

Toyota Leasing (Thailand) Company Limited

Type of Engagement: Annual Review

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Introduction

Toyota Leasing (Thailand) Company Limited ("TLT" or the "Company") issued a Social Bond (the "Social Bond") and a series of Social Loans (the "Social Loan"). In January 2024, TLT raised THB 1,000 million through the issuance of the Social Bond. Subsequently, in July 2024 and in January 2025, TLT obtained the Social Loan, raising an additional THB 2,100 million. The proceeds from the Social Bond and Social Loan aim to refinance existing loans for Toyota vehicle models provided to low-income earners. In March 2025, TLT engaged Sustainalytics to review the projects financed with proceeds from the Social Bond and Social Loan (collectively the "Nominated Expenditures") and provide an assessment as to whether they meet the use of proceeds criteria and whether TLT complied with the reporting commitments in the Toyota Leasing (Thailand) Company Limited Sustainable Financing Framework (the "Framework").¹ Sustainalytics provided a Second-Party Opinion on the Framework in December 2023.² This is Sustainalytics' second annual review of the allocation and reporting of the Social Bond and first review of the Social Loan issued under the Framework, following a previous review in April 2024.³

Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures and TLT's reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
Access to Essential Service – Financing the Underserved	Financing and/or refinancing of selected pools of loans and leases to Toyota vehicle models that are funded, in whole or in part, by TLT and that meet the following Eligible Social Criteria <ul style="list-style-type: none"> • Vehicle financing for low-income earners⁴ or small-scale farmers⁵ 	<ul style="list-style-type: none"> • Number of individuals provided with access to financial services for the vehicles financed and/or refinanced by the social or sustainable financing proceeds • Number of small-scale farmers provided with access to financial services for the vehicles financed and/or refinanced by the social or sustainable financing proceeds

¹ TLT, "Sustainable Financing Framework", (2023), at: https://www.tlt.co.th/download/TLT_Sustainable_Financing_Framework_Dec2023.pdf.

² Sustainalytics, "Second-Party Opinion, ", Toyota Leasing (Thailand) Company Limited Sustainable Financing Framework", (2023), at: https://www.tlt.co.th/download/TLT_Second-Party_Opinion_Dec2023.pdf.

³ Sustainalytics, "Annual Review", (2024), at: https://www.tlt.co.th/download/Annual_Review_Report_by_Sustainalytics.pdf.

⁴ The Framework defines low-income earners, as people earning less than 80% of Thailand's median income, in accordance with the World Bank calculation at <https://pip.worldbank.org/poverty-calculator?src=THA>.

⁵ Small-scale farmers, defined as: 1) a farmer registered with the Ministry of Agriculture and Cooperatives; and 2) earning less than 80% of Thailand's median income, in accordance with the World Bank calculation.

Issuer's Responsibility

TLT is responsible for providing accurate information and documentation relating to the details of the projects, including descriptions, amounts allocated and impact.

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from TLT's Social Bond and Social Loan. The work undertaken as part of this engagement included collection of documentation from TLT and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and facts presented by TLT. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by TLT.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,⁶ nothing has come to Sustainalytics' attention that causes us to believe, in all material respects, that the Nominated Expenditures do not conform with the use of proceeds criteria and reporting commitments in the Framework. TLT has disclosed to Sustainalytics that the proceeds from the Social Bond and Social Loan were fully allocated as of 31 January 2024 and 24 January 2025, respectively.

Detailed Findings

Table 2: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of projects to determine alignment with the use of proceeds criteria outlined in the Framework.	The Nominated Expenditures comply with the use of proceeds criteria.	None
Reporting Criteria	Verification of projects or assets to determine if impact was reported in line with the KPIs outlined in the Framework.	TLT reported on at least one KPI per use of proceeds category.	None

⁶ Sustainalytics' limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Allocation of proceeds

Table 3: Allocation of proceeds from the Social Bond⁷

Use of Proceeds Category	Allocated Amount (THB million)
Access to Essential Service - Financing the Underserved	1,000
Total Amount Allocated (THB million)	1,000
Total Amount Unallocated (THB million)	0
Total Net Proceeds Raised (THB million)	1,000

Table 4: Allocation of proceeds from the Social Loan⁸

Use of Proceeds Category	Project Description	Allocated Amount (THB million)
Access to Essential Service - Financing the Underserved	Social Loan Bank A	1,000
	Social Loan Bank B	500
	Social Loan Bank C	600
Total Amount Allocated (THB million)		2,100
Total Amount Unallocated (THB million)		0
Total Net Proceeds Raised (THB million)		2,100

⁷ The Social Bond proceeds were utilized to refinance the existing loans for Toyota vehicle models provided to low-income earners within a three-year look-back period before the settlement of the Social Bond.

⁸ The Social Loans proceeds were utilized to refinance the existing loans for Toyota vehicle models provided to low-income earners within a three-year look-back period before the drawdown of the Social Loan.

Appendix 2: Reported Impact

Table 5: Reported Impacts from the Social Bond

Use of Proceeds Category	Reported Impact
Access to Essential Service - Financing the underserved	Provided 2,211 individuals ⁹ access to financial services for the vehicles refinanced by the social financing proceeds

Table 6: Reported Impact from the Social Loan

Use of Proceeds Category	Reported Impact
Access to Essential Service - Financing the underserved	Provided 3,679 individuals ¹⁰ access to financial services for the vehicles refinanced by the social financing proceeds

⁹ TLT has confirmed to Sustainalytics that the low-income earners earned between THB 5,000 to THB 11,037 per month, which is within the low-income criteria as per the Framework.

¹⁰ Ibid.

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