

JM FAMILY:
MAKING A DIFFERENCE
2017 IMPACT REPORT



“WE DO IT BETTER!”

CONSIDERATION



COOPERATION



COMMUNICATION



ACCOUNTABILITY

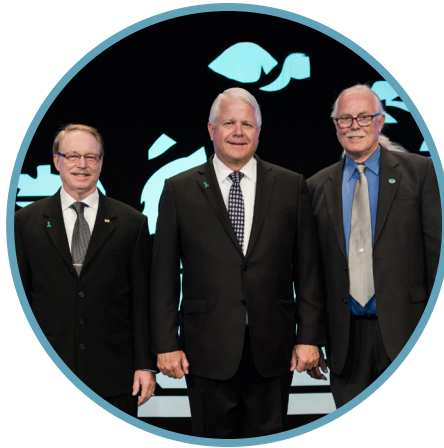


INNOVATION

TABLE OF CONTENTS

Welcome Letter from Chairman & CEO	5
Company Overview	8
Leadership Profiles	9
Business Unit Overview	10
Economic Impact by State	12
Commitment to Supplier Diversity	13
Corporate Philanthropy	15
Environmental Action	19





Colin Brown, center, with JM Family's first 45-year celebrants, Sandy Minerva (left) and Larry Jones (right).

WELCOME LETTER FROM CHAIRMAN & CEO

Our company was built upon taking chances and fostering relationships. From our founder Jim Moran's first conversation with Toyota in 1968, we have evolved into a family of industry-leading companies that continues to thrive on hard work and an entrepreneurial spirit.

As we embark on our 50th year in business, we are proud to share with you our 2017 Impact Report. Our 4,200 dedicated associates strive to do it better every day by living our core values instilled by Mr. Moran — Consideration, Cooperation, Communication, Innovation and Accountability. In fact, as you'll read throughout the pages of this report, we closed 2017 with another year of outstanding performance. As with everything we do, it was a true team effort, and all the credit is due to our associates — our most important asset.

This Impact Report details not only our business results and successes, but also our commitment to environmental sustainability and philanthropic outreach in the locations where we have major business operations.

The outlook is bright for JM Family, and we look forward to each new opportunity to serve our customers and the community.

My best regards,

Colin Brown
Chairman & CEO





COMPANY OVERVIEW



Our mission is to be the premier provider of quality products and services. To accomplish our goal, we build mutually rewarding relationships with our customers, associates, business partners and the community. JM Family's associates are committed to the company's five core values: Consideration, Cooperation, Communication, Innovation and Accountability. We adhere to these principles, and together, we achieve success.



Company Overview

JM Family is a leader in the automotive industry and operates four primary business units and their supporting companies:

- Southeast Toyota Distributors
- JM&A Group
- World Omni Financial Corp.
- JM Lexus

Partnering with JM Family's operating business units is an internal support group that maintains the companies' long-term business needs.

JM Family's Corporate Group works together to support the entire organization and incorporates functions like Treasury, Human Resources, Accounting, Finance and Legal. To further leverage internal resources and manage expenses, this group also includes Information Technology, Accounts Payable and Procurement.

2017 Key Stats



Revenue:
\$15.1 Billion
Up from \$14.9 Billion in 2016



No. 51 on FORTUNE's 100 Best Companies to Work For list
20 Consecutive Years!



No. 20 on *Forbes'* list of
America's Largest Private Companies
Leading automotive company



Associates live and work in
48 states, Puerto Rico and Canada



4,246 Associates
as of December 31, 2017



48% of associates have been with the company for 10 or more years

Leadership Profiles



Colin Brown

Chairman & Chief Executive Officer,
JM Family
Joined 1992



Brent Burns

President & Chief Operating Officer,
JM Family
Joined 2000



Dan Chait

Executive Vice President, JM Family
President, World Omni Financial Corp.
Joined 2002



Ron Coombs

Executive Vice President &
Chief Financial Officer, JM Family
Joined 1999



Forrest Heathcott

Executive Vice President, JM Family
President, JM&A Group
Joined 1993



Carmen Johnson

Executive Vice President,
Human Resources & Legal, JM Family
Joined 2007



Ed Sheehy

Executive Vice President, JM Family
President, Southeast Toyota Distributors
Joined 1999



