Toyota Quarterly Supplement

For
Takata Recall Remedy Completion


June 30, 2020
Contents

I. Introduction ........................................................................................................................................... 4

II. Recalls and Remedy Status .................................................................................................................. 5

III. Toyota’s Outreach Strategy ............................................................................................................... 7

IV. Core Outreach Updates ...................................................................................................................... 8
   A. Contact Information Availability and Phone Outreach ................................................................. 9
   B. Settlement Special Administrator Program Updates ............................................................... 11
   i. *Call Center Improvements and Expansions* ............................................................................ 12
   C. Toyota and SSA Collaboration .................................................................................................... 13
   D. Future SSA Activities .................................................................................................................. 14
   E. Dealer Engagement Activities .................................................................................................... 14
      i. *Providing Open Recall Owner Information to Dealers* .................................................... 14
      ii. *Dealer Outreach Activities* .................................................................................................... 15
      iii. *Dealer Repair Events* ........................................................................................................ 18
   F. Missed Opportunity Report .......................................................................................................... 18
   G. Engagement with Field Teams ..................................................................................................... 21
   H. Lexus Field and Guest Incentives ................................................................................................. 23

V. Specialized Outreach .......................................................................................................................... 26
   A. Social Influencer Approach ......................................................................................................... 26
   B. Certified Mail ................................................................................................................................ 30
   C. Vehicle Canvassing ..................................................................................................................... 31

VI. Supporting Outreach Activities ......................................................................................................... 34
   A. Using Toyota’s Website to Improve Recall Completions ............................................................ 34
   B. Efforts to Engage Independent Repair Facilities (IRF’s) ........................................................... 34
      i. *Current Results for Toyota Active Recall* ............................................................................. 34
      ii. *Future Opportunities* .......................................................................................................... 36
   C. Finding and Repairing Vehicles for Sale ................................................................................... 36
   D. Addressing Inconvenience .......................................................................................................... 38
      i. *Mobile Repair Update* ............................................................................................................ 39
   E. Check to Protect .............................................................................................................................. 41
   F. CarmaGo ....................................................................................................................................... 42
   G. Carma Pro ...................................................................................................................................... 49
   H. Salvage Inflator Recovery .......................................................................................................... 54

VII. Additional Activities ......................................................................................................................... 55
   A. Engagement with State DMVs and Municipal Agencies ............................................................. 55
B. Efforts to Increase Completions in Puerto Rico ................................................................. 56

VIII. Monitor Recommendations .......................................................................................... 56

IX. Summary of Outreach Challenges .................................................................................. 56

X. Efforts to Address PG1-3 ................................................................................................. 59

XI. Attachments ..................................................................................................................... 61
I. Introduction

Toyota submits this Quarterly Report pursuant to paragraph 37 of the Third Amendment to the Coordinated Remedy Order (“ACRO”) issued by the National Highway Traffic Safety Administration (NHTSA) on December 9, 2016. This document summarizes and contains the latest updates to Toyota’s Recall Engagement Plan and Quarterly Supplements, which were submitted pursuant to the ACRO. This document covers NHTSA-designated recalls 15V-284, 15V-285, 15V-286, 16V-127, 16V-128, 16V-340, 17V-006, 18V-024, 18V-025, 18V-883, 19V-005, and 19V-741 for certain Toyota, Lexus, and Scion vehicles. This updated plan outlines Toyota’s actions for the covered recalls during the last quarter, remedy completion status, and the on-going and planned efforts to promote and maximize remedy completion. Please refer to the June 30, 2018 Quarterly Supplement (“June 2018 Quarterly Supplement”) for a more comprehensive description of the history of our outreach program and the actions and strategies employed.

As outlined in this document, we continue to reach out to affected owners in many ways to make sure they are aware of the Takata air bag recalls. Toyota’s outreach is designed to help them resolve this issue as quickly, conveniently, and as safely as possible. It further helps owners understand the importance of this urgent safety recall and that serious injury or death can occur as a result of the safety defect. We want owners to know that replacement air bag inflators are readily available, that the repair is **FREE**, and takes about an hour for most models. Toyota offers alternate transportation during the free repair, or vehicle pickup, if necessary, to help affected owners have their vehicles repaired.

The updated activities from the past quarter discussed in this supplement include:

- Latest recall completion information
- Updates to our Core Outreach activities, including updates on the MDL Settlement Special Administrator (SSA) program
- Updates on our case management call center effort focused on certain PG1-3 vehicles with missed opportunities (vehicles at dealers for recent service but recall repair not completed)
- New dealer engagement activities and results from previously implemented programs
- An incentive program for Lexus dealers to reduce Takata-related missed opportunities
- Results to date from our social influencer program called “Carma Project”
- Certified mail results for PG9
Overview of changes in Toyota’s canvassing activities
Final results from an initiative built around license plate look-up technology

Toyota will continue to work with government agencies, the Takata Monitor, third-party vendors, and other automakers to share best practices and identify ways to proactively reach out to affected owners, while improving on existing methods, with a goal to maximize remedy completions for these recalls.

Note concerning COVID-19 National Emergency

This Quarterly Supplement illustrates some of the impacts from the National Emergency Declaration relating to the COVID-19 virus. The uncertainty about the scope and duration of the emergency affected various on-going activities and remedy completions. For example, community engagement activities and dealer events to promote awareness of the Takata recalls, with minor exception, did not occur. In-person canvassing activities were suspended and replaced by phone outreach. Certain “Carma Project” activities were affected, especially in areas where government actions permitted only essential business to continue.

Given the on-going situation and its fluid nature, the Settlement Special Administrator decided to significantly reduce outreach activities and modified the strategy to conserve resources, as there were significant reductions in general vehicle maintenance and repair appointments. In addition, the ability to repair vehicles became more limited. During the past quarter, we have had some dealers close or reduce operations in response to government orders/guidance.

Toyota will continue to monitor the situation and make adjustments where feasible. We remain committed to serving owners and completing recall repairs.

II. Recalls and Remedy Status

Toyota is currently administering the safety recalls under the following NHTSA ID numbers: 15V-284, 15V-285, 15V-286, 16V-127, 16V-128, 16V-340, 17V-006, 18V-024, 18V-025, 18V-883, 19V-005, and 19V-741 involving Takata airbag inflators in the U.S. and federalized territories.

In October 2019, Toyota announced an early pull-ahead of the remaining “like for like” vehicles scheduled to be recalled by December 31, 2019 under the ACRO. This announcement completed
Toyota’s remaining schedule for recalls under the ACRO. All Toyota vehicles scheduled to be recalled under the ACRO have now been recalled.

The current recalls, involved vehicles, vehicle populations, and completion performance as of June 5, 2020, are outlined below by Priority Group.

<table>
<thead>
<tr>
<th>PG</th>
<th>Inflators Affected</th>
<th>Total Out of Transit**</th>
<th>Inflators Repaired</th>
<th>Completion Percentage ***</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>819,484</td>
<td>194,799</td>
<td>510,831</td>
<td>81.77%</td>
</tr>
<tr>
<td>2</td>
<td>1,864,432</td>
<td>378,724</td>
<td>1,250,377</td>
<td>84.16%</td>
</tr>
<tr>
<td>3</td>
<td>429,522</td>
<td>52,208</td>
<td>319,992</td>
<td>84.81%</td>
</tr>
<tr>
<td>4</td>
<td>763,580</td>
<td>127,541</td>
<td>507,409</td>
<td>79.78%</td>
</tr>
<tr>
<td>5</td>
<td>620,790</td>
<td>99,342</td>
<td>428,230</td>
<td>82.12%</td>
</tr>
<tr>
<td>6</td>
<td>348,740</td>
<td>45,002</td>
<td>255,113</td>
<td>84.00%</td>
</tr>
<tr>
<td>7</td>
<td>288,558</td>
<td>32,981</td>
<td>214,429</td>
<td>83.90%</td>
</tr>
<tr>
<td>8</td>
<td>264,522</td>
<td>47,627</td>
<td>176,520</td>
<td>81.38%</td>
</tr>
<tr>
<td>9</td>
<td>606,620</td>
<td>74,669</td>
<td>436,944</td>
<td>82.14%</td>
</tr>
<tr>
<td>10</td>
<td>1,314,033</td>
<td>97,598</td>
<td>986,065</td>
<td>81.06%</td>
</tr>
<tr>
<td>11</td>
<td>478,316</td>
<td>11,726</td>
<td>153,411</td>
<td>32.88%</td>
</tr>
<tr>
<td>12</td>
<td>612,761</td>
<td>6,278</td>
<td>203,054</td>
<td>33.48%</td>
</tr>
</tbody>
</table>

Notes:
* General Motors is administering the recall of the Pontiac Vibe vehicles built by New United Motor Manufacturing (NUMMI). General Motors will address the Pontiac Vibe in the plan it is submitting. **Out of Transit includes “SSE” and “other” adjustments pursuant to Paragraphs 45-48 of the ACRO; see section IV. below for further details. ***Completion rate is the percentage of inflators affected (that are not out of transit) that have been repaired. ****For affected vehicles in each priority group, please see our previously submitted June 2018 Quarterly Supplement or the Amended Coordinated Remedy Order.
III. Toyota’s Outreach Strategy

On December 9, 2016, NHTSA issued a Third Amendment to the Coordinated Remedy Order. Paragraph 35 of the Order outlines a recall completion schedule and related completion percentage targets. Toyota is employing a variety of strategies designed to maximize the completions of the Takata recalls and will discuss these strategies in the sections that follow.

As Toyota has engaged with NHTSA and the Takata Monitor team under the coordinated remedy program, we have seen a significant change in our outreach efforts both within Toyota and the industry. Development of our various outreach programs and channels has taken significant effort, but through that effort, we have obtained new knowledge of the available methods to communicate with owners about the Takata recalls, as well as strategies for deploying these methods in a coordinated manner. The diagram below was developed based on our learnings in this program so far and describes our current strategy for our comprehensive outreach program. This diagram shows not only the general timing of different outreach efforts, but also the changing role of each outreach method as a recall campaign matures.
We intend for this strategy to be a guideline that is illustrative of how the various outreach methods can be used in a coordinated manner. The diagram shows how each method can fit into the coordinated effort based on the time since the launch of a priority group and the remaining population of unrepaired VINs.

The table below describes the current stage of our outreach strategy into which each priority group currently falls.

