

## Group-Wide Environmental Management

Toyota Industries is in the process of effecting a group-wide system for environmental management extending to its subsidiaries.

The Third Environmental Action Plan specifies that Toyota Industries and its subsidiaries will establish a support framework to assist in the creation of a group-wide environmental management system. These corporate objectives were established in order to respond to the increasing urgency of environmental issues occurring on a global scale.

In the past, Toyota Industries focused its efforts on assisting its subsidiaries in creating environmental management systems. However, the company also recognized the need for aggressive leadership in order to improve the efficiency of its environmental activities, resulting in the corporate goal of creating a global framework for implementing environmental activities throughout Toyota Industries and its subsidiaries.

In January 2003, Toyota Industries published the Toyota Industries Group Corporate Commitment to the Environment, which marked the beginning of its efforts to implement a system for group-wide environmental management. This system will be in place by FY 2005.

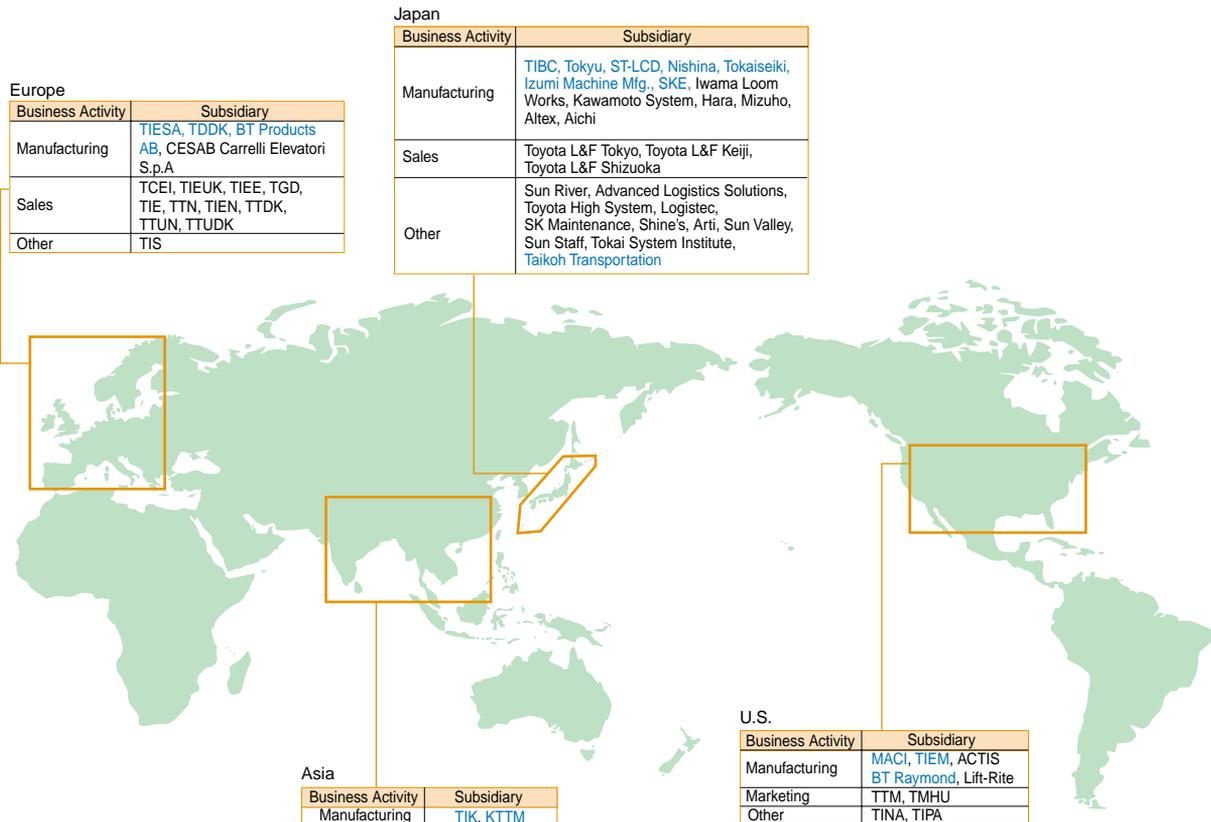
### ● Conceptual Framework

The Toyota Industries Group will have a system for group-wide environmental management in place by FY 2005, with full-scale implementation commencing in FY 2006. The system will comply with ISO 14001 standards and is designed to effectively utilize the environmental management systems that are already in place at Toyota Industries and many of its subsidiaries. In order to promote environmental activities on a group-wide basis, Toyota Industries is seeking to quantitatively measure the environmental impact of each of its subsidiaries and establish target values to be achieved by the group. Once completed, the system for group-wide environmental management will incorporate environmental accounting practices and improve dialogue both within the group and with relevant outside parties.

