

## Reference View

Bureau Veritas has verified environmental data collection activities at the Headquarters and the stated sites and concludes the following.

### 1. Good points

- It has been decided to include two domestic plants and a number of domestic and overseas manufacturing subsidiaries/ affiliates in the scope of the Environmental Action Plan, which is already under implementation from the 4th Environmental Action Plan. This is in order to provide more information to the public as well as to establish a more accurate understanding about the environmental impact of the entire group. Furthermore, Toyota Industries has included domestic manufacturing subsidiaries/ affiliates within the scope of verification for this reporting cycle.
- Toyota Industries is using metrics for environmental efficiency which allows third parties to evaluate the activities more comprehensively.
- Based on discrepancies identified in the 2006 Report, the scope of data aggregation has been unified and expanded across entire plants managed under Headquarters, resulting in more reliable and accurate information at Headquarters and domestic plants which have been included in verification scope since last year.
- Clarifications and enhancements to the data monitoring rules and manuals has further improved the collection and reliability of data.

### 2. Follow-up on Issues from Verification Report on Social & Environmental Report for 2006

- Aggregation rules for environmental performance data were reviewed and the gap in the perception between Headquarters and the plants has been closed; additionally, the aggregation rules for data that has a significant difference between input and output was also revised in the interests of greater clarification.
- The calculation method for the greenhouse gas emissions from the casting process at the Higashichita Plant, which was subject to verification last year, was improved and the figures reported are considered to be closer to actual conditions; the new calculation method now includes the absorbed carbon rate and has been deployed since October 2006. It is also considered that a calculation method of this refinement is uncommon in Japan and is a commendable approach by Toyota Industries. •Data generated from company controlled meter readings, is now considered to be fully reliable due to the recognition for the necessity of effective and consistent meter management.
- The calculation method for HFC usage is now based on actual measurement reporting and as a result the accuracy of this data has been improved. (It is preferable to examine evidence using a revised format for the purpose).
- Promoting of waste recycling and a clarification of waste management processes (including the reclassification of waste and the identification of reusable and waste materials) has been carried out following re-evaluation of the business contract for waste collection and disposal.



### 3. Opportunities for Improvement

#### Headquarters/ domestic plants

- There is not yet an enough understanding of data aggregation rules and processes at plants and departments which have recently been included in the verification scope. The rule must be strictly followed at the plants and departments in future.

#### Domestic manufacturing subsidiaries/ affiliates

- The specification of actual subject data is not completely accurate at sites and because of this, there are certain errors in data collection and interpretation; stricter implementation and control of the established data aggregation rules are necessary.
- Improvements to the reliability of data aggregation processes and to internal verification are important in order to prevent errors that were identified in data input and transfer.

The English versions of the Independent Verification Report and Reference View from BV are translated from the original Japanese versions. The Japanese versions shall be the sole official texts in case of discrepancy.