<table>
<thead>
<tr>
<th>Priority Group</th>
<th>Current Stage</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-3</td>
<td>Stage 5</td>
<td>Various outreach activities have been on-going since 2014.</td>
</tr>
<tr>
<td>4-9</td>
<td>Stage 4</td>
<td>PG4: Certified Mail deployed in November 2018, and Social Influencer incentives were deployed in December 2018 with the launch of “Carma Project”. PG5: Certified mail deployed in August 2019. PG6-8: Certified mail was deployed between September and December 2019. PG9: Certified mail deployed in March 2020.</td>
</tr>
<tr>
<td>10-12</td>
<td>Stage 3</td>
<td>VINs and customer contact information for vehicles in NHTSA recall 18V-024, 18V-025, 18V-883, and 19V-005 were deployed to dealers for outreach in June 2019 and December 2019. NHTSA recall 19V-741 was deployed to dealers for outreach in June 2020.</td>
</tr>
</tbody>
</table>

As discussed in the following sections, while our core nationwide outreach program continues, we have continued to pilot and adopt new initiatives and evaluate how to incorporate them into our overall outreach strategic concept. Toyota will continue to work with NHTSA and the Takata Monitor in developing strategies to support maximizing recall completions in the Takata recalls.

IV. Core Outreach Updates

Toyota began owner outreach in December 2014 for certain PG1-3 vehicles. Over the past five years, we have learned about new forms of outreach and new ways to identify and reach the affected owners. However, Toyota has continuously applied the core outreach that we started in 2014. All affected PG1-3 vehicles have received this core outreach activity since that time, and this core outreach has become the backbone of our overall outreach activities. All vehicles in all priority groups which are not repaired, not out of transit, and for which contact information is available, are included in our core outreach program.
After SSE/“other” adjustments, as of May 31, 2020, we are conducting our core outreach activity on 1,320,361 VINs in PG1-12. The table below breaks down this population of VINs currently in outreach by priority group and shows the number of total attempts we have made to reach owners within each priority group through our core outreach program.

<table>
<thead>
<tr>
<th>Priority Group</th>
<th>Total Outreach Attempts</th>
<th>VINs Currently in Core Outreach</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>978,420</td>
<td>138,044</td>
</tr>
<tr>
<td>2</td>
<td>2,063,226</td>
<td>274,998</td>
</tr>
<tr>
<td>3</td>
<td>496,342</td>
<td>64,783</td>
</tr>
<tr>
<td>4</td>
<td>977,515</td>
<td>138,533</td>
</tr>
<tr>
<td>5</td>
<td>732,241</td>
<td>101,341</td>
</tr>
<tr>
<td>6</td>
<td>381,067</td>
<td>53,684</td>
</tr>
<tr>
<td>7</td>
<td>322,098</td>
<td>45,197</td>
</tr>
<tr>
<td>8</td>
<td>331,140</td>
<td>44,664</td>
</tr>
<tr>
<td>9</td>
<td>791,140</td>
<td>108,136</td>
</tr>
<tr>
<td>10</td>
<td>2,207,438</td>
<td>302,692</td>
</tr>
<tr>
<td>11</td>
<td>289,007</td>
<td>34,133</td>
</tr>
<tr>
<td>12</td>
<td>123,435</td>
<td>14,156</td>
</tr>
<tr>
<td>All</td>
<td>9,693,069</td>
<td>1,320,361</td>
</tr>
</tbody>
</table>

A. Contact Information Availability and Phone Outreach

The percentages of VINs with availability of mailing addresses, email addresses, and phone numbers for unrepaired, in-transit vehicles, as of May 31, 2020, are shown in the table below. We continue to explore additional data sources for email and phone to increase the availability of that information. In addition, although we have an address for nearly all of the affected owners, as discussed in section VI below, nearly half of these addresses may be inaccurate based on certified mail results.
We are employing several tactics and data sources to improve the deliverability to the correct owner of mail-based outreach.

<table>
<thead>
<tr>
<th>PG</th>
<th>Mail</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>98.70%</td>
<td>24.38%</td>
<td>42.24%</td>
</tr>
<tr>
<td>2</td>
<td>98.71%</td>
<td>26.61%</td>
<td>47.93%</td>
</tr>
<tr>
<td>3</td>
<td>99.12%</td>
<td>30.37%</td>
<td>53.96%</td>
</tr>
<tr>
<td>4</td>
<td>98.39%</td>
<td>23.21%</td>
<td>43.27%</td>
</tr>
<tr>
<td>5</td>
<td>98.84%</td>
<td>23.87%</td>
<td>46.36%</td>
</tr>
<tr>
<td>6</td>
<td>98.56%</td>
<td>28.94%</td>
<td>50.43%</td>
</tr>
<tr>
<td>7</td>
<td>98.85%</td>
<td>24.01%</td>
<td>47.75%</td>
</tr>
<tr>
<td>8</td>
<td>98.20%</td>
<td>26.22%</td>
<td>50.50%</td>
</tr>
<tr>
<td>9</td>
<td>98.14%</td>
<td>26.78%</td>
<td>51.48%</td>
</tr>
<tr>
<td>10</td>
<td>97.92%</td>
<td>33.52%</td>
<td>61.68%</td>
</tr>
<tr>
<td>11</td>
<td>99.27%</td>
<td>32.43%</td>
<td>51.92%</td>
</tr>
<tr>
<td>12</td>
<td>98.94%</td>
<td>35.81%</td>
<td>56.70%</td>
</tr>
</tbody>
</table>

From September 1, 2019 – May 31, 2020, a total of 4,009,359 outbound phone calls have been made. The following table breaks down the results of these calls. Although we have seen higher rates of repair for phone outreach compared to other forms of outreach among those owners who we have reached, the percentage of owners with whom we are able to make contact remains very low.

<table>
<thead>
<tr>
<th>Activity</th>
<th>19-Sep</th>
<th>19-Oct</th>
<th>19-Nov</th>
<th>19-Dec</th>
<th>20-Jan</th>
<th>20-Feb</th>
<th>20-Mar</th>
<th>20-Apr</th>
<th>20-May</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABANDONED CALL</td>
<td>347</td>
<td>3</td>
<td>0</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>13</td>
<td>9</td>
<td>0</td>
<td>380</td>
</tr>
<tr>
<td>ALREADY COMPLETED SERVICE</td>
<td>362</td>
<td>1,813</td>
<td>2,546</td>
<td>1,722</td>
<td>1,167</td>
<td>1,593</td>
<td>1,878</td>
<td>1,614</td>
<td>884</td>
<td>13,579</td>
</tr>
<tr>
<td>APPT: AGENT SCHEDULED</td>
<td>423</td>
<td>1,429</td>
<td>966</td>
<td>979</td>
<td>998</td>
<td>564</td>
<td>258</td>
<td>199</td>
<td>238</td>
<td>6,054</td>
</tr>
<tr>
<td>APPT: DEALER TO SCHEDULE</td>
<td>984</td>
<td>2,914</td>
<td>1,844</td>
<td>1,236</td>
<td>1,365</td>
<td>1,069</td>
<td>883</td>
<td>722</td>
<td>510</td>
<td>11,527</td>
</tr>
<tr>
<td>APPT: TRANSFER TO DEALER</td>
<td>1,170</td>
<td>3,197</td>
<td>2,333</td>
<td>1,954</td>
<td>2,348</td>
<td>1,829</td>
<td>1,118</td>
<td>876</td>
<td>710</td>
<td>15,535</td>
</tr>
<tr>
<td>BRAND FOLLOW-UP</td>
<td>173</td>
<td>376</td>
<td>385</td>
<td>220</td>
<td>338</td>
<td>371</td>
<td>323</td>
<td>268</td>
<td>132</td>
<td>2,586</td>
</tr>
<tr>
<td>CALL BACK</td>
<td>5,241</td>
<td>20,937</td>
<td>15,471</td>
<td>14,790</td>
<td>13,653</td>
<td>11,782</td>
<td>9,611</td>
<td>7,334</td>
<td>6,225</td>
<td>105,044</td>
</tr>
<tr>
<td>CUSTOMER TO SCHEDULE ON OWN</td>
<td>1,470</td>
<td>5,372</td>
<td>4,258</td>
<td>3,792</td>
<td>4,325</td>
<td>2,750</td>
<td>2,463</td>
<td>2,542</td>
<td>1,538</td>
<td>28,510</td>
</tr>
<tr>
<td></td>
<td>235</td>
<td>1,098</td>
<td>754</td>
<td>784</td>
<td>872</td>
<td>578</td>
<td>430</td>
<td>419</td>
<td>326</td>
<td>5,496</td>
</tr>
<tr>
<td>------------------------</td>
<td>-----</td>
<td>-------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>------</td>
<td>-------</td>
</tr>
<tr>
<td>DO NOT CONTACT</td>
<td>664</td>
<td>2,819</td>
<td>3,616</td>
<td>726</td>
<td>1,248</td>
<td>1,087</td>
<td>808</td>
<td>524</td>
<td>106</td>
<td>8,782</td>
</tr>
<tr>
<td>FACSIMILE</td>
<td>5,832</td>
<td>19,961</td>
<td>17,235</td>
<td>17,187</td>
<td>18,406</td>
<td>11,182</td>
<td>10,371</td>
<td>11,261</td>
<td>7,284</td>
<td>118,719</td>
</tr>
<tr>
<td>INCORRECT NUMBER</td>
<td>327</td>
<td>12,680</td>
<td>332</td>
<td>9,722</td>
<td>27,616</td>
<td>48,784</td>
<td>29,297</td>
<td>34,269</td>
<td>14,575</td>
<td>177,602</td>
</tr>
<tr>
<td>LEFT VOICEMAIL</td>
<td>179</td>
<td>842</td>
<td>501</td>
<td>372</td>
<td>597</td>
<td>489</td>
<td>355</td>
<td>334</td>
<td>178</td>
<td>3,847</td>
</tr>
<tr>
<td>LNG BARRIER CALL: OTHER</td>
<td>134</td>
<td>525</td>
<td>431</td>
<td>554</td>
<td>1,065</td>
<td>656</td>
<td>364</td>
<td>582</td>
<td>298</td>
<td>4,609</td>
</tr>
<tr>
<td>LNG BARRIER CALL: SPANISH</td>
<td>248</td>
<td>1,287</td>
<td>805</td>
<td>783</td>
<td>749</td>
<td>511</td>
<td>379</td>
<td>371</td>
<td>247</td>
<td>5,380</td>
</tr>
<tr>
<td>NEVER OWNED VEHICLE</td>
<td>193,918</td>
<td>800,680</td>
<td>488,873</td>
<td>308,663</td>
<td>388,565</td>
<td>459,003</td>
<td>326,665</td>
<td>188,482</td>
<td>84,719</td>
<td>3,239,568</td>
</tr>
<tr>
<td>NO ANSWER</td>
<td>72</td>
<td>185</td>
<td>296</td>
<td>204</td>
<td>97</td>
<td>191</td>
<td>118</td>
<td>160</td>
<td>88</td>
<td>1,411</td>
</tr>
<tr>
<td>NO OPEN RECALLS</td>
<td>978</td>
<td>4,826</td>
<td>4,019</td>
<td>2,961</td>
<td>2,848</td>
<td>1,930</td>
<td>1,433</td>
<td>1,585</td>
<td>1,066</td>
<td>21,646</td>
</tr>
<tr>
<td>NOT IN POSSESSION</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>36</td>
<td>47</td>
<td>0</td>
<td>83</td>
</tr>
<tr>
<td>NOT PREPARED TO SCHEDULE</td>
<td>10,850</td>
<td>50,783</td>
<td>74,183</td>
<td>14,982</td>
<td>29,438</td>
<td>19,050</td>
<td>13,350</td>
<td>15,741</td>
<td>3,231</td>
<td>231,608</td>
</tr>
<tr>
<td>OPERATOR INTERCEPT</td>
<td>207</td>
<td>23</td>
<td>13</td>
<td>15</td>
<td>18</td>
<td>23</td>
<td>20</td>
<td>13</td>
<td>8</td>
<td>139</td>
</tr>
<tr>
<td>REMEDY REFUSAL</td>
<td>6</td>
<td>23</td>
<td>13</td>
<td>15</td>
<td>18</td>
<td>23</td>
<td>20</td>
<td>13</td>
<td>8</td>
<td>139</td>
</tr>
<tr>
<td>WARM TRANSFER TO BRAND</td>
<td>223,829</td>
<td>932,847</td>
<td>619,588</td>
<td>382,153</td>
<td>496,310</td>
<td>563,901</td>
<td>400,534</td>
<td>267,634</td>
<td>122,563</td>
<td>4,009,359</td>
</tr>
</tbody>
</table>

