulated, executed, and monitored to ensure effective risk response and resilience across the organisation.

**Social and Environmental Policy**

IMC has established a comprehensive Social and Environmental Policy, underscoring the Company's commitment to fostering an inclusive, equitable, and sustainable society. The policy is designed to support initiatives that drive long-term transformation, social integration, and environmental stewardship.

Our approach to social responsibility is guided by ethical business practices that are inclusive, environmentally conscious, gender-sensitive, and supportive of individuals with diverse abilities. The Company ensures that social and environmental considerations are fully integrated into the formulation of its strategies, policies, and operational procedures.

IMC consistently demonstrates its commitment to responsible corporate citizenship by actively engaging with and contributing to the well-being of the communities and ecosystems in which it operates. We firmly believe that the Company's

long-term success is intrinsically linked to the development of the communities we serve.

The Social and Environmental Policy is fully aligned with our corporate values and affirms IMC's unwavering dedication to sustainable development across Pakistan.

**Sustainability Governance**

The Board of Directors, as IMC's highest governing authority, defines the overall sustainability strategy and monitors its effective implementation. Acting under the Board's mandate, the Chief Executive Officer (CEO) leads the execution of these initiatives.

The SHE Steering Committee, chaired by the CEO, plays a pivotal role in operationalizing the sustainability agenda. It develops detailed policies, regularly reviews sustainability performance and ensures IMC's initiatives remain aligned with its strategic sustainability objectives, addressing both organizational impacts and evolving risks and opportunities.

IMC is currently working on identifying sustainability-related risks and opportunities as part of our alignment with the IFRS Sustainability Standards (S1 and S2). Once finalized, we plan to fulfill the reporting requirements starting next year.

**Board's Policy on Diversity**

The Board of Directors of IMC remains strongly committed to fostering a culture of diversity, equal opportunity, and talent development across all levels of the organisation, including at the Board and executive management levels. The Company actively seeks to attract and retain highly qualified professionals for all roles, ensuring a merit-based and inclusive approach to recruitment and development.

The Board recognises that diversity—particularly at the leadership level—is a critical enabler of effective governance and strategic decision-making. A diverse Board, reflecting a broad mix of gender, experience, knowledge, and expertise, enhances overall Board performance and contributes meaningfully to the achievement of the Group's strategic objectives, especially given the Company's expansive geographic presence.

IMC is committed to ensuring that diversity, equity, and inclusion are central to our recruitment and selection processes. Our goal is to attract, hire, and retain a workforce that reflects the diverse communities we serve. The recruitment process will be designed to identify and remove barriers to entry, ensuring fairness and equal opportunity for all candidates.

The DEI Committee ensures departments actively contribute to building a diverse and inclusive workforce. They set clear DEI targets and ensure diversity, equity, and inclusion are prioritised in recruitment, retention, and career development. Senior leaders track progress.

**Foreign Directors**

In compliance with the Companies Act, 2017 and applicable SECP regulations, the Company obtained all necessary approvals for the appointment of a foreign national as Director. This included security clearance from the Ministry of Interior and confirmation of eligibility under Section 153 of the Act. The appointment was duly approved by the Board and reported to the SECP, ensuring full regulatory compliance.

**Human Resource Management Policy & Succession Planning**

As IMC continues its trajectory of growth, the strategic importance of human capital development remains paramount. The Company has consistently maintained a strong track record of attracting and retaining skilled professionals across all functions, ensuring the availability of qualified, experienced, and performance-driven talent to support each department's operational and strategic needs.

At IMC, we are committed to cultivating a high-performing, motivated workforce aligned with the Company's vision and mission. This is achieved through a continuous focus on professional development, robust training programs, and competitive compensation structures aligned with market standards.

Our approach is underpinned by a progressive Succession Planning Policy, designed to transform internal talent into future-ready leaders capable of assuming critical roles.

**Our People**

At IMC, human capital is regarded as the Company's most valuable asset. The organisation is committed to fostering a professional environment that enables employees to realise their full potential and build meaningful careers. Key principles guiding this commitment include:

- **Upholding Human Rights:** IMC strictly adheres to its Code of Conduct, which affirms the Company's dedication to human rights, fair labor practices, and equal employment opportunities for all individuals, regardless of background.
- **Zero Tolerance for Labor Violations:** The Company ensures that its operations do not, directly or indirectly, engage in or support

human rights violations such as forced labor or child labor. In line with this policy, IMC does not employ minors at any of its sites.

- **Inclusion of Differently-Abled Individuals:** Employment opportunities are extended to differently-abled persons wherever operationally feasible, reinforcing the Company's inclusive employment philosophy.
- **Workplace Health and Safety:** IMC makes every reasonable and practicable effort to maintain safe, secure, and healthy working environments across plant and corporate offices.

**Communication with stakeholders**

IMC is fully committed to fostering transparent, constructive, and long-term relationships with all stakeholders. The Company actively encourages stakeholder engagement and values their input in management decision-making processes.

IMC ensures the timely, fair, and comprehensive disclosure of all material information, providing stakeholders with insight into the Company's strategic direction, financial performance, and operational activities through its Annual Report, corporate website, and other official communication channels.

To strengthen investor relations, the Company conducts regular corporate briefing sessions with investors and research analysts, offering updates on performance and forward-looking plans.

The Company's stakeholder engagement policy employs a variety of communication tools and methods to effectively understand and address stakeholder concerns. Engagement strategies are tailored to align with business decisions, operational priorities, and organisational goals.

Communication frequency is guided by regulatory requirements under the Code of Corporate Governance, contractual obligations, and business needs. Internal communication with employees is facilitated through in-house newsletters, climate surveys, employee portals, and digital bulletin boards, promoting transparency and organisational alignment.

**Employee Health and Safety Policy**

At IMC, the health and safety of employees is our top organisational priority. The Company is fully committed to integrating Safety, Health, and Environmental (SHE) considerations into its strategic planning, policy development, and operational procedures. The Health and Safety Policy is designed to uphold global best practices, safeguard personnel, and ensure environmental responsibility across all operations.



IMC recognises that safety, health and welfare of employees, contractors, visitors and persons present at IMC premises are our responsibility. We are committed to ensure a safe and healthy working environment for all personnel and prevention of work-related injuries and illness by providing and maintaining a safe and healthy working environment in compliance with the relevant safety and health rules and regulations. Safety will always take precedence over production, sales and profits.

To monitor and control Safety, Health and Environment (SHE) activities, a SHE Committee of management is already in place chaired by the Chief Executive Officer, which formulates the day to day policies, processes and framework to ensure implementation and compliance of the overall SHE policy. The meeting of SHE Committee is held every month. The SHE Committee shall ensure that the guiding principles are being followed and the responsibilities according to the SHE policy are being complied by all the stakeholders.

**Whistle Blowing Policy**

In alignment with IMC’s unwavering commitment to integrity, transparency, and accountability, a robust Whistle Blowing Mechanism has been implemented to foster a workplace culture where concerns related to unethical behavior, regulatory non-compliance, occupational fraud, or violations of the Company’s Code of Conduct can be reported without fear of retaliation.

This policy is structured to provide a secure and confidential platform to report any conduct that may adversely impact the interests of the Company.

IMC encourages all eligible stakeholders under the policy to actively participate in the ethical stewardship of the Company by reporting inappropriate conduct through confidential and well-defined reporting channels, with assurance of non-reprisal and responsible follow-up.

**Company’s Approach to Managing and Reporting Policies**

IMC adopts a structured and diligent approach to policy management and reporting, underscoring its unwavering commitment to transparency, accountability, and ethical business practices. Recognising that well-defined policies serve as the cornerstone of a resilient organisational structure, the Company has implemented a comprehensive framework that governs policy formulation, communication, execution, and periodic review.

All policies are developed with input from relevant stakeholders, aligned with legal requirements and industry best practices. To ensure clarity and accessibility, policies are disseminated through the Company’s intranet platform and reinforced

through regular training sessions aimed at enhancing employee awareness and ensuring compliance across all functions.

These policies provide clear operational and reporting guidelines for management and stakeholders. Each policy is periodically reviewed to reflect evolving regulatory requirements, operational improvements, and alignment with international standards of corporate governance.

**I.T. Governance**

Recognising Information Technology (IT) Governance as an integral component of its broader Corporate Governance structure, IMC has strategically aligned its IT resources to drive operational efficiency, support long-term business objectives, and enhance shareholder value.

To this end, the Company has established an IT Steering Committee tasked with providing strategic oversight, setting enterprise-wide IT priorities, and monitoring the implementation of IT policies. The Committee operates under a formally defined mandate and convenes periodically to address key areas including:

- Defining the Company’s strategic technology roadmap;
- Ensuring alignment between IT and business strategies;
- Strengthening information security and data protection protocols;
- Overseeing the design and development of technology solutions, services, and policies;
- Managing business continuity and disaster recovery planning.

This governance framework ensures that IT remains a key enabler of sustainable growth and operational excellence across the organisation.

**Business Continuity and Disaster Recovery Plan**

The Board of Directors ensures that a comprehensive and regularly updated Business Continuity and Disaster Recovery (BCDR) Plan is in place to safeguard the uninterrupted operations of the Company in the event of extraordinary circumstances.

This plan is designed to protect critical business functions and organisational assets through robust measures including systematic data archival, real-time backups, and secure off-site storage. The Board provides oversight to ensure that management has implemented adequate IT security protocols, high-availability systems, and a fully functional disaster recovery facility (alternate data center).

Furthermore, the plan identifies key personnel responsible for disaster response and mandates regular testing of the BCDR protocols to validate the resilience and preparedness of IT infrastructure in the face of potential disruptions.

**Compliance with the Code of Corporate Governance**

In alignment with its commitment to best Governance practices, the Board of Directors maintained full compliance throughout the financial year 2024–25 with the provisions of the Code of Corporate Governance, the Listing Regulations of the Pakistan Stock Exchange, and the Financial Reporting Framework as prescribed by the Securities and Exchange Commission of Pakistan (SECP).

Included within this Report are the BARC’s report on adherence to the Code of Corporate Governance, the Statement of Compliance by the Chairman, and the Review Report issued by the Company’s External Auditors—all of which collectively reaffirm the Company’s dedication to regulatory compliance and transparency.

**Management Role**

IMC’s cross-functional teams play an integral role in translating the company’s sustainability vision into action. These teams implement initiatives within their respective functions, assess related impacts, risks and opportunities and track progress against defined sustainability objectives. A specialized cross-functional team, led by the General Manager, Corporate Communication and Customer Relations, manages sustainability reporting and directly reports to the CEO.

Sustainability performance is continually reviewed and assessed across the organization. Any variances from established targets are promptly addressed through corrective actions. The SHE Steering Committee submits periodic recommendations covering performance evaluations and strategic initiatives to the Board for consideration and approval.

**Remuneration and Performance Evaluation**

The Human Resource and Remuneration Committee, a sub-committee of the Board, advises on human resource management policies and oversees executive remuneration. The Board regularly evaluates its performance against set objectives and determines directors’ remuneration internally, without external consultants. Non-executive and independent directors are compensated solely through meeting attendance fees, in accordance with company policy. The CEO’s remuneration is reviewed by the Committee and approved by the Board.

The Committee also recommends policies on the appointment, evaluation and succession of the CE and senior management. Executive performance is assessed against defined objectives and KPIs. The ACT#1 Management Committee complements this process by reviewing monthly performance data, financial results and departmental progress on environmental and social goals and targets.

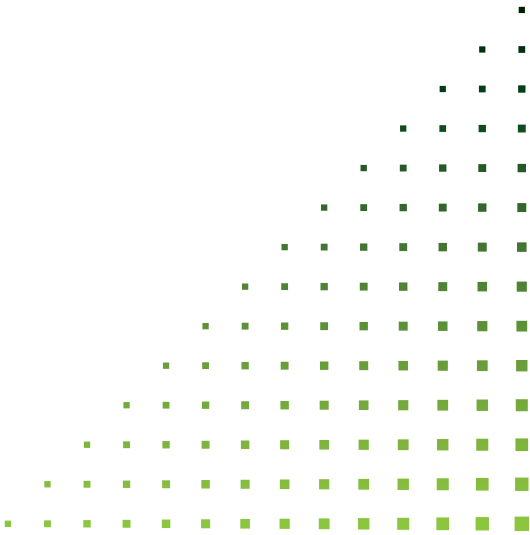
**Gender Pay Gap Statement**

As of June 30, 2025, the company’s mean gender pay gap stood at 3.4% (2024; 5.5%), while the median gap was 9.1% (2024; 11.4%), reflecting continued efforts to promote equitable pay practices across the organization.

**Conflict and Critical Concerns**

IMC upholds the highest standards of integrity through its Code of Conduct, which explicitly prohibits conflicts of interest and requires that any such matters be promptly reported in writing. The Code applies to directors and employees and is introduced to all staff during orientation, with regular refresher sessions to reinforce ethical awareness. Where a potential conflict arises at the Board level, the concerned director abstains from participating in related discussions or decisions. Information on directors’ cross-board memberships and related party transactions is publicly disclosed in IMC’s Annual Report 2025.

Critical issues are communicated to the Board through the CEO. IMC’s investor relations and grievance mechanisms promote transparent engagement with investors, while a comprehensive whistle-blowing framework allows stakeholders to privately report misconduct, policy violations, or legal non-compliance. This mechanism also acts as a channel for seeking advice on ethical practices. The Board’s Ethics Committee is entrusted with overseeing ethical conduct, reviewing and investigating reports of wrongdoing to ensure appropriate and timely resolution.





# Code of Conduct

## Speak-Up System

An independent, confidential and neutral system provided by the company for reporting any type of behavior or misconduct in the organization.

## Anti-Retaliation

IMC is committed to maintain a work environment that is free of harassment, intimidation, discrimination and retaliation for engaging in protected activity such as reporting violations or participating in an investigation pertaining to alleged violations of laws, the Code, policies, or procedures thus promoting an atmosphere where employees and others feel safe to engage in frank communication – raising questions or concerns at any time without the fear of retaliation.

## Anti-Harassment

IMC is committed to provide a safe & dignified working environment for both men and women that is free of sexual harassment, power harassment, moral harassment, abuse and intimidation, thus promoting higher productivity and better quality of life at work.

## Anti-Bribery

The organization must not seek any profits that have been acquired through improper means, including acts of bribery. IMC has zero tolerance approach to bribery, corruption and upholds all the rights to defy them.

## Conflict of Interest

IMC is committed to upholding the highest standard of integrity, where all employees disclose any personal interests that could affect impartiality. All members employed on full time basis must refrain from being involved, directly or indirectly, in any vocation, business or commercial activity without the written approval from the CEO, and seek permission before using company property for personal matters.

## Confidentiality

IMC enforces rigorous confidentiality standards, where employees must uphold the sanctity of business information, refraining from personal gain or misleading practices. All company matters remain confidential, both during and after employment. Employees are obligated to protect and avoid disclosing proprietary information, unless legally required or board-approved.

## Insider Trading

IMC prohibits all members from indulging in insider trading on the basis of unpublished price sensitive information, subject to exceptions given in section 128 of the Securities Act, 2015, and enforces compliance with all relevant laws and company's policies, if any, on prohibition of insider trading.

## Health & Safety

IMC is committed to ensuring health and welfare of its staff following the philosophy of Zero Accidents. Every Member is responsible for taking reasonable care to ensure the health and safety of himself/herself and others who may be affected by his/her acts at work, fostering a secure work environment.

## Diversity & Inclusion

IMC fosters a diverse and inclusive board and management, ensuring equal employment opportunities for all employees regardless of cultural, racial, gender, caste, or religious backgrounds, and cultivates a discrimination-free work environment that is devoid of harassment and intimidation.

## Environmental, Social and Corporate Governance

IMC is committed to upholding global best practices for ESG, emphasizing environmental impact, stakeholder relations, and governance. Embracing digitalization, complying with ESG

policies, promoting philanthropy, and reporting targets, IMC operates with environmental and social responsibility, strong governance, and efficient resource use, preventing waste and minimizing hazards, in alignment with laws.

## Role Towards Shareholder/Members and other Stakeholders

IMC holds a steadfast commitment to the principle of equitable treatment for all shareholders, members, and stakeholders. The company's actions are guided by the imperative of safeguarding its best interests and fulfilling fiduciary obligations, while also recognizing and incorporating the diverse interests of all stakeholders pivotal to its growth and prosperity.

## Understanding of Legal Duties

IMC fosters a foremost commitment of all members to acquire a thorough understanding of their obligations under the law and company policies, to consistently strive to improve their competencies through ongoing professional education.

IMC entrusts the members to promptly bring any instances of non-compliance or violations, whether involving the company, fellow board members, or employees, to the attention of the board for necessary action.





# Ethical Practices

## Material Topic:

### Anti-corruption

IMC is dedicated to the highest standards of ethics guided by Toyota's Guiding Principles, our Code of Conduct and our commitment as a signatory to the UN Global Compact (UNGC). These frameworks strengthen our pledge to responsible business practices.

Our Code of Conduct clearly defines expected behaviours, strictly prohibits bribery, corruption and unethical practices and ensures compliance with relevant laws and regulations. The Code applies to all directors, employees and contractors and is reinforced through orientation programs, ongoing awareness initiatives and clear communication channels. A confidential whistle-blowing mechanism enables employees to report concerns without fear of retaliation, strengthening our culture of integrity.

IMC's ethical oversight is guided by robust governance backed by the Board Audit and Risk Committee, which examines audit results, compliance metrics and risk exposures. The CEO is responsible for ensuring ethical conduct across operations. Robust internal controls, enterprise-wide risk assessments and regular internal audits help ensure adherence to policies and identify gaps requiring corrective action.

As part of our anti-corruption efforts, all new employees receive training on ethical conduct and compliance expectations, while suppliers are required to uphold the same standards. During FY 2024-2025, three incidents of employee corruption were identified; appropriate disciplinary actions, including dismissals, were taken. All operational areas were also assessed for corruption-related risks with no additional issues identified.



### Relevant SDGs



# Risk and Compliance

Toyota's principle of ethical corporate citizenship, grounded in respect for the law and fair business conduct, forms the foundation of IMC's risk and compliance framework. This commitment shapes how we navigate a dynamic external environment where regulatory shifts, technological advancements and climate change create both opportunities and challenges for our business.

IMC uses a comprehensive risk management framework to assess political, macroeconomic, operational and sustainability-related risks that could affect our strategy, operations and financial results. Our Risk Management System identifies a broad range of risk types, including strategic, regulatory, financial, operational, reputational and sustainability-related risks.

Aligned with Toyota's Global Risk Management Standards (TGRS), our approach defines risk as the potential effect of uncertainty on stakeholder expectations and our long-term corporate vision. We have established a strong governance structure to identify, evaluate and address risks at both the operational and strategic levels. This structure improves transparency into risk, reporting quality and decision-making across the organization.

The Management Committee reviews risk assessments alongside departmental objectives and performance. Mitigation strategies are then developed and implemented to reduce exposure and strengthen resilience.

Sustainability-related risks, especially those linked to climate change, remain a key focus. Emerging regulatory expectations around emissions, fuel efficiency and environmental compliance present material implications for the automotive sector.

IMC functions within a complex regulatory environment that includes taxes, employment laws, health and safety regulations, environmental protections, product safety standards and responsible marketing practices. Our risk management approach is proactive, focusing on compliance with all relevant laws, regulations and voluntary standards. Regular internal controls, compliance reviews and independent audits help us continuously improve our practices.

During the reporting period, IMC recorded no significant fines or non-compliance-related sanctions, underscoring our commitment to responsible business conduct and strong governance.



# Composition of Governance Committees

IMC has a range of long-standing in-house committees’ responsible for monitoring and discussing management and corporate activities from viewpoints of various stakeholders to make prompt decisions for developing strategies, speeding up operations while ensuring heightened transparency and the fulfilment of social obligations. IMC has a unique corporate culture that places emphasis on problem solving and preventative measures in line with the Toyota Global Standards.

IMC follows the Guiding Principles at Toyota and not only complies with local laws and regulations, but also meets social norms, corporate ethics and expectations of various stakeholders. IMC undertakes open and fair corporate activities to meet local standards as well as the Toyota Global Standards.

## THE BOARD CONSTITUTED COMMITTEES

### Board Audit & Risk Committee (BARC)

The Board Audit & Risk Committee comprises five Non-Executive Directors, including two Independent Directors, and is chaired by an Independent Director. The Committee supports the Board in fulfilling its oversight responsibilities related to financial reporting, regulatory compliance, internal controls, risk management, and both internal and external audit functions.

Operating under a clearly defined Terms of Reference approved by the Board, the Committee ensures its activities remain aligned with corporate governance standards. As part of its governance practice, the Committee holds separate sessions with both the external and internal auditors—without the presence of management—to facilitate open discussion on any significant matters arising during the audit process.

The Committee affirms that it has effectively discharged its duties in accordance with its Terms of Reference. Additionally, a formal mechanism exists for the annual performance evaluation of the Board Risk & Audit Committee.

### Board Human Resources and Remuneration Committee

The Board HR & Remuneration Committee operates as a sub-committee of the Board of Directors and is responsible for formulating and recommending Human Resource Management policies to the Board. Its mandate includes advising on the selection, performance evaluation, compensation, and succession planning for the Chief Executive Officer and senior management team members who report directly to the CEO.

The Committee comprises three Non-Executive Directors, including two Independent Directors, one Executive Director, and the CEO. It is chaired

by an Independent Director, ensuring objectivity and independence in all deliberations.

### Board Ethics Committee

The Board Ethics Committee is responsible for overseeing the Company’s ethical standards and ensuring compliance with applicable policies and regulations. It facilitates prompt action on disclosures related to unethical practices and misconduct, and is entrusted with the review and investigation of whistle-blowing reports.

The Committee comprises the Chief Executive Officer and two Independent Directors, and is chaired by an Independent Director to uphold impartiality and objectivity in its proceedings.

### Board Share Transfer Committee

The Board Share Transfer Committee, constituted by the Board of Directors, is authorised to review and approve all share transfer requests. All resolutions passed by the Committee are duly presented to the Board for notation in subsequent meetings, ensuring transparency and oversight in shareholding matters.

# The Management’s Constituted Committees

## Investment Committee

The Investment Committee supports the Board in discharging its oversight responsibilities related to the Company’s capital investments. It evaluates proposed capital expenditures and submits recommendations for the Board’s consideration and approval. The Committee is also tasked with formulating Company-wide policies for investments in fixed assets, which are subject to Board approval, and with establishing guiding principles to effectively implement these policies.

The Committee comprises the Chief Executive Officer (CEO), two Directors, the Chief Financial Officer (CFO), the Company Secretary and the Head of the Departments.

## Marketing Technical Coordination Committee

The Marketing Technical Coordination Committee is tasked with ensuring strategic alignment and operational coordination between the Marketing and Technical departments. The Committee oversees the management and approval of new product introductions and modifications to existing model specifications, along with associated timelines.

Chaired by the Chief Executive Officer (CEO), the Committee convenes on a monthly basis and includes key representatives from both the Marketing and Technical functions.

## ACT #1 Management Committee

The ACT #1 Management Committee is mandated to oversee the organisation’s key performance indicators (KPIs) and monitor financial performance on a monthly basis. The Committee evaluates departmental goals and the progress achieved against defined targets.

Additionally, the Committee reviews developments in government regulations and macroeconomic conditions to inform the Company’s strategic direction and risk management framework. Meetings are chaired by the Chief Executive Officer (CEO) and also the members include two Executive Directors and all Head of Departments. The meeting is attended by senior representatives from all functional departments.

## Safety, Health and Environment Steering Committee

The S.H.E. (Safety, Health, and Environment) Steering Committee convenes monthly to oversee

company-wide S.H.E. performance, including statistical trends, key KPIs, and compliance with all applicable local regulations. In addition to monitoring operational safety and environmental indicators, the committee also reviews sustainability-related risks, ensuring that emerging environmental, energy, and climate-related issues are proactively identified and addressed.

Performance is regularly evaluated against Toyota Motor Asia’s Environment Action Plan, ensuring alignment with regional priorities and compliance requirements. This includes monitoring progress across areas such as carbon reduction, energy efficiency, water stewardship, waste management, and biodiversity conservation. The committee also tracks IMC’s contributions toward the Toyota Environmental Challenge 2050, ensuring that long-term environmental ambitions—such as zero CO<sub>2</sub> emissions, minimized resource consumption, and enhanced circularity—are embedded in operational decision-making.

The Committee plays a pivotal role in embedding a culture of safety and environmental responsibility across the organisation, starting from the top leadership.

Chaired by the Chief Executive Officer, the Committee provides strategic oversight and formulates the Company’s overarching S.H.E. policies and framework. It enables senior management to gain direct insight into operational-level S.H.E. challenges and facilitates timely and effective resolution through informed decision-making.

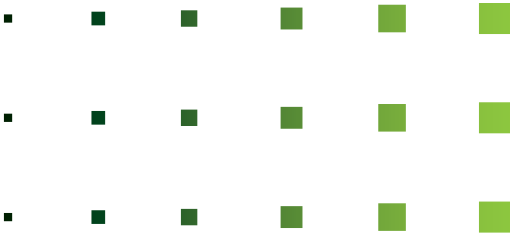
## IT Steering Committee

The I.T. Steering Committee meets regularly to provide strategic oversight of the Company’s Information Technology landscape, ensuring alignment between business objectives and technology initiatives. The Committee is responsible for setting I.T. priorities, guiding technology investments, and overseeing the implementation of policies related to information security, infrastructure, and innovation.

