

Environmental Management System

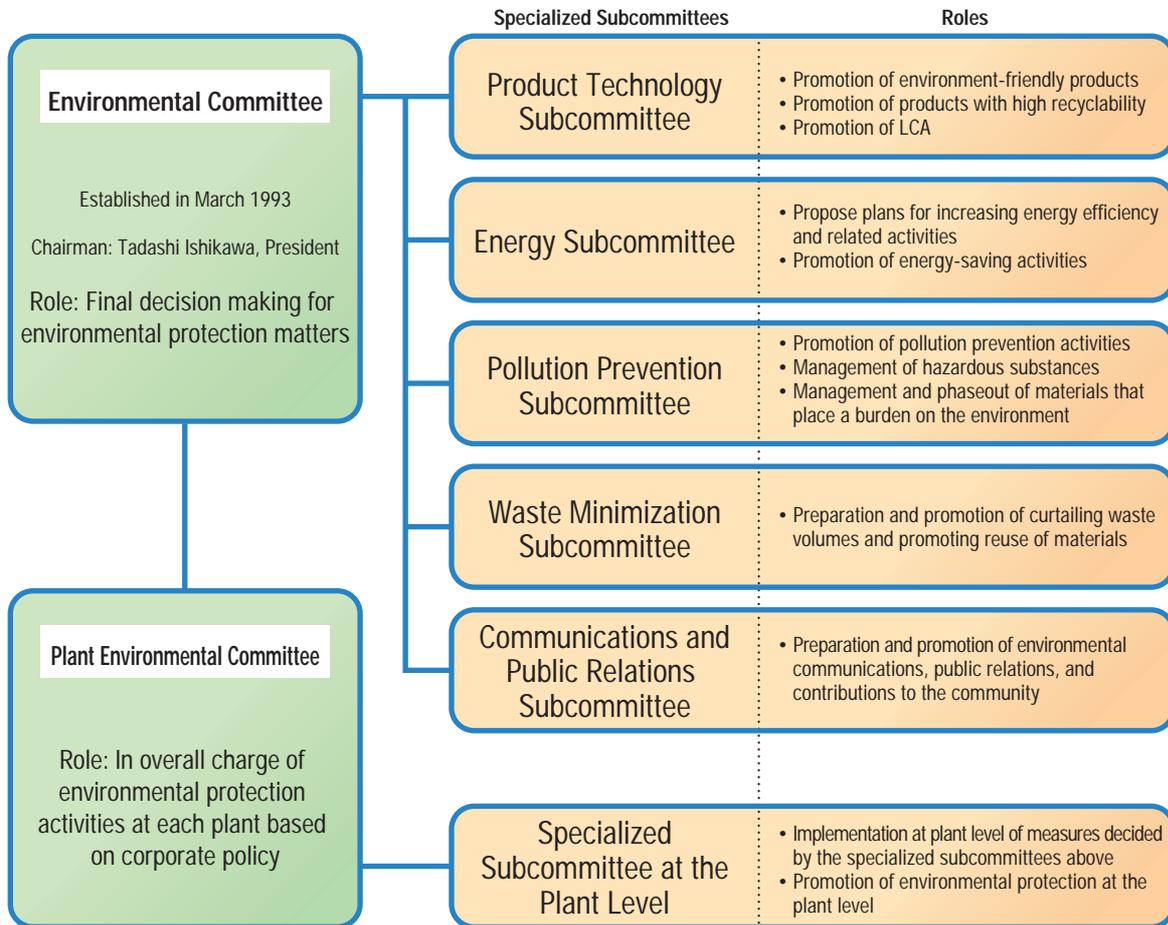
Organization

To tackle environmental issues in a consistent and organized manner, we have set up the Environmental Committee, chaired by the president. The committee has five specialized subcommittees. Also, each plant has organized its own Plant Environmental Committee and specialized subcommittees to

deal with environmental issues regarding individual manufacturing facilities.