B. Settlement Special Administrator Program Updates

Toyota coordinated a transition of our core outreach program activities to the outreach program run by the Settlement Special Administrator (SSA) responsible for the Multi-District Litigation class action settlement. Toyota continues to work closely with the SSA team to help ensure that the core outreach activities are implemented in a way to optimize our overall strategy. For more details about this transition, please refer to the June 2018 Quarterly Supplement.

Due to anticipated changes in consumer behavior and the “stay-at-home” orders introduced in March of this year, the SSA temporarily reduced outreach activities and modified its strategy to utilize outreach alternatives (predominately email, where available) to conserve the outreach budget for use when consumers are more likely to take action to get their cars repaired.

During this time, in addition to reducing the amount of outreach and using alternative methods, the SSA modified messaging to acknowledge the pandemic and the effect it may be having on owners’ lives. The messaging also provided owners with the ability to call or text to receive future reminders of the recall if they preferred to delay the repair to a later date when feeling more comfortable. The SSA also paused
several initiatives during this time, such as the Concierge program and Commercial program. More information is provided on these below.

In mid-May response rates started to increase, and the SSA resumed more traditional outreach accordingly.

![Weekly Outbound Mail vs Inbound Volume]

i. **Call Center Improvements and Expansions**

To improve the owner experience when calling into the call center, the SSA has made several changes to scripts and protocols, including:

- Adding a call back request feature to the inbound call prompts. This was added to reduce the chance that an owner will abandon the call if it cannot immediately be taken.
- Conducting follow up outbound calls following a warm transfer to a dealer to confirm the appointment was set by the dealer.
- Conducting additional training of agents on rebuttals and escalations to improve the conversion rate of calls.
- Conducting focus groups of call center agents to determine additional improvements to scripts.

In an effort to ease the burden of the vehicle owner when scheduling an appointment, the SSA has introduced several new initiatives:

- Including a QR code in direct mail whereby an owner can scan to schedule an appointment online.
• Including a reminder card with mail outreach for owners to write down their appointment date and time.
• Introducing “handraiser campaigns” where individuals who have contacted the call center but have not remedied their vehicles are included in specific follow-up campaigns.

The Commercial and Concierge programs were delayed during the height of the Coronavirus pandemic and are launching in July 2020. The Commercial vehicle program has three dedicated agents who have their own accounts to manage and their own direct phone lines and emails. Their focus is on using existing data sources and internet sourced data to find the vehicle owners and to break through any barriers from initial contact with the business. The agents also support the scheduling of multiple vehicles at once with a dealer to minimize interruption to the vehicle owner’s business operations.

The Concierge Service program has several agents operating in a team to help ensure that, when a vehicle owner calls, they can speak to someone on the team. For the initial deployment, 2,000 VINs are targeted. These agents also have their own direct phone line and email to make the experience more personal to the caller. The team will work on their VINs until the vehicles are remedied or otherwise accounted for.

C. Toyota and SSA Collaboration

Toyota and the SSA have a collaborative working relationship where both parties discuss the planned and ongoing outreach activities on a regular basis. In addition, we have continued to partner on several initiatives:

1. Canvassing Coordination – The SSA supported inbound call center communications for canvassing until the activity was suspended due to COVID-19. This activity will resume once the canvassing activity resumes.
2. State DMV and Municipality Branded Letters – The SSA supported the printing and distribution of these letters to affected owners, along with resulting inbound calls and appointment scheduling, until this activity was suspended due to COVID-19.
3. Due to COVID-19, call center support for our social influencer program described in section VI and LPR Canvassing activity described in section VII has been suspended.

Toyota continues to work with the SSA team in a collaborative partnership to drive further improvement in our recall completion rates.
D. Future SSA Activities

The SSA team is also actively working on or considering several additional projects, including:

- Identifying ways to incorporate social influencers into the outreach activity.
- Identifying ways to incorporate testimonials into outreach activity. For example, the SSA is considering the use of Stephanie Erdman imagery and a testimonial in an outreach program.
- Testing of specialized mail formats.

Our hope is that these additional efforts will continue to increase awareness by affected owners and encourage them to have their vehicles repaired. We also hope to continue to learn more about what influences owners to respond to outreach and what they view as barriers to having their vehicles repaired.

Toyota continues to believe that these core outreach activities are a major component of our program, which is aimed at maximizing completion rates. We believe that these efforts, combined with some of the activities the SSA is considering and other activities that we are exploring as described in the sections below, can continue to support our recall completions.

E. Dealer Engagement Activities

Toyota has launched and enhanced a number of dealership initiatives, consistent with the Monitor recommendations, to leverage the dealers’ knowledge of their local markets and help improve recall completions. This section summarizes these initiatives.

i. Providing Open Recall Owner Information to Dealers

Toyota continues to provide owner-specific data to dealers in their primary market areas so that dealers can engage owners who have not yet had the recall remedy completed. Toyota’s system also supports distributing consistently updated VIN information to dealers. Further, this system provides metrics to help dealers compare completion rates and share best practices. Toyota believes that our dealers’ knowledge of their primary market areas will assist in reaching those affected owners and coordinating the repair of their vehicles. Outreach templates and tools have been developed to help promote consistent messaging when dealers reach out to owners. Since January 1, 2020, 90% of Lexus dealers and 91% of Toyota dealers have accessed their Takata owner lists.
ii. Dealer Outreach Activities

As the Takata recall expanded, so did the need for effective ways of reaching and persuading owners of affected vehicles to schedule their free repair. Our dealers have long been at the forefront for sharing safety messages, because no one knows their local communities better. We have empowered our dealers with more choices for how to best message in their markets. We provided four multi-channel campaigns that dealers can access and distribute free of charge. This includes the support of dealer outreach efforts by funding additional direct mail and email.

We concluded enrollment for our dealer-branded direct mail outreach campaign with 99% dealership participation which mailed on the following schedule:

- Drop one: January 10, 2020 (PG 1-6) 639,171 direct mail pieces
- Drop two: February 18, 2020 (PG 1-7) 640,908 direct mail pieces
- Drop three: March 30, 2020 (PG 1-8) 648,684 direct mail pieces

Based on 1,220 dealers using three of the twelve mailer options (three mailers provided in each of four campaigns, including Car Talk, Gamble, Replace It and Warning Signs):

- Car Talk was used by 493 dealers
- Warning Signs was used by 336 dealers
- Gamble was used by 261 dealers
- Replace It was used by 130 dealers

**Car Talk: 40%**

**Results:** 2.81% response rate or 19,475 repairs
Warning Signs: 28%

Results: 2.5% response rate or 6,925 repairs

It’s A Gamble: 21%

Results: 2.72% response rate or 8,988 repairs

You’d Replace It: 11%

Results: 2.47% response rate or 9,239 repairs

Overall, the total response rate was 2.66% with approximately 44,600 repairs. These efforts were fully funded by Toyota, and we encouraged dealers to use the messages that have shown the higher remedy rates.

To further assist dealers, we have posted all Takata dealer marketing templates to Toyota Ad Planner, which is a platform utilized by our Marketing Department to house images, logos, and marketing creatives for dealers to access when needed for promotional and advertising purposes.
Takata materials were posted under the safety tab and included direct mail, e-mail, social media, and digital banner assets.

We were scheduled to roll out these same campaigns to our Puerto Rico dealers. We translated each of the existing deliverable into Spanish and consulted with a Hispanic creative director to ensure the messaging was culturally appropriate. These were slated to be launched in Q2 of 2020. However, due to the COVID-19 emergency, which has limited dealer service department operations during Q2, this campaign has been postponed until Q3 2020.

We are continuing to build out three entirely new, integrated, multi-channel campaigns to offer to dealers later in the year. Each of the campaigns will include new visuals and accompanying messaging. Dealers
will be encouraged to communicate via direct mail and email as before and will have video assets available to promote on their social channels. Based on our survey results, we know time is the greatest barrier for not completing the repair, so we are directly addressing this concern in conjunction with our existing safety messaging. We are increasing the prevalence of the loaner, concierge, and other convenience services available to owners to promote awareness of these additional options.

iii. Dealer Repair Events

As a result of COVID-19 restrictions, almost all dealer repair events were cancelled. Only one dealer reported an event. Future dealer events could also be affected.

Germain Toyota of Naples, Florida held a week-long Takata drive-through event the week of April 27th. They sent out email and mail communications a week before their event and had customers drive in to have their vehicles checked. They repaired 38 affected vehicles.

F. Missed Opportunity Report

As discussed in the June 2018 Quarterly Supplement, Toyota has developed a process to identify vehicles which have come to one of our franchised dealerships for service in the past two months, but still have an open recall. We refer to this process as the “Missed Opportunity Report”. We began sending this report to our field teams across the country in June 2018. We use this in place of mystery shopping to gain insight into opportunities at the dealership level, because it presents a more robust set of data regarding a dealer’s operation with regards to the Takata recalls.
The following graphs summarize the results from the Missed Opportunity Report for vehicles visiting Toyota and Lexus dealerships in the months of June 2018 - June 2020 as it relates to the Takata recalls.