Chaired by the Senior General Manager Product Development, the Committee supports business continuity, data protection, and the development of scalable, integrated technology solutions. It plays a key role in driving digital transformation while ensuring compliance with relevant regulatory and cybersecurity standards.



# Stakeholders' Engagement



At Indus Motor Company, stakeholder engagement is vital to sustainable growth. We maintain continuous communication with customers, employees, suppliers, regulators, shareholders, and communities through surveys, consultations, and forums to identify key issues and guide decisions. Stakeholders are mapped by influence and impact, ensuring their expectations shape our sustainability priorities. Management reviews these insights regularly to support improvement and strengthen trust across the value chain.

| Stakeholder Group                     | Engagement Method   | Frequency           | Issues/Concerns   | Our Response   |
|---------------------------------------|---|---------------------|---|--|
| Shareholders and providers of capital | Annual General Meeting (AGM) /Extra-Ordinary General Meeting (EOGM), Corporate Affairs Department   | Ongoing             | Financial returns, new products, market competitiveness and sustainability initiatives                      | Innovation and investment to launch new and improved products for sustained economic returns and community investments   |
| Customers                             | Surveys, Phone calls, Customer Relations Department, Customer First Department  | Ongoing             | Customer safety, product specification and product quality, product availability, prices and delivery time  | Continuous investment in plant upgradation, launching new and improved products, ensuring customer health and safety during design and production and providing quality products at competitive prices |
| Toyota Motor Corporation              | Review meetings and involvement in IMC management and operations, Toyota global initiatives and forums  | Ongoing             | Compliance with globally-shared metrics, including health and safety, environment and community development | Ensuring compliance with Toyota Motor Corporation's metrics through continuous learning from international network   |
| Dealers                               | Dealer surveys, focus groups, meetings, training and conferences  | Ongoing             | New products, compliance with IMC requirements and Dealers' training and support                            | Provision of training on compliance requirements and product attributes for improving customer experience at the Dealerships   |
| Suppliers                             | Supplier meetings, quarterly workshops, supplier surveys and annual supplier conference   | Ongoing             | Technical support to suppliers, carrying out supplier site quality checks and product safety                | Provision of technical support to suppliers and focus on health and safety initiatives, carrying out supplier site quality checks to improve quality of parts and reduce rejection at suppliers' end   |
| Employees                             | Staff meetings, training, performance appraisal, annual get-togethers, consultation with employees' representative groups and employee satisfaction surveys | Ongoing             | Operational performance, training and education opportunities and employee health and safety                | Investment in training and education of workforce and maintaining excellent health and safety standards for a safe and productive workplace  |
| Community                             | On-site visits, surveys and focus group meetings  | Ongoing             | Education, health and skill development for community uplift  | Committed to keep contributing 1% pretax profit of preceding year on education, health and skill development for community uplift  |
| Government and industry groups        | Meetings, annual reports and focus groups   | Ongoing/ Need basis | Sustainable automobile sector and compliance of laws and regulations  | Compliance with applicable laws and regulations and consultation with industry groups and government for a sustainable automobile sector   |
| Media                                 | Interviews, briefings and press releases  | Ongoing/ Need basis | Insights on business, market and industry and financial performance   | Provide regular updates on business developments, operational performance and information relating to automobile industry and launch of new products   |



We aim to be the best company in town that is both loved & trusted by the people

‘We make cars. Let’s make ever-better cars, and make our customers happy. We must not forget that, even though we have become a global automotive manufacturer, one of our unwavering principles is putting the customer first. Let’s not be caught up in immediate profits, but let’s review how we do our business and look forward again. If we take one step forward in our own way, I believe it will open up for us a future.’

Akio Toyoda  
Chairman,  
Toyota Motor Corporation






















# IDENTIFYING MATERIAL TOPICS

Our materiality assessment process ensures that the sustainability report addresses the most critical issues affecting our ability to create long-term value. Material topics are identified by analyzing both the actual and potential positive and negative impacts of IMC’s activities and value chain through evaluations, impact assessments and stakeholder engagement exercises.

The process consolidates risk information from IMC’s corporate risk register to ensure consistency between financial and non-financial priorities. Impacts are then evaluated for significance; negative impacts are assessed for severity and likelihood, while positive impacts are evaluated for scale, scope and potential benefits. The resulting priority topics are refined and validated through discussions with stakeholders, including Toyota Motor Corporation and external experts and are endorsed by IMC’s SHE Steering Committee.

In 2025, IMC continues to align with the IFRS Sustainability Disclosure Standards (S1 and S2) by further integrating sustainability-related risks and opportunities into its reporting framework. Building on the groundwork laid in 2024, the company is enhancing data quality, disclosure consistency and governance oversight to achieve greater transparency and alignment with global standards and local regulatory requirements.

| Material Topic       | Relevant SDGs   | Impact, Risk and Opportunity   | Value Chain                |
|----------------------|---|--|----------------------------|
| Economic performance |     | <b>Impact</b> Positive contribution to the economic development, higher payments to the shareholders, workforce and suppliers and well-being of society  | Own operations             |
| Material             |     | <b>Impact</b> Negative impacts on the eco-system through use of depleting nite materials<br><b>Risk</b> Reduction in the availability of key materials can lead to increased prices and supply risks resulting in non-production days, decreased revenues, increased cost of capital and risk prole.   | Own operation, Upstream    |
| Energy               |       | <b>Impact</b> Negative impacts through increased emissions and climate change<br><b>Opportunity</b> Embracing cleaner technologies and transitioning to low-carbon energy sources can lead to lower emissions, reduced energy expenses, and enhanced protability and resilience.   | Own operations             |
| Emissions            |      | <b>Impact</b> Negative impacts through increased emissions and climate change<br><b>Risk</b> Market and regulatory risks to set emission targets and reduce emissions aligned with Paris Agreement can lead to increased costs, reduced margins and stranded assets.   | Own operations, Downstream |
| Water                |     | <b>Impact</b> Negative impacts through use of freshwater on availability of freshwater and water scarcity  | Own operations,            |
| Effluents and waste  |       | <b>Impact</b> Negative impacts of waste handling, incineration, dumping and transporting of hazardous and non-hazardous waste on environment and human health<br><b>Risk</b> Failure to improve resource eciency in production processes, including reducing waste and recycling waste can lead to reduced availability of critical materials, low margins and protability | Own operations, Downstream |

| Material Topic                  | Relevant SDGs   | Impact, Risk and Opportunity  | Value Chain                          |
|---------------------------------|---|---|--------------------------------------|
| Health and safety               |      | <b>Impact</b> Negative impacts of operational activities and products on the health and safety of the workforce and customers<br><b>Risk</b> Product safety incidents can harm brand reputation, lower revenue and growth opportunities, and elevate an organization's risk prole and capital costs   | Own operations, Downstream           |
| Employment and labour relations |             | <b>Impact</b> Positive impacts through diversied workforce for better productivity and compliance with laws, international charters, and conventions  | Own operations                       |
| Marketing and labeling          |     | <b>Impact</b> Positive impacts through provision of customer-centric product information and compliance with laws and regulations   | Own operations, Downstream           |
| Human rights                    |      | <b>Impact</b> Positive impacts by respecting human rights of employees and other stakeholders and compliance with laws, international charters, and conventions<br>Negative impacts where violation of human rights in business relationship and supply chain   | Own operations, Upstream, Downstream |
| Procurement practices           |     | <b>Impact</b> Positive impacts by providing opportunities through localization and promotion of sustainability practices in supply chain  | Own operations, Upstream             |
| Training and education          |     | <b>Impact</b> Positive impacts through capacity building and enhancing creative potential of workforce to increase productivity   | Own operations,                      |
| Anti-corruption                 |    | <b>Impact</b> Positive impacts by reducing risks of economic imbalance and compliance with laws, international charters, and conventions  | Own operations,                      |
| Supply chain impact             |      | <b>Impact</b> Positive impact through promotion of sustainability practices in the supply chain.<br>Negative impacts of supply chain activities on environment and society<br><b>Risk</b> Increasing geo-political uncertainty, increasing regulations around the globe to cut greenhouse gas emissions can result in supply chain disruptions, increased costs and reduced margins | Own operations, Upstream             |
| Local communities               |      | <b>Impact</b> Positive impacts through socio-economic development of communities and provision of healthcare, education, and food to needy communities.   | Own operations,                      |
| Indirect economic impact        |      | <b>Impact</b> Positive impacts through community uplift by infrastructure investments, skill development and jobs in the supply chain.  | Own operations, Upstream, Downstream |



# Economic Performance





Operating  
in the  
world's

**16<sup>th</sup>**  
**LARGEST**  
automotive manufacturing country

Toyota Enabled

**\$6.5  
billion**

worth of import  
substitution through  
localisation

Contributed

**\$6.3  
billion**

to the government  
exchequer, supporting  
economic growth

Invested

**\$735  
million**

in Pakistan's operations



# Economic Performance



## Material Topic:

### Economic performance, Indirect economic impact

IMC's Integrated Management System, along with policies, Toyota's Guiding Principles and the Toyota Way, provides the foundation for its approach to managing economic performance and achieving strategic goals. Through our automotive assembly, genuine parts, lubricants and service operations, we create both direct and indirect economic value.

### Relevant SDGs



We contribute directly through dividend payments, taxes, employment, fair wages, local sourcing and community investments. Indirectly, our activities boost economic growth in related industries, support job creation within our supply chain, improve workforce skills in the automotive sector and enhance productivity across various sectors through our mobility solutions and local development initiatives.

The Board of Directors oversees IMC's economic performance through the approval of objectives, policies and targets. While the CEO manages day-to-day operations, the Board maintains overall accountability for economic outcomes. Performance is reviewed quarterly during Board meetings, ensuring timely and informed decision-making. Further details regarding the Board of Directors are available on pages 43-47 and its meetings are available on page 78 of the IMC Annual Report 2025.

The fiscal year 2024-25 witnessed a strong recovery, highlighted by a remarkable 56% increase in sales. The growth was especially notable in the Passenger Car segment, which saw an 84% rise, driven by the successful launch of the Yaris facelift in July 2024, while the Commercial Vehicle segment also posted a solid 32% increase. However, evolving customer preferences, rapid technological changes and tighter regulatory requirements, along with increased cost pressures, pose challenges for developing affordable small vehicles.

Through prudent cost management, increased localization and favourable exchange rate fluctuation, IMC experienced an increase in revenues and net profit for the fiscal year ending June 30, 2025. Revenue for the year increased by 41% to Rs. 215.14 billion from Rs. 152.5 billion in the previous year. Meanwhile, profit after tax increased by 52.3% to Rs. 23 billion from Rs. 15.1 billion. For a comprehensive analysis of IMC's financial performance during this period, see pages 274 to 278 of IMC Annual Report 2025

The Auto Development Policy 2021-26 shapes Pakistan's automotive landscape and introduces multiple incentives to foster industry progress. However, IMC did not receive any financial assistance or support from the government during the year.

### Organization's Defined Benefits

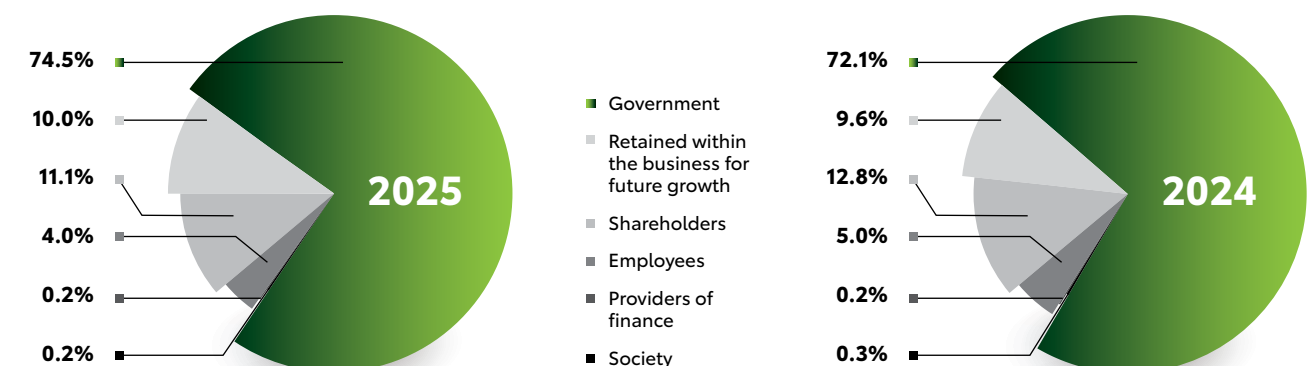
IMC extends a comprehensive range of defined benefits to its employees, including a Provident Fund and a Pension Fund. Employees contribute 10% of their basic salary to the Provident Fund, matched by an equivalent contribution from IMC. Additionally, IMC contributes 9% of employees' basic salaries to the Pension Fund,

which is maintained separately to meet future pension liabilities. Based on actuarial evaluations conducted in June 2025, the Pension Fund's assets are projected to cover 37.2% of its total liabilities. The accumulated balance in the Provident Fund is paid to employees upon separation from the Company. The defined benefit plan obligations are Rs. 13.282 million in FY 2024-25, compared to Rs. 11.265 million in FY 2023-24.

# Economic Value Generated & Distributed

|  | 2025           |        | 2024           |        |
|--|----------------|--------|----------------|--------|
|  | Rupees in '000 | %      | Rupees in '000 | %      |
| <b>WEALTH GENERATED</b>  |                |        |                |        |
| • Gross revenue  | 289,266,212    | 95.1%  | 199,099,157    | 93.6%  |
| • Other income   | 14,949,419     | 4.9%   | 13,656,238     | 6.4%   |
|  | 304,215,631    | 100.0% | 212,755,395    | 100.0% |
| • Bought in material and services and other expenses             | 165,460,715    | 54.4%  | 119,204,319    | 56.0%  |
|  | 138,754,916    | 45.6%  | 93,551,076     | 44.0%  |
| <b>WEALTH DISTRIBUTED</b>  |                |        |                |        |
| <b>Employees</b>   |                |        |                |        |
| • Salaries, wages and other benefits                             | 5,597,241      | 4.0%   | 4,651,482      | 5.0%   |
| <b>Society</b>   |                |        |                |        |
| • Donations towards education, health and environment            | 231,426        | 0.2%   | 167,972        | 0.2%   |
| <b>Providers of finance</b>                                      |                |        |                |        |
| • Finance cost   | 341,857        | 0.2%   | 290,283        | 0.3%   |
| <b>Government</b>  |                |        |                |        |
| • Income tax, sales tax, excise duty, customs duty, WWF and WPPF | 103,356,516    | 74.5%  | 67,454,739     | 72.1%  |
| <b>Shareholders</b>  |                |        |                |        |
| • Dividend   | 13,833,600     | 10.0%  | 9,015,420      | 9.6%   |
| <b>Retained within the business for future growth</b>            |                |        |                |        |
| • Retained earnings, depreciation and amortisation               | 15,394,276     | 11.1%  | 11,971,180     | 12.8%  |
|  | 138,754,916    | 100.0% | 93,551,076     | 100.0% |

### DISTRIBUTION OF WEALTH





# Our DEALERS





Dealers represent the face of the Toyota brand in the market, playing a central role in delivering products and services, managing customer expectations and driving overall satisfaction. Their activities generate direct and indirect impacts across economic, social and environmental dimensions, including tax contributions, employment creation, resource consumption and compliance with applicable laws and standards.

IMC maintains a strong network of 58 independent dealerships across 26 cities, with Toyota Mandi Bahauddin Motors added during the reporting year. These dealerships offer a full suite of Toyota products and services, including new vehicles, genuine spare parts and expert maintenance. In the used-car segment, our Toyota Sure (T-Sure) program enables customers to purchase certified pre-owned vehicles or trade in their existing cars.

To uphold service excellence and maintain our leadership position, IMC works closely with its dealership network through structured training, workshops, operational guidance and performance evaluations. Dealership performance is regularly assessed against defined benchmarks, with improvement measures introduced where required. Exceptional performance is recognized annually at IMC’s dealer conference.

**TEAM-GP**

With rapid advancements in automotive technology, technician upskilling has become essential to ensure high-quality servicing and diagnostics. To meet these evolving needs, Toyota introduced TEAM-GP (Toyota Education and Management System – Global Program), a comprehensive training framework designed to develop competent, future-ready technicians.

TEAM-GP combines structured online learning with practical group training. The self-paced online modules help technicians build foundational knowledge, enabling more effective hands-on skill development during group sessions. The program also provides quick assessment tools to monitor progress and supports efficient training management, ultimately aiming to cultivate highly skilled and capable service professionals.

Technical capability remains a key priority. During the year, over 18,196 man-hours of training were delivered under the TEAM-GP (Toyota Education and Management System – Global Program). This extensive capacity-building effort ensured that each 3S dealership is supported by certified Toyota Diagnostic Master Technicians, enhancing service quality and strengthening customer trust.

Aligned with Toyota Motor Corporation’s global standards, our training programs embed the principle of “**Fix it Right the First Time**”, ensuring reliable, efficient service and enhanced customer

satisfaction. IMC also offers specialized training for corporate clients and fleet technicians, keeping them up to date on the latest service practices and technological developments.

**Promotion of Sustainability Practices at Dealerships**

Our business operations influence the environment and society and we manage our impacts through comprehensive strategies applied across our operations and value chain, including our dealership network. IMC supports its dealers with guidance on health and safety, environmental management, labour practices, human rights and community impact. These efforts help us manage our overall environmental and social footprint effectively. By working collaboratively, we are building a more responsible and sustainable value chain that reduces potential negative impacts and strengthens positive relationships with our stakeholders.

**Introduction of Asia Pacific Ecology (AP-ECO) Standards at Dealers’ Network**

The objective of this activity is to protect the environment by preventing contamination of natural water resources arising from automotive operations within the Toyota dealer network.

To mitigate environmental risks such as oil spills and leakages, all Toyota dealers are required to install an Oil-Water Separator (O/W Separator) Tank in workshop facilities. The O/W Separator prevents environmental contamination by separating oil, carbon, sludge, and particulate matter through a three-stage process, allowing only treated, non-potable water to be safely discharged.

Currently, 55 out of 58 Toyota dealerships have achieved AP-ECO certification. These certified dealerships are monitored on a regular basis and are subject to annual audits to ensure ongoing compliance and certification renewal.

Dealers must store used oil and oil filters in designated, secure containers. Collection and disposal shall be conducted by approved vendors in accordance with scheduled visits.

All Oil-Water Separator systems and related equipment, including oil storage tanks and filter residues, must be routinely monitored and maintained.

# 58 Dealerships

- Toyota Abbott Motors

Toyota Airport Motors

Toyota Azad Motors

Toyota Bahawalpur Motors

Toyota Canal Motors

Toyota Cantt Motors

Toyota Capital Motors

Toyota Central Motors

Toyota Chakwal Motors

Toyota Chenab Motors

Toyota Chiltan Motors

Toyota City Motors

Toyota Clifton Motors

Toyota Creek Motors

Toyota D.G. Khan Motors

Toyota D.I. Khan Motors

Toyota Defence Motors

Toyota Eastern Motors

Toyota Faisalabad Motors

Toyota Fort Motors

Toyota Frontier Motors

Toyota G.T. Motors

Toyota Garden Motors

Toyota Gateway Motors

Toyota Gujrat Motors

Toyota Highway Motors

Toyota HN Motors

Toyota Hub Motors

Toyota Hyderabad Motors

Toyota Islamabad Motors
- Toyota Jhelum Motors

Toyota Jinnah Motors

Toyota Khyber Motors

Toyota Lyallpur Motors

Toyota Mandi Bahauddin Motors

Toyota Mardan Motors

Toyota Multan Motors

Toyota Point Motors

Toyota Port Qasim Motors

Toyota Quetta Motors

Toyota Rahwali Cantt Motors

Toyota Ravi Motors

Toyota Rawal Motors

Toyota Royal Motors

Toyota Sahara Motors

Toyota Sahiwal Motors

Toyota Sargodha Motors

Toyota Shaheen Motors

Toyota Shahrah-e-Faisal Motors

Toyota Sialkot City Motors

Toyota Society Motors

Toyota Southern Motors

Toyota Sukkur Motors

Toyota Township Motors

Toyota University Motors

Toyota Walton Motors

Toyota Western Motors

Toyota Zarghoon Motors



# OUR Suppliers

Reliable access to critical parts and materials remains fundamental to supporting IMC's production plans and meeting customer demand. This year, the global manufacturing landscape remained volatile and Pakistan's tightening import restrictions added further pressure on inbound supply chains. Despite these challenges, IMC maintained operational continuity by actively monitoring supply risks and working closely with partners to ensure the timely delivery of essential components.

IMC continues to promote a collaborative approach with suppliers, fostering shared value and supporting the adoption of environmentally responsible practices. Through financial incentives, technical support and targeted capability-building programmes, suppliers are equipped with the skills and resources needed to strengthen their long-term competitiveness and economic stability. This partnership model contributes to a more resilient and sustainable supply chain.



IMC's procurement activities span both international and local sourcing and include:

- CKD and CBU units from Toyota Motor Corporation and imported components
- Locally manufactured parts and materials for vehicle production
- Locally produced service parts and accessories for after-sales support
- Goods and services for operations, maintenance and corporate needs

Our local supplier base comprises 53 Tier-I manufacturers across Sindh, Punjab and Balochistan, specialising in resin, rubber, electrical parts, sheet metal, assembly and other critical components. These suppliers operate primarily through labour-intensive, manual and semi-automated processes.

In 2024-2025, payments to supply chain partners amounted to PKR 165 billion, a 39 percent increase from the PKR 119 billion in the previous year, reflecting increased production volumes. The local and foreign procurement were 32.9% and 67.1%, compared with 36% and 64% in 2023-2024.

Investing in Localisation

Localisation remains a cornerstone of IMC's strategy to strengthen Pakistan's automotive ecosystem and promote national industrial development. Since the start of our operations, the programme has helped introduce advanced technologies, generate employment and build technical skills across the supplier base. Product Development and Supply Chain teams work closely with vendors to ensure full compliance with Toyota's global safety and quality standards, encouraging investments in modern equipment and dedicated production lines for advanced components.

The Toyota Corolla Cross now incorporates the highest level of localised content among our models, reflecting the progress achieved through long-term collaboration. Consistent localisation efforts have also created opportunities to export Pakistani-manufactured automotive parts to international markets, supporting broader economic growth.

Embedding Sustainability in Supplier Operations

IMC promotes responsible manufacturing by supporting suppliers in adopting Toyota Quality Standards, Kaizen principles and Just-In-Time practices. These systems help minimise waste, reduce rejection rates and enhance operational efficiency. Through ongoing engagement, training and performance assessments, IMC works closely with suppliers to ensure alignment with sustainability expectations and regulatory requirements, while jointly implementing improvement actions to strengthen long-term capability.

IMC also upholds strict ethical labour standards across its operations and supply chain. In line with national labour laws, the company prohibits child labour, forced labour and any form of coercive employment and these requirements are embedded into supplier contracts. New suppliers undergo a structured evaluation process to verify compliance with legal and ethical obligations. At the same time, ongoing oversight through audits, KPI monitoring and corrective actions ensures responsible sourcing and reinforces a culture of fairness, integrity and sustainability. In 2025, no cases of forced or child labour or violations of freedom of association and collective bargaining were reported in the supply chain.

Toyota Green Purchasing Guidelines (GPG)

Environmental stewardship is reinforced through Toyota's Green Purchasing Guidelines, which set clear expectations for managing ecological impacts across the supply chain. A total of 41 suppliers are certified under ISO 14001:2015, demonstrating our progress in promoting environmentally responsible practices.

IMC has also implemented returnable trolleys to reduce packaging waste and enhance resource efficiency. In line with Toyota Technical Standards TSZ0001G, suppliers are prohibited from using restricted substances in packaging materials, including:

- |                       |                      |
|-----------------------|----------------------|
| • Lead                | • PBB, PBDE, DecaBDE |
| • Cadmium             | • HBCD               |
| • Mercury             | • PFOS               |
| • Hexavalent Chromium | • Asbestos           |
|                       | • DMF                |

These measures reflect IMC's commitment to fostering a cleaner and more sustainable supply chain.