### Requirements for Subsidiaries

Business Activity	Requirement
Manufacturing	-Establish an environmental management system and acquire ISO 14001 certification by FY 2005 -Submit environmental data -Submit report on operational status of environmental management system
Sales	-Promote activities based on sales guidelines and submit status reports -Promote activities based on overseas agent guidelines and submit status reports
Other	-Establish corporate environmental policy -Establish a simplified environmental management system -Implement activities to reduce environmental impact according to the subsidiary's impact level and submit status reports

### Scope of Toyota Industries' Group-Wide Environmental Management System (As of April 1, 2003)



\*Companies in blue have acquired ISO 14001 certification.

● FY 2002 Results

■ ISO Certification by Subsidiaries

Toyota Industries is involved in ongoing efforts to assist its subsidiaries in their attempts to create environmental management systems. Three subsidiaries acquired ISO 14001 certification in FY 2002: Taikoh Transportation Co., Ltd., Izumi Machine Mfg. Co., Ltd. and SKE Inc. Toyota Industries will continue to support these efforts with the goal of establishing environmental management systems at all of its manufacturing-related subsidiaries by FY 2005.

■ Group-Wide Environmental Management at Manufacturing Subsidiaries in Japan

Toyota Industries holds briefing sessions for its manufacturing-related subsidiaries in Japan. These sessions are designed to assist the subsidiaries in recognizing the importance of environmental management and to learn about the direction of future environmental activities. The briefing sessions also serve as a platform for Toyota Industries to request that its domestic manufacturing-related subsidiaries compile and submit environmental data. In January 2003, Toyota Industries issued Environmental Data Guidelines. These guidelines help to ensure that the subsidiaries use a uniform method for tracking environmental data.

The briefing sessions are followed up by hands-on sessions where attendees can check the accuracy of their submitted data and receive guidance on how to properly compile data for reporting.



Briefing Session for Manufacturing-Related Subsidiaries in Japan

Schedule for ISO 14001 Certification

Subsidiary	Target Acquisition Date
Altex Co., Ltd.	August 2003
Mizuho Industry Co., Ltd.	September 2003
Kawamoto System Corporation	November 2003
Iwama Loom Works, Ltd.	December 2003
Hara Corporation	January 2004
Aichi Corporation	FY 2004

■ Environmental Management at Overseas Subsidiaries

During FY 2002, staff of Toyota Industries made overseas visits to eight manufacturing-related subsidiaries in order to conduct briefing sessions aimed at providing updated information on the progress of environmental management and environmental activities. Subsidiaries also received information about the group-wide environmental management system to be established by the Toyota Industries Group. As a part of these meetings, discussions were held on a wide range of subjects including specific environmental management issues faced by each subsidiary and requests from subsidiaries. These discussions proved to be a valuable platform for sharing information and discussing ways of improving future communications between Toyota Industries and its overseas subsidiaries.



Briefing Session for BT Group

Future Activities

The table on the right shows the itinerary through FY 2006 for Toyota Industries to create a group-wide environmental management system. In FY 2003, the company will establish a system for tracking environmental performance data and adopt environmental accounting practices at its subsidiaries in Japan. Toyota Industries will also implement other efforts with an emphasis on creating a framework for tracking quantitative data.

Future Schedule

Description	Schedule				
	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Objective		Create group-wide EMS			Implement group-wide EMS
Issue Group Commitment to the Environment					
Establish framework for compiling environmental data		Establish framework	Compile environmental data		
Introduce environmental accounting methods		Introduce in Japan	Introduce overseas	Compile environmental accounting data	
Establish standards for operation of group-wide EMS		Create guidelines			
Hold group-wide production environmental conferences				Periodic conferences	
Establish group-wide objectives and targets					
Begin implementation of group-wide EMS					

Subsidiary Spotlight

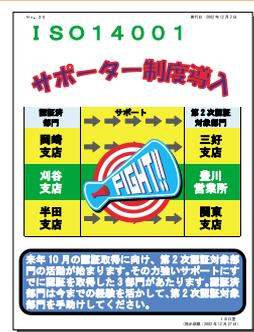
Taikoh Transportation Co., Ltd. Acquires ISO 14001 Certification Introduction of Support Program

Taikoh Transportation Co., Ltd. is involved in the trucking business. In November 2002, Taikoh Transportation acquired ISO 14001 certification at its headquarters and three of its offices in Okazaki, Kariya and Handa. The company plans to acquire ISO 14001 certification for all 10 of its offices by the end of FY 2004.

Taikoh Transportation has created a support program in which its ISO-certified offices assist non-certified offices in their attempts to acquire ISO certification and to create environmental management systems. The program offers many advantages such as

ensuring that environmental management systems are carried out at a practical level and eliminating inconsistencies in the coordination of environmental management systems between offices.

Taikoh Transportation has adopted a philosophy of "Motivation, attention to details and drive" for its system of internal environmental auditing. The company has appointed internal environmental auditors who are responsible for applying this philosophy in an effort to constantly improve the company's system for internal environmental audits.



Poster Used to Promote Support Program