![Number of Missed Opportunities - Toyota](chart1.png)

![Number of Missed Opportunities - Lexus](chart2.png)

Although consistent progress has been made month over month in reducing the missed opportunities across both Toyota brands, COVID-19 could be a contributing factor to the decrease in overall repair order volume in March and April 2020. Our field teams are engaging with dealership management each month to educate them on the importance of completing all open recalls at the time of service.
To better understand the reason for missed opportunities on PG1-3 vehicles, Toyota launched a new phone-based outreach process specifically for missed opportunity PG1-3 vehicles in May 2019. The goal is to call the owner back within three months of the last service to determine why the recall was not completed and to help arrange another appointment. Agents are trained to offer convenience services and to ease any owner concern should an owner find out about the recall for the first time. In addition, agents are trained to increase the urgency with any owners who may be refusing the recall remedy for various reasons. Toyota and its dealers will continue to try to educate these owners on the urgency of this repair through the messaging we have already been providing about the recalls. Ultimately, if we are unable to convince an owner to repair through escalating urgency and offers of convenience services, we plan to collect their affirmative refusal and account for their vehicle as “Refused Service” as indicated in section X.

This program focused on missed opportunities at dealers in the southeastern United States. We have attempted to contact the owners of 6,879 VINs using contact information obtained during the owner’s recent service visit. These 6,879 VINs received three phone attempts and then a written communication if the owner could not be reached after the phone attempts. Of the 6,879 VINs, we have been able to reach and speak with 916 owners. As of June 23, 2020, the repair status for the 6,879 VINs we attempted to contact, grouped by our success at reaching them or not, is shown in the table below.

<table>
<thead>
<tr>
<th>Group</th>
<th>Total VINs</th>
<th>Repaired VINs</th>
<th>Repair %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer was reached</td>
<td>1,106</td>
<td>468</td>
<td>42%</td>
</tr>
<tr>
<td>Customer could not be reached</td>
<td>5,773</td>
<td>883</td>
<td>15%</td>
</tr>
<tr>
<td>Total of Both Groups</td>
<td>6,879</td>
<td>1,351</td>
<td>20%</td>
</tr>
</tbody>
</table>

We also asked vehicle owners and the dealer which they visited the reason that they did not have the repair performed during their visit. The response categories and the percentage of the 6,879 owners who fell into each category are shown below.

<table>
<thead>
<tr>
<th>Reason for Missed Opportunity</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reason was not provided by customer or dealer</td>
<td>28.1%</td>
</tr>
<tr>
<td>Customer declined recall remedy</td>
<td>5.3%</td>
</tr>
<tr>
<td>Customer did not have time to wait for recall repair during visit</td>
<td>4.6%</td>
</tr>
</tbody>
</table>
We hope to continue to convert as many of these missed opportunities as possible into repairs through further emphasis of the importance of this recall with dealers and customers. In efforts to support our dealers, we send a breakdown for each region monthly for which dealers have missed opportunities, along with the reason why the opportunities were missed.

The number of missed opportunities is a relatively small percentage of the total repair orders. This indicates that, while there is certainly opportunity for improvement, dealers are generally following best practices of checking vehicles for open recalls that come in for service and repairing those vehicles during the time of service.

G. Engagement with Field Teams

In April 2020, we provided our field teams access to Takata Dashboards for Dealer and Regional measurements. The Takata recall campaign performance dashboard is a summary of a dealership’s performance and participation in the recall. It provides a recap of whether a dealer is participating in a dealer event, offering mobile repair, and accessing Takata owner lists. The dashboard also includes performance measurements for completion rate percentages for PG 1-3, total completion rate percentages, remaining unrepaired VINS, missed opportunities, and percentage of VINS that had a recall search inquiry while in the service drive.

Regional performance dashboards provide regional ranking by completion rate percentages, Top 3 and Bottom 5 performing regions ranked by completion rate percentages and also an interactive map that provides state or regional completion rate performance, mobile repair, and dealer event participation. We also provide a regional performance dashboard which shows regional completion rate vs. previous month and number of remaining unrepaired VINS.

All of the performance dashboards are utilized by the regions to measure their regional performance vs. other regions. The dashboards also provide a tool for field travelers to reference for Takata performance
by dealership and supports their conversations with their assigned dealerships about any additional Takata opportunities.

Below are examples of the Takata Dealership & Regional Performance Dashboard Screens:
H. **Lexus Field and Guest Incentives**

Lexus has developed dealer and field incentives to bring focus to Takata remedy completions:

- Area staff have funding to work with dealers on dealer, district, or metro events that raise awareness and seek remedy completions. Examples include:
  - **Complementary Oil Change Offer:** Nine dealers in the Lexus Southern Area (Zone A) are conducting complementary oil change/Takata offers. Dealers have found the oil change offer to be a useful tool in moving a guest to remedy completion. Response rate to this offer has been 2.8% to date for these dealers.
  - **Complementary Gift Card Offer:** Three dealers in the Lexus Western Area (Zone A) are conducting complementary $50 Amazon gift card offers. Response rate to this offer has been 6.5% to date for these dealers.
ENJOY A COMPLIMENTARY OIL CHANGE

The Takata Service Clinic takes place on:

March 19th - April 18th:
Mondays - Fridays
7:00 AM - 9:00 PM
Saturdays
8:00 AM - 12:00 PM

WELCOME
Please select Appt. type:
• New • Reschedule • Cancel

Please enter your registration code:

If you do not have a registration code, please fill out the information below.

Name:
Street Address:
City, State, ZIP:
Phone:
Email:

Preferred Day:

Do you have any special requests for either yourself or your vehicle while attending an event?

Comments:

If you have any questions about this event please call us at (210) 816-5000.
• Twelve dealers sent Takata post cards and emails to Lexus owners of unremedied vehicles in April and May. This outreach went to 1,854 owners; 53 vehicles have been remedied to date as a result.

• Lexus sent an offer for a charitable contribution to one of four national charities to owners of unrepaired PG10 vehicles in March 2020. See sample of owner communication below. Since the offer was communicated, over 1,900 PG10 vehicles have been remedied. More than 50 guests have registered their choice of charity to support.

![Charitable Contribution Flyer](image1.png)

• Amazing Race to 100—This is a Southern Area dealer competition to reach 100% remedy by year end. All 68 Lexus Southern Area dealers, placed in 13 groups, are competing for cash prizes and more. The goal is to complete 100% of available Takata Recalls. This activity was paused while service and parts departments were closed/impacted due to the COVID-19 emergency. The activity will resume mid-summer.
V. Specialized Outreach

A. Social Influencer Approach

Toyota has partnered with a vendor to supply unique social media outreach services related to the Takata recall under the name “Carma Project.” For details, please refer to previous Quarterly Supplements. To view Carma Project, visit www.carmaproject.com.

Carma has continued to launch initiatives and site enhancements to improve the effectiveness of the program and drive ambassador engagement. As previously reported, Carma has curated partners who are specially selected online influencers who have larger online presences and who have personas and messaging that align with the goals of Carma. Through working with these curated partners, customized video and messaging was created and then shared by the partner and by Carma. In 2020, this content has primarily been YouTube videos. Initially, the Toyota Takata affected vehicles accounted for 6.1% of all VIN searches originating from a YouTube video link, which was considerably stronger than the comparable finds from the influencer Facebook tests previously reported. However, the overall search volume as well as Toyota Takata found VINs has decreased since the rise of COVID-19. The table below summarizes the results of the curated partner tests and separates the results considering early-March as the timing between Pre-COVID-19 and COVID-19.

<table>
<thead>
<tr>
<th></th>
<th>Impressions</th>
<th>Vehicles Checked</th>
<th>Takata Finds (All OEMs)</th>
<th>Takata Find Rate (All OEMs)</th>
<th>Takata Finds (TMNA)</th>
<th>Takata Find Rate (TMNA)</th>
<th>Remedies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-COVID-19</td>
<td>5,661,949</td>
<td>7,132</td>
<td>425</td>
<td>6.0%</td>
<td>111</td>
<td>1.6%</td>
<td>27</td>
</tr>
<tr>
<td>COVID-19</td>
<td>1,870,561</td>
<td>4,321</td>
<td>169</td>
<td>3.9%</td>
<td>27</td>
<td>0.6%</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,532,510</strong></td>
<td><strong>11,453</strong></td>
<td><strong>594</strong></td>
<td><strong>5.2%</strong></td>
<td><strong>138</strong></td>
<td><strong>1.2%</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>

The ambassador drip reward has continued, which offers a nominal incentive amount to an ambassador for each Toyota/Lexus/Scion vehicle look-up that their shared message generates. The goal of this strategy has been to provide a stronger incentive for the ambassador to stay engaged and share messages more regularly. Similar to the curated partner tests, the following drip reward mission data are separated based on COVID-19 timing.
Vehicles Checked | Takata Finds (All OEMs) | Takata Find Rate (All OEMs) | Takata Finds (TMNA) | Takata Find Rate (TMNA) | Remedies | Remedy Rate
--- | --- | --- | --- | --- | --- | ---
Pre-COVID-19 | 412 | 55 | 13.3% | 16 | 3.9% | 2 | 12.5%
COVID-19 | 447 | 58 | 13.0% | 23 | 5.1% | 2 | 8.7%

As of May 31, 2020 Carma has over 24,338 ambassadors. Toyota monitors the performance of Carma Project on a weekly basis and works with the Carma team to continuously optimize the site and user experience.

Below are some figures highlighting the performance of Carma Project as of May 31, 2020. We have seen remedy rates increase each quarter up through Q1 2020, which increased 60% compared to Q4 2019. Due to the impact of the COVID-19 emergency, there has been a considerable decline in Takata recall remedy completions from Carma Project.