53 Suppliers

|   |   |
|---|---|
| AB Engineering (Pvt) Ltd.                 | Omar Jibran Eng. Industries Ltd               |
| Agriauto Industries Ltd.                  | Pacific International (Pvt) Ltd.              |
| Agriauto Stamping Company (Pvt) Ltd.      | Panther Sports & Rubber Industries (Pvt) Ltd. |
| Ahmad Glass Industries (Pvt) Ltd.         | PCI Automotive (Pvt) Ltd.                     |
| Alba Engineering Company                  | Pearl Packages (Pvt) Ltd.                     |
| Al-Badar Engineering Company              | Plastech Autosafe (Pvt) Ltd.                  |
| Al-Fattah Aluminium Industries (Pvt) Ltd. | Precision Mates                               |
| Allco Transfer Printers (Pvt) Ltd.        | Procon Engineering (Pvt) Ltd.                 |
| Alsons Auto Parts (Pvt) Ltd.              | Ravi Autos Sundar (Pvt) Ltd.                  |
| A-one Techniques (Pvt) Ltd.               | Razi Sons (Pvt) Ltd.                          |
| Atlas Battery Limited.                    | Rubatech Manufacturing Co.Pvt Ltd.            |
| Auvitronics Limited.                      | Sapphire Finishing Mills Ltd.                 |
| Automate Industries (Pvt) Ltd.            | S.T. Engineering Services (Pvt) Ltd.          |
| Baluchistan Wheels Ltd.                   | Shaheen Automotive (Pvt) Ltd.                 |
| Dawood Engineering (Pvt.) Ltd.            | Stanley Industries                            |
| Exide Pakistan Ltd.                       | Synthetic Products Enterprises                |
| Faraz Industries (Pvt) Ltd.               | Tecno Auto Glass Ltd.                         |
| Feroz Industries                          | Tecno Pack Telecom (Pvt) Ltd.                 |
| G.I Enterprises (Pvt) Ltd.                | Thal Boshoku Pakistan (Pvt) Ltd.              |
| Ghandhara Tyre And Rubber Company         | Thal Limited                                  |
| Hawks Engineering Services (Pvt) Ltd.     | Thermosole Industries (Pvt) Ltd.              |
| Hinopak Motors Ltd.                       | United Mechanical Industries (Pvt) Ltd.       |
| Infinity Engineering (Pvt) Ltd.           | Yaqeen Art Press (Pvt) Ltd.                   |
| Jodhala Complex (Pvt) Ltd.                |   |
| Landhi Engineering Works (Pvt) Ltd.       |   |
| Loads Ltd.                                |   |
| Mecas Engineering (Pvt) Ltd.              |   |
| Mehran Commercial Enterprises             |   |
| Metaline Industries (Pvt) Ltd.            |   |
| National Automotive Components (Pvt)      |   |



# Pakistan Auto Show PAPs

# 2024

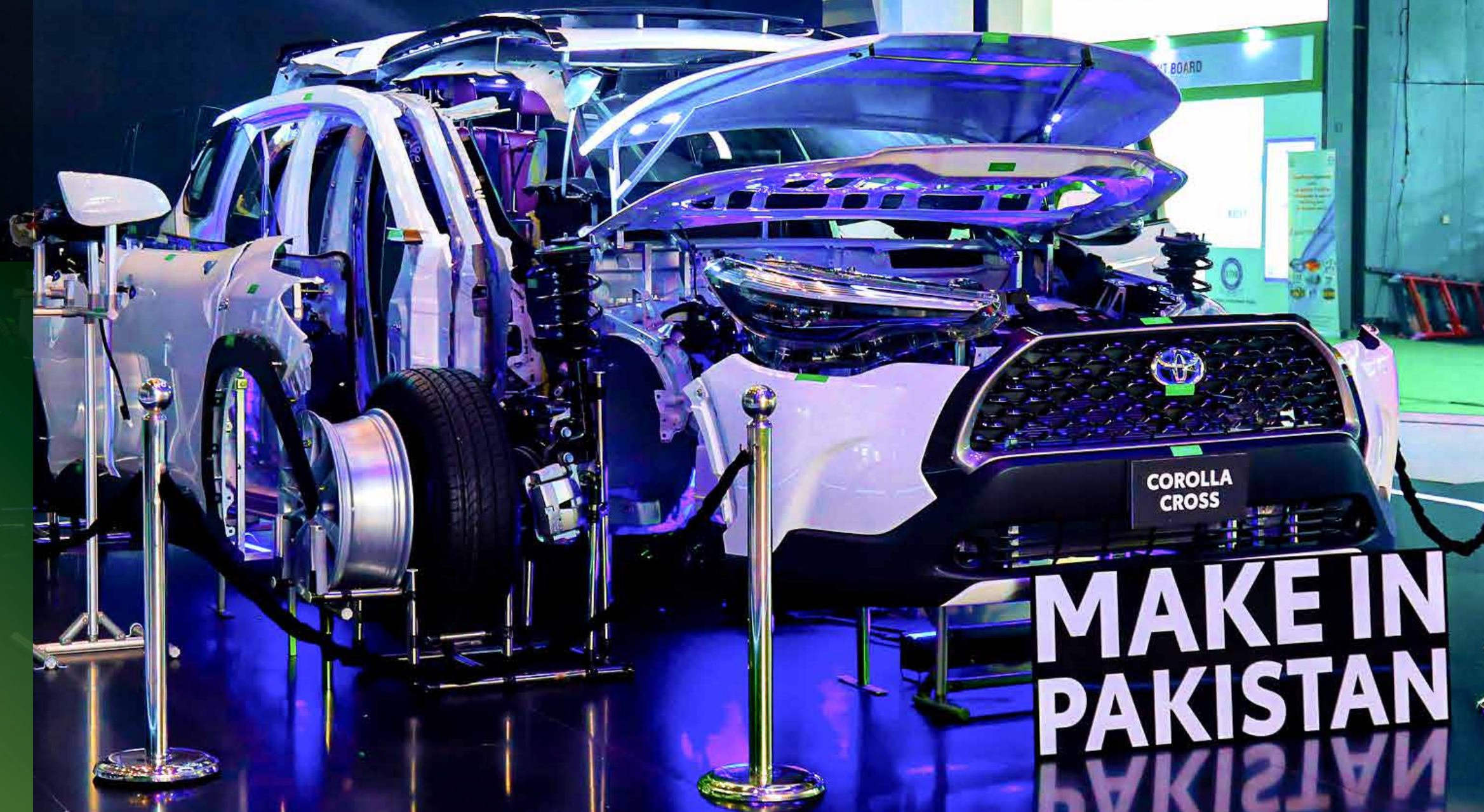
## Showcasing Pakistan's Automotive Future

At the Pakistan Auto Show (PAPs) held from October 25 to 27, 2024 at Expo Centre Lahore saw Indus Motor Company (IMC) at the forefront of innovation and excellence as the Diamond Sponsor of Pakistan's prime automotive exhibition. IMC with its elevated prominence and eye-catching booth, proudly unveiled the striking exploded view of the Corolla Cross Hybrid Electric Vehicle (HEV) which is the country's first ever "Make in Pakistan" HEV featuring the highest level of localised content yet.

The booth was more than just a showcase as it served as a statement of intent. IMC used the platform to reinforce its longstanding commitment to local production, sustainability, and technological innovation, reaffirming the principles it has upheld for over 30 years.

Positioning the Corolla Cross HEV not just as a product but as a symbol of national capability, IMC seamlessly tied the vehicle's launch into a broader, forward-looking narrative. From exporting vehicles to Oceania since August 2024, to auto part exports to Egypt since mid-2023, and labor exports to Japan, IMC is driving Pakistan's automotive sector onto the global stage.

# COROLLA CROSS



# MAKE IN PAKISTAN



# Our Customers



Guided by The Toyota Way in Sales and Marketing (TWSM), Toyota Service Marketing (TSM) and the Toyota Global CR Standards, IMC adopts a proactive approach to ensuring safety, quality and comfort across both manufacturing and after-sales operations. Principles such as Hansa Renkei (cross-functional collaboration) and Kaizen (continuous improvement) shape our commitment to innovative product development and exceptional customer experiences.

Central to this commitment is our Customer First Department & Customer Relations Department, which works closely with our nationwide dealership network to deliver a seamless and rewarding customer experience. Customers receive genuine spare parts, lubricants and high-quality services that reinforce confidence in the Toyota brand. To promote awareness and safety, IMC also conducts campaigns on vehicle maintenance and road safety, demonstrating our dedication to protecting customers and the wider community.

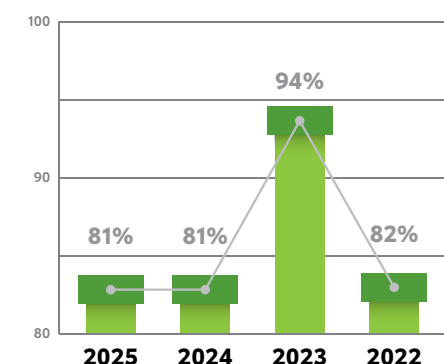
Customer feedback is a cornerstone of our quality improvement efforts. IMC regularly conducts satisfaction surveys across dealerships and tracks performance through the Customer Satisfaction Index (CSI) and the Sales Satisfaction Index (SSI). These tools help us understand customer expectations,

evaluate product and service performance and identify areas for enhancement. Our CR Department collaborates with cross-functional teams to develop strategies that strengthen customer satisfaction.

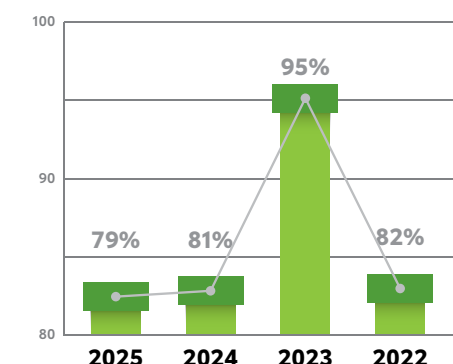
In FY 2024-2025, IMC engaged a third party to conduct independent third-party surveys. These assessments helped identify gaps between dealer performance and customer expectations, track improvement trends and inform future process enhancements.

CSI scores remained stable compared to FY 2023-2024, reflecting consistent service quality. The SSI, however, saw a modest 2.5 percent decline due to temporary supply constraints. To address this, IMC has implemented stronger measures to ensure timely and efficient vehicle deliveries, reinforcing our commitment to improving the overall customer experience.

**Customer Satisfaction Index**



**Sales Satisfaction Index**



Customer Satisfaction survey highlights the following Key Attributes:

## CSI main attributes

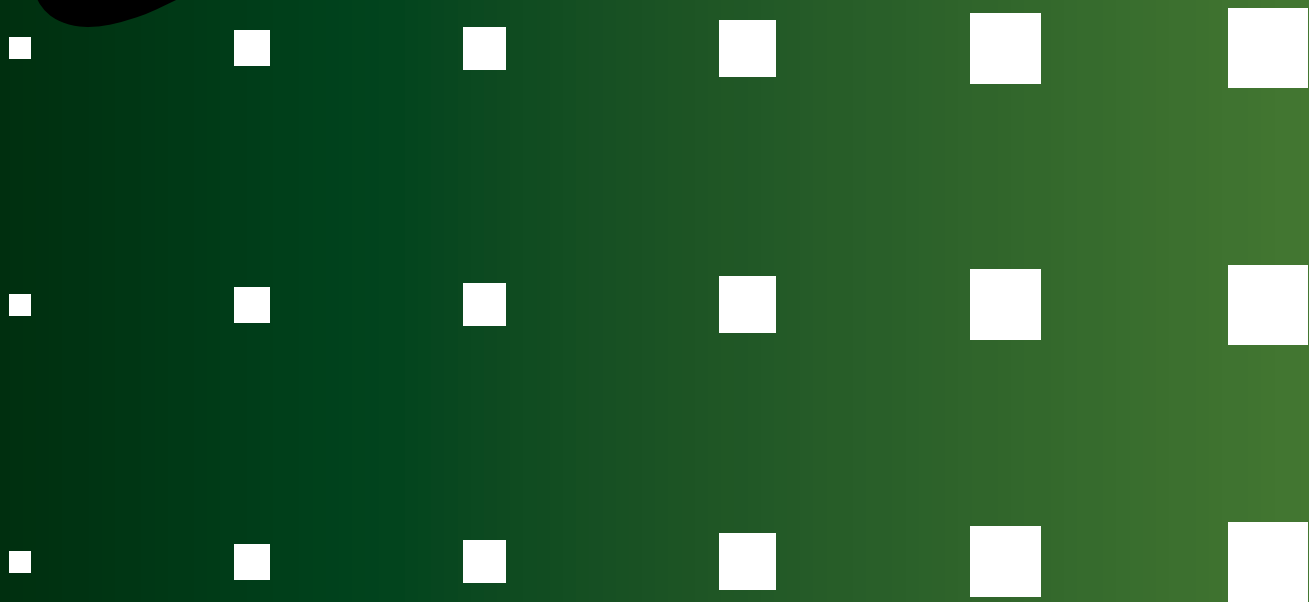
- Service Initiation
- Service Advisor
- Service Facility
- Service Quality
- Loyalty Towards Service
- Vehicle Delivery Experience

## SSI main attributes

- Purchase Experience
- Dealer Facilities
- Delivery Experience
- Loyalty Towards Dealership



# Environmental Strategy







# Nature

Wrote her equations  
in light and form





# Climate Change

## Material Topic:

### Material, Energy, Emission

Climate change remains one of the most urgent global challenges, with intensifying heat waves, floods and droughts disrupting countries and triggering significant economic losses. Addressing these impacts requires decisive action from both the public and private sectors. Supportive climate policies and resilient systems are essential to encourage industries to adopt cleaner technologies and develop products that can withstand the evolving low-carbon shift.

At IMC, we remain committed to reducing our environmental footprint by improving energy efficiency and progressively transitioning toward renewable and low-carbon energy sources across our operations and value chain. These efforts reflect our long-term goal of contributing to national climate objectives while strengthening resilience within our own business.

The introduction of our Hybrid Electric Vehicle (HEV), the Corolla Cross, marks a significant milestone in IMC's decarbonization efforts. These vehicles support Pakistan's climate goals by providing customers with energy-efficient, low-emission mobility options and reinforcing our commitment to cleaner transport solutions.

For additional information on our sustainability initiatives, including our renewable energy transition and the Million Tree Plantation Drive, please refer to pages 103, 105 and 152.

### Global Environmental Management System

IMC continues to uphold Toyota's Global Environmental Management System (G-EMS). This comprehensive framework promotes environmental protection and long-term sustainability in line with the Science Based Targets initiative (SBTi). To enhance internal capabilities, IMC members attended a Train-the-Trainer workshop hosted by Toyota Motor Asia in Thailand, aimed at increasing understanding of G-EMS standards and supporting local capacity-building efforts.

### WWF Green Office Training

After successfully launching the Green Office Program with WWF, IMC continued to foster a culture of environmental responsibility throughout

its offices. Focused awareness and training sessions were held to help integrate eco-friendly practices into daily operations.

### IMC's Environment Month

IMC observes Environment Month every January to reaffirm its commitment to sustainability and encourage eco-conscious actions across all functions. Safety Month features multiple activities, promotions, appreciation events and workshops to actively involve our team in fostering a safety culture at the workplace. The leadership's commitment and communication emphasize the importance of safety across all aspects of the IMC family. We achieved 100% member participation in activities throughout the month, including the Toyota Safety League, launched for the first time in IMC's history, along with a cleanup drive for both offices and the plant, awareness sessions, training programs, promotions, safety surveys and fire drills.

### Shaping a Greener Tomorrow

In July 2024, IMC launched a new composting facility to process organic food waste. This initiative ensures that all organic waste is turned into nutrient-rich compost, which is used as natural fertilizer for landscaping across IMC premises. This eco-friendly effort has significantly cut IMC's total waste by 50%, highlighting the company's dedication to environmental responsibility and promoting a greener workplace. The facility includes 12 boxes, each holding 1,170 kg, capable of producing about 585 kg of compost every 45 days.



### Relevant SDGs



# Our Approach

IMC's operations depend on natural resources and generate environmental impacts, including emissions, waste and wastewater discharge. Core processes, including pressing, welding, assembly and painting, as well as downstream emissions from vehicle use, remain key focus areas for reducing impacts.

To address these challenges, IMC is strengthening process efficiency through automation, digital manufacturing and robotic technologies, helping reduce its environmental footprint while improving operational performance and cost efficiency. IMC's Innovation Department plays a key role in identifying and implementing solutions to reduce carbon emissions across plant operations, supporting continuous improvement in environmental performance.

Recognizing that vehicle-related emissions extend beyond direct operations, IMC actively collaborates with government agencies and other stakeholders to advocate for improved fuel standards in Pakistan. Enhanced fuel quality is essential for enabling cleaner engine performance and reducing national emissions.

IMC's environmental strategy is anchored in the Toyota Global Environmental Challenge 2050 and the Toyota Guiding Principles, which shape the company's long-term vision for decarbonization, resource conservation and environmental stewardship. This vision is implemented through the Five-Year Environmental Management Plan and the 8th Environment Action Plan, with focused priorities on biodiversity conservation, water stewardship and participation in initiatives such as the WWF Green Office Program. These plans define clear objectives and actions for emissions reduction, resource efficiency and continuous ecological improvement across all departments.

Environmental governance is led by the SHE Steering Committee, chaired by the CEO. The Committee sets strategic direction, reviews performance and ensures accountability for SHE objectives across the company. A dedicated Team Lead oversees the implementation of environmental policies, regulatory compliance and internal programs, supported by cross-functional teams across operations.

IMC continues to scale renewable energy adoption as part of its decarbonization efforts. Approximately 25 percent of the company's total energy consumption is met through its 6.6 MW solar power system, contributing to reduced reliance on conventional energy sources. In addition, organic waste food

generated at facilities is converted into energy, supporting circular resource use and minimizing landfill disposal.

IMC maintains ISO 14001:2015 certification, reinforcing its commitment to structured environmental management, proactive risk assessment and continuous improvement. Regular training and awareness programs instill a culture of environmental responsibility among employees.

Environmental stewardship is also extended across IMC's value chain.

**APECO Implementation - IMC dealership network is Asia Pacific Ecology (APECO) certified and the objective of this activity is to protect the environment by preventing contamination of natural water resources arising from automotive operations within the Toyota dealer network. To mitigate environmental risks such as oil spills and leakages, all Toyota dealers are required to install an Oil-Water Separator (O/W Separator) Tank in workshop facilities. The O/W Separator prevents environmental contamination by separating oil, carbon, sludge, and particulate matter through a three-stage process, allowing only treated, non-potable water to be safely discharged. Dealers must store used oil and oil filters in designated, secure containers. Collection and disposal shall be conducted by approved vendors in accordance with scheduled visits.**

**Green Dealership Network - Our Solar Support Program has helped reduce Toyota Dealership Network's electricity emissions by 38% since 2019—from 2,442 to 1,522 tonnes of CO<sub>2</sub>. By the end of 2025, 80% of our dealerships' electricity will be solar-powered, eliminating an 1,856 tonnes of CO<sub>2</sub> annually.**

IMC works closely with vendors to promote the use of green products and the adoption of sustainable manufacturing and operational practices in line with IMC's Environmental Policy and Toyota's Supplier Sustainability Guidelines.

IMC's commitment to biodiversity conservation is reflected in large-scale plantation initiatives, with approximately 920,000 trees and 6,000 mangroves planted to date, contributing to ecosystem restoration and climate resilience.

IMC's environmental performance is closely monitored through internal audits, compliance checks, Toyota Global Environmental Management System assessments and external recertification audits. Insights from these evaluations guide corrective actions and ongoing improvements



to systems and processes. In FY 2024–2025, IMC achieved zero non-compliance with environmental laws or regulations, reaffirming its strong record of responsible environmental stewardship.

Using Natural Resources

Driven by our commitment to sustainability, IMC responsibly manages natural resources to balance economic performance with customer value. The production of our vehicles involves a wide range of materials, including metals, plastics, elastomers, textiles, natural fibers, fuels, consumable liquids, electronics, ceramics and glass, all sourced and used efficiently and carefully.

Here are some of the most common materials used in car construction:

- Metals
- Plastics, elastomers, textiles and natural materials
- Electronics, ceramics, glass and other compounds
- Fuels and consumable liquids
- Non-dimensional

Determining the precise weight and composition of materials used in vehicle manufacturing is complex due to the wide range of components involved. IMC is enhancing its capabilities to better identify, measure and manage material composition across its products. This improved understanding will support more efficient resource use, stronger circularity initiatives and greater transparency across the value chain.

IMC consistently seeks opportunities to incorporate sustainable materials into its production processes, prioritizing recycled and renewable resources whenever possible. During the reporting year, recycled materials were limited to thinner and water and no product or packaging material reclamation activities were undertaken.

Energy Use and Shifting to Low-Carbon Resources

IMC’s approach to energy and emissions focuses on improving operational efficiency, adopting low-carbon practices and integrating technologies to reduce greenhouse gas (GHG) emissions. Aligned with the Toyota Environmental Challenge 2050, we continue to advance process optimisation and invest in cleaner, more efficient systems across our operations.

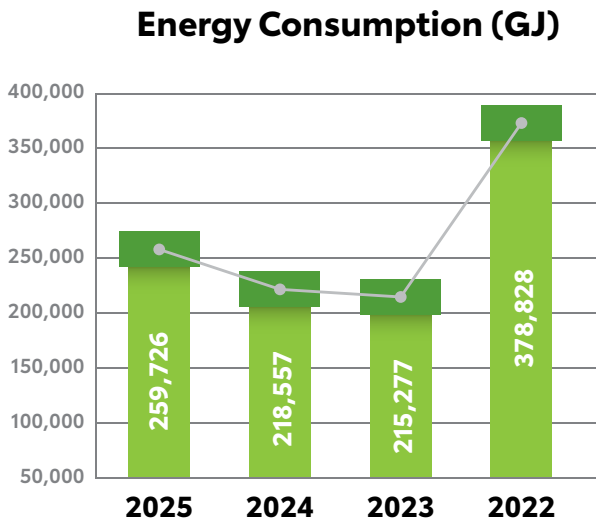
Energy efficiency is a core feature of our manufacturing setup. The assembly plant is designed to maximise natural lighting, supported by LED installations across the facility to reduce electricity demand. Our Combined Heat and Power (CHP) system further enhances efficiency by recovering waste heat generated during power production and using it to support other processes. We also continue to use R-134a, a more environmentally friendly refrigerant, in all vehicle air-conditioning systems.

Energy consumption is monitored in line with Toyota Daihatsu Engineering and Manufacturing (TDEM) guidelines, covering all renewable and non-renewable sources. Savings are achieved through process improvements, LED lighting and the use of absorption chillers.

Natural gas and electricity continue to be the primary energy sources for IMC and remain the most significant contributors to GHG emissions. In FY 2024–2025, total energy consumption increased by 41,169 GJ, driven by 70% increase in vehicle production compared to last year, the energy use per vehicle reduced from 11.12 GJ per vehicle in FY 2023–2024 to 7.81 GJ per vehicle in FY 2024–2025.

IMC’s energy optimisation measures not only support emission reduction but also improve cost efficiency, contributing positively to both natural and financial capital. We continue to work with suppliers and dealerships to extend responsible energy practices throughout the value chain and strengthen our environmental performance.

|   | Unit    | 2025     | 2024     | 2023    | 2022    |
|---|---------|----------|----------|---------|---------|
| Energy Consumption  |         |          |          |         |         |
| Energy consumed within organization - Non-renewable       | GJ      | 243,125  | 204,287  | 199,552 | 359,016 |
| Energy consumed within organization - Renewable           | GJ      | 16,601   | 14,270   | 15,725  | 19,812  |
| Total Energy Consumption                                  | GJ      | 259,726  | 218,557  | 215,277 | 378,828 |
| Energy consumption per vehicle produced                   | GJ/unit | 7.81     | 11.12    | 6.58    | 5.22    |
| (Excess) Energy Consumption/ Saving Compared to Last Year | GJ      | (18,471) | (16,777) | 12,034  | 19,876  |

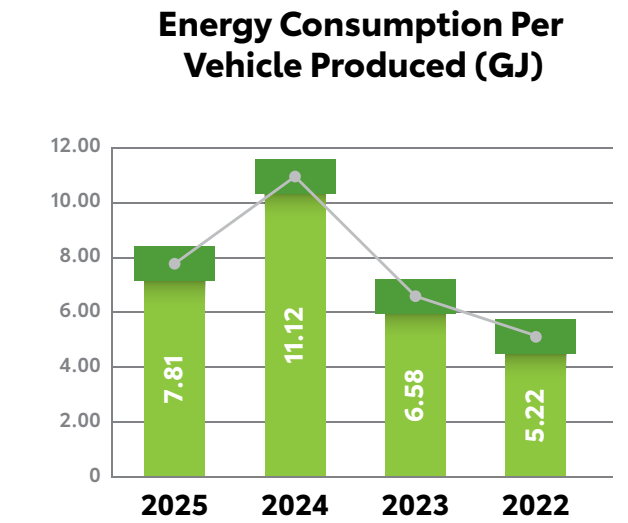
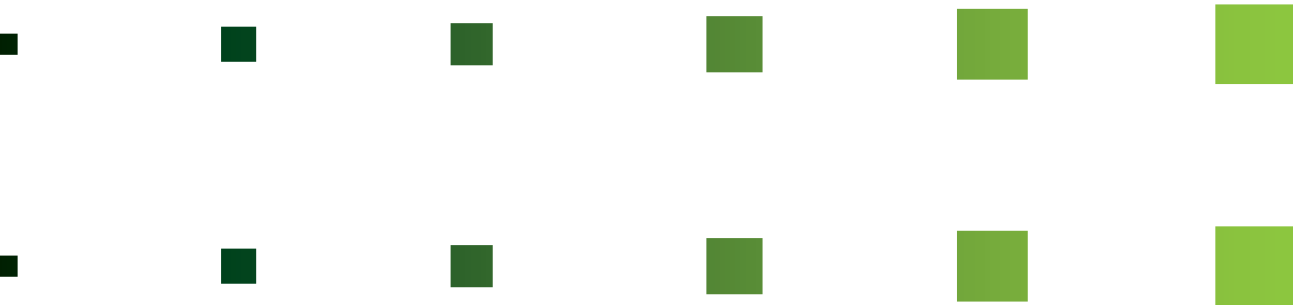


Shifting Towards Renewable Energy

Aligned with the Toyota Environmental Challenge 2050, IMC continues to expand the use of green technologies to reduce GHG emissions and diversify its energy mix. IMC operates one of Pakistan’s largest rooftop-mounted solar photovoltaic (PV) systems and the largest within the country’s automobile sector. This milestone also positions IMC as the first Toyota affiliate in the Asia-Pacific region to install a solar PV plant of this scale, reaffirming our firm commitment to carbon neutrality and renewable energy leadership.