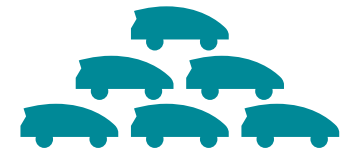
Business Unit Overview

Southeast Toyota Distributors



Southeast Toyota is the world's largest independent distributor of Toyotas. The company distributes vehicles, parts and accessories to dealerships in Alabama, Florida, Georgia, North Carolina and South Carolina. Vehicles manufactured in North America and Japan are processed at facilities in Jacksonville, Fla., and Commerce, Ga. Southeast Toyota also supports the region's independent dealers through innovative sales and marketing campaigns, customer service, accessory development, fleet sales, transportation and logistics.

- 177 independent Toyota dealers retailed 363,910 vehicles in 2017
- Share of Toyota's total U.S. retail sales reached an all-time high of 19 percent in a region representing only 15.8 percent of the nation's population
- Fleet sales for 2017 were 106,653
- With combined fleet and retail, Southeast Toyota sold 470,563 vehicles in 2017. This represents 22.3 percent of Toyota's total U.S. sales volume, Southeast Toyota's second-best year ever.
- \$480 million in parts and accessories sold



More than
10 MILLION
Vehicles Sold Since 1968

Learn more: southeast.buyatoyota.com



JM&A Group

JM&A Group is one of the largest independent providers of finance and insurance (F&I) products in the automotive industry. Its four inter-related companies offer a variety of products and services such as vehicle services contracts, new and used total loss protection plans, used vehicle certification programs, pre-paid maintenance plans, GAP protection, F&I training and consulting services.

- Nationwide, JM&A products are offered at more than 3,700 new vehicle dealers representing many Original Equipment Manufacturers
- Total number of contracts in force is approximately 12.3 million, and JM&A has nearly \$2.1 billion in invested reserves
- Customer Service Team answers more than 2.38 million calls a year, that's an estimated 6,520 calls a day, which paid out more than \$432 million in claims in 2017
- The Performance Development Center trained more than 6,800 dealership associates in 2017, helping them master industry regulations and maximize sales opportunities
- Approximately one in nine vehicles sold by new franchise dealers in the United States includes JM&A products



Learn more: jmagroup.com



World Omni Financial Corp.

World Omni Financial Corp., a diversified financial services company, serves consumers, dealers and lenders. Its businesses include Southeast Toyota Finance and DataScan.

Southeast Toyota Finance

Captive finance company and leading provider of retail, lease and commercial financial products to 177 Toyota dealers in the southeast

- Set an all-time volume record in 2017 with 245,884 retail and lease contracts funded, totaling \$7.12 billion in support of Southeast Toyota dealers
- Total contract volume for the year surpassed 2016's record by 11,306 contracts, which represents an increase of 4.8 percent
- Serviced 684,160 finance and lease accounts in support of Southeast Toyota dealers
- In the southeast, more than half of all new Toyota vehicles were financed or leased through SET Finance



DataScan

Industry leader of innovative wholesale floorplan accounting, audit and risk management platforms

- Inventory verification and/or system services provided to more than 60 clients across North America
- 350+ field professionals conducted more than 270,000 audits and verified over 14.3 million units and \$90 billion of assets managed by DataScan's systems

Learn more: southeasttoyotafinance.com onedatascan.com



JM Lexus

JM Lexus ended 2017 as the nation's leading Lexus Plus dealer. It boasts state-of-the-art Service and Parts departments and a Certified Lexus Collision Center. It consistently earns the Elite of Lexus distinction for exceptional customer satisfaction ratings. It is also a leader in environmental sustainability, employing a number of eco-friendly practices to reduce its carbon footprint such as solar power, efficient LED lighting and modern vehicle paint technologies.