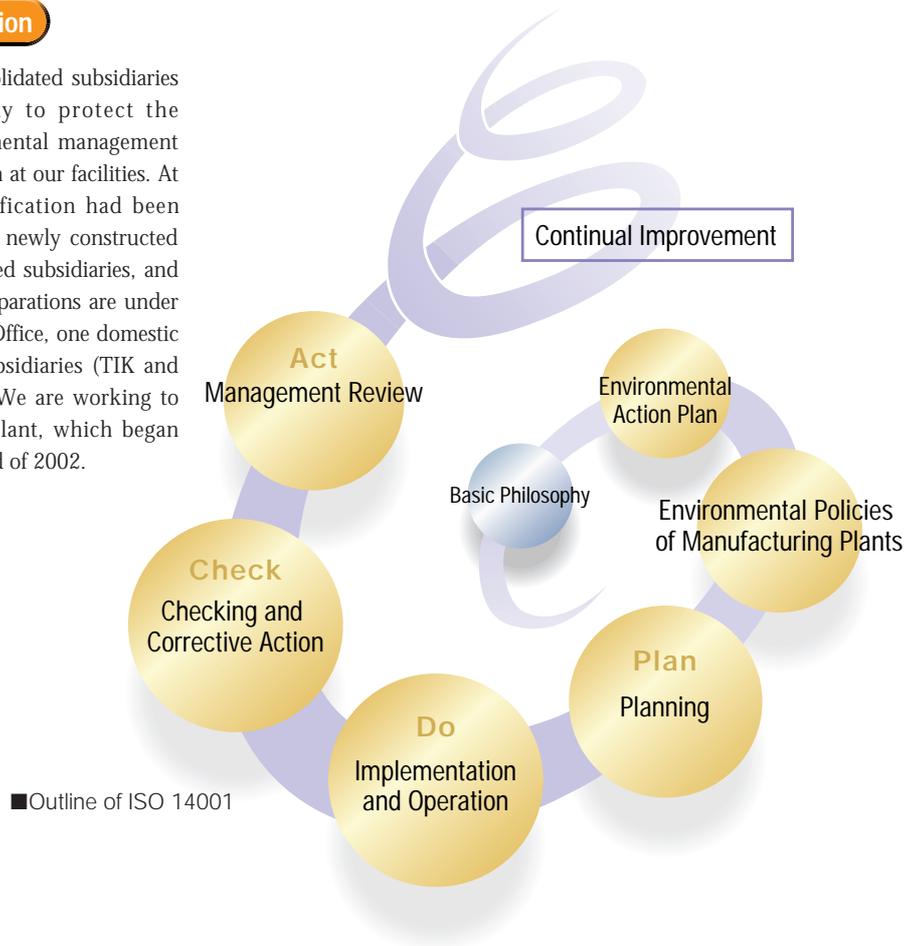
Each committee and specialized subcommittee develops environmental strategies and policies, sets targets in its particular field, and evaluates progress at its respective plant.

Internal Organization and Roles as of August 1, 2001



Progress in ISO 14001 Certification

In order for Toyota Industries and its consolidated subsidiaries to fulfill their corporate responsibility to protect the environment, we are creating an environmental management system and acquiring ISO 14001 certification at our facilities. At the end of fiscal 2000, ISO 14001 certification had been acquired by all domestic plants, except the newly constructed Higashichita Plant, two domestic consolidated subsidiaries, and three overseas consolidated subsidiaries. Preparations are under way for certification of the Corporate Head Office, one domestic affiliate, and two overseas consolidated subsidiaries (TIK and KTTM), which will be obtained in 2001. We are working to obtain certification for the Higashichita Plant, which began operations in 2000, and for TDDK by the end of 2002.



■ Facilities that Have Acquired ISO 14001 Certification and Date

Facility		Certification date
Toyota Industries' plants in Japan	Nagakusa	October 1997
	Kariya	October 1998
	Takahama	December 1998
	Hekinan	November 1999
	Kyowa (Toyoda-Sulzer Manufacturing Ltd. and TIBC)	January 2000
	Obu	March 2000
Domestic consolidated subsidiaries	Toyoda-Sulzer Manufacturing Ltd.	January 2000
	TIBC	January 2000
Overseas consolidated subsidiaries	TIEM	June 1999
	MACI	June 1999
	TIESA	January 2001

■ ISO 14001 Acquisition Pending

Facility		Target certification date
Toyota Industries' plants and offices in Japan	Head Office	By the end of 2001
	Higashichita Plant	By the end of 2002
Domestic affiliate	ST-LCD	By the end of 2001
Overseas consolidated subsidiaries	TIK	By the end of 2001
	KTTM	By the end of 2001
	TDDK	By the end of 2002

Note: Please see page 36 for details of ISO 14001 certification at BT Industries AB, the Swedish warehouse truck manufacturer acquired by Toyota Industries in June 2000.

Consolidated Environmental Management

To ensure that our environmental protection efforts go beyond the parent company, we have started to create a consolidated environmental management system covering the entire Group, including consolidated subsidiaries.

In March 2001, we held an explanatory meeting for 69 domestic consolidated subsidiaries, affiliated companies, and business partners. We are now putting into action an Environmental Action Plan of the same type as that of the parent company. Based on this plan, environmental protection targets are set for each fiscal year, and initiatives have begun under management programs.

Environmental Audits

Environmental audits based on the Company's environmental management systems are of two types—external and internal. Their goal is to verify the status of environmental initiatives.