Overall Performance

- **Total Vehicle Lookup**: 282,725 (↑ 831, ↑ 0.3%)
- **Total Toyota Lookups**: 97,954 (↑ 303, ↑ 0.3%)
- **Toyota with Recalls Found**: 23,921 (↑ 124, ↑ 0.5%)
- **Toyota/Takata Airbags Found**: 10,898 (↑ 71, ↑ 0.7%)
- **Toyota/Takata Airbags Remedies**: 2,859 (↑ 17, ↑ 0.6%)
As of May 31, and across all manufacturers, 20,352 vehicles with active Takata airbag recalls have been searched on Carma Project. The table and chart below show data on the search and remedy rates of vehicles searched from March 1 through May 31, 2020. Search volume has decreased considerably during this period when compared to the results reported in previous Quarterly Supplements. As an example, from December 1, 2019 to February 29, 2020 there were 19,701 total Toyota VINs searched with 4,413 found to have an active Takata recall. From March 1 to May 31, 2020 there were only 1,271 total Toyota VINs searched with 409 found to have an active Takata recall. Note that, because Toyota is the founding sponsor of Carma, the statistics for Toyota tend to be stronger than that of other manufacturers.
Through Q1 2020, Toyota has seen a steady increase in the percentage of searches that result in finding a Toyota/Lexus/Scion with an active Takata recall (Q2 2019 8.0%, Q3 2019 11.6%, Q4 2019 22.4%, Q1 2020 25.6%). Even though the number of searches was down in Q2, this trend continued. This indicates that Toyota-specific targeted messaging continues to improve the results for Toyota compared to that of other OEM vehicles that are searched on carmaproject.com.
B. Certified Mail

Toyota previously piloted and has now expanded the use of certified mail to notify vehicle owners. Certified mail requires the postal service to locate the recipient of the mail and obtain his/her signature before delivery. If the recipient cannot be found, the mail will not be delivered. The process also involves electronic tracking, so the sender can identify whether a letter has been delivered. Toyota believes that this method of mail is a good way to confirm owner receipt of outreach materials and identify potential inaccuracies in ownership information from our current sources. In addition, the sending of a letter as certified mail is a further way to impart a renewed sense of urgency and importance to the vehicle owner.

In March 2020, Toyota sent certified mail to certain remaining owners of unrepaired vehicles in PG 9. Toyota used enhancements that had been made to previous certified letters in this notification, including personalization of the letter, emphasizing convenience services like loaner vehicles and vehicle pickup, making the letter available in ten languages through online resources, and including a reply card for owners to update contact information and vehicle status.

As of May 27, 2020 the results of this mailing are shown in the table below.

<table>
<thead>
<tr>
<th></th>
<th>PG-9</th>
<th>PG-9 Results</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Quantity</strong></td>
<td>111,092</td>
<td></td>
</tr>
<tr>
<td>Delivered</td>
<td>64,240</td>
<td>57.82%</td>
</tr>
<tr>
<td>Undeliverable</td>
<td>9,674</td>
<td>8.71%</td>
</tr>
<tr>
<td>In Transit/Waiting for Owner to Respond</td>
<td>37,178</td>
<td>33.47%</td>
</tr>
<tr>
<td>Repairs for VINs that had Certified Mail Delivered</td>
<td>13,103</td>
<td>11.80%</td>
</tr>
</tbody>
</table>

The repair rate for PG 9 has increased over 96% since the certified letters began in March. In other certified mailings we have seen a larger increase in the completion rate. However, likely due to the COVID-19 issue, we have not experienced the completion trend following the mailing we would have expected.
Toyota will continue to employ the use of certified mail as part of Stages 4 and 5 of our Outreach Strategy. Toyota will also continue the same data hygiene efforts previously described that have been used in combination with certified mail.

C. Vehicle Canvassing

Toyota’s Phase III canvassing program was conducted from late May 2019 through December 2019 and resulted in over 101,521 canvassing attempts on 45,206 VINs. In total, 32.2% of the targeted population had repairs performed which were either directly or likely influenced by a component of the canvassing program.

Phase IV canvassing was deployed in January 2020 and planned to be conducted through the year, with deployment duration dependent on the unrepaired population in a targeted market. This canvassing program is being conducted by the same vendor as Phase III and focuses on Priority Group 1 to 3 vehicles in areas of Zone A states in which canvassing is a practical and scalable method of outreach, including cities such as Los Angeles, Atlanta, and metro areas in Texas. This phase was planned for metros in which prior Toyota canvassing has not yet been attempted, such as New Orleans, Louisiana and Thousand Oaks/Santa Clarita, California. Additional metros with less population were to be deployed in shorter engagements that did not last the entire duration of Phase IV, and include Jacksonville, Florida, Baton Rouge, Louisiana, and Mobile, Alabama. Separate, smaller metros with even fewer unrepaired vehicles
were to have canvassing only conducted during highly focused, short-term blitz activities, which would last about a week and involve close collaboration with the local dealerships. Each blitz would have been staffed by canvassing agents from nearby metros where longer term canvassing is being deployed.

Toyota was originally planning to conduct outreach on approximately 108,000 VINs for this phase. However, adjustments to this program have been made for safety and compliance with COVID-19 restrictions. In mid-March, the program was changed, and in-person contact attempts were suspended and replaced by phone and text outreach. This outreach was still being conducted by the canvassing agents to the owners targeted for this phase where phone information was available. The following table summarizes the results of Phase IV up to April 17th, when the phone outreach targeted population was redirected by Toyota as described further below. Repair appointments and completions are categorized by whether or not the appointment was set by a canvassing agent and when the repair was completed. “Upcoming or Unconfirmed” refers to appointments in which the repair was not yet verified at the time the summary report was created. Repairs which were “Repaired after Mailing” were ones completed prior to an in-person canvassing visit, but after the canvassing mail notification letter was sent.

### Phase IV Canvassing Summary up to April 17, 2020

<table>
<thead>
<tr>
<th>State</th>
<th>Unique VINs Canvassed</th>
<th>Outreach Attempts</th>
<th>Appt. from Canvassing: Confirm. Repaired</th>
<th>Appt. from Canvassing: Upcoming or Unconfirmed</th>
<th>Appt. not set by Canvassing: Repaired after Mailed</th>
<th>Repaired after canvassed</th>
<th>Total</th>
<th>Percentage of Outreached</th>
</tr>
</thead>
<tbody>
<tr>
<td>California</td>
<td>16,601</td>
<td>52,236</td>
<td>979</td>
<td>2,040</td>
<td>797</td>
<td>327</td>
<td>4,143</td>
<td>25.0%</td>
</tr>
<tr>
<td>Florida</td>
<td>181</td>
<td>534</td>
<td>14</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>19</td>
<td>10.5%</td>
</tr>
<tr>
<td>Puerto Rico</td>
<td>1,833</td>
<td>5,058</td>
<td>71</td>
<td>182</td>
<td>59</td>
<td>16</td>
<td>328</td>
<td>17.9%</td>
</tr>
<tr>
<td>Texas</td>
<td>8,142</td>
<td>29,241</td>
<td>636</td>
<td>877</td>
<td>241</td>
<td>65</td>
<td>1,819</td>
<td>22.3%</td>
</tr>
<tr>
<td>Alabama</td>
<td>365</td>
<td>1,185</td>
<td>32</td>
<td>7</td>
<td>2</td>
<td>15</td>
<td>56</td>
<td>15.3%</td>
</tr>
<tr>
<td>Georgia</td>
<td>1,500</td>
<td>4,157</td>
<td>105</td>
<td>50</td>
<td>74</td>
<td>35</td>
<td>264</td>
<td>17.6%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>796</td>
<td>2,718</td>
<td>122</td>
<td>20</td>
<td>11</td>
<td>11</td>
<td>164</td>
<td>20.6%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>333</td>
<td>912</td>
<td>73</td>
<td>15</td>
<td>2</td>
<td>6</td>
<td>96</td>
<td>28.8%</td>
</tr>
<tr>
<td>South Carolina</td>
<td>184</td>
<td>556</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>11</td>
<td>22</td>
<td>12.0%</td>
</tr>
<tr>
<td>Others</td>
<td>149</td>
<td>470</td>
<td>16</td>
<td>20</td>
<td>4</td>
<td>3</td>
<td>43</td>
<td>28.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>30,084</strong></td>
<td><strong>97,067</strong></td>
<td><strong>2,053</strong></td>
<td><strong>3,216</strong></td>
<td><strong>492</strong></td>
<td><strong>6,954</strong></td>
<td><strong>23.1%</strong></td>
<td></td>
</tr>
</tbody>
</table>
In mid-April, with in-person canvassing unlikely to be reinitiated for some time, Toyota decided to redirect these outreach efforts to a different population of vehicles throughout the country. Certain 2003-2004 model year Corolla and Matrix vehicles are unrepaired for both a Takata recall as well as another recall which may result in inadvertent airbag deployment (Toyota Safety Recall DSB; NHTSA ID 13V029). Owner phone data are available for approximately 63,000 VINs in this population. The canvassing agents who were conducting phone outreach began to call owners of these vehicles. A strategy has been developed to complete outreach for this population throughout the U.S. in late July 2020. Outreach results and deployment timing are described in the table below.

Summary of Phone Outreach as of May 26, 2020

<table>
<thead>
<tr>
<th>Summary by Toyota Region</th>
<th>Forecasted Deployment</th>
<th>Population Summary</th>
<th>Phone Outreach Completed</th>
<th>Repair Appointments &amp; Completions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Eligible for Phone Outreach</td>
<td>Unique VINs Reached</td>
<td>Outreach Attempts (Calls)</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>April 17-June 6</td>
<td>10,168</td>
<td>8,357</td>
<td>30,781</td>
</tr>
<tr>
<td>Southeast Toyota</td>
<td>April 17-June 6</td>
<td>8,963</td>
<td>5,612</td>
<td>22,826</td>
</tr>
<tr>
<td>Gulf States Toyota</td>
<td>April 17-June 6</td>
<td>6,563</td>
<td>4,319</td>
<td>18,750</td>
</tr>
<tr>
<td>San Francisco</td>
<td>May 15-June 25</td>
<td>4,911</td>
<td>739</td>
<td>1,547</td>
</tr>
<tr>
<td>Central Atlantic Toyota</td>
<td>May 15-June 25</td>
<td>7,032</td>
<td>2,990</td>
<td>5,437</td>
</tr>
<tr>
<td>Denver</td>
<td>May 15-June 25</td>
<td>4,147</td>
<td>1,047</td>
<td>1,683</td>
</tr>
<tr>
<td>New York</td>
<td>June 26-July 15</td>
<td>6,068</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Cincinnati</td>
<td>June 26-July 15</td>
<td>5,141</td>
<td>41</td>
<td>139</td>
</tr>
<tr>
<td>Kansas City</td>
<td>July 16-July 22</td>
<td>1,585</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Chicago</td>
<td>July 16-July 25</td>
<td>3,737</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Boston</td>
<td>July 22-July 31</td>
<td>2,299</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Portland</td>
<td>July 26-July 31</td>
<td>2,266</td>
<td>3</td>
<td>7</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>62,880</td>
<td>23,113</td>
<td>81,182</td>
</tr>
</tbody>
</table>

Toyota will continue to evaluate if and when a return to traditional canvassing is possible and appropriate.
VI. Supporting Outreach Activities

A. Using Toyota’s Website to Improve Recall Completions

As reported in our past Quarterly Supplements, Toyota has established a unique page on its recall look-up website devoted to Takata inflators. See http://www.toyota.com/recall (this is also the landing page for Lexus and Scion) and refer to the links near the top of the page regarding Takata-specific recall information (http://www.toyota.com/recall/takata). We have been enhancing this site over the past year with several new features designed to inform owners about the recall, quickly and easily allow owners to check if their vehicle is affected by the recall and make an appointment to have the remedy performed. The site contains other information and resources for Community engagement activities.