- Lexus Plus is a revolutionary new experience with a single point of contact from start to finish, and the best price up front with no dealer fees
- Retailed 4,890 new vehicles in 2017
- 1,840 pre-owned vehicles sold in 2017



Learn more: jmlexus.com facebook.com/jmlexusfl



Economic Impact by State

with Major Business Operations



Alabama

World Omni



Florida

JM Lexus
JM&A Group
Southeast Toyota
World Omni



Georgia

Southeast Toyota
World Omni



Missouri

JM&A Group
World Omni

Associates

375

Mobile: 354
Other: 21

2,559

Deerfield Beach
Headquarters: 1,268
Jacksonville: 751
Margate: 399
Other: 141

406

Alpharetta: 149
Commerce: 206
Other: 51

338

St. Louis: 327
Other: 11

Payroll

\$25,293,347

\$388,205,285

\$43,408,922

\$23,494,571

Sales Tax

\$856,189

\$24,552,801

\$184,887

\$14,830

Taxes*

\$88,939

\$4,080,155

\$279,637

\$200,314

Local Purchases

\$9,908,028

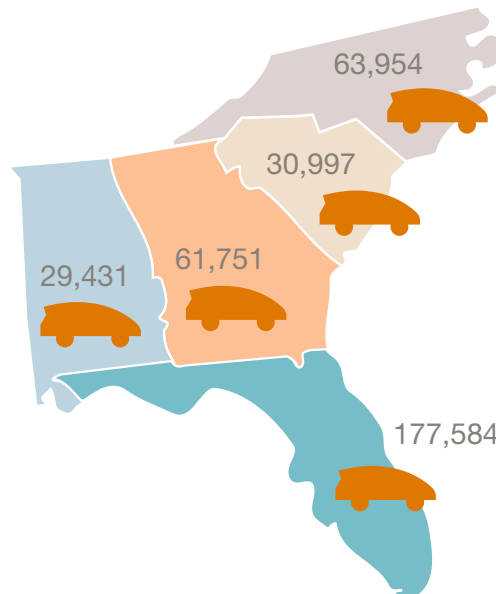
\$119,432,962

\$231,775,848

\$17,509,965

* Property and Tangible

Southeast Toyota's Retail Sales by State



Commitment to Supplier Diversity

At JM Family, we believe in partnering with a supplier base that is reflective of the many backgrounds and experiences of our workforce, diverse automotive products and services, and varied customers and business partners we serve. Our philosophy is to build long-term, sustainable and mutually beneficial relationships with highly qualified minority- and women-owned businesses* as an essential component of our continued growth and success.

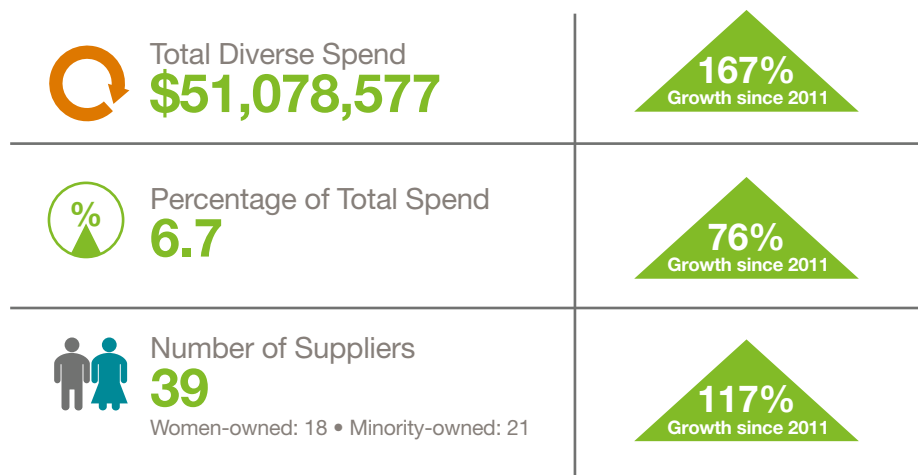
This belief is illustrated in our Supplier Diversity Policy Statement:

JM Family recognizes that effective relationships with diverse suppliers allow the company to enhance our products, foster new and innovative ideas, and identify ways to improve business practices. Nurturing a variety of partnerships will also help contribute to the economic well-being of our community and create a competitive advantage in the marketplace for our businesses and those they serve.