Internal audits consist of plant audits conducted by each plant's auditing team and Head Office audits of the whole Company, plant by plant, by audit teams in which members are drawn from all the Company's plants.

In fiscal 2000, as the last plant (not including the Higashichita Plant) acquired ISO 14001 certification, we decided to increase the frequency of Head Office audits at each plant from once every three years to once every two years, to enhance environmental protection at each factory.

After accrediting these Companywide auditing activities, the Japan Environmental Management Association for Industry (JEMAI) registered the names of our lead environmental



Mr. Hisashi Katada of the Safety, Health & Environment Department gives an explanatory lecture on the Third Environmental Action Plan.

management system auditor and subordinate auditor. The association is a body for registering evaluations of environmental management system auditors.

After the audit, study sessions are held for the staff of each plant on issues raised. Plants try to improve their environmental track record by the discussion and exchange of information, including examples of areas of steady improvement and cases where improved product quality has had significant environmental benefits.

Furthermore, as a result of reporting progress in this way to the Environmental Committee, we were able to enhance ISO 14001 certification activities and lay the groundwork for certification of the Head Office, within the Kariya Plant. The target date is October 2001.

Progress of Environmental Auditing

		Fiscal year			
		1997	1998	1999	2000
Companywide audit	No. of Companywide audits	1	2	3	4
	No. of audits of departments	9	19	30	84
Plant audit	No. of factories covered by plant audits	0	2	6	5

Environmental Education for Raising Awareness

To combat the degradation and improve the quality of the environment, it is important to raise the consciousness of each and every employee. To this end, we are emphasizing employee environmental training and education.

Environmental training programs being conducted include courses for employees in accordance with their position in the Company, courses for training ISO 14001 internal auditors, and instruction for personnel working with important environment-related equipment. In addition to these programs, we also organize lectures on the environment, run special features in our in-house newsletter, and publish monthly environmental news to raise environmental awareness among employees.

Environmental Training

● Courses for Employees

Employees are divided into groups according to job level (training for workers, supervisors, and managers), and courses are systematically tailored to each group.

● Training for ISO 14001 Internal Auditors

To prepare certain employees to act as environmental auditors and train others as leaders for internal ISO 14001 purposes, we organize courses with content provided by external research institutes. A total of 76 employees underwent training in fiscal 2000, and, as of the end of March 2001, 370 employees had earned qualifications as internal auditors.

Environmental Education

■ Major Activities

Item	Fiscal 2000 results
Environmental Report	Published on October 27, 2000
Environmental lectures	Product design for a society with environmentally sound material cycles (July 11, 2000)
	Design assessment of product recycling (December 15, 2000) Reducing hazardous substances Design guidelines (February 27, 2001)
Awareness raising through in-house newsletter	Annual feature "Let's Go, Eco-Bee" series* ¹ (carried six times a year) April: Publication of fiscal 1999 Environmental Report June: Zero Emissions initiative begins July: Cogeneration facilities—a new concept for energy saving August: Progress report on environmental activities, with recommendation of keeping an environmental account book October: Garbage handling in Germany January: Toyota Motor Corp. sets target of reducing landfill waste to zero



Employees participating in a training course

Environment-Related Qualifications

To encourage compliance with environmental rules in the workplace and greater awareness of environmental issues, the Company supports employees studying to obtain various official environment-related qualifications.

■ Employees with Environment-Related Qualifications

Environment-related qualification	Number of holders	Increase from FY2000	
CEAR* ² Registered Environmental Lead Auditor	1	1	
CEAR Registered Lead Auditor	1	1	
Environmental Management System Provisional Auditor	1	0	
Persons successfully completing EMS Auditor training	10	0	
Pollution Control Manager	Air	51	3
	Water	66	3
	Noise	120	0
	Vibration	56	0
Licensed Environmental Measurer	2	0	
Technical Manager for Waste Disposal and Treatment Facilities	26	0	
Manager for Specially Controlled Industrial Waste	24	0	
Energy Manager (Thermal)	19	1	
Energy Manager (Electrical)	19	2	
Electrical Power Chief Engineer (Grade 2)	8	0	
Electrical Power Chief Engineer (Grade 3)	8	1	
Boiler Engineer (Grade 1)	22	0	
Boiler Engineer (Grade 2)	31	1	
Boiler Turbine Chief Engineer (Grade 1)	3	0	
Boiler Turbine Chief Engineer (Grade 2)	1	0	

* 1 *Let's Go, Eco-Bee series*: A series of reports in the in-house newsletter detailing the Company's approach to the environment. In the series, an environmentally conscious bee named "Eco-Bee" presents an outline of various environmental issues as well as Toyota Industries' environmental protection activities.

* 2 **CEAR**: Center for Environmental Auditors Registration in Japan Environmental Association for Industry