Our rooftop solar system has a total installed capacity of 6.6 MW, contributing a meaningful share to our overall energy consumption and significantly reducing our reliance on conventional energy sources. The solar system reduces the factory’s carbon footprint by approximately 3,524 tons of CO2 annually, demonstrating the tangible impact of our renewable energy initiatives. Beyond emissions reduction, the system contributes to operational savings and supports more resilient energy management by lowering dependence on external electricity supply.

IMC is also the first automobile OEM in Pakistan to implement net metering at the maximum allowable capacity. Integrating net metering has strengthened operational resilience by enabling seamless transition to Karachi Electric (KE) supply during emergencies.



This achievement enhances system efficiency and delivers annual savings exceeding PKR 40 million, with a remarkable payback period of less than a month. In addition, net metering contributes to further CO2 reductions of more than 300 tons per year.

IMC remains committed to expanding its solar capacity and increasing the share of renewable energy in its operations. These initiatives demonstrate our continued leadership in sustainable energy solutions and set a strong benchmark for environmental excellence within the automotive industry.

Switching to Synthetic Natural Gas

Amid ongoing energy shortages and gas scarcity in Pakistan, IMC is adopting Synthetic Natural Gas (SNG) as a key, long-term solution. SNG is created by blending vaporized Liquefied Petroleum Gas (LPG) with air, closely resembling natural gas in properties. Its higher heating value, better energy density and optimal air-to-fuel ratio make SNG an efficient alternative for external combustion processes, enabling a seamless transition using existing natural gas infrastructure. This initiative demonstrates IMC’s dedication to sustainability and reliability, as SNG is eco-friendly, produces no hazardous waste, emits fewer greenhouse gases than traditional fuels and has minimal effects on soil, water and underground resources.



Greenhouse Gas Emissions

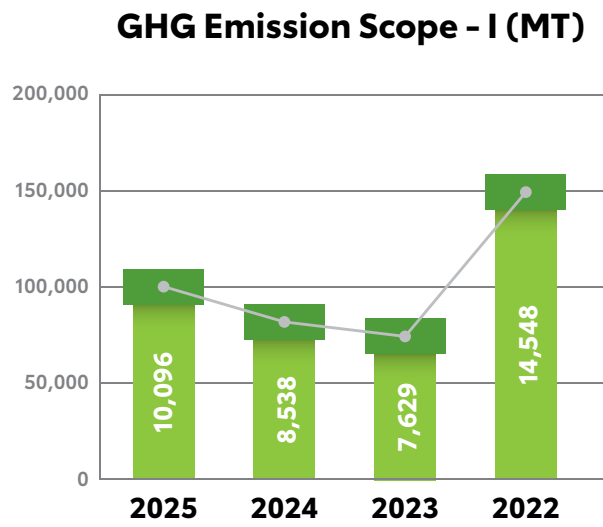
Greenhouse gas emissions are a key driver of climate change and IMC is committed to reducing its footprint through cleaner technologies and continuous process optimisation. Guided by Kaizen and Just-in-Time principles, we have enhanced operational efficiency, lowered delivery-related emissions and achieved cost savings through improved resource use.

Natural gas and electricity remain essential to our production processes and are the primary sources of our GHG emissions. We plan to further enhance transparency by beginning to measure and assess Scope 3 emissions across our value chain next year.

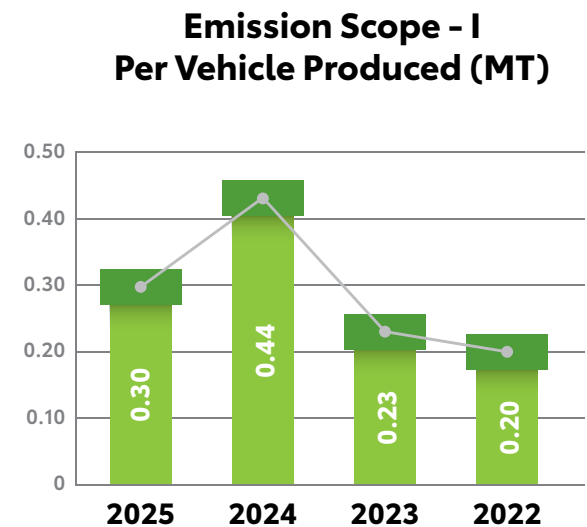
Aligned with the Toyota Environmental Challenge 2050, IMC has adopted a Zero CO<sub>2</sub> Strategy to achieve long-term reductions in emissions. Key initiatives include energy-efficient lighting, highly efficient power generation systems and the use of absorption chillers that harness waste heat to lower energy demand. The integration of solar PV systems has further reduced electricity consumption from conventional sources and contributed to a meaningful reduction in CO<sub>2</sub> emissions.

In FY 2024-2025, total GHG emission increased by 2,018 MT, driven by 70% increase in vehicle production compared to last year, the GHG emission per vehicle reduced from 0.44 MT per vehicle in FY 2023-2024 to 0.30 MT per vehicle in FY 2024-2025.

|  | Unit    | 2025  | 2024   | 2023   | 2022    |
|--|---------|---|--------|--------|---------|
| GHG Emission   |         |   |        |        |         |
| Greenhouse Gases emissions (Scope 1)   | MT      | 10,096  | 8,538  | 7,629  | 14,548  |
| Greenhouse Gases emissions (Scope 2)   | MT      | 1,984   | 1,524  | 3,529  | 6,848   |
| Total Greenhouse Gases emissions   | MT      | 12,080  | 10,062 | 11,158 | 21,396  |
| Emissions per vehicle produced (Scope 1)   | MT/unit | 0.30  | 0.44   | 0.23   | 0.20    |
| Total emissions per vehicle produced (Scope 1 and Scope 2)   | MT/unit | 0.36  | 0.51   | 0.34   | 0.30    |
| Total Reduction/(Increased) in emission  | MT      | (2,018)   | 1,096  | 10,238 | (1,872) |
| Emissions of ODS   | MT      | Nil   | Nil    | Nil    | Nil     |
| Nox, Sox and other significant air emissions   | MT      | NOx, Sox & other significant air emissions within SEQS limits |        |        |         |
| CO2, CH4, N2O gases are included in the calculation of CO2e emissions and emission reduction. There were no biogenic emissions during the year. TDEM and SEQS guidelines were used for energy and emission calculations. |         |   |        |        |         |



Volatile Organic Compounds (VOCs) released from processes involving solvents, paints, sealers and other hydrocarbon-based materials continue to be a significant source of emissions. IMC has adopted several process improvements, including reducing cartridge use for low-demand colors, implementing new solvent alternatives, optimizing robot gun distances and fine-tuning spray settings, which have collectively resulted in a significant decrease in VOC emissions over time.



Million Tree Plantation Initiative

Since launching the Million Tree Plantation Drive in 2018, IMC has remained committed to advancing environmental sustainability and supporting national reforestation efforts. To date, we have planted more than 920,000 saplings, focusing on native species such as Neem, Jamun, Amrood, Kaner, Gulmohar, Parsi Peepal, Bottle Brush and Terminalia. These plantations span multiple locations across Karachi, including Orangi Town, Nazimabad, DHA, Malir, Gulistan-e-Johar, University Road, Korangi and the Clifton Urban Forest.

Our plantation initiative aligns with Pakistan’s Billion Tree Tsunami and the UN Decade on Ecosystem Restoration (2021–2030), contributing directly to SDG 13 (Climate Action), SDG 15 (Life on Land) and SDG 17 (Partnerships for the Goals). By prioritising local species and involving communities and dealership partners, IMC is helping to expand urban green spaces, improve air quality, support biodiversity and generate employment opportunities.

Restoring Coastlines, Securing the Future

Aligned with the Toyota Environmental Challenge 2050 and the UN Sustainable Development Goals, IMC partnered with WWF-Pakistan to carry out a mangrove planting project along Karachi’s coastal belt at the WWF Wetlands Centre. The initiative highlighted the crucial role mangroves play in coastal protection, carbon sequestration and biodiversity preservation, while helping to restore one of Pakistan’s most endangered ecosystems.

IMC employees actively participated by planting saplings, showing dedication to environmental stewardship and hands-on climate action. Through this effort, 6,000 more mangrove saplings were planted, further strengthening IMC’s ongoing green initiatives and emphasizing our commitment to ecosystem restoration and climate resilience.



# Water Management



## Material Topic:

### Water

Access to clean, sufficient water is vital to human well-being and sustainable industrial operations. Recognizing water as a shared community resource, IMC is committed to using it responsibly and efficiently. Water supports several production and utility processes at the plant. Over the years, IMC has systematically reduced freshwater usage by applying the 3R principles, Reduce, Recycle and Reuse, to minimize environmental impact and conserve this essential resource.

## Relevant SDGs



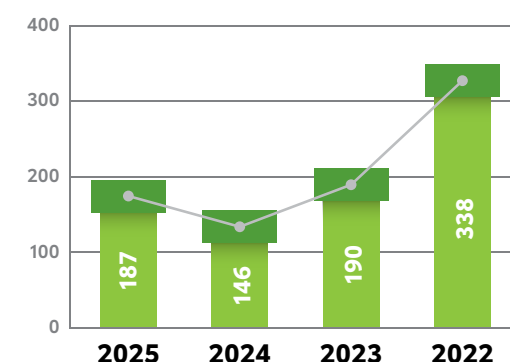
IMC's water supply comes from canals connected to Keenjhar Lake, Pakistan's second-largest freshwater reservoir, with a capacity of approximately 650 million cubic meters. The company maintains a formal supply contract with the Karachi Water and Sewerage Board (KWSB) and all distribution is monitored through installed flow meters. As a key drinking water source for the Thatta District and Karachi City, the sustainable use of Keenjhar Lake holds significant environmental and social importance. Keenjhar Lake is also a Ramsar-designated wetland and protected wildlife sanctuary, supporting migratory bird species and critical breeding habitats. IMC carefully manages its water withdrawal and ensures that no water is extracted from areas facing scarcity. In alignment with the Toyota Environmental Challenge 2050, IMC continues to explore innovative technologies and set ambitious conservation targets to strengthen water efficiency and promote long-term resource sustainability.

IMC also collaborates with supply chain partners to reduce collective pressure on freshwater resources by encouraging responsible practices and greater use of recycled water. Despite these efforts, water withdrawal increased to 187 million litres in FY2024-2025, up from 146 million litres in FY2023-2024, driven primarily by higher vehicle production volumes. While consumption rose, IMC remains committed to advancing water stewardship by reviewing processes, identifying efficiency opportunities and implementing strategies to optimise water use across operations.

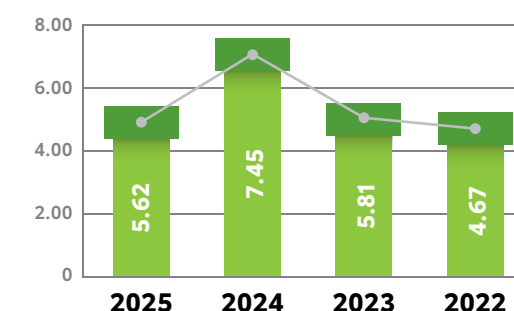
## Water Withdrawal by Source (Million Litres)

|  | 2025       | 2024       | 2023       | 2022       |
|--|------------|------------|------------|------------|
| <b>Surface Water</b>                             |            |            |            |            |
| Fresh Water (< 1,000 mg/L Total Dissolved Solid) | 187        | 146        | 190        | 338        |
| Other Water (> 1,000 mg/L Total Dissolved Solid) | -          | -          | -          | -          |
| <b>Ground Water</b>                              |            |            |            |            |
| Fresh Water (< 1,000 mg/L Total Dissolved Solid) | -          | -          | -          | -          |
| Other Water (> 1,000 mg/L Total Dissolved Solid) | -          | -          | -          | -          |
| <b>Total Water Withdrawal</b>                    | <b>187</b> | <b>146</b> | <b>190</b> | <b>338</b> |

## Water Withdrawal (ML)



## Water Withdrawal Per Vehicle Produced (ML)



## Water Consumption

|                            | 2025 | 2024 | 2023 | 2022 |
|----------------------------|------|------|------|------|
| <b>Water Consumption</b>   |      |      |      |      |
| Total Water consumption ML | 164  | 129  | 167  | 294  |

Water consumption is carefully tracked using calibrated flow meters, ensuring precise measurement and management. All monitoring practices comply with both the Sindh Environmental Protection Agency (SEPA) and Toyota's global environmental standards.

## Wastewater and Water Discharge

Wastewater produced from our operations, including used thinner, undergoes thorough treatment to ensure pollutant levels meet or surpass SEPA regulatory standards. IMC's facility features a cutting-edge wastewater treatment plant with Apple Edge technology from KABUTA, Japan, enabling efficient, reliable treatment of operational effluents. The treated water is reused solely for horticultural and landscaping purposes.

## Wastewater Discharge in ML

|  | 2025      | 2024      | 2023      | 2022      |
|--|-----------|-----------|-----------|-----------|
| <b>Surface Water</b>                             |           |           |           |           |
| Freshwater (<1,000 mg/L Total Dissolved Solids)  | 21        | 14        | 20        | 35        |
| Other water (>1,000 mg/L Total Dissolved Solids) | 2         | 3         | 3         | 8         |
| <b>Total</b>                                     | <b>23</b> | <b>17</b> | <b>23</b> | <b>43</b> |



# Waste Management



## Material Topic:

### Effluents & Waste

IMC is committed to responsible production by ensuring that all waste generated from its operations is managed, treated and disposed of in an environmentally sound manner. The diverse materials used in vehicle assembly, such as aluminium, plastics, glass, rubber, textiles and ceramics, create multiple waste streams that are systematically segregated and handled according to their type and risk level. Non-hazardous waste, including domestic waste, metal scrap and other recyclables, is diverted from landfills through reuse, recycling or sale to authorised vendors. These practices support circular economy principles and reduce the overall environmental footprint.

### Relevant SDGs



IMC maintains strict controls for hazardous waste, including used oil drums, spent batteries and residues from paint shop operations. Paint sludge generation is reduced through careful monitoring of paint usage. Extracted water from sludge is filtered and treated before being reused for plantation and landscaping. With the commissioning of a new water treatment facility, IMC has significantly increased its capacity to recover water from paint sludge, reducing waste weight and conserving valuable water resources.

Used thinner undergoes a controlled heating process to remove impurities, allowing the recovery and reuse of approximately 30 percent of the material. All remaining hazardous waste is securely stored and handed over to licensed contractors for safe and compliant disposal. Aside from thinner, retained due to safety and quality requirements, no hazardous waste is redirected from disposal. Comprehensive tracking mechanisms ensure adherence to regulatory standards.

To further enhance resource efficiency, IMC introduced returnable trolleys for parts delivery, eliminating disposable packaging materials in the supply chain. This initiative has reduced waste at the source, streamlined logistics and simplified handling at the plant.

IMC recognises that poor waste practices can pose risks to employee health, workplace safety and the environment, including soil and water contamination. To mitigate these risks, IMC adheres to stringent legal requirements for waste segregation, storage and disposal. Regular awareness and training sessions are conducted for operational teams to promote waste minimisation and ensure safe, compliant waste handling across all operations.

|                          | 2025            |                              |                            | 2024            |                              |                            | 2023            |                              |                            |
|--------------------------|-----------------|------------------------------|----------------------------|-----------------|------------------------------|----------------------------|-----------------|------------------------------|----------------------------|
|                          | Waste generated | Waste diverted from disposal | Waste directed to disposal | Waste generated | Waste diverted from disposal | Waste directed to disposal | Waste generated | Waste diverted from disposal | Waste directed to disposal |
| <b>Waste composition</b> |                 |                              |                            |                 |                              |                            |                 |                              |                            |
| Hazardous                | 167             |                              | 167                        | 111             | -                            | 111                        | 279             |                              | 279                        |
| Non-hazardous            | 2,211           | 1,813                        | 398                        | 2,136           | 1,700                        | 436                        | 2,489           | 2,029                        | 460                        |
| <b>Total waste</b>       | <b>2,387</b>    | <b>1,813</b>                 | <b>565</b>                 | <b>2,247</b>    | <b>1,700</b>                 | <b>547</b>                 | <b>2,768</b>    | <b>2,029</b>                 | <b>739</b>                 |

### Toyota 5S Program

5S is a structured methodology for workplace organisation and visual management, built on five Japanese principles: Seiri, Seiton, Seisō, Seiketsu and Shitsuke, translated as Sort, Set in Order, Shine, Standardise and Sustain. By ensuring workspaces are organised, clean and consistently maintained, 5S enhances productivity, reduces waste and supports smooth, disruption-free operations.

IMC continued its environmental awareness efforts by organising the 5S Ecological Conservation Programme through UNAP's online outreach platform. The programme integrated the Kaizen mindset into the training modules, encouraging participants to apply continuous improvement principles in their daily activities.

Participants engage actively throughout the sessions, demonstrating strong enthusiasm for adopting 5S concepts. The programme also strengthens environmental consciousness, with

all participants expressing interest in contributing to ecological activities such as tree plantation. A video on plastic pollution is shared during the program to build awareness of environmental challenges and responsible waste behaviour.

### 5S Clean-up Drive Post – Independence Day

National flags symbolize a nation's pride, heritage and aspirations. To honor this significance and protect the dignity of our national symbols, IMC conducts the National Flag Collection Drive. The initiative focuses on collecting discarded flags and bunting left after Independence Day celebrations, ensuring they are respectfully retrieved rather than scattered across public spaces.

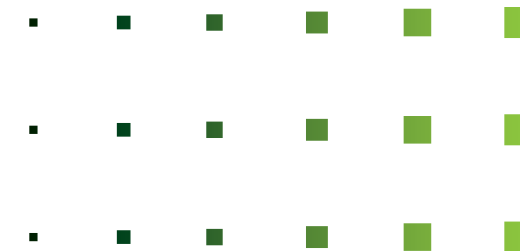
Under the slogan "Respect Our Nation's Pride," volunteers follow designated routes through the city to collect leftover flags and uphold the sanctity of this important national symbol. This meaningful effort shows IMC's ongoing commitment to civic responsibility and protecting the integrity of our national identity.





Kaizen

## Materiality Analysis



We identify material topics for the report, considering the significant impacts of our activities, business relations, and products on the environment, economy, and people. These material matters form the basis for the report content. They are assessed annually to reflect significant changes in the external environment or at IMC and ensure the relevance of our sustainability strategy.

The process involves identifying material topics by assessing the actual and potential positive and negative impacts of our activities and business relationships through evaluations, impact studies, and stakeholder consultations. The risks identified in the risks register were also considered to determine the material matters for the sustainability report.

We evaluate these impacts to assess their significance. For negative impacts, we analyse both the severity of current and potential effects and the chances of their occurrence. Regarding positive impacts, we look at the scale, scope, and likelihood of actual and potential benefits. We then prioritize these impacts according to their significance and analyse them against a threshold to identify the most pressing issues. The prioritized impacts are categorized into topics for reporting. We work with stakeholders, including Toyota Motor Corporation and industry experts, to confirm the final list of material issues. The SHE Steering Committee of IMC approves the material topics.

In 2024, we voluntarily started working on adopting the IFRS sustainability standards (S1 and S2) by identifying the sustainability-related risks and opportunities for IMC. IMC is currently working on identifying sustainability-related risks and opportunities as part of our alignment with the IFRS Sustainability Standards (S1 and S2). Once finalized, we plan to fulfill the reporting requirements starting next year.

the search for continuous improvement





# Social Strategy



Even *Compassion*  
has a shape - the circle





Fueling talent that  
powers the world,  
**10,000**

of our youth have been trained  
under the

## Toyota Apprenticeship Team Member Program (ATM)

and are now working in different  
parts of the world.

Showcasing Pakistan's talent in the  
global automotive industry.

**IMC trained Human Resources  
are working at Toyota Plants  
in Japan and making**

*Pakistan Proud.*



# Nurturing Workforce



## Material Topic:

### Employment & Labour relations, Training & education

Our workforce is the backbone of our operational strength and long-term success. With a well-balanced mix of technical, managerial and professional skills, we focus on building a capable, diverse and motivated team that can excel in a rapidly changing automotive industry. Our employment practices prioritize fair and merit-based hiring, transparent evaluations, ongoing skills development and a supportive work environment where employees can grow and make meaningful contributions to the company's performance.

We also invest in early talent through our Apprentice Training Program, which provides hands-on technical training at IMC's in-house training center and prepares young individuals for future careers. Alongside our permanent staff, IMC hires contract and outsourced workers in essential areas to ensure smooth operations and create more job opportunities in the community. 928 workers, who are not IMC employees, perform support tasks, including janitorial work.

### Relevant SDGs



# Our Approach

Our people remain central to our long-term success. Our employment practices, labour relations and health and safety systems are designed to build a capable, motivated and resilient workforce. Our approach focuses on attracting the right talent, fostering an inclusive and respectful work environment and continuously developing skills to meet evolving industry needs. Guided by the principles of Kaizen and the Toyota Way, IMC emphasises continuous improvement and structured learning to strengthen knowledge, technical capabilities and leadership potential across the organisation.

IMC's human capital management is supported by comprehensive policies that set clear expectations for behaviour, uphold equal opportunity, enable career development and ensure a safe and supportive work environment. The Head of Human Resources is responsible for performance management, employee engagement, reward systems and ensuring that labour practices align with organisational values and legal requirements. Progress is monitored through performance dashboards, training evaluations, employee feedback and periodic management reviews, supported by oversight from the Board's Human Resource and Remuneration Committee. IMC's succession planning framework further ensures leadership continuity by identifying future talent needs and developing employees through structured job rotations and targeted capability-building programs.

Constructive labour relations are maintained through open communication, fair treatment and adherence to national labour laws and international conventions. IMC regularly reviews its labour and human rights practices across all functions to ensure compliance and continuous improvement. Engagement mechanisms support timely issue resolution and strengthen collaboration between employees and management, contributing to a productive and supportive workplace culture.

The company places strong emphasis on protecting its workforce's health and safety. The Safety, Health and Environment department monitors compliance with safety standards, enforces safe working conditions and coordinates internal assessments and external audits. Regular reviews of health and safety practices guide continuous improvement and reinforce IMC's commitment to providing a safe and healthy work environment for all employees, contractors and visitors.

IMC's integrated practices equip and motivate staff to support long-term goals. Our workforce development, equal opportunity, fair labor and well-being measures strengthen our human capital and advance sustainable mobility in Pakistan.



The figures for hiring and attrition relate to the 2024-2025 financial year. The hiring and turnover rates were 5.1% and 6.8%, compared with 2.9% and 8.3% in the previous year. The hiring and attrition ratios are consistent with industry ratios.

Employees’ Satisfaction

IMC is committed to fostering a safe, inclusive and empowering workplace where employees can thrive and contribute to sustained organisational success. We maintain regular communication with employees to understand their experiences, assess satisfaction levels and identify opportunities for improvement.

To ensure objective and reliable insight, IMC conducts an employee engagement survey every two years through an independent external organisation. The HR Department reviews the results, identifies priority areas and facilitates focus group discussions to further explore employee perspectives. These insights inform targeted action plans that strengthen engagement and enhance overall workplace culture.

Consistent with our standing as a leader in Pakistan’s automotive sector, IMC continues to introduce initiatives that improve employee comfort, productivity and well-being. A key advancement is the installation of a spot-cooling system across production areas, resulting in a noticeable improvement in working conditions.

Employee Benefits

IMC offers competitive, market-aligned compensation and a comprehensive benefits package for all full-time employees, supporting both professional development and personal well-being. Gender parity is maintained in base salary and total remuneration, with all decisions based

strictly on merit. Our benefits include healthcare coverage, retirement plans, development opportunities and various allowances aimed at enhancing quality of life.

| Benefits                       | Management | Staff |
|--------------------------------|------------|-------|
| Life Insurance                 | Yes        | Yes   |
| Health Care                    | 100%       | 100%  |
| Maternal Leave                 | Yes        | Yes   |
| Disability/invalidity Coverage | Yes        | Yes   |
| Retirement Provision           | Yes        | Yes   |
| Nutrient Dense Meal            | Yes        | Yes   |
| Air-conditioned Pick & Drop    | Yes        | Yes   |

IMC’s Employee Care Program fosters a supportive and inclusive workplace where employees feel appreciated. By celebrating birthdays and special occasions, the program helps create a sense of belonging and camaraderie among teams.

IMC also offers maternity leave to all eligible female employees in accordance with legal requirements. All employees who took maternity leave returned to work, resulting in a 100 percent return-to-work rate. All returning employees remained with IMC for more than 12 months, highlighting our commitment to employee well-being, retention and long-term career development.