This policy rests on the foundation that JM Family will:

- Actively pursue diverse suppliers who provide high-quality products, measure our success and strive to grow our supplier base year after year
- Champion the cause of supplier diversity and communicate this commitment through internal and external channels
- Create internal diversity benchmarks annually to continuously improve the company's position as a good corporate citizen and become a leader in supplier diversity
- Maintain an active role in local affiliates of the National Minority Supplier Development Council (NMSDC) and the Women's Business Enterprise National Council (WBENC)

2017 Diversity Spend



*For the purpose of JM Family's Supplier Diversity Policy and Statement, minority-owned businesses are defined as enterprises certified by the NMSDC or one of its regional affiliates. Similarly, women-owned businesses must be certified by WBENC or one of its affiliates. In Canada, JM Family recognizes minority-owned businesses that are certified by the Canadian Aboriginal and Minority Supplier Council (CAMSC) and women-owned businesses that are certified by WEConnect Canada.





CORPORATE PHILANTHROPY



JM Family Enterprises is committed to continuing our founder Jim Moran's guiding philosophy of giving back to the communities where our associates live and work. By sharing time, talents and resources, we keep his spirit alive and cultivate something significant and lasting – stronger families and stronger communities.

Corporate Philanthropy

JM Family focuses on four areas of giving:

- Empowering families and nurturing children
- Providing for essential needs
- Promoting education
- Preserving our environment

Our mission is to be a leader in corporate citizenship, and improve the quality of life in the communities in which we live and work.

In locations outside our South Florida headquarters, philanthropic efforts are facilitated by local teams of associates who volunteer their time to research and recommend local programs, sponsorships and volunteer opportunities that fit within our guidelines.



2017: By the Numbers




12,000

Hours volunteered by more than 1,000 associates at 225 company-sponsored events



Nearly
\$30 MILLION

Donated to nonprofit organizations



42

JM Family leaders served on nonprofit boards of directors



Philanthropy Initiatives

What A Difference A Day Makes!

JM Family's signature volunteer program encourages associates to participate in meaningful community experiences to benefit our nonprofit partners. By combining our diverse resources, including funding, volunteer opportunities, associate expertise, cooperative advertising and more, we make a significant and lasting impact in our community. Across our business locations, we coordinate hundreds of events throughout the year during non-business hours.

Some of our long-term partners include:

South Florida

- Habitat for Humanity of Broward County
- Big Brothers Big Sisters of Broward County
- Broward Partnership

St. Louis

- Youth in Need

Jacksonville

- Sulzbacher Center

Commerce

- Boys & Girls Clubs of Jackson County

Alpharetta

- North Fulton Community Charities

Mobile

- Feeding the Gulf Coast



What A Difference A WORK Day Makes!

The spin on our established program offers associates a paid work day or two half-days each year to volunteer with the nonprofit, school or religious institution of their choice.

Dollars for Doers

Associates who volunteer five or more hours per year at company-sponsored volunteer events can earn a donation to the nonprofit of their choice, giving our associates a voice in how JM Family directs its sponsorship dollars.

Special Programs

Spring into Giving

Each year, we hold a three-week, companywide hunger relief campaign to raise funds and awareness benefiting our six partner food banks in our business locations. In 2017, our associates donated more than \$96,000, and the company provided an additional \$52,250 in corporate contributions to fight hunger.



African-American Achievers

In 2017, we celebrated the 25th Anniversary of our awards ceremony, which honors everyday heroes who unselfishly give of themselves to make a real difference in the community. Achievers are selected in the categories of Arts & Culture, Business & Entrepreneurism, Community Service and Education. In addition to the recognition, each Achiever receives a \$10,000 contribution to the charity of his/her choice. A high school senior is also selected as a Youth Achiever and awarded a needs-based, four-year scholarship to Florida State University.



United Way

Associates contributed nearly \$555,000 to three partner United Way affiliates in our business locations. Our major campaign in South Florida is headed by Chairman and CEO Colin Brown, who sits on the board of the United Way of Broward County.