We believe that the Toyota recall website has been very helpful in improving Toyota’s completion rates. Our data show that 8,258,280 Takata recall VINs were processed through the Toyota.com/recall website VIN look-up tool from July 15, 2016 to May 31, 2020. While there is insufficient data to conclude whether the website VIN look-up tool caused the vehicle owner to complete the recall, the number of vehicles repaired involved in these look-ups totaled 5,486,701. Thus, of the 8,258,280 VINs processed, 66% are now complete.

B. Efforts to Engage Independent Repair Facilities (IRF’s)

As described in our Recall Engagement Plan and prior Quarterly Supplements, Toyota has developed an innovative strategy to help reach owners of older vehicles. Many vehicles, especially older models, are serviced by independent, aftermarket repair facilities (IRF’s). Thus, Toyota constructed “Toyota Active Recall,” a system-to-system interface that can be consumed by external applications to return safety recall applicability by VIN.

i. Current Results for Toyota Active Recall

In October 2016, Toyota released, with Mitchell 1, a pilot test of Toyota’s Active Recall notification capability. Mitchell 1 is a leading provider of shop management systems to the automotive aftermarket. There are approximately 30,000 automotive aftermarket locations using the Mitchell 1 system with “Toyota Active Recall.” In February 2018, Toyota expanded the Active Recall notification users to include Revecorp. Revecorp is a California-based engineering and data solutions firm specializing in
vehicle inspection program technologies and vehicle information data systems. Since this program was launched with these companies, we have seen the following results as of May 31, 2020:

<table>
<thead>
<tr>
<th>Active Recall Consumer</th>
<th># of VINs Checked</th>
<th># of VINs Found with Open Takata Recalls</th>
<th># of Found VINs with open Takata Recalls that were Repaired After Look-up Occurred*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mitchell 1</td>
<td>4,765,388</td>
<td>782,276</td>
<td>191,239</td>
</tr>
<tr>
<td>Revecorp</td>
<td>723,405</td>
<td>107,121</td>
<td>14,819</td>
</tr>
</tbody>
</table>

*Due to multiple outreach activities occurring simultaneously at that time, it is not possible to conclude that the Toyota Active Recall system directly caused a vehicle owner to complete the recall.

The chart below shows the number of look-ups for which the vehicle was repaired after the look-up by vehicle model year for the entire program as of May 31, 2020. It indicates that the Active Recall system continues to support identification of the older model year vehicles involved in the recall, some of which are no longer visiting Toyota dealerships for routine service.
ii. Future Opportunities

Future independent Repair Facility engagement opportunities include the following potential additional providers:

<table>
<thead>
<tr>
<th>Provider</th>
<th>Services</th>
<th>Reach</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Service Information System</td>
<td>Less than 30K subscribers</td>
<td>Onboarding</td>
</tr>
<tr>
<td>B</td>
<td>Electronic Parts Information System</td>
<td>10% Toyota Dealers/5% Lexus</td>
<td>On Hold</td>
</tr>
<tr>
<td>C</td>
<td>Service Information System</td>
<td>30K to 50K subscribers</td>
<td>Contract in negotiation</td>
</tr>
<tr>
<td>D</td>
<td>Collision Estimating System</td>
<td>30K to 50K subscribers</td>
<td>Contract in negotiation</td>
</tr>
<tr>
<td>E</td>
<td>Service Information System and Vehicle Marketing Software</td>
<td>30K to 50K of dealer subscribers, millions of consumers</td>
<td>Contract in negotiation</td>
</tr>
<tr>
<td>F</td>
<td>Electronic Parts Information System</td>
<td>90% Toyota Dealers/95% Lexus</td>
<td>Contract in negotiation</td>
</tr>
<tr>
<td>G</td>
<td>Service Information, Diagnostic and Estimating Systems</td>
<td>50K to 100K subscribers</td>
<td>On Hold</td>
</tr>
<tr>
<td>H</td>
<td>Collision Estimating System</td>
<td>30K to 50K subscribers</td>
<td>Onboarding</td>
</tr>
<tr>
<td>I</td>
<td>Electronic Parts Information System</td>
<td>30K to 50K subscribers</td>
<td>Contract in negotiation</td>
</tr>
</tbody>
</table>

C. Finding and Repairing Vehicles for Sale

As detailed in our June 2018 Quarterly Supplement, Toyota has been engaging with a vendor to identify vehicles for sale online, and we have developed a process with our mobile repair vendor and our dealers to repair these vehicles. The vendor’s process identifies vehicles for sale on Autotrader, Cars.com, Edmunds, and Carstory. Vehicles with all open recalls are reported to Toyota, and an automated email message is sent to the sellers, notifying them of the open recall on the vehicles they are selling.

The image below describes how dealers and our mobile repair vendor are brought into the process to follow up with the sellers to promote vehicle repair.
In November 2019, we expanded this project to include all affected Takata vehicles. As of April 29, 2020, we have found 7,172 unique VINs through this program, and 1,603 of them are now repaired.

The graph below shows the trend of the number of VINs found through this program since adding additional affected models in November 2019 and the rate of completion for these found VINs within 60 days of their detection. As seen in the graph below, numbers of vehicles detected has been lower in April, likely due to the COVID-19 situation. Fewer vehicles were being posted on these websites during this time. However, we expect these numbers to go up in coming months as restrictions are lifted.

The graph below shows the number of emails sent to sellers notifying them of the open airbag recalls on the vehicles they are selling. At the beginning of this program, we could communicate with about one third of the sellers by email on average based on the available contact information provided in online listings.
However, our vendor made some process improvements and now leverages contact information found across multiple listings for the same seller to increase the availability of email addresses which we can use to contact a seller.

We continue to stress the importance of this information to our dealers and encourage them to follow up on these unrepaired vehicles for sale near them. We are hopeful that, with continued focus on these identified vehicles by dealers and our mobile repair vendor, we can increase the rate of completion month over month.

D. Addressing Inconvenience

Toyota recognizes that the recall repair can be inconvenient. For some owners, this presents a major barrier to repair completion. Toyota continues to take steps to minimize the inconvenience barrier, wherever possible, to maximize completion rates, including offering alternate transportation, pickup and delivery, and mobile repair where available. Although owner communication content varies depending on the outreach activity and channel, we strive to include offers of free loaner vehicles and free pickup and delivery in every form of outreach. All mailed communications to owners offer these two free services, and some offer additional services, depending on the location where the mail is being sent.
i. Mobile Repair Update

Toyota has developed a mobile repair platform through two different third-party vendors, AER Manufacturing and Martin Technologies. The program with AER was initially launched in the Dallas-Fort Worth market in early May 2018 and then expanded to the metros of Miami, Tampa Bay, Orlando, Houston, San Antonio, and Austin.

There are 75 dealers in Florida and Texas that have signed agreements to participate in the third-party mobile repair program with AER. Expansions to other metros has been reviewed with AER, but capacity constraints imposed by AER and the complexities to administer the program with the facing dealerships are limiting factors. Currently, AER designates one day a week for Toyota mobile repairs. Prior to suspension of in-person canvassing, the capacity was often filled weeks in advance. Nearly all of the repair demand was generated by canvassing. In late November 2019, AER ceased support of Toyota mobile repairs in Houston. In December 2019, Toyota discontinued the canvassing efforts in the Florida markets supported by AER. As a result, AER total repair volume has decreased. As of May 22, 2020, AER has performed a total of 1,133 repairs from all locations.

Martin Technologies has been providing mobile repair service in Southern California since September 2019 and has increased staffing to support the generated repair demand in the Los Angeles, Inland Empire, and San Diego areas. Martin Technologies has not imposed scheduling restrictions and has staffed an inbound phone line for appointment scheduling. Toyota has established this company as a Toyota vendor, and similar to AER, we had been utilizing their mobile repair support in the canvassing efforts in California. Initially, mail notifications specifically offering mobile repair were sent to owners in the areas serviced by Martin. Since that time, until the recent suspension due to the COVID-19 issue, canvassing expanded in Southern California, and was a more effective method of generating repair appointments. There are 50 dealers that have signed agreements to participate in the Martin Technologies repair program as of May 27, 2020.

Both vendor-performed mobile repair programs have experienced decreased volume as a result of the suspension of traditional in-person canvassing due to COVID-19 restrictions.
The following chart summarizes the repair volume by each vendor since September 2019.

Toyota has also developed a mobile repair program for dealers, which was launched nationwide in July 2019. As of May 27, 2020, 180 dealers have enrolled in the program, which is an increase of 34% in the last two months. Overall, dealer participation is still low, and the majority of the mobile repairs are completed by just a few dealers. Feedback from dealers indicates that they view mobile repair as something that would disrupt their normal service operations and make them less efficient. Until the recent circumstances related to COVID-19, and similar to the third-party performed mobile repairs, most of the dealer mobile repair demand had been generated from local canvassing. However, an increased interest in mobile repair among dealers has been noticed, which may be related to decreased service department volume as a result of the COVID-19 situation.

The chart below describes repair claims submitted by dealers for mobile repair since the launch of the program. Six individual dealers account for 80% of all claims.
The increase in claim volume in October was due to canvassing blitz activities involving dealer mobile repair collaboration.

E. **Check to Protect**

Toyota continues its partnership with Check to Protect, the vehicle recall awareness campaign led by the National Safety Council (NSC). The philosophy behind Check to Protect is simple: they want drivers to check their vehicle’s recall status in order to protect the loved ones who ride with them. The campaign aims to motivate the public to check for open recalls, to educate them on the risk of ignoring those recalls, and to overcome barriers to reducing the proportion of open recalls. Check to Protect aligns well with the direction of Toyota’s initiatives, as we strive to inform, educate, and engage the public about the importance of repairing vehicles with open safety recalls.

The coalition met via teleconference in early May. Due to the COVID-19 issue, all active outreach events have been placed on hold until further notice, including CellARide and CarmaGo pilots discussed in the last Quarterly Supplement. All digital and social media efforts will continue as planned.
As previously reported, Toyota has partnered with a vendor to develop a specialized Video License Plate Recognition (VLPR) system focused on building the technology necessary for capturing groups of license plates via VLPR, translating those license plates to VINs, and subsequently looking up open recalls in real-time. Customized hardware and software have been developed to combine all elements of this technology into a user-friendly, seamless, and real-time-response package that can be used in a variety of settings. Privacy considerations are also being incorporated to support the safety intent of the technology.

