

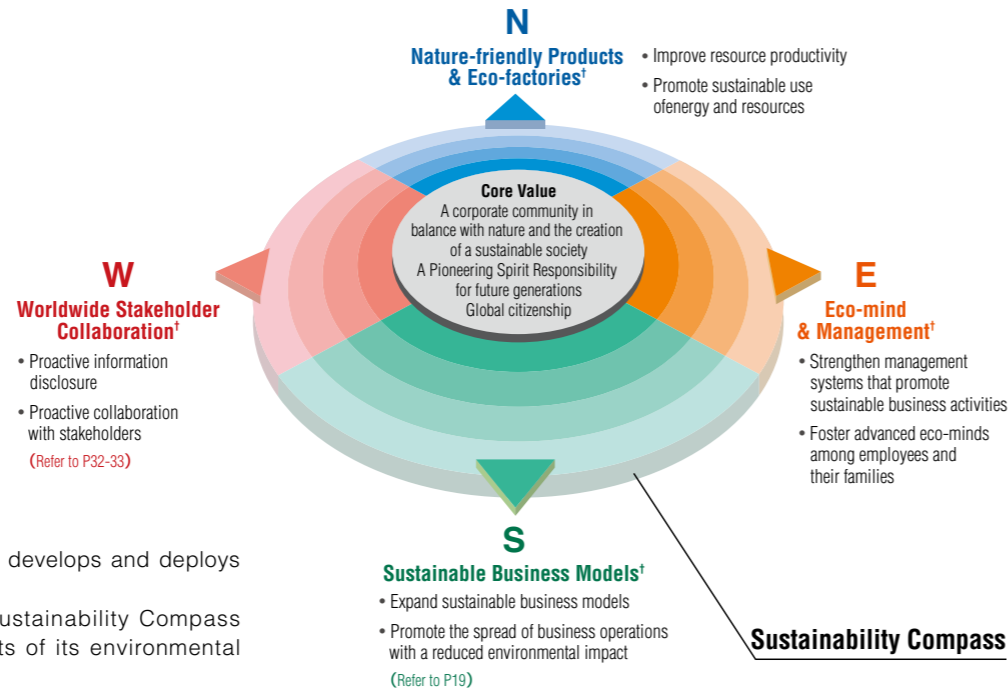
Eco-mind & Management

Environmental Management Continuous Development of Environmental Management of the Group

Based on the Global Environment Charter, Hitachi Construction Machinery promotes environmental management. The company is also engaged in various activities as in the Sustainability Compass.

Global Environment Charter

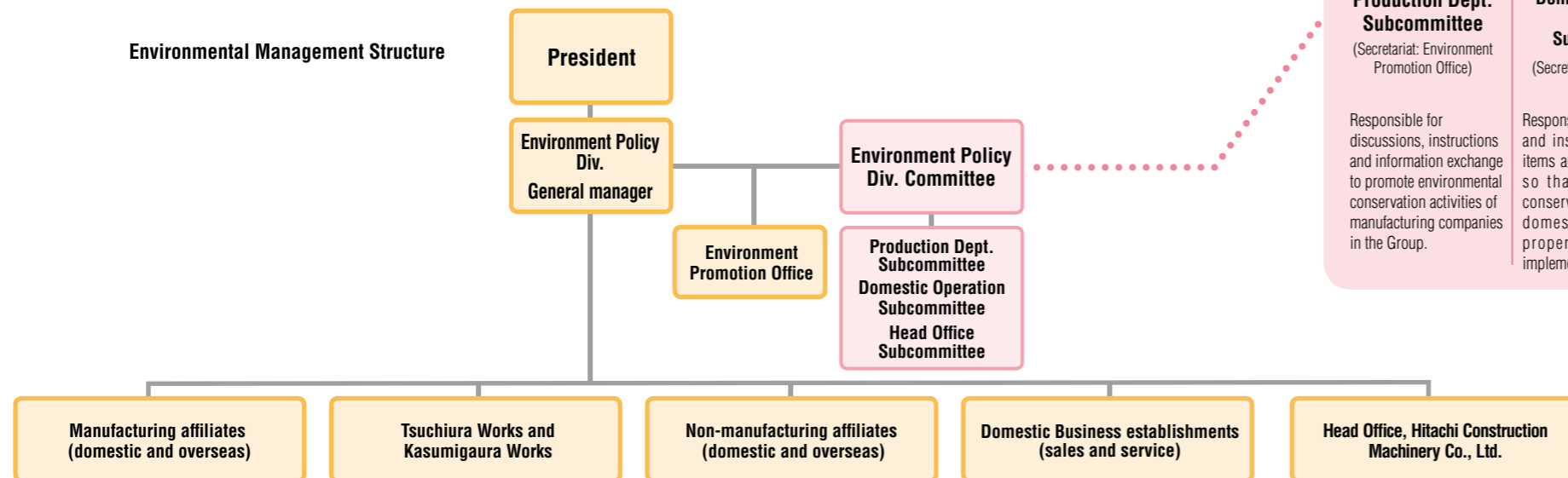
As the foundation of environmental activities, the Hitachi Construction Machinery Group set up the Global Environment Charter and positively promotes environmental conservation activities of the Group. The Environmental Conservation Action Principles in the Global Environment Charter shows directions of how environmental conservation should be realized as a global company. Based on the principles, the company develops and deploys environmental activities of the Group. It also adopts the Hitachi Group's Sustainability Compass to represent the directions and efforts of its environmental management.