Associates Helping Associates

This critical program provides immediate financial assistance when an associate faces financial hardship due to a partial or total loss of home or passing of a family member. In 2017, of the 185 applications granted support, 122 were from associates and families affected by Hurricanes Harvey, Irma and Maria. In total, more than \$340,000 in assistance was provided in 2017.





ENVIRONMENTAL ACTION



Our business goals are tightly connected to the communities and world in which we operate. We strive to account for our environmental and social impacts through our corporate sustainability efforts to benefit the company, our associates, the community and the environment. Our environmental sustainability mission allows us to strategically focus on innovative solutions and responsible practices to bolster our business success and help create a more sustainable future.

Driving Sustainability

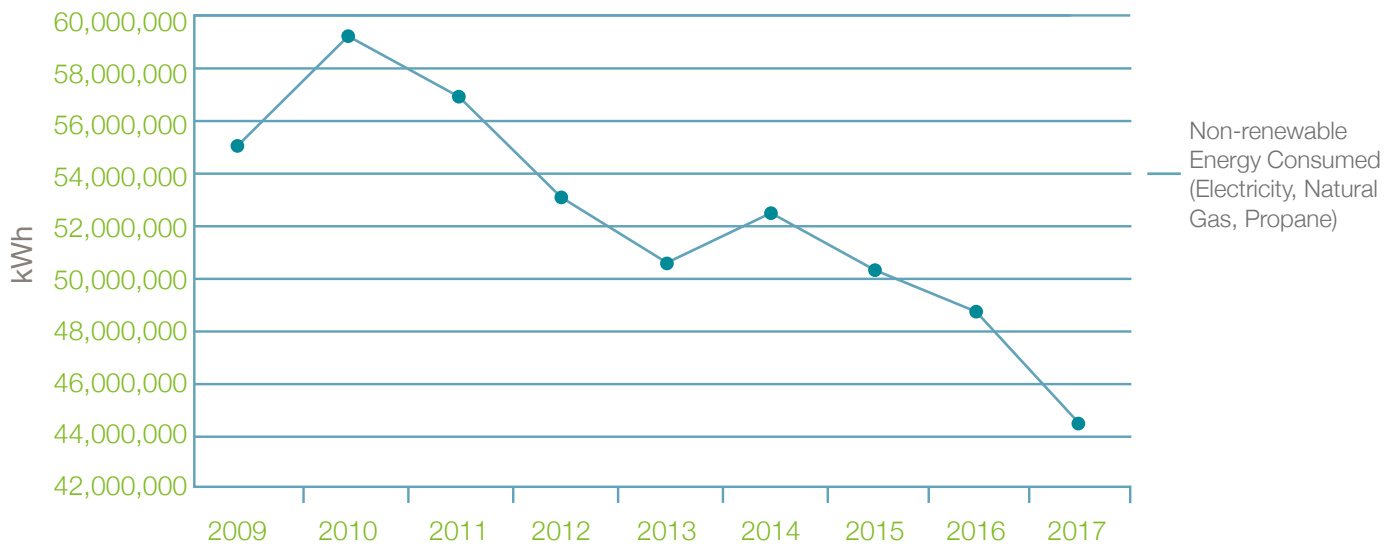
Our second five-year Sustainability Plan, launched in 2014, defines our long-term strategy to create a holistic connection between people, profit and the planet by:

- Minimizing the use of energy, raw materials and water, and decreasing waste through the optimization of our business operations
- Reducing impacts associated with the construction, renovation, ownership and operation of buildings
- Strengthening Environmental, Health and Safety initiatives by incorporating measures to ensure compliance, safeguard associates and implement supply chain management best practices
- Engaging our associates, communities and business partners to share and participate in our sustainability vision

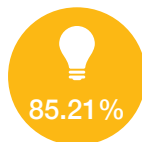
Energy Conservation & Reduced Greenhouse Gas (GHG) Emissions

We have made improvements to our business operations and physical infrastructure to reduce consumption of non-renewable energy and the associated greenhouse gas (GHG) emissions. In 2017, we consumed 44,570,945 kilowatt-hours (kWh) of non-renewable energy, an 8 percent reduction from 2016.

