

Improving the Environmental Management System

Toyota Industries is constantly working to improve its environmental management system through rigorous monitoring and evaluation procedures.

● ISO 14001 Certification

With the acquisition of ISO 14001 certification by Toyota Industries' Higashichita Plant and Higashiura Plant in FY 2002, all of the company's plants are now ISO-certified.

The company has also expanded its ISO 14001 certification to encompass its product development sectors in addition to its manufacturing sectors. In FY 2002, the Nagakusa Plant and the Kyowa Plant expanded their ISO 14001 certification to include the product development sectors at their plants.

Furthermore, the TOYOTA Material Handling Company expanded its ISO 14001 certification to include its Higashisakura office, the location of one of the company's sales and services organizations.

ISO 14001 Certification

Plant	Acquisition Date*1	Product Development	Management and Services
Kariya	October 1998	○	○*2
Takahama	December 1998	○	○*3
Kyowa	January 2000	○	—
Nagakusa	October 1997	○	—
Obu	March 2000	—	—
Hekinan	November 1999	○	—
Higashichita	March 2003	—	—
Higashiura*4	March 2003	—	—

*1 Certification of manufacturing sectors
 *2 Corporate Center/Business Support Center (CO/BS)
 *3 Certification of services sector at Higashisakura Office
 *4 Certification expanded to other sectors during update audit by Obu Plant

● External Environmental Audits

In FY 2002, an external audit was conducted of Toyota Industries' environmental management system. The external audit noted two minor nonconformities and 38 observational notes. The specific areas for improvement identified by the external audit were as follows: the extent of management and service division capacity to identify environmental concerns, the capacity to implement corrective action, and the need for greater efficiency in the company's internal audits. The company is now taking concrete measures to address these shortcomings and to continue to promote its environmental management system.

Environmental Audit Results

ISO 14001 Requirements	Shortcomings Noted		Observations and Minor Nonconformities
	Minor Nonconformities	Observational Notes	
Environmental policy	—	2	Company-wide awareness of environmental policy
Planning	—	10	Indirect environmental impact assessments and identification methods of laws and regulations
Implementation and operation	1	13	Criteria of emergency preparedness and response, external communication methods
Checking and corrective action	1	11	Corrective actions and implementation of internal audits
Management review	—	2	Process of management reviews

● Internal Environmental Audits

Toyota Industries recognizes that internal audits are the most critical factor in improving the company's environmental management systems. The company conducts self-check audits at each plant, which are augmented by company-wide audits implemented by the Corporate Center/Business Support Center (CO/BS). Each type of audit contributes to the continuity and improvement of environmental management systems within the company.

Toyota Industries also places great emphasis on training qualified auditors as a means of improving the quality of its

internal audits. Employees must receive in-house training and pass an auditors' test before they are eligible to become internal environmental auditors. As of March 2003, a total of 666 employees had become qualified internal auditors.

In the future, Toyota Industries will strive to address the shortcomings that were identified by the recent external audit. The company will accomplish this by reviewing its auditing system in order to improve the efficiency of its internal audits.

● Indirect Environmental Impact Assessments

Until now, Toyota Industries has focused its efforts on reducing the company's direct environmental impact through activities such as energy conservation during manufacturing and the reduction of substances of concern and industrial waste. However, Toyota Industries now faces the challenge of expanding its environmental activities to its management operations and services and widening its focus to address the company's indirect environmental impact. Toyota Industries views indirect environmental impact assessments as an important aspect of its environmental management efforts.

Toyota Industries has taken a major step in this direction by creating an indirect environment assessment system that helps to identify the company's indirect environmental impact in its various business activities. In FY 2002, the system was adopted by all Toyota Industries' plants. The company has also implemented various efforts such as holding seminars featuring guest speakers from outside the company, as a means of raising awareness within the company.



Company Seminar on Indirect Environmental Impact Assessments