Workforce Profile

Our workforce figures are for the year ended June 30, 2025.

|      |  |        |
|------|--|--------|
| 2025 |  | 2,089* |
| 2024 |  | 2,579  |
| 2023 |  | 3,129  |

\* This does not include 928 contractual workers. The Annual Report 2025 mentions the total workforce of 3,017, which includes contractual workers as well.

| Workforce by employment contract, by gender |       |        |       |
|---|-------|--------|-------|
|   | Male  | Female | Total |
| Permanent                                   | 1,886 | 86     | 1,972 |
| Temporary                                   | 117   | -      | 117   |
| Total                                       | 2,003 | 86     | 2,089 |

| Workforce by employment type, by gender |       |        |       |
|---|-------|--------|-------|
|   | Male  | Female | Total |
| Full-time                               | 2,003 | 86     | 2,089 |
| Part-time                               | -     | -      | -     |
| Total                                   | 2,003 | 86     | 2,089 |

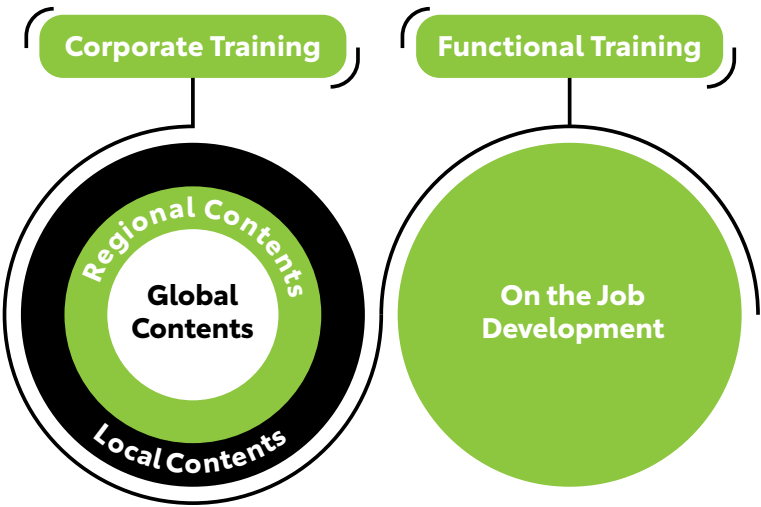
| Workforce by employment contract, by region |           |           |       |
|---|-----------|-----------|-------|
|   | Permanent | Temporary | Total |
| Karachi                                     | 1,941     | 117       | 2,058 |
| Islamabad                                   | 12        | -         | 12    |
| Lahore                                      | 15        | -         | 15    |
| Multan                                      | 4         | -         | 4     |
| Total                                       | 1,972     | 117       | 2,089 |

Employees Financial Assistance

IMC provides financial assistance to employees and apprentices experiencing unexpected financial difficulties, especially for medical expenses not covered by health insurance. This program is implemented in partnership with the Mohamedali Habib Welfare Trust of the House of Habib (HOH) and managed by a joint Financial Assistance Committee. Through this initiative, employees can access non-reimbursable funds to meet urgent needs, demonstrating IMC’s dedication to employee welfare and well-being.

Training and Education

IMC emphasizes ongoing learning and development to equip its workforce with the skills needed for future challenges. Our training programs, aligned with global Toyota standards and best practices, focus on improving employees’ knowledge, technical skills and mindset. These initiatives are customized to specific roles and responsibilities, ensuring employees are well-prepared for upcoming opportunities and career advancement.



- Focused on learning and development to:
- Communicate Toyota programs
  - Company policies and practices including code of conduct
  - Customer First approach in every interaction

Workers are regularly rotated to different jobs to develop cross-functional skills. All the workers are provided with role-based and skill-based training at the time of rotation or promotion.



IMC's training programs emphasize both technical and soft skills, equipping employees with the necessary competencies to improve decision-making and overall performance. IMC is also part of Toyota Global Learning and regularly participate in the Inter-Company Transfer (ICT) program of Toyota Global. This program train IMC employees in different countries of Toyota World with valuable opportunities to gain international experience by working with Toyota affiliates in Japan, Thailand, Singapore and vice versa. This initiative encourages personal and professional growth, enabling employees to acquire new knowledge and skills while strengthening the global Toyota network. Positive feedback on ICT participants' performance highlights the capabilities of the Pakistani workforce and demonstrates the strength of IMC's culture and systems.

IMC's training and development initiatives support succession planning and achieve corporate objectives. Regular performance evaluations and career development discussions ensure employees have the necessary skills and knowledge to excel. IMC does not offer dedicated transition assistance programs; it prioritizes employee growth through comprehensive training initiatives, including flexible e-learning modules. These programs provide accessible learning opportunities, enabling employees to stay current with industry trends and continuously enhance their professional capabilities, ensuring long-term employability within the automotive sector and beyond.

During this year, 60,642 man-hours were spent on training compared to 67,298 in 2023-2024.



IMC continues to participate in Toyota Motor Corporation's Global Skill Up Training (GST) program, which provides employees with a valuable opportunity to gain hands-on experience on TMC's production lines in Japan. Through this program, selected employees spend a whole year working and training within TMC's manufacturing environment, returning with advanced technical skills, a deeper understanding of Toyota's production systems and enhanced operational expertise that support continuous improvement at IMC.

Selection for GST is highly competitive and includes a rigorous screening process to identify top talent. Participants receive preparatory training in Toyota's work culture and the Japanese language to ensure they are fully equipped for their assignments. Beyond skill enhancement, the GST program elevates the professional profile of Pakistan's workforce and contributes positively to the national economy through foreign remittances earned by trainees. During FY 2024-2025, an additional 200 trainees joined various Toyota plants across Japan, further reinforcing IMC's commitment to capability building and economic contribution through global exposure and knowledge transfer.

Apprenticeship Program

IMC's Apprenticeship Program generates meaningful social value by equipping young people with industry-relevant skills and practical experience that are crucial to long-term employability. Through a combined classroom instruction and hands-on training approach, the program develops skilled automotive technicians while boosting participants' confidence, career readiness and access to sustainable livelihood opportunities within the industry.

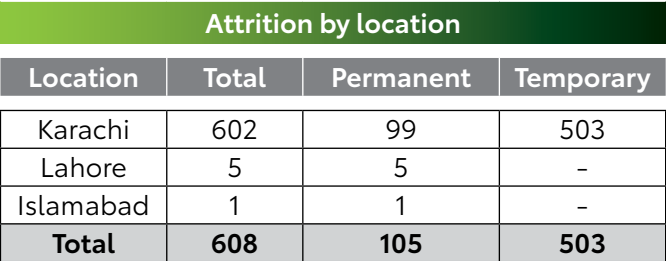
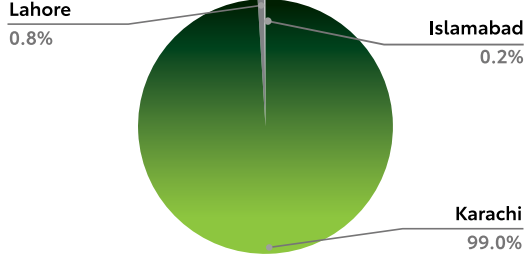
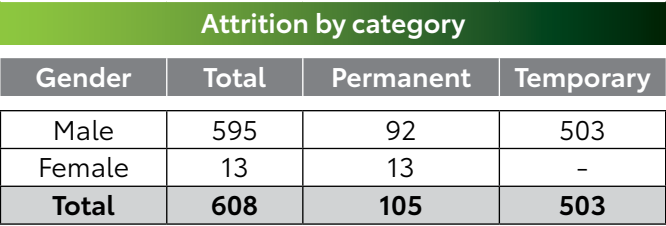
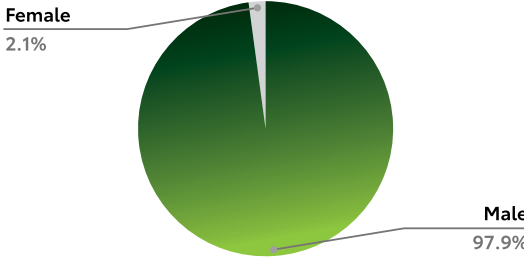
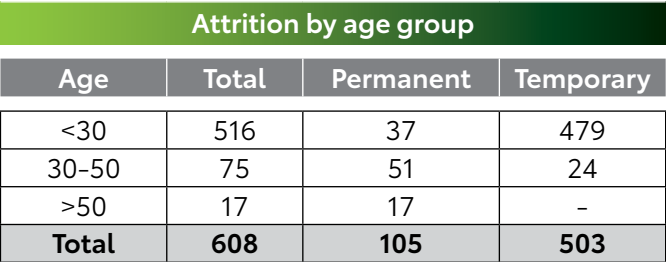
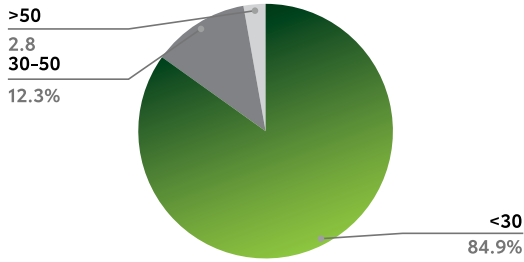
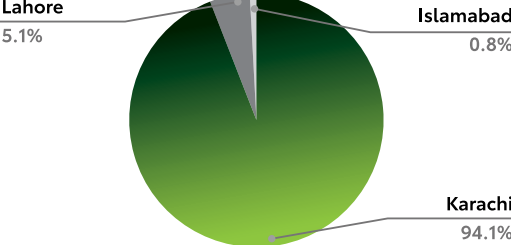
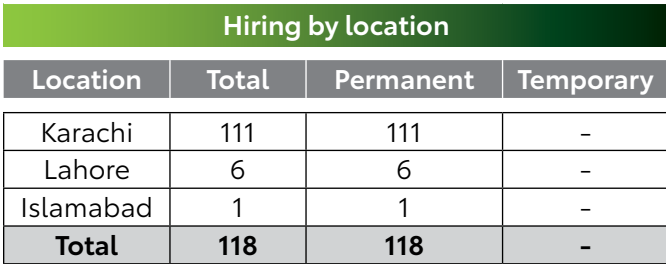
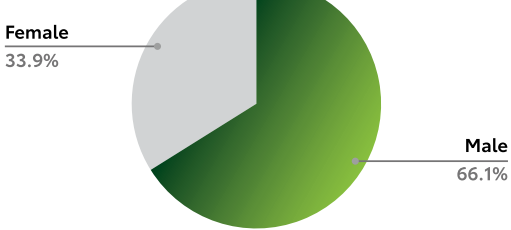
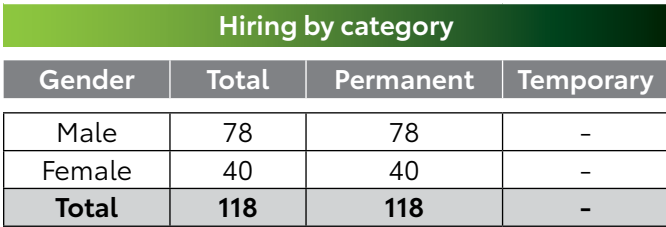
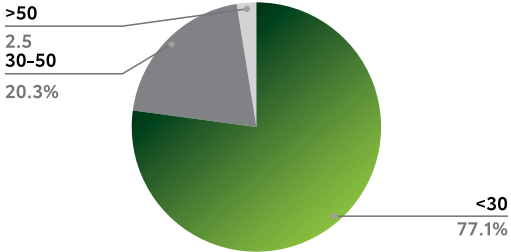
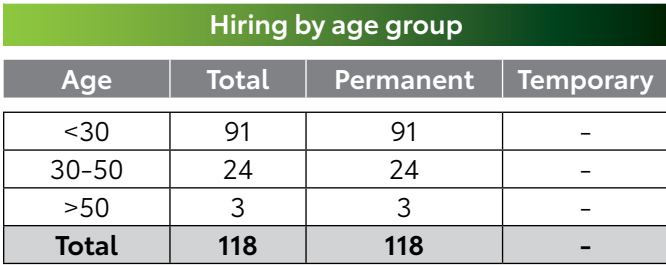
Driving Innovation

At Indus Motor Company, our commitment to innovation and continuous improvement remains central to our evolution. The Monozukuri Innovation Center plays a pivotal role in advancing our manufacturing excellence and strengthening our workforce's skills.

Rooted in craftsmanship and supported by modern technologies, the center focuses on expanding capabilities in Karakuri, automation, digitalisation and artificial intelligence. It has become a collaborative space where practical ideas are transformed into efficient industrial solutions, enabling teams to rethink processes and drive impactful improvements.

By nurturing talent and encouraging innovative, resource-efficient approaches, the center helps cultivate a culture of innovation across IMC. Through its emphasis on sustainable practices and capability development, the Monozukuri Innovation Center continues to support the growth of Pakistan's manufacturing sector and to help build a more agile, future-ready organisation.

HIRING AND ATTRITION





# Respecting Human Rights



## Material Topic:

### Human rights

IMC is committed to upholding human and labour rights across its operations and supply chain, guided by the Code of Conduct, our DEI framework and international standards such as ILO conventions and the UN Global Compact Principles. These commitments ensure that our workplace remains ethical, inclusive and respectful of the dignity and rights of every individual. Our DEI initiatives further reinforce this commitment by promoting a culture free from discrimination, harassment, forced labour and other unethical practices. IMC values diverse perspectives as a source of innovation and organisational strength and remains dedicated to creating an environment where all employees can contribute and thrive.

### Relevant SDGs



The Human Resources department is responsible for overseeing our human rights impacts, supported by regular performance monitoring and compliance with national regulations, including the Industrial Relations Act, 2012. These mechanisms help ensure fairness, transparency and consistency in all employment-related decisions. IMC continues to encourage greater female participation and actively shares best practices with other organisations to promote inclusive growth across the industry. Our efforts to create safe and productive working conditions were recognised by the Pakistan Business Council under SDG 8, reflecting our commitment to decent work and economic opportunity.

The company adheres to international standards regarding human and labour rights and the protection of freedom of association and collective bargaining. Currently, 40 percent of the workforce is represented under a Collective Bargaining Agreement. While the agreement does not specify a formal notice period, IMC ensures that employees receive timely communication regarding any operational changes that may affect them. A culture of mutual respect and open dialogue remains central to our approach.

IMC extends its human and labour rights commitments across its supply chain, encouraging suppliers and contractors to implement ethical labour practices and to avoid forced labour and child labour. No incidents of discrimination were reported during the year.

### Employees by gender, age and minority group

|        | Minority group |            | Age group |       |     | Disability |         |
|--------|----------------|------------|-----------|-------|-----|------------|---------|
|        | Muslim         | Non-Muslim | <30       | 30-50 | >50 | Normal     | Disable |
| Male   | 95%            | 1%         | 21%       | 68%   | 7%  | 94%        | 1%      |
| Female | 4%             | 0%         | 3%        | 1%    | 0%  | 4%         | 0%      |

### Employees by gender, age and minority group

|            | Gender |        | Minority group |            | Age group |       |     |
|------------|--------|--------|----------------|------------|-----------|-------|-----|
|            | Male   | Female | Muslim         | Non-Muslim | <30       | 30-50 | >50 |
| Management | 43%    | 4%     | 46%            | 1%         | 9%        | 33%   | 6%  |
| Staff      | 53%    | 0%     | 52%            | 0%         | 15%       | 37%   | 2%  |

### Individuals in governance bodies by gender, age and minority group

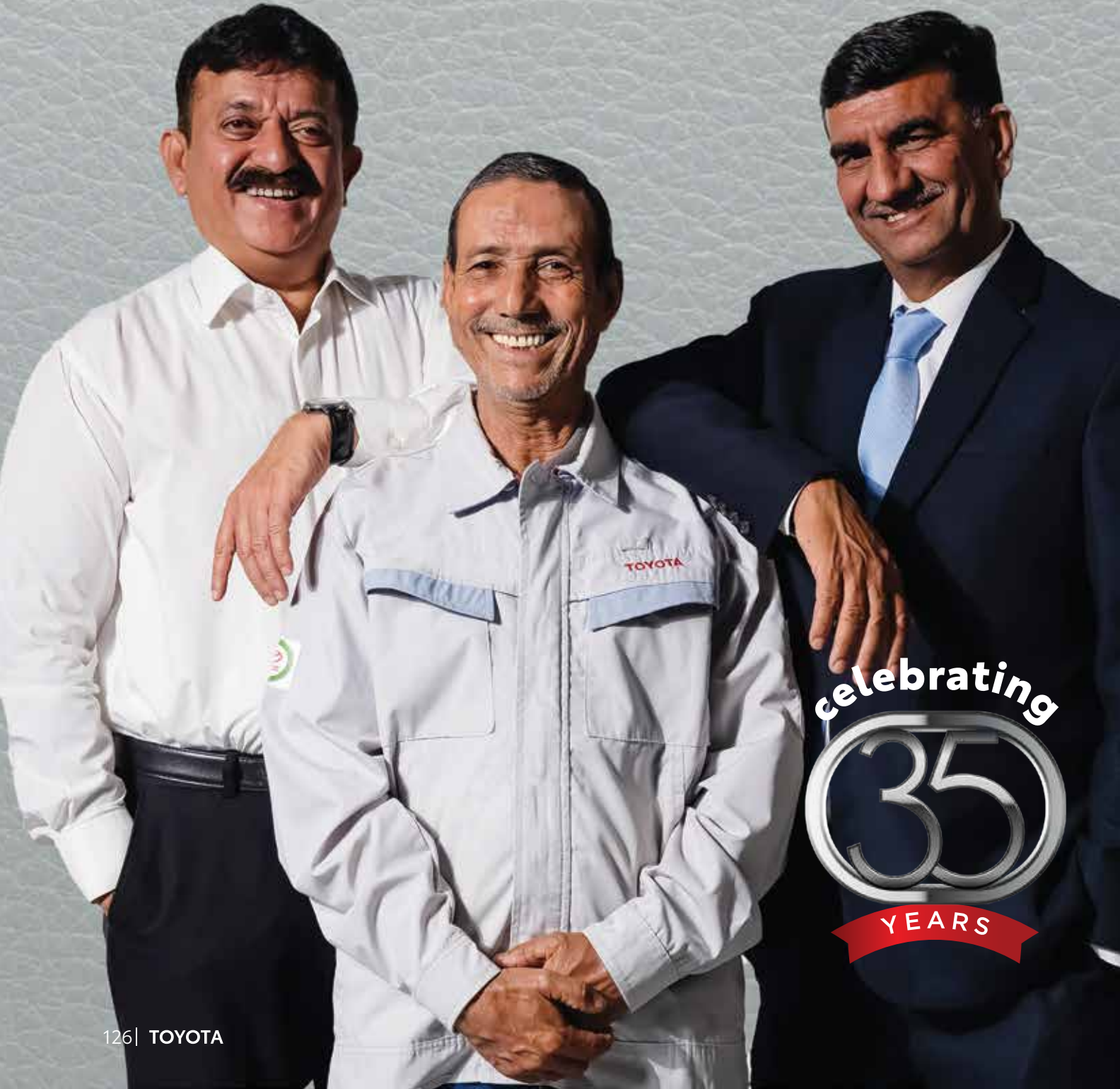
|                    | Gender |        | Minority group |            | Age group |       |     |
|--------------------|--------|--------|----------------|------------|-----------|-------|-----|
|                    | Male   | Female | Muslim         | Non-Muslim | <30       | 30-50 | >50 |
| Board of Directors | 90%    | 10%    | 70%            | 30%        | -         | 20%   | 80% |



# INSPIRE

May 2025

an Indus Motor Company publication



celebrating

35

YEARS

گزاردی یہ زندگی  
تجھ میں کو سنوارنے  
تیری اُطمان  
شامل ہیں شب و  
روز ہمارے

اعظم خان

CC & CR





Every time you touch a Corolla, there's a

**90%**  
**chance**

you're touching a locally manufactured part, a reflection of Toyota's deep commitment to local industry.

Behind this localisation is Toyota's network of employment across

**100,000** households

in Pakistan, fostering economic stability and job creation.



# Occupational Health and Safety



## Material Topic:

### Health and safety

IMC follows the Toyota Daihatsu Engineering and Manufacturing (TDEM) Occupational Safety and Health Management System (OSHMS), a comprehensive framework used across all Toyota OEMs to effectively oversee workplace health and safety. This system, created by Toyota, is based on ISO 45001 standards, Toyota's global safety standards and best practices and establishes clear procedures for identifying and reducing occupational hazards.

A culture of safety is deeply ingrained at all levels of the organization. Employees and contractors are expected to understand and follow IMC's safety protocols, promoting accountability and continuous growth. Through clear communication, proactive involvement and close oversight of contractors, IMC emphasizes its commitment to a safe, healthy and incident-free workplace.

### Relevant SDGs



### Hazard Identification and Workers' Participation

IMC is committed to preventing injuries, occupational illnesses, unsafe practices and environmental harm across its operations. Our safety management approach is built on disciplined processes that include systematic hazard identification, safe execution of work and post-activity reviews. To support these practices, IMC has implemented a comprehensive hazard identification system, job hazard and safety analysis procedures and detailed safe-work guidelines for high-risk activities such as electrical work and confined space entry.

Safety engagement is integrated into daily operations through regular safety circles and focus group discussions with shop-floor teams, where workplace risks are identified and resolved collaboratively. Employees participate in structured Hazard Identification and Risk Assessment (HIRA) exercises that reinforce proactive risk management. Awareness is further strengthened through safety competitions, recognition programs and safety themes shared across IMC and the global Toyota network. All employees receive ongoing training, including Kiken Yochi (KY) hazard prediction and refresher courses, to maintain high levels of safety competence.

The HSE Department, together with shop safety representatives, conducts routine risk assessments and applies the hierarchy of controls to eliminate or mitigate hazards. Employees are encouraged to report unsafe conditions through the "Hiyari Hatto" near-miss reporting system, which is supported by monthly recognition to promote active participation. IMC's Safety Policy affirms every employee's right to stop unsafe work without fear of reprisal and ensures immediate intervention when risks are identified.

In the event of an incident, investigations are conducted using the Genba (actual place) principle to identify root causes and implement corrective measures. Key learnings are shared across IMC and with Toyota affiliates to support collective improvement. Continuous improvement tools such as KAIZEN and JISHUKEN further strengthen our safety culture and help drive ongoing enhancements in safety performance.

### Health and Safety Committees

IMC fosters a strong health and safety culture through active employee involvement in Health and Safety Committees. These committees, composed of management and worker representatives, meet regularly to discuss safety issues and implement improvements. Meetings occur at various levels and frequencies to ensure ongoing monitoring and progress.

- Daily Asakai (Morning) Meetings to review safety issues, activity progress and Kaizen presentations.
- Bi-Monthly Sub-Committee Meetings with shop-level safety representatives (PICs).
- Monthly Steering Committee Meetings with top management.

To enhance safety awareness, monthly safety bulletins are circulated throughout the organization and safety guidelines are prominently displayed on LED screens in common areas, such as the cafeteria. Additionally, top management leads large-scale awareness campaigns to reinforce safety messages and cultivate a culture of safety throughout the company.

### Health and Safety training

Health & Safety training is a vital part of promoting safe, health-conscious behavior at IMC. We hold regular training sessions to improve employees' understanding of occupational health and safety. These sessions cover a wide array of topics, including basic safety awareness, Safety DOJO simulations, hazard prediction (KY), working at heights, lockout-tagout (LOTO), low-voltage safety and defensive driving techniques. Following training programs were conducted in FY 2024-2025.

1. Chemical & Spill Control Training
2. Office Ergonomics
3. IMC No Smoking Day
4. World Cleanup Day
5. Food Waste Reduction Awareness
6. Awareness Session on ISO 14001 & 50001
7. Chemical Drill

### Occupational Health Services

We offer extensive occupational health services to protect employees' well-being and incorporate ergonomic principles into our health and safety management system to reduce work-related strain and injuries. These efforts demonstrate IMC's dedication to prioritizing the health and safety of our workforce.

- **Regular Health Check-ups:** Medical professionals conduct annual pulmonary function and audiometry tests to monitor the health of shop-floor employees.
- **Preventive Healthcare:** Mandatory hepatitis vaccinations are provided to food handlers to ensure food safety and protect worker health.
- **Emergency Response:** A 24/7 on-site first-aid center is available to address immediate health emergencies.



- **Comprehensive Healthcare:** IMC offers medical insurance for employees and their families, promoting a healthy, secure workforce.
- **Healthy Lifestyle Promotion:** IMC encourages employees to adopt healthy lifestyles by providing resources and facilities, including a newly established Recreation Center.

**Health and Safety Performance**

| Injury Rate | 2025 | 2024 | 2023 | 2022 |
|-------------|------|------|------|------|
| LWD         | 0    | 0    | 0    | 0    |
| NLWD        | 1    | 2    | 2    | 1    |

IMC remains dedicated to protecting the health and safety of its workforce. In FY 2024-2025, we recorded zero Lost Work Day (LWD) injuries, with only one Non-Lost Work Day (NLWD) injury reported in a non-production area due to handling sharp parts. To mitigate such risks, IMC has implemented preventive measures, including the use of cut-resistant PPE, the removal of sharp edges and the installation of safety guards.

In line with Toyota’s global safety standards (Safety-PMRs), IMC does not record LWD or NLWD injuries for contractors. Similarly, First Aid cases are excluded from injury rate calculations as per Toyota Motor Corporation directives; however, fatalities are included. Lost day calculations follow IMC’s workday schedule, starting the day after the incident. During FY 2024-25, IMC recorded a total of 5,796,209 work hours.