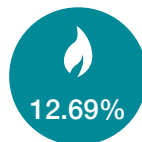
Total Non-renewable Energy Consumption



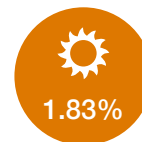
Total Energy Mix 2017



Electricity



Natural Gas



Solar



Propane

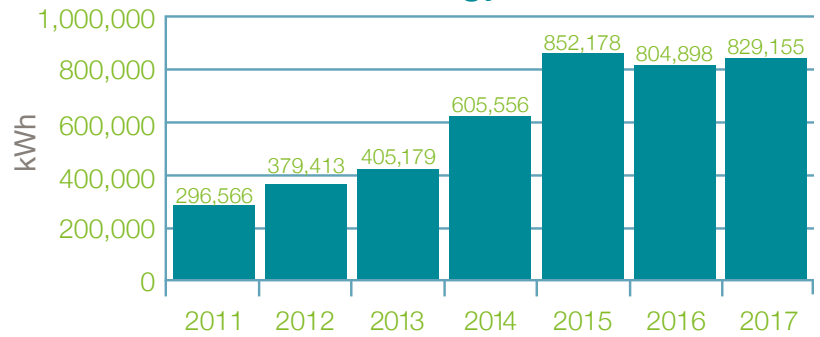


Renewable energy sources like solar are the most sustainable and comprised nearly 2 percent of our total energy mix. JM Family operates seven rooftop arrays: four at the Deerfield Beach, Fla. headquarters, two at JM Lexus in Margate, Fla., and one at DataScan in Alpharetta, Ga. In 2017, our solar arrays produced 829,155 kWh of clean, renewable energy, a 3 percent increase from 2016.

Consuming the same amount of electricity from non-solar means would emit 428 metric tons of carbon dioxide equivalents (mtCO₂e), which is comparable to emissions from:

- Burning 48,121 gallons of gasoline, or
- Consuming 990 barrels of oil, or
- Electricity use of 64 homes for one year