Toyota deployed this VLPR technology in a strategy called CarmaGo, in which the partner that has developed the technology has conducted vehicle scanning and tagging focused on locations where large numbers of vehicles congregate, such as mall parking lots. For additional details and past projects using this technology, including CarmaGo Pilot 1, refer to previous Quarterly Supplements.

In January and February of 2020, Toyota and the vendor completed a second CarmaGo pilot focused in several Southern California counties; see map below.

The scope of this Pilot 2 was to identify and tag 5,000 Toyota/Lexus/Scion vehicles with an open Takata recall. The table below compares the final results of the first two pilots conducted in Southern California.
A repair must be completed within 90 days of the tag for the remedy to be credited to this outreach program.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ALL OEMs</td>
<td>ALL OEMs</td>
</tr>
<tr>
<td></td>
<td>(includes TMNA)</td>
<td>(includes TMNA)</td>
</tr>
<tr>
<td># of Scan Hours</td>
<td>154</td>
<td>521</td>
</tr>
<tr>
<td># of Unique Vehicles Checked</td>
<td>61,320</td>
<td>257,773</td>
</tr>
<tr>
<td># of Vehicles Checked with Open Recalls</td>
<td>8,413</td>
<td>52,346</td>
</tr>
<tr>
<td># of Vehicles w/ Open Takata Recalls</td>
<td>3,389</td>
<td>12,306</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(65 per scan hour)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(9.6 per scan hour)</td>
</tr>
<tr>
<td># of Remedies Driven by CarmaGO</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Conversion Rate</td>
<td>25.1%</td>
<td>*21.4%</td>
</tr>
</tbody>
</table>

*24 of the 5000 tagged vehicles were already repaired at the time of notification, but appeared unrepaired due to latency issues with the repair data. The conversion rate is calculated from the unrepaired number of tagged vehicles, 4976.

Below is a breakdown by Priority Group of the 5,000 vehicles tagged in Pilot II.

![Distribution of Tags by PG 1-4 vs. PG 5+](image-url)
Below is a breakdown of the Completions by Priority Group.

Based on learnings from Pilot 1, different versions of leave-behind materials were tested during the final weeks of Pilot 2. The best performing leave behind from Pilot 1 was used, along with two new versions of leave behind. Below are examples. There are several unique features of these leave-behind materials:

- When a vehicle is identified, a mobile sticker printer will print that vehicle’s Year/Make/Model, License Plate, and VIN. This print-on-demand sticker with vehicle information was included in all versions of the leave-behind.
- Two versions of the leave-behind have a tear-away that includes information in multiple languages.
Your vehicle has a DEADLY AIRBAG safety recall!

urgent issue
Your vehicle has a defective airbag. A part inside can EXPLODE and kill you.

free fix!
(even if you purchased vehicle as used)

844-888-1256
Call to get your vehicle fixed for FREE or visit your local authorized dealer

Leave-Behind Example 1 (carry over from Pilot 1)
Leave-Behind Example 3

---

**Important Safety Recall Notice:**
Your vehicle is affected by the deadly Takata airbag recall. A metal part inside can explode and kill you. Schedule your FREE recall repair by visiting ANY authorized dealer. FREE alternative transportation is available during the FREE recall repair. Learn more at:
www.toyota.com/recalltakata

Aviso importante de retiro de seguridad:
Su vehículo se ve afectado por el mortal retiro de las bolsas de aire Takata. Una parte metálica adentro puede explotar y matarle. Programa su reparación de retiro GRATIS visitando CUALQUIER distribuidor. Hay transporte alternativo GRATIS disponible durante la reparación GRATUITA del retiro. Obtenga más información en: www.toyota.com/recalltakata

Thông báo quan trọng về Thiếu hụt khí: Xe của quý vị có thể bị Thiếu hụt khí Takata gây cháy nổ. Thiếu hụt khí có thể gây ra cháy nổ, gây thương tích và tử vong. Thiếu hụt khí của Toyota cần được kiểm tra ngay lập tức. Hãy liên hệ với đại lý Toyota gần nhất của quý vị để được tư vấn và hỗ trợ. Tham khảo địa chỉ và thông tin trên trang web www.toyota.com/recalltakata

---

Urgent
Your vehicle has a defective airbag. A metal part inside can EXPLODE and kill you.

FREE recall repair
(even if you purchased vehicle as used)

VISIT any local authorized dealer

You can also CALL or TEXT 644-657-8770
to schedule a FREE recall repair.

Hablamos Español

This program is sponsored by Toyota Motor North America and is powered by Carma Project.
Below are the final remedy rates for each of the leave-behind materials. The different creatives were only trialed in the final two weeks of this pilot, so the remedy rates are not representative of the overall remedy rate.

<table>
<thead>
<tr>
<th>Leave-Behind Version</th>
<th>Remedy Rate Percent of Tagged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Version 1: Pilot 1 Carryover</td>
<td>19.3%</td>
</tr>
<tr>
<td>Version 2: Black Background with multilingual tear-way</td>
<td>21.2%</td>
</tr>
<tr>
<td>Version 3: Black Background with multilingual tear-way</td>
<td>18.4%</td>
</tr>
</tbody>
</table>

Below are the final remedy results for each week of scanning during Pilot 2. This chart compares the remedy rate for the Toyota, Lexus, and Scion vehicles that were tagged to other OEM vehicles that were identified as having an open Takata recall during the activity, and not tagged. A remedy must have been
completed within 90 days of the scan/tag for it to be credited to this outreach. The remedy rates for other OEM vehicles was determined by using the CARFAX batch VIN look-up tool.

G. Carma Pro

With the same vendor who has developed and conducted Carma Project and CarmaGo, Toyota has collaborated to develop an incentive program for Independent Repair Facilities (IRFs) to notify owners of Toyota vehicles with an unrepaired Takata recall. This program is called CarmaPRO. IRFs participating in this program will check a vehicle’s recall status using Carma Project, notify owners of unrepaired vehicles, and provide the owner with an information card that includes location and contact information for the three Toyota dealers nearest to the IRF. Similar to the incentive models for Carma Project, the IRF would receive an incentive for each vehicle which is repaired within 60 days of notification. Repair incentives are based on priority group. Repairs on PG 1-4 vehicles provide a larger incentive than for PG 5-9 vehicles.
Below is an example of the information card provided to an owner of an unrepaired vehicle.

**Front**

**DEADLY AIRBAG in your vehicle**

Your vehicle has a defective airbag. A part inside can explode and shoot metal fragments that can kill you or your passengers.

**Back**

**REPAIRS ARE FREE**
(even if you purchased vehicle used)

Visit ANY authorized dealer or call/text 844-346-0245 to schedule your FREE recall repair. FREE alternative transportation is available during the FREE recall repair.

Dealers close to this location:

- Dealer 1
  - 123 Address St
  - City, State, Zip
  - Phone Number

- Dealer 2
  - 456 Address St
  - City, State, Zip
  - Phone Number

OR ANY authorized dealer of your choice.

This program is sponsored by Toyota Motor North America and is powered by Carma Project. Learn more at CarmaProject.com
Additional creative materials have been prepared and provided to the IRFs to notify owners and promote awareness of the Takata recall. Examples of the creative materials are below.
DEADLY AIRBAG ALERT

APPROXIMATELY 63 MILLION AIRBAGS have been recalled due to a defective metal part that can explode and shoot metal fragments that can kill you or your passengers.

Recall repairs are FREE (even if you purchased the vehicle as used). Visit or call ANY authorized dealer of your vehicle’s brand for your FREE recall repair.

Check if your vehicle is affected at carmaproject.com/airbag

Poster
APPROXIMATELY 63 MILLION DEADLY AIRBAGS have been recalled.

Does your car have one of them?

1. Check if your car is affected by going to carmaproject.com/airbag

2. Get the FREE recall repair by going to any authorized dealer.

Reps are FREE even if you purchased your vehicle as used. Some dealers even offer FREE services such as a loaner vehicle, vehicle pickup/delivery, or towing.

Brands Affected:

- Acura
- Audi
- BMW
- Cadillac
- Chevrolet
- Chrysler
- Daiki Trucks North America (Stirling Sleeve)
- Daimler Vans USA, LLC (Commercial)
- Datsun
- Ferrari
- Fiat (Karma)
- Ford
- GMC
- Honda
- Hyundai
- Infiniti
- Jaguar
- Jeep
- Land Rover
- Lexus
- Lincoln
- Mazda
- McLaren
- Mercedes-Benz
- Mini Cooper
- Mitsubishi
- Nissan
- Pontiac
- Saab
- Saturn
- Scion
- Subaru
- Tesla
- Toyota
- Volkswagen
In January of 2020, the vendor began reviewing potential candidates for an initial pilot. Criteria such as customer review ratings, demographics of IRF patrons, multilingual capabilities of IRF staff, volume of Toyota brand product, and proximity to Toyota dealerships were considered. Two candidates were identified and agreed to participate in a pilot of this program. In early February, CarmaPRO was launched at the two pilot IRFs. The checked vehicle counts up to May 28, 2020 are described below. As of that date, there have been no VIN look-ups from either IRF since the week of March 23rd.

Aside from the reduced vehicle service volume likely due to the COVID-19 issue, Toyota and the vendor have concluded that expansion to additional IRFs is necessary to gather enough data to adequately evaluate this program. Additional pilot IRFs are under review; however, timing has not been confirmed for further expansion of this program.

H. Salvage Inflator Recovery

As we discussed in the Recall Engagement Plan, the recovery of inflators from salvage/scrap vehicles has several benefits. It prevents recalled inflators from re-entering commerce and provides the additional benefit of confirming scrap status (thus, offsetting these vehicles from the recall population requiring remedy). Toyota launched a salvage inflator recovery program with RAS (Rebuilder’s Automotive Supply) on July 13, 2017. As of June 15, 2020, RAS has recovered 32,421 Takata inflators from Toyota and Lexus vehicles and has located an additional 17,442 inflators to be recovered. (Note: While 32,421
salvage inflators have been recovered, some of these were from vehicles accounted for in the SSE population reported in Section II.

![Inflators Recovered per Month](chart.png)

Toyota and RAS have found that, for some of the identified VINs, recovery of the inflator is not possible, because the airbags have deployed, or they are missing. Toyota has developed and launched a process with RAS to identify deployed and missing airbags in salvage yards, collect photo documentation of the condition of the vehicle, and account for these vehicles. This process was launched November 25, 2019. Since the launch, we have identified 299 deployed airbags and 82 missing airbags.

VII. Additional Activities

In addition to the efforts outlined above, Toyota is evaluating and considering other measures to maximize remedy completion (including making adjustments/additions to existing outreach and working to further refine the owner outreach data).