Environmental Management Promotion Structure

In 1991, the Hitachi Construction Machinery Group established a cross-group functional Environment Policy Div. to promote organized environmental conservation activities of the group. Thanks to the environmental management promotion structure of the Environment Policy Div., environmental conservation activities of the Hitachi Construction Machinery Group are better linked for promoting more appropriate activities. The bi-annual meetings of the Environment Policy Div. are comprised of responsible executives, persons in charge in the

related divisions and presidents of individual Group companies. The roles of the meetings include discussions and decisions of the environmental policies and environmental activity plans of the Hitachi Construction Machinery Group and reviews of results of activities. As appropriate, the Environment Policy Div. gives guidance and instruction of environmental conservation activities to be performed by each business establishment and Group companies.



To Realize Environmental Management System such as ISO14001 in all the Group Companies

Hitachi Construction Machinery considered that establishment of a management system as a driver of environmental activities and acquired and implemented ISO14001 certification for Tsuchiura Works as early as 1997. Following that, the company recommended the establishment of management systems in Group companies and overseas establishments in order to promote improvement in environmental activities of the Group. By Fiscal 2005, eight domestic and three overseas companies acquired certification, and an additional two companies and two establishments plan to obtain the certificate in Fiscal 2006.

Implementation of Environmental Audit

In promoting environmental conservation activities of the Group, each business establishment and group company with ISO14001 and other environmental management certifications is implemented environmental auditing in order to improve individual activities.

Once in three years, the Environment Policy Div. performs environmental audits for the group companies. In Fiscal 2006, the audits for two companies are scheduled.

ISO14001 and other Standard Certification Status of the Group Companies

Company and business establishment name	Obtainment time
Hitachi Construction Machinery Head Office, Hitachi Construction Machinery Co., Ltd.	2006 (planned)
Tsuchiura Works and Kasumigaura Works, Hitachi Construction Machinery	November 1997
Hitachi Construction Machinery Tierra	November 2002
Hitachi Construction Machinery Camino	December 2005
Hitachi Construction Machinery Alba	April 2004
Niigata Material*	March 2006
Hitachi Sumitomo Heavy Industries Construction Crane	January 1999
Tadakiko	2006 (planned)
TCM	Ryugasaki Works Shiga Plants
January 1999	January 1999
Hitachi Construction Machinery Europe N.V.	Amsterdam Works
May 2005	
Hitachi Construction Machinery Indonesia	Bekasi Plant Cibitung Plant
July 2001	July 2001
Hitachi Construction Machinery (China)	October 2001

* Acquired Eco-Action 21 certification

Environmental Education based on Uniqueness of Each Establishment

The Hitachi Construction Machinery Group implements educational programs in which employees learn from hands-on experience on the theme of unique relationship between the establishment and its environment. In Fiscal 2005, employees visited the Ibaraki Kasumigaura Environmental Science Center near the Tsuchiura Works and learned from a program about global and regional environmental issues. Moreover, hands-on learning opportunities were offered including a survey on the separation of industrial waste generated in the Works. For the newly employed, a course is included in the educational curriculum for environmental education.

Roles of the Environmental Policy Div. and 3 Subcommittees below

Environment Policy Div. Committee
Responsible for discussions and decisions of the environmental policies and environmental activity plans of the Hitachi Construction Machinery Group and reviews of results of activities.

Production Dept. Subcommittee

(Secretariat: Environment Promotion Office)

Responsible for discussions, instructions and information exchange to promote environmental conservation activities of manufacturing companies in the Group.

Domestic Business Operation Subcommittee

(Secretariat: Service Dept.)

Responsible for discussions and instructions of basic items and important issues so that environmental conservation activities by domestic divisions are properly and smoothly implemented.

Domestic Business Operation Subcommittee

(Secretariat: General Affairs Dept., Head Office)

Promotes environmental conservation activities in the Head Office.

External environmental education held during the environment month (at the Ibaraki Kasumigaura Environmental Science Center)



Survey of rubbish separation at Tsuchiura Works with an additional objective of education