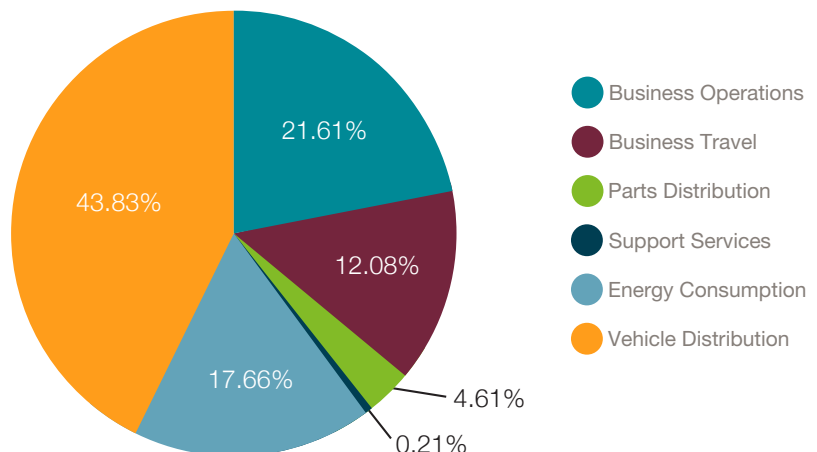
Solar Energy Generated



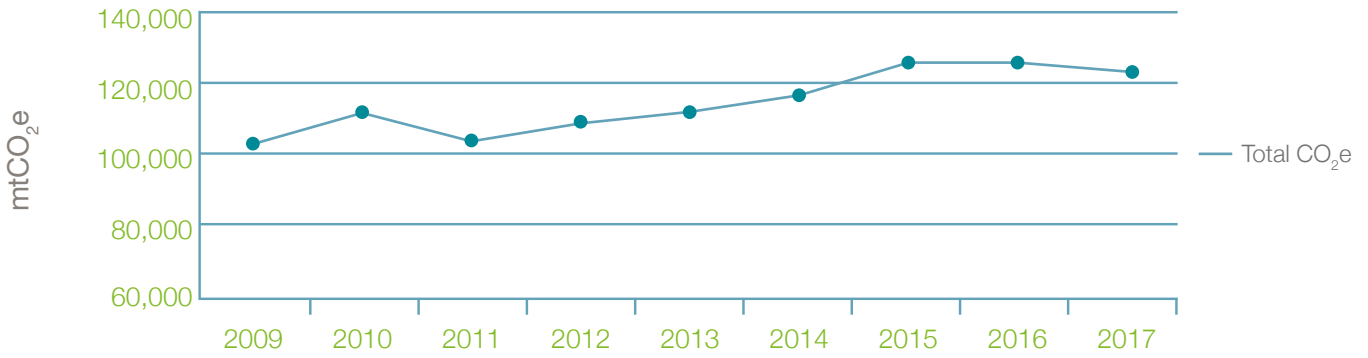
Our carbon footprint is comprised of GHG emissions related to the following sectors:

- **Energy Consumption**
Electricity, natural gas and propane
- **Business Operations**
Fuel consumed by Southeast Toyota Vehicle Processing, JM Lexus Sales and Fixed Operations, and JM&A and DataScan field associates' vehicles
- **Business Travel**
Corporate air travel, commercial air travel (including incentive trips), pool cars, reimbursed business mileage and rental cars
- **Parts Distribution**
Fuel consumed by Southeast Toyota Parts Distribution operations
- **Support Services**
Fuel consumed by emergency generators, facilities operations, and security and other service vehicles
- **Vehicle Distribution**
Fuel consumed by Southeast Transportation Systems and third-party vehicle distribution partners

2017 Carbon Footprint by Business Activity



Carbon Footprint



Thanks to the efficiency of Black Horse Carriers, Inc., our new distribution partner, Southeast Toyota's Parts Distribution Center shipped 118,000 more parts to our dealers in 2017 compared to 2016. Overall emissions decreased by 20 percent, eliminating more than 1,400 mtCO₂e from entering the atmosphere.



As a result of continuous improvement efforts, our 2017 carbon footprint

decreased by 2.5 percent to 121,756 mtCO₂e.

Water Conservation

Water is consumed in three primary ways at JM Family – in our buildings, landscape irrigation, and vehicle processing activities and car washing. In 2017, total water consumption rose by 4 percent.