A. Engagement with State DMVs and Municipal Agencies

Due to the ongoing COVID-19 situation, all mailings and collaboration with State DMVs and municipal agencies were postponed. Tentatively, Tennessee has agreed to start mailing letters in July, while Michigan and Virginia are open to sending letters out at a future time to be determined. Please refer to past Quarterly Supplements for additional details on Toyota’s partnership with other OEMs and the
Takata Monitor in engaging State DMVs and municipal agencies to support the Takata recall outreach effort.

B. Efforts to Increase Completions in Puerto Rico

Due to the COVID-19 pandemic, the Governor of Puerto Rico issued an executive order on March 16, 2020 implementing a mandatory lockdown of all citizens and businesses until May 31, 2020. Since then, several executive orders have been issued continuing the mandatory lockdown that had not allowed dealers or parts distribution departments to operate. On April 15, dealer service departments were allowed to open only for emergency repairs two days a week, and the Toyota de Puerto Rico (TDPR) parts distribution center was allowed to distribute parts to dealers. On May 26, the executive order changed for motor vehicle repair services (Monday through Saturday between 9:00 a.m. and 5:00 p.m.). For all services, they must be provided by appointment only, and the dealer must comply with all CDC recommendations and additional government requirements to avoid the spread of the virus. The general public cannot have access to the dealer.

The pandemic has impacted all business and lifestyles, and significantly reduced completions in Q2. We are monitoring dealer capacity and traffic in order to plan activities designed to help increase Takata completion rates going forward.

VIII. Monitor Recommendations

As indicated in the detailed discussion above and the previous Quarterly Supplements, the various actions undertaken by Toyota are consistent with the Monitor’s recommendations. We will continue to coordinate with the Monitor as we review our completion progress. See the Attachment to this report for additional details.

IX. Summary of Outreach Challenges

In our prior Quarterly Supplements Toyota has explained challenges it has observed in finding and motivating some owners to participate in and complete the Takata recall remedy. These challenges remain relevant, and we summarize them here with updated information, as appropriate.
• **The effects of the COVID-19 pandemic may linger.** The social and economic impact of the pandemic has been widely felt in Q2 of 2020. As restrictions are lifted and business activity resumes, we expect an increase in recall repair activity, but it is not yet clear how owner priorities may change, and whether repair activity will resume at pre-COVID-19 levels. This compounds the additional challenges discussed below.

• **Vehicle age is highly correlated with completion rates.** Due to the age of vehicles involved in the Takata recall, we are seeing lower completion rates than other recalls of newer vehicles. As vehicles age, they tend to change hands more often, and the subsequent owners are less interested or less likely to visit one of our dealers.

• **Remaining Populations Contain Increasing Proportions of Owners Not Responding to Outreach.** As completion rates increase, the remaining population becomes more concentrated with owners who have not responded to past outreach. Thus, as completion rates grow, repairing the remaining vehicles becomes increasingly difficult. From September 1, 2019 – May 31, 2020, our outreach partner’s call center has been contacted by 9,933 currently registered owners who have taken the additional step to inform Toyota that they either do not want to have the recall remedy performed or do not want to receive further communications about the recall. (We will continue to monitor these vehicles and, when an ownership change is found, we will add this vehicle back into our outreach efforts.) As these are individuals who took time out of their day to tell us they were not interested, we suspect there are many additional owners who similarly do not intend to participate in the recall and simply ignore our outreach efforts. For example, in the PG 1-3 population alone, based on our certified mailing process as described earlier, there are 347,885 owners believed to be receiving our communications in multiple and escalating outreach efforts, but who continue to ignore these communications.

• **Lacking Up-to-date Vehicle Owner Data Continues to be a Challenge.** Through our certified mail activities described in an earlier section, we believe that a substantial portion (71,986) of the vehicle owner information for the remaining owners in PG1-3 could be incorrect.

To meet some of challenges of motivating these owners, Toyota has worked with NHTSA and the Takata Monitor team to find ways to persuade these owners to participate in the recall. In doing so, Toyota has pioneered a variety of new ways of reaching owners and informing them of the free remedy available to address the safety risks stemming from this defect. As our outreach program developed, we have moved beyond simply calling, emailing, and sending mailers to the affected owners. As described above and in the previous Quarterly Supplements, many of our new outreach efforts are designed specifically to help reach owners in new ways to (1) help convince those who ignored previous outreach attempts, (2) reach
owners of older vehicles, and (3) reach owners for whom Toyota does not have up-to-date information. To summarize a few of these activities mentioned above, we are promoting community and dealer repair events, where feasible, using social media to specifically target potential owners that have yet to respond to prior outreach, offering more convenient dealer services (e.g., alternative transportation), engaging with dealers to increase their own outreach efforts, and targeting owners who do not frequent dealers by developing the “Toyota Active Recall” system for independent repair facilities to identify unrepaired VINs. These efforts are aimed at further motivating owner participation in this recall and are designed to work together to help address the challenges described above.

In addition, as part of the SSA outreach program, Toyota has gained additional access to demographic information about the remaining population of owners which can be used to further enhance our targeted outreach activities and customize our messaging to the remaining owners. We are also seeking ways to target and communicate with affected vehicle owners through nontraditional outreach methods that may be accomplished with different or less vehicle owner data (e.g., hypertargeting through social media, providing recall information through independent repair facilities, and identifying social media influencers that can raise awareness with hard to reach vehicle populations).

Where possible, Toyota has also conducted research in hopes of identifying which outreach efforts are more effective. Toyota undertook a demographics analysis of the top states, cities, and zip codes with unrepaired vehicles. In addition, Toyota also conducted surveys of owners who had their vehicles repaired. As discussed in previous Quarterly Supplements, the results of these studies indicate that owners who have not presented their vehicles for remedy are widely dispersed among a variety of different regions and primarily speak either English or Spanish. Further, those that have had their vehicles repaired seemed to respond best to mailed materials (in which we have emphasized providing information in both English and Spanish). These data are an indication that the existing comprehensive strategy Toyota employs is contributing to higher completion rates than recalls involving similar vehicle populations.

Ultimately, the available information indicates that there is no single or simple solution that will ensure that all owners present their vehicles for remedy. The data also indicate that, despite best efforts, all outreach methods will suffer from diminishing effectiveness over time. As recalls continue to mature, the remaining owners who have not presented their vehicles for remedy will increasingly be those for whom we do not have accurate contact information or who have chosen not to respond to previous outreach attempts. In general, we may not be able to find these owners; when found, they may be less likely to be
responsive to further outreach attempts despite efforts on the part of Toyota, other affected vehicle manufacturers, NHTSA, and the Takata Monitor to convey the seriousness of this recall. However, Toyota will continue to work with NHTSA through the coordinated remedy program to identify ways to achieve the highest levels of completion possible for this recall. Toyota will continue to make these efforts beyond the legal requirements to work towards maximizing this recall’s completion rates.

X. Efforts to Address PG1-3

Based on learnings since 2014 in conducting enhanced outreach to owners on the Takata recall, Toyota has developed a comprehensive strategy for addressing the remaining unrepaired population of Priority Groups 1-3 under Stage 5 of the Outreach Strategic Plan discussed in the sections above and in the June 2018 Quarterly Supplement. Further, our strategy is based on the latest data that we have for the remaining population. These data show that, for a significant portion of the remaining vehicle owners in PG1-3, Toyota likely has accurate owner information, and additional outreach methods are needed to encourage those owners to present their vehicle for the recall remedy. However, for another significant portion of the remaining vehicle population, Toyota needs additional data to find accurate contact information to communicate with these owners.
Based on data available as of June 19, 2020, Toyota provides the following accounting summary for Priority Groups 1-3:

In the chart above, “Salvage” means inflators that have been recovered from salvage yards and for which we do not already account for the vehicle from which it came in our SSE counts. “Opt Out” tabulates the unique VINs for which the owner has requested not to be contacted any further through one or more communication channels about this recall. “Refused Service” tabulates the unique VINs for which owners have affirmatively stated that they are not interested in having the free recall remedy performed.

Group A, representing about 64% of the remaining population of vehicles, are owners for which we believe available contact information is good, and the owner is receiving communications sent by Toyota regarding the Takata recall.

Group B, representing about 22% of the remaining population of vehicles, are owners for whom the available contact information appears to be a valid address, but Toyota is unsure if the owner is receiving our communications. This could be a result of ownership changes or inaccurate contact information available from the state DMVs.

Group C, representing about 13% of the remaining population of vehicles, are owners for whom the available contact information is likely not accurate, and the owner is not likely receiving Toyota’s communications.

It should be noted that the owners within group A, for whom we believe are receiving our communications, have likely received over 50 contact attempts through phone, email, and direct mail. In addition, Toyota now refreshes our owner contact data monthly and employs a comprehensive data hygiene process as described earlier in this report in an attempt to locate owners in groups B and C.

Thus, based on this analysis and our experience thus far in conducting Takata recall outreach, we have designed an outreach plan, specifically for PG1-3, that emphasizes the elements below. For those owners in group A for whom we believe available contact information is strong, the plan includes:

- Continuing to increase the convenience and trust between non-responding owners and Toyota and its authorized dealers by continuing to communicate the availability of alternate transportation,
encouraging dealers to expand mobile repair, and providing resources to dealers so that they can reach out directly to affected owners.

• Continuing to stress the urgency of this safety recall by increasing the urgency of messaging and intensity of outreach activities for owners who are continuing to not respond to outreach. The plan is to do this through continued clear and urgent messaging in OEM-branded materials and further increasing the urgency with heightened messaging and imagery as owners continue to be unresponsive. We also plan to further employ aggressive specialized outreach tactics for certain vehicle populations, such as certified mail and social influencers.

• Incorporating more communication to non-responding owners through a variety of communication channels and from as many voices as possible. These different voices could include Toyota, our authorized dealers, the SSA, the Monitor, NHTSA, community leaders, news media, and the owner’s own friends and family.

For those owners in groups B and C for which available contact information may not be accurate, our plans include:

• Identifying better contact information for these owners by identifying additional third-party data sources, evaluating their data, and incorporating them where appropriate into our outreach efforts.

• Locating difficult-to-find vehicles by engaging with wholesale auctions, the automotive aftermarket, and independent used car dealers whose customers include vehicles of harder to reach populations (e.g., older vehicles).

• Increasing awareness of the urgency of this recall with all owners, through public service announcements and other mass marketing (not targeted) outreach techniques that do not require specific owner information.

We believe that, through these efforts, we can continue to make progress toward maximizing recall completions in this urgent safety recall. We continue to seek new ways to effectively locate and reach unknown owners and to enhance methods to encourage known owners to complete repairs for their vehicles.

XI. Attachments

A. Excel spreadsheet with additional information on our efforts to implement the Monitor Recommendations.