

## Media Briefing

# Toyota greenwashing complaint

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Link to full complaint	<u>Here</u>
Subject	Greenpeace's ACCC complaint over Toyota's greenwashed advertising

#### **Summary**

Greenpeace Australia Pacific has asked the Australian Competition and Consumer Commission (ACCC) to **investigate whether claims made by Toyota Motor Corporation in its advertising are misleading and deceptive.** 

The request, made by the Environmental Defenders Office on behalf of Greenpeace Australia Pacific, focuses on claims made by Toyota Motor Corporation regarding the environmental performance of its vehicles and its net zero ambitions.

Toyota has been **increasingly under fire after being ranked** the third most influential **global anti-climate lobbyist** after ExxonMobil and Chevron in 2021.

This is the latest development in an ongoing campaign by Greenpeace to get the car industry, including Toyota, to clean up its act. That campaign has included the publication of Greenpeace's annual <u>Auto Environment Guide</u> (in which **Toyota ranked dead last for environmental performance**), a report analysing the compatibility of car manufacturers' projected future sales with a 1.5°C carbon trajectory (which showed **Toyota was by far the worst performer**) and <u>an exposé on **Toyota's anti-EV lobbying**.</u>

Toyota has been feeling the squeeze, with activists <u>hijacking more than 400 billboards and bus stops</u> in the UK with parody advertisements, and a rare moment of going off-script by executive Sean Hanley, <u>losing it at "electric car extremists"</u>

#### Key points from the submission

Greenpeace Australia Pacific's complaint alleges that Toyota misleadingly markets itself, making claims in its advertising that give the false impression the company is leading the transition to clean cars, when in fact:

- Toyota's net zero plans are potentially misleading and contradict their actions in terms of the production of new cars;
- Toyota is not seeking a rapid transition to eco-friendly cars and has actively lobbied to halt, weaken or delay emissions standards around the world;
- Hybrids, hydrogen, and electric vehicles (EVs) are vastly different in their environmental impact and their consistency with zero emissions;
- The extent to which emissions reductions can be achieved in a petrol vehicle are significantly less than those that can be achieved by switching to hybrids;
- Mirai hydrogen cars are unlikely to be powered by green hydrogen in Australia and therefore cannot be considered "low emission" vehicles:
- Toyota's vehicles may not meet emission standards in real-world use as opposed to test conditions:
- Hybrids require fuel to power their electric battery.

#### Toyota's track record

Toyota has a history of being pulled up by regulators for misleading advertising, with the Norwegian Consumer Authority ruling that a Toyota 'self-charging' advertising campaign be discontinued.1

Toyota was ranked dead last for two years in a row by Greenpeace East Asia's Auto **Environment Guide** for its lobbying against climate action, refusal to embrace electric vehicles, and continued advocacy for highly polluting hybrids, with 499 out of every 500 Toyota vehicles sold powered by fossil fuels.<sup>2</sup>

In 2021, InfluenceMap found Toyota to be the 3rd most influential negative climate lobbyist globally in 2020-2021, after Exxon Mobil and Chevron, with an international track record of lobbying against the introduction of vehicle pollution standards, and actively working to slow the uptake of electric vehicles.<sup>3</sup>

A Greenpeace Germany report into the carbon budget of the automotive industry found Toyota was by far the worst performer among the manufacturers analysed.<sup>4</sup> At the time of the report, Toyota was expected to produce between 93 and 109 million more ICE vehicles,

Greenpeace Germany, The Internal Combustion Engine Bubble, 2022 (link)



<sup>&</sup>lt;sup>1</sup> Lambert, F, Electrek, *Toyota's 'self-charging hybrid' ad is banned in Norway, deemed a lie,* Jan 24 2020, (link)

<sup>&</sup>lt;sup>2</sup> Greenpeace East Asia. *Automotive Environment Guide*. 2022 (link)

<sup>&</sup>lt;sup>3</sup> 1. Influence Map, Corporate climate policy footprint: The 50 most influential companies and industry associations blocking climate policy and action globally, 2021 (link)

roughly a third of the industry's carbon budget. This is between 55 and 71 million more cars than their allotted carbon budget of 38 million, an overshoot of 144 – 188% higher than what is compatible with a 1.5°C scenario. This is highlighted in the complaint made to the ACCC.

### ACCC's crackdown on greenwashing

This complaint comes as the ACCC has announced that it is cracking down on greenwashing, finding that a majority of the 247 businesses it reviewed in an internet sweep were making "vague or unclear environmental claims [warranting] further scrutiny".<sup>5</sup>

Greenpeace is referring this matter to the ACCC for investigation in part due to the ACCC's Compliance and Enforcement Priorities for 2022-2023 which include "consumer and fair-trading issues in relation to environmental claims and sustainability"

Delia Rickard, the ACCC Deputy Chair, emphasised the importance of this priority during a speech to the Sydney Morning Herald Sustainability Summit saying "false or misleading sustainability claims undermine consumer trust in all green claims and reduces confidence in the market - something the ACCC is keen to guard against."

#### **Further reading**

Read Under The Hood: The Truth About Toyota <u>here</u>

Read The Automotive Environment Guide 2022 here

Read The Internal Combustion Engine Bubble <u>here</u>

<sup>&</sup>lt;sup>5</sup>Sydney Morning Herald March 2, 2023 (link)

