

Global Environment Committee Meeting and Examples of Overseas Environmental Initiatives

In fiscal 2000, Komatsu held its first Global Environment Committee meeting to promote reciprocal interaction and strengthen links among Group members. Our 12 overseas production facilities have all acquired ISO14001 certification.

Global Environment Committee Meeting

In September 2000, the first Global Environment Committee meeting was held over a three-day period in the head office and the Oyama Plant. Around 50 people participated in the meeting, including 15 representatives from North America, Europe, Asia and other regions of the world. Announcements were made and discussions held related to the status of environmental initiatives and environmental issues at our overseas production facilities. In the future, we plan to hold regular Global Environment Committee meetings, including meetings overseas. In these and other ways, we intend to further improve reciprocal interaction and the quality of our environmental activities.

ISO14001 Certification Acquired at Overseas Production Facilities

At our overseas production facilities, we seek to conform to the official environmental protection policies of the respective countries and regions. At the same time, each member of the Komatsu Group pursues activities based on the Komatsu Earth Environment Charter. One step to create an effective environmental management system is the acquisition of ISO14001 certification. In fiscal 2000, we obtained the certification at one facility each in North America and Europe, as well as four facilities in Asia. As a result, 12 of our 18 overseas operations are now certified, and we plan to complete certification at the remaining six in fiscal 2001.

Examples of Overseas Environmental Initiatives

KOMATSU HANOMAG (KOHAG)

Germany, the home of KOMATSU HANOMAG, is regarded as an advanced nation in terms of environmental protection. Throughout the nation, environmental protection efforts are made as part of daily life, while importance is also placed on preservation.

With this background, KOMATSU HANOMAG obtained ISO14001 certification in September 2000 and continues to promote environmental activities geared to local circumstances. For example, that company works hard to reduce the quantity and volume of waste emissions created by its operations. It also pays attention to packaging of domestic items as well as those imported from Japan and elsewhere. Here, KOMATSU HANOMAG actively promotes the use of returnable package and general-purpose steel boxes. In the area of waste separation and collection, it uses standardized containers and has introduced a compressor to reduce waste volume. Thanks to these efforts, it has already achieved a recycle ratio of more than 80 percent.

KOMATSU HANOMAG has also consolidated its welding operations when it reorganized its plant operations. In line with these changes, that company has actively implemented meticulous measures in its factories to protect the environment and save energy. These include installing skylights, double doors at entrances and exits, and double glazed windows, as well as renewing water pipes. As a result, energy consumption was reduced by 20 percent from the previous year.



First Global Environment Committee meeting (at head office)



First Global Environment Committee meeting

Komatsu Hanomag



Improving packaging: conventional product-specific wooden crates (left) General-purpose steel boxes made to fit into containers (right)



Separated collection bins (separated and color-coded, then distributed to appropriate factory location)

KOMATSU AMERICA INTERNATIONAL COMPANY, Candiatic Plant

Since affiliated with KOMATSU AMERICA INTERNATIONAL COMPANY in fiscal 1995, the Candiatic Plant has undertaken a host of environmental protection initiatives. For example, it has eliminated use of ozone layer depleting substances (the specified CFCs and 1.1.1-trichloroethane, halons), replaced underground tanks with above ground ones, and focused on hydroelectric power and natural gas for its energy supplies.

The Plant has set targets and commenced to implement a plan aimed at reusing all waste substances by fiscal 2008. Achieving this objective will require increasing and ingraining awareness of the importance of saving energy among employees. To this end, various grassroots activities have been initiated, including replacement of disposal wiper with reusable ones.

With respect to legal regulations, the Plant continues working to achieve targets beyond those mandated by law. For example, it aims to attain a 10 percent reduction in VOCs*1 through improvements in types of paints used and paint application methods. Broader scale activities include tree planting campaigns to make the Plant greener. The Candiatic Plant obtained ISO14001 certification in October 1999.

PT KOMATSU INDONESIA Tbk

PT KOMATSU INDONESIA Tbk obtained ISO14001 certification for its assembly facility in June 2000, and is on schedule for certification at its sheet metal and foundry operations in fiscal 2001. That company's environmental

protection activities are supported by three commitments: full legal compliance, pollution prevention, and ongoing environmental improvement activities. Each year, PT KOMATSU INDONESIA makes steady progress in its drive to minimize the environmental impact of its operations. In addition to improving water treatment, the company is working to reduce the volume of water used while introducing closed-system water treatment facilities for painting and cleaning processes. By using treated water for irrigation of surrounding plants and trees, around 2,000 tons of water per year has been saved.

At its foundry, PT KOMATSU INDONESIA has reduced the volume of sand used, leading to a reduction of sand ultimately disposed of, earning that company an award from the Office of State Minister for Environment in Indonesia. In fiscal 2001, it has been pursuing a plan aimed at reducing air pollution while saving natural resource and energy consumption. The plan includes introducing efficient sand collection and reproduction equipment, as well as inverter-type collectors.

Despite a generally low awareness of environmental protection, all employees of PT KOMATSU INDONESIA work hard in the pursuit of environmental protection activities. For example, they have reduced the volume of paper used in the office by using both sides of copier/printer paper, while separating and collecting papers and wood scraps. In recent years, the Company has recycled around 120 tons of such items.

*1 An amendment to laws on cleaning up the atmosphere by ESSA in the United States cited volatile organic compounds (VOCs), including aldehyde and benzene, among 189 types of harmful air pollutants.

KOMATSU AMERICA INTERNATIONAL COMPANY, Candiatic Plant



Tree-planting campaign



Replacing underground water tanks with above ground ones (indoor installation to protect against snow)

PT KOMATSU INDONESIA Tbk



Final water treatment plant



Processed water is used to irrigate trees and other plants