High-consequence injuries at IMC are primarily linked to fire, machinery and cutting hazards. These risks are identified through internal and external audits, including fire and machine risk assessments, KY activities, process safety audits and routine inspections. To foster proactive hazard

identification, IMC organizes safety competitions during Safety Month, where shop-floor employees compete to identify critical KY hazards. Winners receive cash rewards and trophies, reinforcing a strong safety culture.

Throughout the year, IMC reported no work-related illnesses or fatalities. Potential health risks, such as exposure to paint fumes and high noise levels, are assessed in accordance with Toyota Guidelines and Standards. To mitigate these risks, IMC provides appropriate PPE and conducts regular compliance audits. The SHE department conducts annual health check-ups, including pulmonary, respiratory and audiometric tests, for employees in high-risk roles.

**Performance Evaluation**

TDEM auditors conduct comprehensive audits across all safety domains to verify compliance with Key Performance Indicators (KPIs), system requirements and controls established under OSHMS standards. These audits are conducted rigorously and the findings are reported to top management for review and action.

To ensure long-term sustainability, IMC has developed a five-year action plan aligned with Toyota’s Environmental Challenge 2050. This plan reflects our commitment to achieving safety, health and environmental objectives. As part of the Toyota Group, IMC adheres to stringent global standards and closely monitors its injury-free rate in line with Toyota Motor Corporation’s directives. We also conduct regular reviews of our products and services throughout their lifecycle, from design to end-use, to assess potential health and safety impacts. To date, IMC has not identified any instances of non-compliance with health and safety regulations or standards.”

**Safety Month 2025**

During Safety Month 2025, multiple safety and awareness initiatives were successfully conducted to strengthen the overall Safety, Health, and Environment (SHE) culture across the organization. The SHE team, in collaboration with IMC members, carried out five walking KPI awareness campaigns to engage employees and reinforce key safety performance indicators at the workplace. In addition, Fire Drills and Emergency Response Preparedness activities were conducted, including in-house firefighting and emergency response training sessions for more than 350 nominated firefighters under the supervision of a certified trainer.

A Road Safety Awareness Session was also organized in coordination with the Highway & Motorway Police for IMC drivers, Admin staff, and Shop PICs, highlighting critical road safety practices such as seatbelt usage, adherence to traffic signals, avoidance of mobile phone use while driving, maintaining safe vehicle distance, and safe road-crossing behavior.

Furthermore, the IMC Cleanup Drive 2025 was conducted as part of Safety Month activities to promote workplace hygiene, environmental responsibility, and safety awareness. The cleanup drive covered key operational and office areas. This initiative reinforced the importance of hazard identification, and collective ownership of a safe and healthy work environment.

**Disaster Risk Assessment Audit**

TMA conducted its annual audit of IMC to evaluate disaster risk management practices. IMC was commended for its thorough risk assessment processes and effective mitigation plans, reflecting the company’s strong commitment to safety and preparedness. These annual audits ensure continuous improvement and resilience in our operations.

**5S & 5 Fixed Activity**

The five pillars of 5S (Sort, Set in Order, Shine, Standardize and Sustain) provide a disciplined approach to creating and maintaining an organized, efficient and productive workplace. Building on this foundation, IMC is further enhancing operational excellence by implementing five consistent activities across the plant. Over time, the initiative was expanded to cover the entire facility, with active participation from all departments. Regular 5 Fixed competitions help foster a culture of continuous improvement by motivating teams to achieve higher standards in every area.

To enhance capability, the 5 Fixed training dojos at the IMC Training Centre offer members structured learning and hands-on practice, supporting consistent, ongoing performance. With trained facilitators and model zones, the program improves skill development and enables robust area assessments, encouraging initiative-taking to higher levels.



**4S+ Discipline Management System**

To improve workplace and operational efficiency, IMC has shifted from the traditional 5S approach to a 4S+Discipline Management System. This improved framework emphasizes building an ownership mindset and adds new tools to support practical work management. By strengthening adherence to rules, enhancing visual communication and increasing overall awareness, the system aims to foster a culture of discipline and continuous improvement throughout the organization. A key principle of this approach is Zenin Sanka, which emphasizes active participation at all levels, primarily from senior management.



Driving the nation towards a sustainable future,

IMC has installed a

6.6MW

solar energy system, the largest roof-mounted green energy system in the country.

Planted

920,000

Trees

To reduce the carbon footprint and foster a more sustainable environment in Pakistan, IMC is committed to a nationwide drive to plant 1 million trees.





# Investing in Communities

## Material Topic:

### Local Communities

Guided by Toyota's Global Vision and the principles of monozukuri and human development, IMC's CSR efforts focus on creating long-term social value in priority areas, including education, health, sports, skill development and road safety. These initiatives aim to uplift communities and contribute to sustainable, inclusive growth.

At Indus Motor Company, sustainability is not a side initiative — it is central to our purpose and progress. For 35 years, we have combined innovation with responsibility, ensuring that our growth delivers shared value for society. In FY2025, IMC invested PKR 231 million in healthcare, education, sustenance, sports, and road safety programs, reinforcing our commitment to building resilient communities. Aligned with Toyota's global vision of inclusivity and sustainability, we continue to translate strategy into impact, creating a future where business success and social well-being move forward together.



### Relevant SDGs



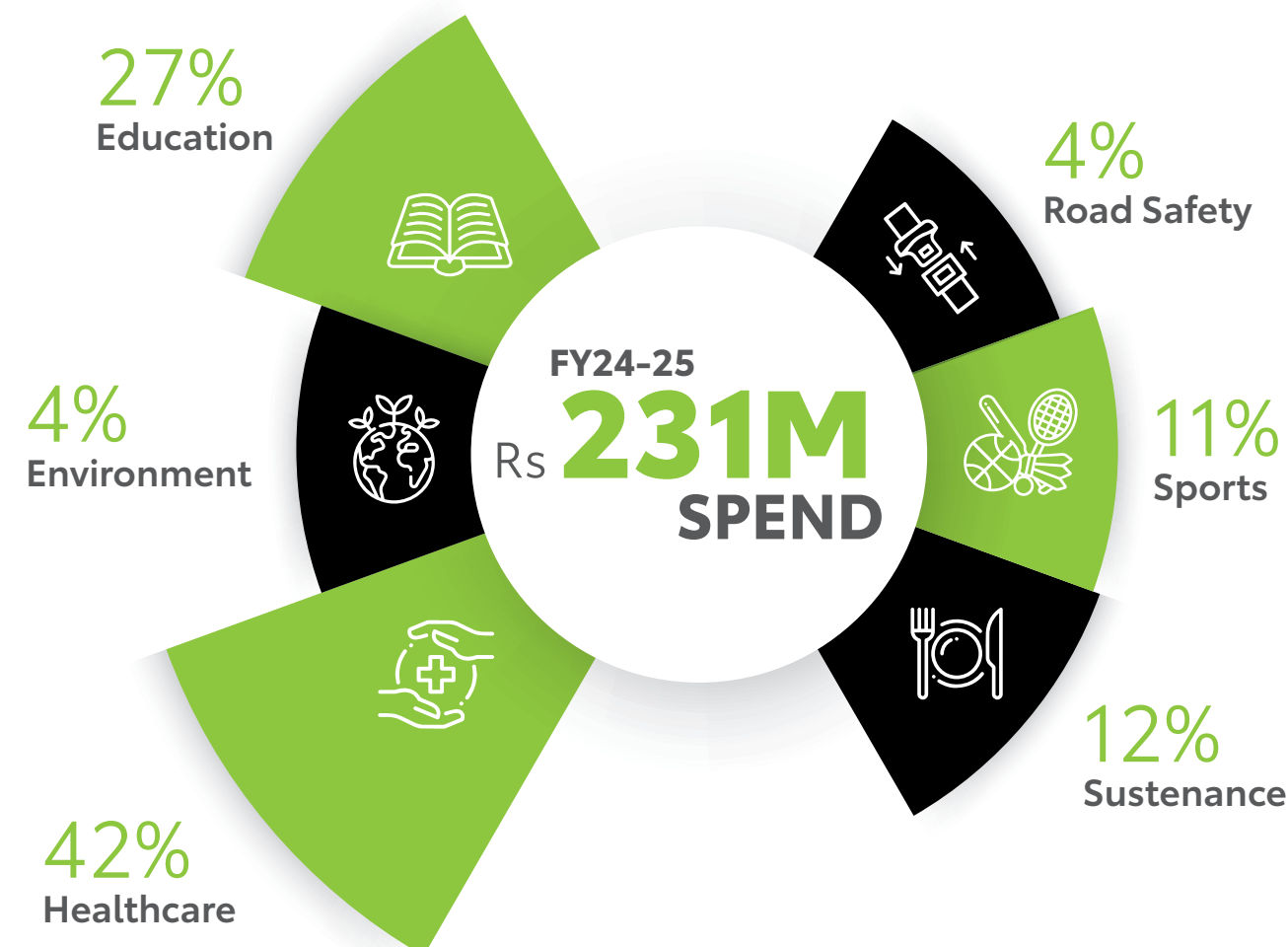
# Our Approach

Creating value for stakeholders is essential to our approach. We support communities through job creation, local initiatives, responsible manufacturing and social programs that promote and deliver socioeconomic benefits. Corporate Social Responsibility (CSR) is integrated into our core business strategy, making community development, social well-being and responsible growth central to how we operate. For over 35 years, IMC has promoted a shared-value model where business success significantly contributes to national development and community progress. Each year, IMC allocates 1% of pre-tax profit to CSR, demonstrating a long-term commitment to social impact.

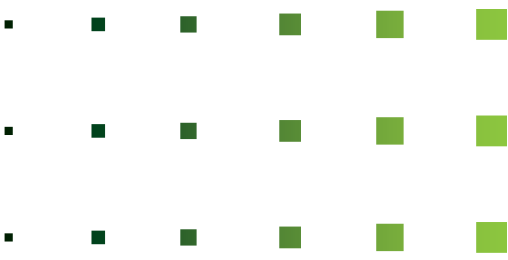
CSR planning is overseen by a dedicated team operating under the guidance of senior management. Programmes are designed based on structured needs assessments, stakeholder

mapping and continuous engagement with local communities. This approach ensures that interventions remain relevant, inclusive and aligned with community needs. IMC's Diversity, Equity and Inclusion framework strengthens this commitment by focusing on underrepresented and vulnerable groups in the planning and implementation of programs.

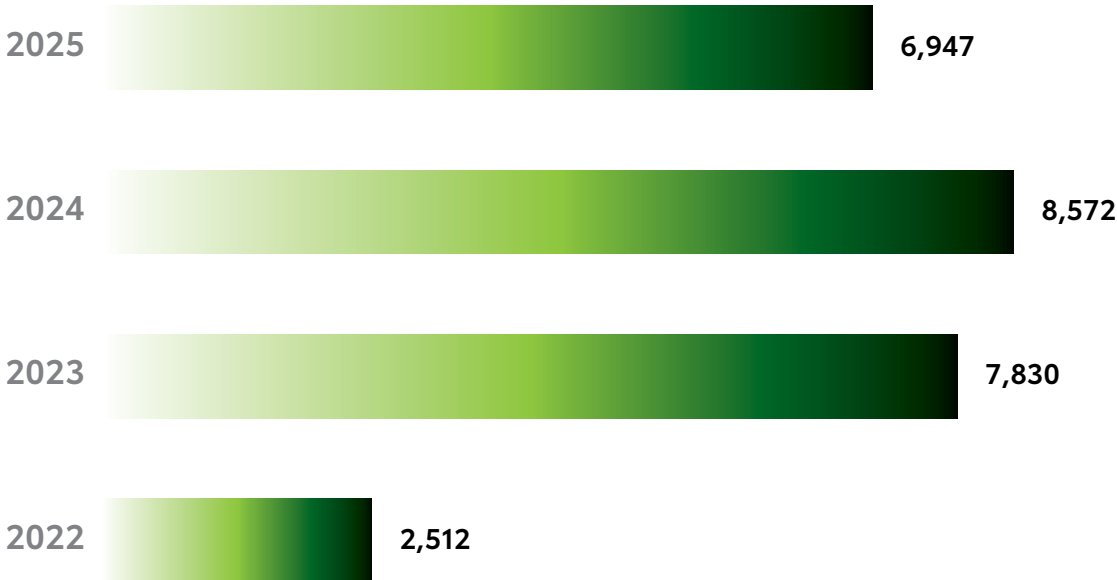
Over the last six years, IMC has invested more than PKR 1 billion in community upliftment, supporting hospitals, educational institutions, welfare organisations and road safety initiatives. While no formal impact assessment was conducted during the year, ongoing dialogue indicates that IMC's operations do not have a significant adverse impact on surrounding communities. Our efforts build trust, improve brand equity and bolster IMC's contribution to Pakistan's sustainable mobility ecosystem.



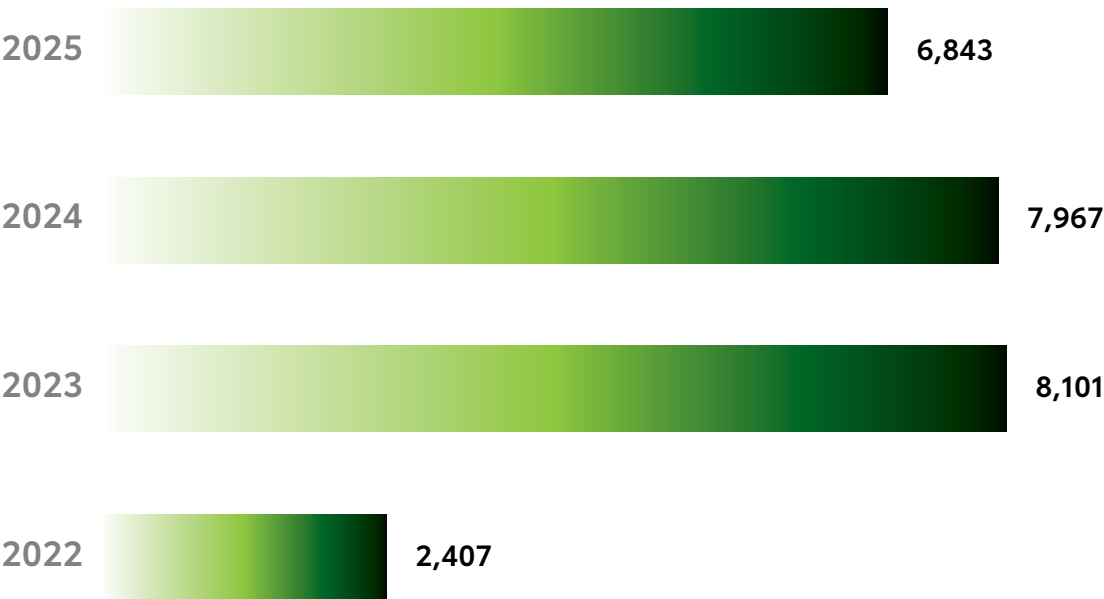




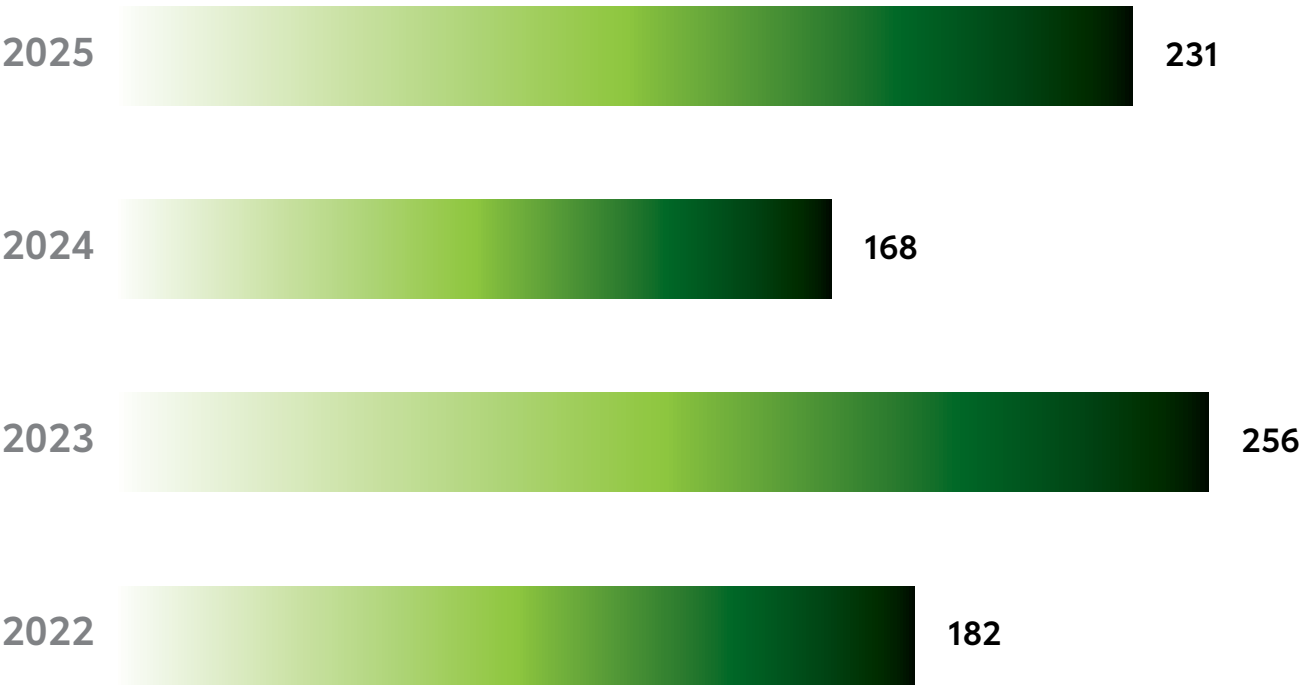
**CSR Spending per unit produced**  
Rupees



**CSR Spending per unit sold**  
Rupees



**CSR Spend**  
Rupees in million



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# NEIGHBORING COMMUNITIES

## *Uplifting Program*

At IMC, the Neighboring Communities Uplifting Program reflects our commitment to creating a positive and sustainable impact on society. We remain dedicated to empowering communities by fostering education, addressing social challenges, and inspiring growth for national development.

Through a holistic approach, the program covers a diverse range of CSR initiatives, unique in their scope and impact, ranging from addressing immediate needs such as food and healthcare to long term interventions like early childhood education under Toyota Goth Education Program (T-GEP). Currently, IMC supports six neighboring villages (goths), with a focus on building self-reliant and sustainable communities.

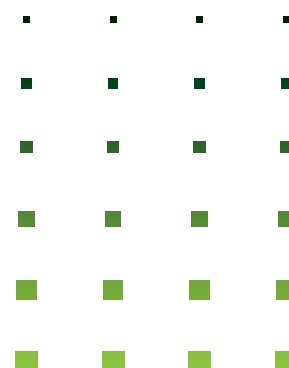
## FREE HEALTHCARE TO NEIGHBORING COMMUNITIES

**45,143**  
LIVES TURNED INTO  
MIRACLES WITH  
MEDICINES

Access to quality healthcare remains a critical challenge in Pakistan, with millions of people, particularly in underserved communities, lacking timely medical attention and essential services. Recognising this urgent need, IMC focuses on strengthening healthcare infrastructure, providing medical assistance, and supporting wellness programs to improve the health and well-being of communities. Through its initiatives, IMC ensures that healthcare becomes accessible, reliable, and inclusive, reflecting its commitment to creating lasting social impact under its flagship CSR platform, Concern Beyond Cars.

### Free Medical Camps

Free medical camps are organised three times a week to provide basic healthcare services to the underprivileged communities nearby. In collaboration with Saylani Welfare Trust, these camps offer blood sugar and blood pressure screenings, along with referrals of serious cases to partner hospitals. Over the year, 150 free medical camps were conducted, where 28,501 patients received treatment for illnesses such as respiratory infections, gastroenteritis, and other common health problems. Prescribed medicines were also distributed free of cost.



### Free Psychiatric Health Camps

Free psychiatric camps are organised weekly to provide much needed mental healthcare services in the surrounding villages. In collaboration with Karwan-e-Hayat, these camps offer consultations, initial diagnoses, and referrals of severe cases to partner hospitals. With a population of 250 million and only one psychiatrist available for every 500,000 people, the demand for accessible mental health services is immense. Over the year, 51 number of free psychiatric camps were conducted, where 4,642 patients were treated for conditions such as depression, bipolar disorder, and schizophrenia. Prescribed medicines were also distributed free of cost.



### Transforming Child Healthcare in Underserved Communities

Pakistan has one of the highest child mortality rates in the world, with over 1,000 children under five dying daily, 80% from preventable causes (UNICEF). To bridge this gap, IMC in partnership with ChildLife Foundation, provides free, quality pediatric care through emergency rooms, primary clinics, and preventive programs.

In 2022, ChildLife upgraded the PIMS Hospital Emergency Room in Islamabad from a 12-bed unit to a 30-bed world-class facility. Since then, more than 250,000 children from Islamabad, Rawalpindi, and surrounding regions have received timely treatment of these, 12,000 critically ill children, including 3,000 neonates, were saved through IMC-supported life-saving equipment and medicines in the state-of-the-art Resuscitation room.



## Blood Donation Drive at IMC

IMC, in collaboration with Indus Hospital, organised its first-ever blood donation drive at the plant to save lives and foster a culture of social responsibility. The event drew an inspiring response from 114 participants, of whom 70 were eligible to donate blood for the first time. Beyond the act of donation, each donor underwent six supplementary blood tests, providing comprehensive health insights alongside their life-saving contribution. The collected blood will directly support patients battling chronic illnesses and undergoing critical surgeries. Blood donation not only plays a vital role in saving lives but also benefits donors by maintaining healthy iron levels and supporting cardiovascular well-being. The enthusiastic participation of IMC employees underscored their commitment to compassion, social responsibility, and health awareness, making the drive a resounding success in both community impact and employee engagement.



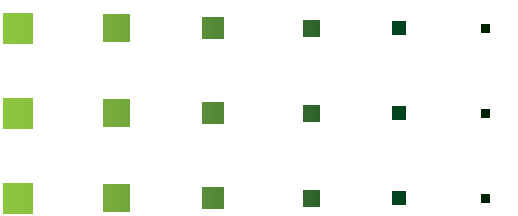


# CONSTRUCTING HEALTH, CREATING HOPE

IMC has been consistently investing in Pakistan’s healthcare, turning visions of care into reality. Through its ongoing support for the Indus Hospital Karachi, it has helped expand a facility that serves hundreds of thousands of patients with free, high-quality healthcare.



IMC also supports the Jinnah Postgraduate Medical Centre’s Surgical Complex through the Patient Aid Foundation, strengthening critical surgical care in the city. In partnership with Shaukat Khanum Cancer Hospital Karachi, IMC is helping create a world-class cancer care facility equipped with advanced treatment and research capabilities.



IMC is further contributing to the Sindh Institute of Urology and Transplantation (SIUT) by supporting its newly constructed facility in Karachi, which will enhance the institute’s capacity to provide specialised urology and transplant services to thousands of patients in need.



Beyond hospitals, IMC is fostering dignity for the elderly through the construction of Safaid Posh Ghar, a modern home designed for senior citizens. Through these sustained efforts, IMC is not just building healthcare infrastructure—it is building hope, empowering communities, and shaping a healthier future for generations to come.

# FREE FOOD DISTRIBUTION

154,034  
LIVES FED WITH  
DIGNITY BY IMC

Food scarcity remains a pressing challenge in Pakistan, where millions of people struggle to secure sufficient nutrition. Rising poverty, inflation, and unemployment have left a significant portion of the population vulnerable, with many families forced to skip meals. Every day, countless individuals go to sleep hungry, highlighting the urgent need for sustainable food assistance and social support programs.

## Weekly Food Distribution

Cooked food distribution drives are organised every week to support underprivileged communities in the surrounding areas. In collaboration with Saylani Welfare Trust, freshly prepared meals are provided to families facing food insecurity, ensuring access to nutritious food on a regular basis. Over the year, weekly distributions were conducted, through which thousands of meals reached individuals and families in need. This initiative has not only helped reduce hunger but also supported the overall health and well-being of vulnerable communities, with 50,560 persons nourished.



## Daily Food Distribution

Alongside the weekly drives, daily food distribution is carried out in collaboration with Saylani Welfare Trust and Safaid Posh Dastarkhwan. Through this initiative, freshly cooked meals are served every day to individuals and families who struggle to afford basic nutrition. By ensuring a consistent supply of food, the program helps address immediate hunger while upholding the dignity of those in need, with 77,474 persons nourished.





**Food Distribution During Muharram**

During the sacred days of Muharram, daily food distribution is organised in collaboration with Safaid Posh Dastarkhwan. Through this initiative, freshly prepared meals are served to individuals and families, ensuring that no one goes hungry while honoring the spirit of generosity and remembrance associated with this month. By providing consistent access to nourishing food, the program not only addresses immediate hunger but also upholds the dignity of those in need.



**Ration Distribution During Ramazan**

Recognising the impact of social and economic determinants on health, IMC, in collaboration with Saylani Welfare Trust, distributed free ration packs to vulnerable village communities in need, benefiting 1,330 families.