Water used by associates

16,863,291
Gallons

↓ 3.8
percent



Water used for vehicle processing

16,991,510
Gallons

↑ 11.8
percent



Irrigation

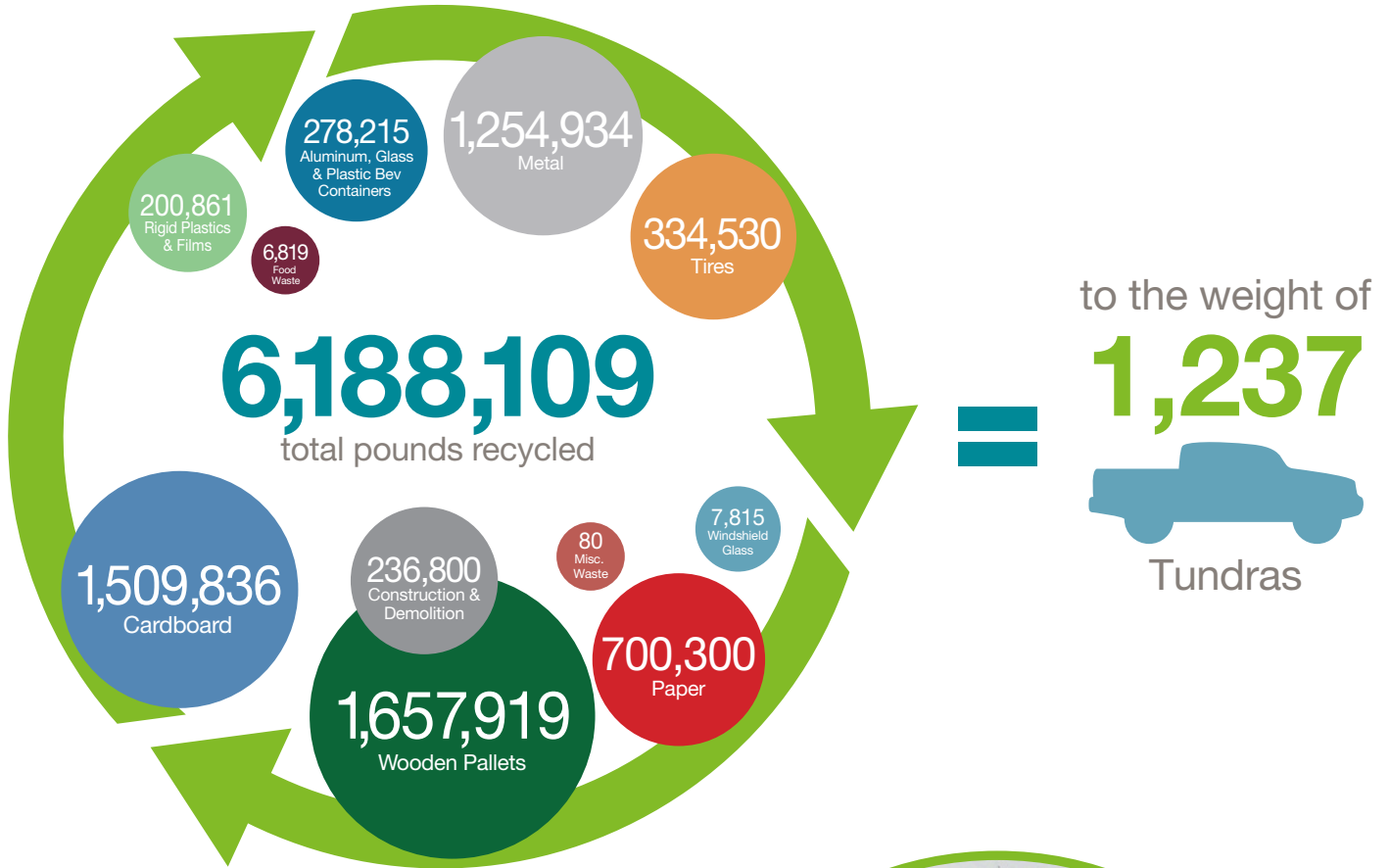
38,890,824
Gallons

↑ 4.4
percent



Waste Reduction & Improved Resource Use

Diverting waste from the landfill and reducing the amount of materials we consume is central to our environmental strategy. That's why we continually explore opportunities to expand our recycling program, particularly within our vehicle processing operations. We recycled 62 percent of our total waste in 2017, a 16 percent decrease from 2016.



We are committed to providing comprehensive programs that support JM Family’s business goals. By striving for continual improvement and fully integrating environmental, health and safety management practices into all aspects of our business, we reduce incidents that impact people and the planet.

Maintaining High Standards

To keep our associates, customers and visitors safe, we invest in creating solutions, providing ongoing training, monitoring injury and incident rates, and incorporating safety into our business processes and facilities. Initiatives and accomplishments in 2017 included:

Aviation Team Earned Top Safety Certification

Our Aviation department earned Stage II certification with the International Standard for Business Aviation Operations, which is granted by the International Business Aviation Council. They also successfully prevented all work-related injuries.



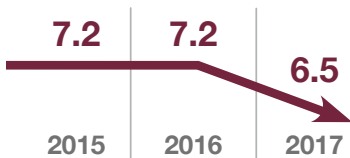
EHS Fundamentals Orientation Video

This engaging, informative video was rolled out to nearly 600 associates, and covered important topics such as emergency response procedures, regulated waste management and incident reporting.



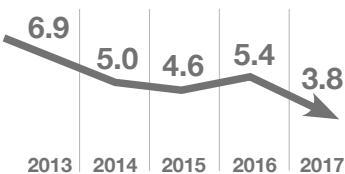
Westlake: Improved Safety Rate

SET’s Westlake Vehicle Processing Center had an 18 percent reduction in injury case rate from 2016.



JM Lexus: Improved Safety Rate

In the last five years, JM Lexus has experienced a 45 percent reduction in its total injury case rate.





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