**DRIVING SOCIAL IMPACT THROUGH EDUCATION**

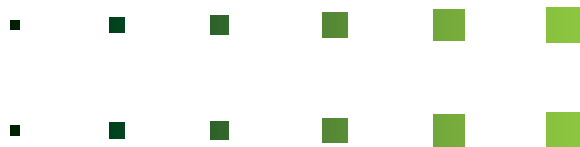
Education is a fundamental right of every child, forming the foundation for personal growth, empowerment, and a brighter future. It equips children with the knowledge, skills, and confidence to overcome barriers, break the cycle of poverty, and contribute meaningfully to society. Recognising this, IMC, through its flagship CSR platform Concern Beyond Cars, focuses on ensuring access to quality education for underserved communities. By supporting schools, scholarships, and inclusive learning programs, IMC not only upholds the right of every child to learn but also nurtures the next generation of informed, capable, and empowered citizens.

**Toyota Goth Education Program (T-GEP)**

IMC's flagship social initiative, the Toyota Goth Education Program (T- GEP), continues to transform lives through the power of education.

Now in its 17th year, the program is run in collaboration with The Citizens Foundation (TCF) under IMC's Neighboring Communities Uplifting Program. T-GEP was launched with a vision to break the cycle of poverty by providing access to quality education for out-of-school children from underprivileged villages (Goths) surrounding IMC. To encourage enrollment and ensure uninterrupted learning, IMC extends full financial support for both elementary and secondary education.

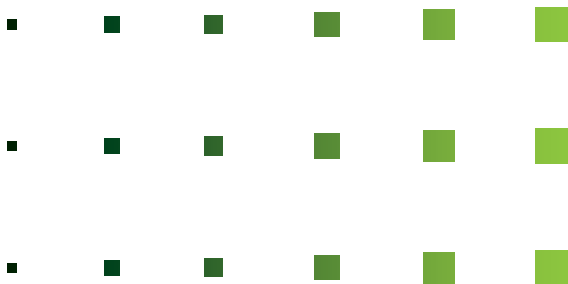
The impact of this initiative is reflected in the steady rise of enrollments; 407 students are now attending 15 TCF campuses under T-GEP for the academic year 2024-25, up from 300 students in the previous year. This growth underscores IMC's commitment to empowering future generations and driving sustainable change in its neighboring communities.



**2,269**  
FUTURES BRIGHTENED  
THROUGH FREE  
EDUCATION

**Nurturing Minds for Future Generations with The Citizen Foundation (TCF)**

Beyond T-GEP, IMC also supports three dedicated TCF schools in Karachi, Hyderabad, and Muzaffargarh, where 1,235 students are currently enrolled, compared to 1,100 in the previous year. These schools are sustained through a PKR 92 million endowment fund along with an annual grant. The campuses in Hyderabad and Muzaffargarh have been built entirely by IMC which reflects the Company's long-term investment in education and community development.



As part of Toyota's global Start Your Impossible campaign, IMC invited Olympic gold medalist Arshad Nadeem to visit a TCF school in Lahore on 13th March 2025. The event celebrated determination and inclusion while highlighting the importance of accessible education for underprivileged children. Arshad inspired students by sharing his journey of setting a world record despite limited resources and commended IMC's ongoing support for TCF schools through its flagship CSR program, Concern Beyond Cars, reflecting its commitment to building an inclusive and thriving society.



**Advancing Literacy, Shaping Tomorrow with Development in Literacy (DIL)**

As part of its Neighboring Community Uplifting Program, IMC has strengthened its commitment to education and youth empowerment by partnering with Development in Literacy (DIL) to adopt the DIL Malir Campus in Karachi, directly impacting the lives of over 600 students. This initiative focuses on enhancing access to quality education, modern infrastructure, and digital learning resources, while also establishing a sustainable alumni network to support students well beyond their school years. The collaboration underscores IMC's broader vision of nurturing future generations and driving long-term social impact under its flagship CSR platform, Concern Beyond Cars.



### Inclusive Education for Every Child with Deaf Reach School

In Pakistan, an estimated 1.25 million children are deaf, yet less than 5% have access to formal education. Recognising this gap, IMC partnered with Deaf Reach School to create education opportunities for economically disadvantaged children with sensory impairments, making a tangible social impact.

Last year, 12 students benefited from full scholarships, and this year the number has increased to 27 students, providing education from elementary to higher secondary levels. The initiative ensures access to quality learning resources and mentorship opportunities, fostering personal and academic growth.



As part of Toyota's global Start Your Impossible (SYI) campaign, IMC invited Olympic gold medalist Arshad Nadeem to the Deaf Reach School's Annual Sports Day in Lahore on 19th December 2024. His visit, under the SYI Hero project, celebrated perseverance and inclusion while inspiring students and highlighting the importance of accessible education for deaf children. This collaboration reflects IMC's commitment to nurturing future generations and creating lasting social impact through its flagship CSR platform, Concern Beyond Cars.

### Nurturing Talent, Shaping Tomorrow with Habib University

Habib University, Pakistan's first community-owned liberal arts and sciences institution, delivers high-quality education to students from diverse backgrounds. Adopting an American-style, multidisciplinary approach, the university equips students with 21st-century skills and offers degree programs in Science, Engineering, Arts, Humanities, and Social Sciences.

In FY 2024-25, IMC contributed PKR 25 million to support Habib University's operational sustainability, educational advancement, and academic excellence initiatives. This funding enhances learning opportunities, strengthens research and extracurricular programs, and provides students with the resources and environment needed to realise their full potential. As a result, students benefit from improved facilities, enriched educational experiences, and expanded opportunities for academic and professional growth, preparing them to become future leaders.



## KVTC Graduation Ceremony

Under the Concern beyond cars initiative, the IMC played a key role in the 2025 convocation ceremony of the Karachi Vocational Training Centre (KVTC), where landmark support measures were announced for differently-abled youth. These included a Rs. 500,000 grant each for eight para-athletes who excelled at the 21st WATA International Championship, Rs 2.5 million each for ten graduates (5 boys and 5 girls) to launch entrepreneurial ventures and employment offers at IMC for five graduates. The event was attended by the Chief Minister of Sindh and Consulate Generals of Japan, Turkey, and the United Arab Emirates, reaffirming IMC's commitment to inclusion and sustainable empowerment. IMC is proud to support the dreams and aspirations of these incredible young individuals who continue to inspire us all.





# Unleashed: Step into Leadership



## 21 Candidates

IMC, in partnership with Youth Impact, hosted the **"Unleashed: Step into Leadership"** camp on 29–30 May 2025 in Karachi, training 21 young participants (7 boys, 14 girls) in leadership through workshops, challenges, and mentoring. Focused on self-awareness, confidence, and communication, the program shortlisted 10 high-potential individuals for Youth Impact's advanced leadership track, Markhor, underscoring IMC's commitment to inclusive youth development in Pakistan.



Everyone can rise above  
their circumstances and  
achieve success if they  
are dedicated to and  
passionate about what  
they do. – MOTHER TERESA

## Youth Leadership Conference

Markhor is Pakistan's first wilderness-based Youth Leadership Club run by the not-for-profit and award-winning brain-child of Abdul Samad Khan, Youth Impact. The Markhor Conference is a five-day all outdoors program held at an off-the-beaten track location, which is pivotal in showcasing the richness of Pakistan, this time by holding the YLC at Paye Meadows, Shogran Valley, KPK.

Innovation is central to everything we do at IMC, and likewise, group diversity is Markhor's unique stamp. Over 78 young kids, from different socio-economic backgrounds, religions, and regions, in their element was a visual treat. The intricate theme was Quest of Zarbe kaleemi.

IMC has been an enthusiastic supporter of Markhor since 2014, however, this was the fifth consecutive year the IMC has sponsored students under its flagship Toyota Goth Education Program (T-GEP), run in tandem with The Citizens Foundation, functioning under the Neighboring Community Uplift Program. This year a group of 10 students, 7 of them girls, were part of the program.

SCAN TO  
WATCH VIDEO





# MOBILITY for All

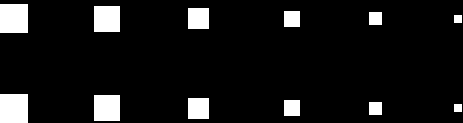
**98**  
LIVES WALKING  
TOWARD HOPE AND  
INDEPENDENCE

The IMC slogan “Mobility for All” reflects its commitment to corporate social responsibility by emphasising inclusive and sustainable transportation solutions. Through this initiative, IMC aims to ensure that mobility is accessible, safe, and efficient for everyone, including underserved communities. By integrating social and environmental considerations into its business practices, the company demonstrates a dedication to reducing barriers to transportation, promoting equity, and supporting community well-being, while also contributing to broader sustainability goals.

## From Limitations to New Beginnings

In Pakistan, over 20 million people live with disabilities, yet nearly 7 million are confined to their homes, unable to access even the most basic support. For children with physical disabilities, especially those from impoverished backgrounds, the lack of prosthetic assistance often denies them the simple dignity of mobility, the chance to attend school, or the opportunity to participate fully in society.

Recognising this urgent need, IMC partnered with the Healthcare and Social Welfare Association (HASWA) to bring hope and independence to those who need it most. Over the course of a year, 98 individuals from Gilgit-Baltistan, KPK, Punjab, and Sindh received life-changing prosthetic limbs. For these beneficiaries, every step forward is more than movement, it is a step toward freedom, education, empowerment, and the ability to contribute meaningfully to their communities. This initiative not only restores mobility but rekindles dreams and transforms lives, giving the physically disabled a fair chance to thrive.



## Driving Inclusion, Empowering Lives

IMC, through its Mobility for All initiative under Concern Beyond Cars, is proud to support people with disabilities (PWD). This year, we partnered with the Disability Welfare Association (DWA), a government-recognised organisation empowering PWD through events, sports, and advocacy.

As part of this collaboration, IMC provided 10 wheelchairs to DWA, reinforcing our commitment to inclusive mobility and social empowerment because every journey should be accessible to all.

# Volunteering HOURS

**2,000**  
HOURS OF HANDS  
AND HEART

Today, customers increasingly prefer to engage with organisations that demonstrate social responsibility. Similarly, employees, especially younger talent, are drawn to companies that actively promote diversity, equity, and inclusion (DEI). For volunteer programs to truly resonate, they must offer meaningful experiences that inspire participation and foster a sense of purpose.

With this vision, IMC has developed a structured volunteering platform designed to create impactful and engaging opportunities. The primary objectives of the program are:

- **Raise awareness** of IMC’s social contribution initiatives across the organisation.
- **Enhance transparency and communication** around IMC’s social impact efforts.
- **Inspire employees** to give back to communities by providing accessible and impactful engagement opportunities.
- **Strengthen IMC’s brand image** as a responsible and socially committed corporate entity.
- **Foster meaningful employee participation** that creates a sense of purpose and connection.



During the year, employees at all levels, both management and non-management, actively took part in IMC’s social initiatives. To support this, IMC has partnered with various NGOs, providing employees with meaningful opportunities to volunteer their time and contribute to the Company’s community-focused programs.





# CONCERN FOR *Climate*

IMC is deeply committed to protecting the environment and promoting sustainable practices across all its operations. From reducing emissions and conserving energy to implementing waste management and green initiatives, IMC actively strives to minimise its environmental footprint. Through awareness campaigns, eco-friendly policies, and responsible resource management, the company fosters a culture of environmental stewardship, reflecting its belief that a healthier planet is essential for the well-being of communities and future generations.

## TREE PLANTATION DRIVE, INFINITE IMPACT

**920,000**  
TREES, COUNTLESS BENEFITS

Since the inception of its Million Tree Plantation Drive, IMC has been steadfast in its commitment to environmental sustainability. This year alone, IMC has planted an additional 100,000 saplings, bringing the total to 920,000. These saplings include native species such as Neem, Jamun, Amrood, Kaner, Ulta ashoke, Gulmohar, Parsi Pepal, Bottle Brush and Termilia, strategically planted across various locations in Karachi, including Orangi Town, Nazimabad, DHA, Malir, Gulistan-e-Johar, University Road, Korangi and the Clifton Urban Forest. This initiative not only contributes to combating climate change but also enhances the city's green cover, providing cleaner air and a healthier environment for its residents.



**6,000**  
MANGROVES, ONE GREENER COAST

## RESTORING COASTLINES, SECURING THE FUTURE



In alignment with the Toyota Environmental Challenge 2050 and the Sustainable Development Goals (SDGs), Indus Motor Company (IMC), in collaboration with WWF-Pakistan, conducted a mangrove plantation drive along Karachi's coastal belt at the WWF Wetlands Centre. The initiative highlighted the critical role mangroves play in coastal protection, carbon sequestration, and biodiversity conservation, while IMC employees actively volunteered in planting saplings to help restore Pakistan's threatened mangrove forests. This effort is part of IMC's broader green initiatives, with an additional 6,000 mangrove saplings, reinforcing IMC's commitment to climate action and ecosystem restoration.





Squash  
Champions

ALI Sisters



SHAHIR Afridi

Pro  
Boxer



Mountaineer

ASAD ALI Khan



Para-Taekwondo  
Athletes

ABDULLAH Chand  
SUALEH Baloch



Mountaineer

WAJID JILAH Nagri





## POWERING YOUNG FEMALE *Squash Champions*

IMC, under its Concern Beyond Cars initiative, has taken three promising young squash players — Mahnoor Ali (13), Sehrish Ali (15), and Mehwish Ali (17) — under its wing, following their remarkable triumphs at the Australian Junior Open. Now competing under the Toyota Pakistan banner, these talented athletes are not only bringing international glory to the country but also reigniting hopes for Pakistan's long-lost squash dominance. In addition to athletic support, IMC has pledged to sponsor their education for a year, fostering their growth both on and off the court. This step reflects IMC's enduring commitment to nurturing talent, empowering future champions, and carrying forward its legacy of celebrating excellence and possibility.



Let's give it up  
for our young  
**SQUASH**  
champions  
on their  
*Smashing*  
at the **WIN**  
**Australian  
Junior Open 2025**



## POWERING PAKISTAN'S PUNCH TO THE *World*

Pakistan's boxing sensation Shahir Afridi, a four time Asian Champion and currently ranked among the world's top 60, is on a mission to break into the global top 15. With sixteen victories under his belt, including WBA Asia, WBC Asia, and ABF titles, his journey now takes him through upcoming international bouts and rigorous training camps. Standing firmly behind him is IMC, which under its Concern Beyond Cars initiative, has supported him since 2022 when he defeated Indian boxer Israr Usmani to defend his Asian title and continues to fuel his path toward even greater glory.



## CHAMPIONING ABILITY *Beyond Limits*

Breaking barriers and redefining possibilities, young para-taekwondo athletes Abdullah Chand (14) and Sualeh Baloch (16) proudly carried Pakistan's flag at the 2025 International Para Taekwondo Tour in Japan and Malaysia, earning accolades on the global stage. Their journey was powered by IMC under its Concern Beyond Cars initiative. By supporting these exceptional athletes from the Karachi Vocational Training Centre (KVTC), IMC reaffirms its commitment to diversity, equity, and inclusion — ensuring that every individual has the chance to rise and shine.



## ELEVATING TOYOTA TO THE WORLD'S *Highest Peaks*



Pakistani mountaineer Wajidullah Nagari carved his name into history by conquering Mount Everest, the highest peak on Earth at 8,848 meters. Hailing from the majestic valleys of Gilgit-Baltistan, Nagari carried with him the hopes of a nation and upon reaching the summit, he proudly raised the Toyota flag, a symbol of resilience, courage, and the power of dreams realised. Supported by IMC, this monumental achievement crowns his mountaineering career, adding Everest to his legendary list of conquests, including K2, Nanga Parbat, Broad Peak, Gasherbrum I, and Gasherbrum II. His victory is not just his own but a triumph for Pakistan, a reminder that with passion and support, no summit is unreachable.

## WHERE PAKISTAN TOUCHES THE *Sky*

Mountaineer Asad Ali Memon, sponsored by IMC under its Concern Beyond Cars initiative, continues to redefine the limits of human endurance. A true IMC champion, Asad has carved his place in history by setting a record on Africa's Kilimanjaro in just 20 hours, scaling North America's formidable Denali, and becoming the first climber from Sindh to stand atop the mighty Mount Everest. His most recent triumph came in Antarctica, where he summited the icy heights of Mount Vinson, bringing him within just one peak of completing the legendary Seven Summits challenge. Asad's journey embodies the resilience and determination of Pakistan, while IMC's support ensures that such dreams rise above boundaries and inspire a nation to aim higher.





# TOYOTA'S 18TH DREAM CAR ART CONTEST RETURNS WITH GRAND CELEBRATION IN PAKISTAN AFTER FIVE YEARS



1200 schools, 25,000 entries and 9 national winners competing on the global stage in Japan



The Toyota Dream Car Art Contest is a global initiative that invites children aged 15 and below to imagine and draw their very own "dream car." Launched in 2004 to raise awareness for EXPO 2005 AICHI, JAPAN, the contest began in Asia and expanded globally in 2011. Since then, it has become one of Toyota's most inspiring international programs, encouraging children to envision a brighter, more creative future.

At Toyota, our mission is to "Produce Happiness for All," and we are committed to creating a society where every child can dream without boundaries.

After a five-year hiatus—since the last contest held in 2019—we proudly returned with the 18th Toyota Dream Car Art Contest, receiving an overwhelming response from across Pakistan.

## Participation Highlights:

- Total Artworks Received: 25,324
- Total Schools Participated: 1,118
- Underprivileged & Special Needs Schools

## Participated: 253 (30% of total)

- Equal Opportunity: Children from all backgrounds, including differently-abled students, were encouraged and facilitated to participate equally.
- We are especially proud that one of the National Winning Artworks was created by a differently-abled student, highlighting the inclusive nature of this initiative.

## Mega Award Distribution Event – June 19, 2025

To celebrate the remarkable creativity and

imagination of the participants, we successfully organised a Mega Event on June 19, 2025, where giveaways and medals were distributed among the winning children.

## This grand celebration was made even more special with the presence of:

- Mr. Ali Asghar Jamali, CEO, Indus Motor Company
- Mr. Shinji Yanagi, Vice Chairman, Indus Motor Company
- CEOs of Toyota Dealerships nationwide
- Winning children accompanied by their proud parents

## Awards Distributed:

Top 27 Regional Winners (North, Central, South – across 3 age categories)

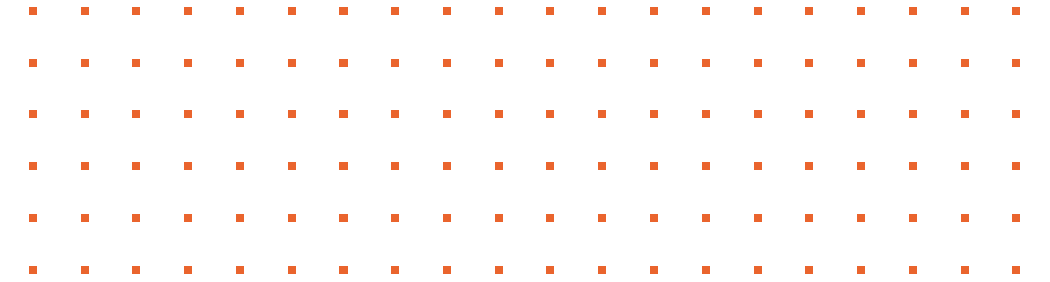
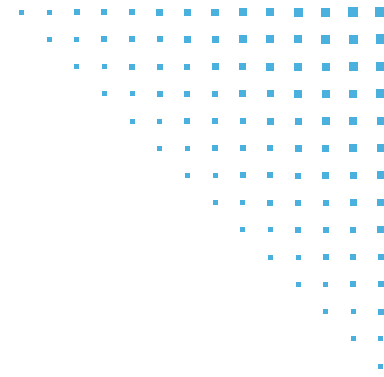
- CEO Award Winners (3 age categories)
- Waku Doki Award Winners (3 categories)
- Special Jury Award Winners
- Top 9 National Winners (3 age categories)

These outstanding artworks have been sent to Japan to represent Pakistan in the Global Contest.

We also extend our sincere appreciation to our esteemed jury members from the Indus Valley School of Art and Architecture and the National College of Arts, whose dedication and expert judgment were instrumental in selecting the most imaginative and meaningful artworks.

The 18th Toyota Dream Car Art Contest stands as a shining example of how creativity, diversity, and inclusion can come together to inspire future generations.





# The Gallery

National Champions & World Contest Nominees



**Category Under 8 years**  
Mom Loves Car by  
Khatija Abdul Hadi, Faisalabad



**Category Under 8 years**  
Honey Car by  
Haya Noor, Mardan



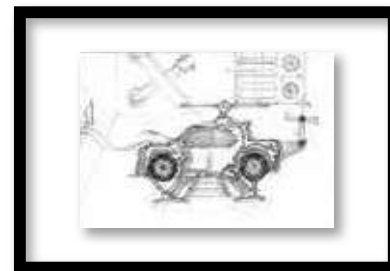
**Category Under 8 years**  
Recycling Car by  
Salaar Hussain, Rahim Yar Khan



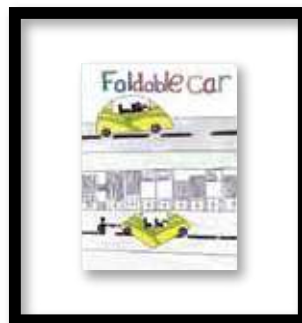
**Category 8 to 11 years**  
Stress Reliever Car by  
Khadija Akbar, Karachi



**Category 8 to 11 years**  
Beat Drive by  
Aroosh Tahir, Karachi



**Category 8 to 11 years**  
Shelter Car by  
Yahya, Mardan



**Category 12 to 15 years**  
Foldable Car by  
Manaism Mohsin, Islamabad



**Category 12 to 15 years**  
Music Car by  
Aleezay Rehman, Lahore



**Category 12 to 15 years**  
Sky Guardian Car by  
Rohan Arif, Karachi

## Other Awards



**CEO Award**  
**Category Under 8 years**  
Smog Slayer by  
Abdul Rashid, Peshawar



**Waku Doki Award**  
**Category Under 8 years**  
Ecopurify, Restoring Balance  
to our Environment by  
Shanza, Karachi



**Jury's Choice Award**  
**Category Under 8 years**  
Bump Transform by  
Muhammad Omer, Karachi



**CEO Award**  
**Category 8 to 11 years**  
Save the Ocean by  
Anabia, Rawalpindi



**Waku Doki Award**  
**Category 8 to 11 years**  
Health Scanning & Disease  
Alert Car by  
Habban Ahmed, Peshawar



**CEO Award**  
**Category 12 to 15 years**  
Car of Kindness by  
Laleha Fatima, Lahore



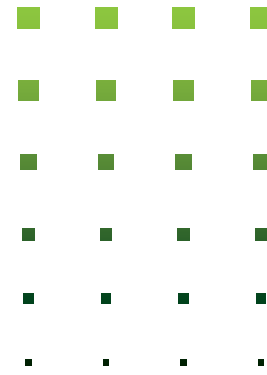
**Waku Doki Award**  
**Category 12 to 15 years**  
Aerospace car by  
Bibi Huzaifa, Karachi



**Jury's Choice Award**  
**Category 12 to 15 years**  
Seavac, the Car that Heals  
the Sea by  
Rumaisa Nauman, Karachi



# TOYOTA ROAD SAFETY AWARENESS PROGRAM DRIVING CHANGE, *Saving Lives*



IMC, as part of its commitment to road safety and community welfare, runs the Toyota Road Safety Awareness Program to educate drivers, students, and the general public on safe driving practices. The initiative focuses on promoting responsible behavior on the roads, reducing accidents, and raising awareness about traffic rules and regulations.

Road safety is a critical concern in Pakistan, where traffic-related incidents claim thousands of lives each year. By empowering communities with knowledge and practical guidance, IMC aims to create safer roads, protect lives, and foster a culture of responsible driving. The program also aligns with IMC's broader vision of contributing to societal well-being while reinforcing Toyota's global commitment to safety and sustainability.

## AIK PAL KI LAPARWAHI A TALE OF UNFULFILLED DREAMS

Road safety has become a national crisis in Pakistan, where thousands lose their lives or suffer lifelong disabilities every year due to traffic accidents. To address this, Toyota Pakistan launched the "Aik Pal Ki Laparwahi" Road Safety Campaign, urging drivers and pedestrians to recognise how a single careless act; over-speeding, using a mobile phone, or ignoring seatbelts can change lives forever.

The campaign drives home powerful reminders:

**"Your ignorance can leave someone's dreams unfulfilled forever"**



**"Your loved ones are waiting for you at home."**



**7 MILLION**  
MINDS AWAKENED,  
COUNTLESS LIVES  
PROTECTED



These messages aim to create a deep emotional connection, reminding people that road safety is not just about rules, but about protecting lives and futures.

Backed by Toyota's global commitment to safety, this initiative seeks to inspire responsible driving, reduce accidents, and move closer to the vision of zero traffic deaths in Pakistan.

## Toyota Road Improvement Project (TRIP)

Over the past decade, NED University and IMC have led the Toyota Road Improvement Project (TRIP) to make Karachi's roads safer.

This year, the project introduced an improvement plan for Rashid Minhas Road, highlighted corridors needing safer intersections and pedestrian zones, and launched nationwide campaigns to promote road safety. TRIP partnered with Edhi Foundation on a Post-Trauma Care digital application to improve emergency response, worked with the Motorway Police and NHA on safety audits at the Lyari Expressway. TRIP also collaborated with Bykea and Careem for advance motorcycle training, helmet use, and safer urban transport. Today, TRIP stands as a national model for road safety and sustainable mobility.





# Driving Awareness, Saving Lives

This year IMC expanded Road Safety Awareness Campaigns across Pakistan, reaching thousands of people through engaging, community-focused events.

At the **T-Sure Gala, Centaurus Mall Islamabad**, over 3,000 visitors participated in interactive activities such as pledge walls, selfie booths, and giveaways, spreading awareness about responsible driving and pedestrian safety.

Through a collaboration with the **Sindh Ringball Association** at its Inter-Division Championship in Karachi, IMC engaged 300 athletes and teachers, focusing on the dangers of underage driving and reinforcing Toyota's commitment to youth, sports, and safer communities.

At **IBA Karachi's Enigma festival**, nearly 2,000 students experienced an immersive road safety program tailored for youth, inspiring them to become advocates for responsible mobility.

Finally, during **Toyota Family Day at PAF Museum Karachi**, IMC reached a lively crowd of 8,000 employees, families, and friends, encouraging collective responsibility for safer roads.

Together, these initiatives underline IMC's mission to foster a culture of road safety and protect lives through education, engagement, and community action.





# Awards and Accolades

**VALUE CHAIN**  
Presented to IMC by  
Toyota Motor Asia (TMA) *Award*  
**2024**

**CSR INITIATIVES**  
National Forum of  
Environment & Health  
(NFEH) *Award*  
**2024**

**RENEWABLE  
ENERGY AND  
CONSERVATION**  
1st OICCI  
Climate Awards *Award*  
**2024**

**CDEA (GOLD)**  
Presented to IMC by  
Toyota Motor Asia (TMA) *Award*  
**2024**

**PLANT  
INTEGRITY**  
The Professionals  
Network (TPN) *Award*  
**2024**

**PUBLIC  
HEALTH/SAFETY  
INITIATIVE**  
The Professional  
Network (TPN) *Award*  
**2024**

**CORPORATE  
EXCELLENCE**  
Management  
Association of  
Pakistan (MAP) *Certificate*  
**2024**

**TRANSPORT  
SAFETY** *Award*  
The Professionals  
Network (TPN) **2024**

**EMISSIONS  
CONTROL  
TECHNOLOGIES**  
The Professionals  
Network (TPN) *Award*  
**2024**

**RESPONSIBLE  
INVESTMENT**  
National Forum of  
Environment & Health  
(NFEH) *Award*  
**2024**

**REPORTING &  
TRANSPARENCY**  
The Professional  
Network (TPN) *Award*  
**2024**

**ENVIRONMENT  
EXCELLENCE**  
National Forum of  
Environment & Health  
(NFEH) *Award*  
**2024**

**MERIT**  
ICMA  
International *Certificate*  
**2024**

**ASIA QUALITY  
PERSON**  
Toyota Motor  
Asia (TMA) *Award*  
**2024**

**EXCELLENCE  
QUALITY** *Award*  
Toyota Motor  
Asia (TMA) **2024**



# GRI Content Index

The GRI Content Index serves as a guide to navigate this report. It lists the GRI Standards and related disclosures, referencing each to the relevant page in this Sustainability Report or other publicly available sources.

|                                |  |
|--------------------------------|--|
| Statement of use               | IMC has reported in accordance with the GRI Standards for the period July 01, 2024 to June 30, 2025. |
| GRI 1 used                     | GRI 1: Foundation 2021   |
| Applicable GRI Sector Standard | No sector standard is available for our sector.  |

|  |  | Omission  |                            |                            |             |
|--|--|-----------|----------------------------|----------------------------|-------------|
| GRI Standard/<br>Other Source          | Disclosure   | Location  | Requirement (s)<br>Omitted | Reason                     | Explanation |
| <b>General Disclosures</b>             |  |           |                            |                            |             |
| <b>GRI 2: General Disclosures 2021</b> | 2-1 Organizational details   | 17        |                            |                            |             |
|  | 2-2 Entities included in the organization's sustainability reporting             | 9         |                            |                            |             |
|  | 2-3 Reporting period, frequency and contact point                                | 9         |                            |                            |             |
|  | 2-4 Restatements of information  | 9         |                            |                            |             |
|  | 2-5 External assurance   | 9         |                            |                            |             |
|  | 2-6 Activities, value chain and other business relationships                     | 41, 86,90 |                            |                            |             |
|  | 2-7 Employees  | 120       |                            |                            |             |
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|  | 2-9 Governance structure and composition   | 72, 73    |                            |                            |             |
|  | 2-10 Nomination and selection of the highest governance body                     | 63        |                            |                            |             |
|  | 2-11 Chair of the highest governance body  | 64        |                            |                            |             |
|  | 2-12 Role of the highest governance body in overseeing the management of impacts | 64        |                            |                            |             |
|  | 2-13 Delegation of responsibility for managing impacts                           | 64        |                            |                            |             |
|  | 2-14 Role of the highest governance body in sustainability reporting             | 64        |                            |                            |             |
|  | 2-15 Conflicts of interest   | 68        |                            |                            |             |
|  | 2-16 Communication of critical concerns  | 67        |                            |                            |             |
|  | 2-17 Collective knowledge of the highest governance body                         | 63        |                            |                            |             |
|  | 2-18 Evaluation of the performance of the highest governance body                | 63        |                            |                            |             |
|  | 2-19 Remuneration policies   | 67        |                            |                            |             |
|  | 2-20 Process to determine remuneration   | 72        |                            |                            |             |
|  | 2-21 Annual total compensation ratio   |           | a, b, c                    | Confidentially constraints |             |
|  | 2-22 Statement on sustainable development strategy                               | 52,53     |                            |                            |             |

|                               |   | Omission |                            |        |             |
|-------------------------------|---|----------|----------------------------|--------|-------------|
| GRI Standard/<br>Other Source | Disclosure  | Location | Requirement (s)<br>Omitted | Reason | Explanation |
| General Disclosures           | 2-23 Policy commitments                                 | 62       |                            |        |             |
|                               | 2-24 Embedding policy commitments                       | 62       |                            |        |             |
|                               | 2-25 Processes to remediate negative impacts            | 62       |                            |        |             |
|                               | 2-26 Mechanisms for seeking advice and raising concerns | 62, 67   |                            |        |             |
|                               | 2-27 Compliance with laws and regulations               | 67, 71   |                            |        |             |
|                               | 2-28 Membership associations                            | 43       |                            |        |             |
|                               | 2-29 Approach to stakeholder engagement                 | 74       |                            |        |             |
|                               | 2-30 Collective bargaining agreements                   | 125      |                            |        |             |

| Material Topics             |  |       |
|-----------------------------|--|-------|
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 76    |
|                             | 3-2 List of material topics              | 76-77 |

| Economic Performance  |  |    |
|---|--|----|
| <b>GRI 3: Material Topics 2021</b><br><br><b>GRI 201: Economic Performance 2016</b> | 3-3 Management of material topics  | 82 |
|   | 201-1 Direct economic value generated and distributed                                | 83 |
|   | 201-2 Financial implications and other risks and opportunities due to climate change | 82 |
|   | 201-3 Defined benefit plan obligations and other retirement plans                    | 82 |
|   | 201-4 Financial assistance received from government                                  | 82 |

| Indirect Economic Impacts                      |   |           |
|--|---|-----------|
| <b>GRI 3: Material Topics 2021</b>             | 3-3 Management of material topics                       | 82        |
| <b>GRI 203: Indirect Economic Impacts 2016</b> | 203-1 Infrastructure investments and services supported | 136 - 165 |
|  | 203-2 Significant indirect economic impacts             | 82        |

| Procurement Practices                      |   |    |
|--|---|----|
| <b>GRI 3: Material Topics 2021</b>         | 3-3 Management of material topics               | 88 |
| <b>GRI 204: Procurement Practices 2016</b> | 204-1 Proportion of spending on local suppliers | 90 |

| Anti-corruption  |  |    |
|--|--|----|
| <b>GRI 3: Material Topics 2021</b><br><br><b>GRI 205: Anti-corruption 2016</b> | 3-3 Management of material topics  | 70 |
|  | 205-1 Operations assessed for risks related to corruption                      | 70 |
|  | 205-2 Communication and training about anti-corruption policies and procedures | 70 |



|  |  | Omission |                            |                                    |  |
|--|--|----------|----------------------------|------------------------------------|--|
| GRI Standard/<br>Other Source                              | Disclosure   | Location | Requirement (s)<br>Omitted | Reason                             | Explanation  |
|  | 205-3 Confirmed incidents of corruption and actions taken                            | 71       |                            |                                    |  |
| Materials  |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 301: Materials 2016 | 3-3 Management of material topics  | 100      |                            |                                    |  |
|  | 301-1 Materials used by weight or volume   | 102      | a(i) & (ii)                | Information unavailable/Incomplete | Information is not available as required by GRI Standards  |
|  | 301-2 Recycled input materials used  | 102      |                            |                                    |  |
|  | 301-3 Reclaimed products and their packaging materials                               | 102      |                            |                                    |  |
|  |  |          |                            |                                    |  |
| Energy   |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 302: Energy 2016    | 3-3 Management of material topics  | 100      |                            |                                    |  |
|  | 302-1 Energy consumption within the organization                                     | 102-103  |                            |                                    |  |
|  | 302-2 Energy consumption outside of the organization                                 |          | a, b, c                    | Information unavailable/incomplete | IMC does not calculate the energy consumption outside the organization due to the non-availability of reliable data. |
|  | 302-3 Energy intensity   | 102      |                            |                                    |  |
|  | 302-4 Reduction of energy consumption  | 102      |                            |                                    |  |
|  | 302-5 Reduction in energy requirements of products and services                      |          | a, b, c                    | Information unavailable/incomplete | The information is not available as per GRI requirements.  |
|  |  |          |                            |                                    |  |
| Emissions  |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 305: Emissions 2016 | 3-3 Management of material topics  | 100      |                            |                                    |  |
|  | 305-1 Direct (Scope 1) GHG emissions   | 104      |                            |                                    |  |
|  | 305-2 Energy indirect (Scope 2) GHG emissions  | 104      |                            |                                    |  |
|  | 305-3 Other indirect (Scope 3) GHG emissions   |          | a-g                        | Information unavailable/incomplete | IMC does not calculate the energy consumption outside the organization due to the non-availability of reliable data. |
|  | 305-4 GHG emissions intensity  | 104      |                            |                                    |  |
|  | 305-5 Reduction of GHG emissions   | 104      |                            |                                    |  |
|  | 305-6 Emissions of ozone-depleting substances (ODS)                                  | 104      |                            |                                    |  |
|  | 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX) and other significant air emissions | 104      |                            |                                    |  |

|  |  | Omission |                            |                                    |  |
|--|--|----------|----------------------------|------------------------------------|--|
| GRI Standard/<br>Other Source  | Disclosure   | Location | Requirement (s)<br>Omitted | Reason                             | Explanation  |
| Water  |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 303: Water and Effluents 2018               | 3-3 Management of material topics  | 106      |                            |                                    |  |
|  | 303-1 Interactions with water as a shared resource   | 106, 107 |                            |                                    |  |
|  | 303-2 Management of water discharge-related impacts  | 107      |                            |                                    |  |
|  | 303-3 Water withdrawal   | 107      |                            |                                    |  |
|  | 303-4 Water discharge  | 107      |                            |                                    |  |
|  | 303-5 Water consumption  | 107      |                            |                                    |  |
| Waste  |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 306: Waste 2020                             | 3-3 Management of material topics  | 108      |                            |                                    |  |
|  | 306-1 Waste generation and significant waste-related impacts   | 109      |                            |                                    |  |
|  | 306-2 Management of significant waste-related impacts  | 109      |                            |                                    |  |
|  | 306-3 Waste generated  | 109      |                            |                                    |  |
|  | 306-4 Waste diverted from disposal   | 109      |                            |                                    |  |
|  | 306-5 Waste directed to disposal   | 109      |                            |                                    |  |
| Supply Chain Impacts   |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 308: Supplier Environmental Assessment 2016 | 3-3 Management of material topics  | 88       |                            |                                    |  |
|  | 308-1 New suppliers that were screened using environmental criteria                                      | 90       |                            |                                    |  |
|  | 308-2 Negative environmental impacts in the supply chain and actions taken                               |          | a, e                       | Information unavailable/incomplete | IMC does not collect such information due to non-availability and reliability. |
| GRI 414: Supplier Social Assessment 2016   | 414-1 New suppliers that were screened using social criteria   | 90       |                            |                                    |  |
|  | 414-2 Negative social impacts in the supply chain and actions taken                                      |          | a, e                       | Information unavailable/incomplete | IMC does not collect such information due to non-availability and reliability. |
| Employment and Labor Relations   |  |          |                            |                                    |  |
| GRI 3: Material Topics 2021<br><br>GRI 401: Employment 2016                        | 3-3 Management of material topics  | 118      |                            |                                    |  |
|  | 401-1 New employee hires and employee turnover   | 121      |                            |                                    |  |
|  | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 120      |                            |                                    |  |
|  | 401-3 Parental leave   | 120      |                            |                                    |  |
| GRI 402: Labor Management Relations 2016   | 402-1 Minimum notice periods regarding operational changes   | 125      |                            |                                    |  |



| GRI Standard/<br>Other Source  | Disclosure   | Omission      |                            |                                    |  |
|--|--|---------------|----------------------------|------------------------------------|--|
|  |  | Location      | Requirement (s)<br>Omitted | Reason                             | Explanation  |
| GRI 405:<br>Diversity<br>and Equal<br>Opportunity<br>2016                  | 405-1 Diversity of governance bodies and employees   | 125           |                            |                                    |  |
|  | 405-2 Ratio of basic salary and remuneration of women to men   | 120           |                            |                                    |  |
| GRI 406: Non-discrimination<br>2016  | 406-1 Incidents of discrimination and corrective actions taken   | 125           |                            |                                    |  |
| GRI 407:<br>Freedom of<br>Association<br>and Collective<br>Bargaining 2016 | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | 90            |                            |                                    |  |
| Health and Safety  |  |               |                            |                                    |  |
| GRI 3: Material<br>Topics 2021   | 3-3 Management of material topics  | 130           |                            |                                    |  |
| GRI 403:<br>Occupational<br>Health and<br>Safety<br>2018                   | 403-1 Occupational health and safety management system   | 130           |                            |                                    |  |
|  | 403-2 Hazard identification, risk assessment and incident investigation  | 131           |                            |                                    |  |
|  | 403-3 Occupational health services   | 131           |                            |                                    |  |
|  | 403-4 Worker participation, consultation and communication on occupational health and safety                         | 131           |                            |                                    |  |
|  | 403-5 Worker training on occupational health and safety  | 131           |                            |                                    |  |
|  | 403-6 Promotion of worker health   | 131           |                            |                                    |  |
|  | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships  | 90,86,<br>130 |                            |                                    |  |
|  | 403-8 Workers covered by an occupational health and safety management system   | 130           | a (i) to (iii)             | Information unavailable/incomplete | IMC does not maintain information required by GRI Standards. |
|  | 403-9 Work-related injuries  | 132           | b                          | Information unavailable/incomplete | IMC does not maintain information required by GRI Standards. |
|  | 403-10 Work-related ill health   | 132           | b                          | Information unavailable/incomplete | IMC does not maintain information required by GRI Standards  |
|  | 416-1 Assessment of the health and safety impacts of product and service categories                                  | 132           |                            |                                    |  |
|  | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services                  | 132           |                            |                                    |  |

|  |  | Omission |                            |                        |  |
|--|--|----------|----------------------------|------------------------|--|
| GRI Standard/<br>Other Source                  | Disclosure   | Location | Requirement (s)<br>Omitted | Reason                 | Explanation  |
| Training                                       |  |          |                            |                        |  |
| GRI 3: Material<br>Topics 2021                 | 3-3 Management of material topics  | 119, 122 |                            |                        |  |
| GRI 404:<br>Training and<br>Education 2016     | 404-1 Average hours of training per year per employee  | 122      | a (i)                      | Information incomplete | IMC does not maintain information required by GRI Standards. |
|  | 404-2 Programs for upgrading employee skills and transition assistance programs                | 122-123  |                            |                        |  |
|  | 404-3 Percentage of employees receiving regular performance and career development reviews     | 122      |                            |                        |  |
| Human Rights                                   |  |          |                            |                        |  |
| GRI 3: Material<br>Topics 2021                 | 3-3 Management of material topics  | 124      |                            |                        |  |
| GRI 408: Child<br>Labor 2016                   | 408-1 Operations and suppliers at significant risk for incidents of child labor                | 125      |                            |                        |  |
| GRI 409: Forced<br>or Compulsory<br>Labor 2016 | 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor | 125      |                            |                        |  |
| Local Communities                              |  |          |                            |                        |  |
| GRI 3: Material<br>Topics 2021                 | 3-3 Management of material topics  | 136      |                            |                        |  |
| GRI 413: Local<br>Communities<br>2016          | 413-1 Operations with local community engagement, impact assessments and development programs  | 140-165  |                            |                        |  |
|  | 413-2 Operations with significant actual and potential negative impacts on local communities   | 62       |                            |                        |  |
| Marketing and Labeling                         |  |          |                            |                        |  |
| GRI 3: Material<br>Topics 2021                 | 3-3 Management of material topics  | 40       |                            |                        |  |
| GRI 417:<br>Marketing and<br>Labeling 2016     | 417-1 Requirements for product and service information and labeling                            | 41       |                            |                        |  |
|  | 417-2 Incidents of non-compliance concerning product and service information and labeling      | 41       |                            |                        |  |
|  | 417-3 Incidents of non-compliance concerning marketing communications                          | 41       |                            |                        |  |
|  |  |          |                            |                        |  |
|  |  |          |                            |                        |  |














## United Nations Global Compact



| Principle    | Statement  | Page No.                      | GRI Standards Disclosure   |
|--------------|--|-------------------------------|--|
| Principle 1  | Businesses should support and respect the protection of internationally proclaimed human rights.                         | 62,140,165                    | 413-1, 413-2   |
| Principle 2  | Businesses should make sure that they are not complicit in human rights abuses.  | 90,140,165                    | 413-1, 414-1, 414-2  |
| Principle 3  | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. | 90,125                        | 2-30, 402-1, 407-1   |
| Principle 4  | Businesses should uphold the elimination of all forms of forced and compulsory labor.                                    | 125                           | 409-1  |
| Principle 5  | Businesses should uphold the effective abolition of child labor.   | 125                           | 408-1  |
| Principle 6  | Businesses should uphold the elimination of discrimination in respect of employment and occupation.                      | 118, 120-121, 125             | 2-7, 2-8, 401-1, 401-3, 404-1, 404-3, 405-2, 406-1,  |
| Principle 7  | Businesses should support a precautionary approach to environmental challenges.  | 82, 102-104, 107              | 201-2, 301-1, 302-1, 303-3, 305-1, 305-2, 305-3, 305-6, 305-7  |
| Principle 8  | Businesses should undertake initiatives to promote greater environmental responsibility.                                 | 67, 71, 90, 102-104, 107, 109 | 2-27, 301-1, 301-2, 302-1, 302-2, 302-3, 302-4, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 308-1 |
| Principle 9  | Businesses should encourage the development and diffusion of environmentally friendly technologies.                      | 102                           | 302-4, 305-5   |
| Principle 10 | Businesses should work against corruption in all its forms, including extortion and bribery.                             | 62,67,70                      | 2-23, 2-26, 205-1, 205-2   |

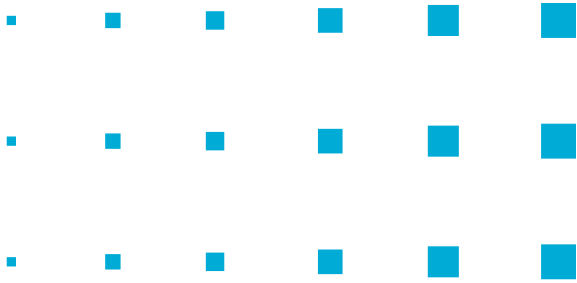
# Sustainable Development Goals *Index*









| SDGs   | Page No.  | GRI Standards Disclosure  |
|--|---|---|
|  1 NO POVERTY<br>End poverty in all its forms everywhere  | 62,82   | 203-2, 413-2  |
|  2 ZERO HUNGER<br>End hunger, achieve food security and improved nutrition and promote sustainable agriculture                              | 62, 82-83, 136-165                              | 201-1, 203-1, 203-2, 413-2  |
|  3 GOOD HEALTH AND WELL-BEING<br>Ensure healthy lives and promote well-being for all at all ages  | 82, 104, 109, 130, 132                          | 203-2, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 403-8, 403-9, 403-10  |
|  4 QUALITY EDUCATION<br>Ensure inclusive and quality education for all and promote lifelong learning                                       | 63, 122   | 2-17, 404-1   |
|  5 GENDER EQUALITY<br>Achieve gender equality and empower all women and girls   | 63, 72-73, 83, 90, 120-122, 125, 136-165        | 2-9, 2-10, 201-1, 203-1, 401-1, 401-3, 404-1, 404-3, 405-1, 405-2, 406-1, 414-1, 414-2  |
|  6 CLEAN WATER AND SANITATION<br>Ensure access to water and sanitation for all  | 107, 109  | 303-3, 303-4, 303-5, 306-1, 306-2, 306-3, 306-4, 306-5  |
|  7 AFFORDABLE AND CLEAN ENERGY<br>Ensure access to affordable, reliable, sustainable and modern energy for all                            | 83, 102-103, 136-165                            | 201-1, 203-1, 302-1, 302-3, 302-4   |
|  8 DECENT WORK AND ECONOMIC GROWTH<br>Promote inclusive and sustainable economic growth, employment and decent work for all               | 82-83, 90, 102-103, 118, 120-123, 125, 130, 132 | 2-7, 2-8, 2-30, 201-1, 203-2, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 303-5, 401-1, 401-2, 401-3, 402-1, 403-8, 403-9, 403-10, 404-1, 404-2, 404-3, 405-1, 405-2, 407-1, 408-1, 409-1, 414-1, 414-2 |
|  9 INDUSTRY, INNOVATION AND INFRASTRUCTURE<br>Build resilient infrastructure, promote sustainable industrialization and foster innovation | 83, 136-165                                     | 201-1, 203-1  |



# Sustainable Development Goals

## Index



| SDGs  |   | Page No.                                   | GRI Standards Disclosure  |
|---|---|--|---|
|    | Reduce inequality within and among countries  | 82, 120                                    | 203-2, 405-2  |
|    | Make cities inclusive, safe, resilient and sustainable  | 136-165                                    | 203-1   |
|   | Ensure sustainable consumption and production patterns  | 41, 90, 102-104, 109                       | 204-1, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-6, 305-7, 306-1, 306-2, 306-3, 306-4, 417-1     |
|  | Take urgent action to combat climate change and its impacts   | 82, 102-104                                | 201-2, 302-1, 302-3, 302-4, 305-1, 305-2, 305-3, 305-4  |
|  | Conserve and sustainably use the oceans, seas and marine resources  | 104, 109                                   | 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1, 306-3, 306-5   |
|  | Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss | 104, 109                                   | 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-3, 306-5  |
|  | Promote just, peaceful and inclusive societies  | 41, 62-64, 67-68, 70-73, 90, 120, 125, 132 | 2-9, 2-10, 2-11, 2-12, 2-15, 2-20, 2-23, 2-26, 2-27, 205-1, 205-2, 205-3, 406-1, 408-1, 414-1, 414-2, 416-2, 417-2, 417-3 |
|  | Strengthen the means of implementation and revitalize the global partnership for sustainable development      | -  | Not applicable  |

# Glossary & Acronyms

|        |   |
|--------|---|
| AP-ECO | Asia Pacific Ecology                              |
| ASEAN  | Association of Southeast Asian Nations            |
| ATM    | Apprenticeship Team Member                        |
| CASE   | Connected, Autonomous, Shared and Electric        |
| CBA    | Collective Bargaining Agent                       |
| CBU    | Complete Built Unit                               |
| CFCs   | Chlorofluorocarbons                               |
| CKD    | Completely Knocked Down                           |
| COP    | Communication on Progress                         |
| CSR    | Corporate Social Responsibility                   |
| ESG    | Environment, Social and Governance                |
| GHG    | Green House Gases                                 |
| GRI    | Global Reporting Initiative                       |
| GEMS   | Global Environment Management System              |
| GJ     | Giga Joule  |
| HFCs   | Hydrofluorocarbons                                |
| IFRS   | International Financial Reporting Standards       |
| ISO    | International Standards Organization              |
| LWD    | Lost Work Day                                     |
| NLWD   | Non-Lost Work Day                                 |
| MAP    | Management Association of Pakistan                |
| MPX    | Multiplex Communication System                    |
| MW     | Mega Watt   |
| NFEH   | National Forum for Environment and Health         |
| NGO    | Non-Governmental Organization                     |
| NVH    | Noise, Vibration and Harshness                    |
| OICCI  | Overseas Investors Chamber of Commerce & Industry |
| OEMs   | Original Equipment Manufacturers                  |
| PSX    | Pakistan Stock Exchange                           |
| SDGs   | Sustainable Development Goals                     |
| SHE    | Social, Health and Environment                    |
| SECP   | Securities and Exchange Commission of Pakistan    |
| SEQS   | Sindh Environmental Quality Standards             |
| SEPA   | Sindh Environmental Protection Agency             |
| TDEM   | Toyota Daihatsu Engineering & Manufacturing       |
| UNGC   | United Nations Global Compact                     |
| YLC    | Youth Leadership Conference                       |



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