

Social Contributions

In order to bring about a rich society as it acts in harmony with people as a responsible corporate citizen, Komatsu has formulated five basic principles concerning its social contributions and is taking action in three distinct areas.

Basic Stance on Social Contributions

Komatsu believes that it is essential for it not only to conduct business but also to act in harmony with society as a responsible corporate citizen. For that reason, as one part of its social responsibility, the Group as a whole is actively taking on social contribution activities on a continuing basis.

Komatsu's basic stance on social contributions (the purpose and the five basic principles concerning its social contributions) is as follows.

Purpose

The Komatsu Group and its employees, as local community members, will contribute to society.

Basic Principles: Contributions shall be:

- Consistent
- In the public interest
- Voluntary
- Acceptable by employees
- Not aimed at advertisement.

Major Areas of Activities

Komatsu's main activities for social contributions are in the following three areas.

- Promotion of culture and education and development of the host local community
- Promotion of sports
- Recovery from disasters and humanitarian assistance

Promotion of Culture and Education and Development of the Host Local Community

Support for the Flower Association of Japan

As one of its contributions to society, Komatsu has been supporting the Flower Association of Japan ever since its founding in 1962. Through its cultivation and nurture of cherry trees, the Association is helping create a beautiful natural environment and a rich society.

Creating Places Renowned for their Cherry Trees

Ever since its founding, the Association has provided gifts of saplings to organizations and institutions nationwide that want to create notable venues for viewing cherry blossoms. Some 2.2 million saplings have been gifted to date. In recent years the Association has also turned its attention to the preservation and management of the cherry trees that it has helped to plant, conducting training workshops in various locations to foster the ability to nurture and maintain the trees. In this way, the Association supports the maintenance and development of notable sites for cherry blossom viewing at the local level.

National Cherry Tree Symposium

Every year, the Flower Association of Japan holds the National Cherry Tree Symposium as a forum for the presentation of various research findings related to cherry trees. The 2005 Symposium was held on May 6–7 in the town of Ikawa, Akita Prefecture, with some 600 people participating, including cherry tree researchers from around the country and representatives of local governments with notable sites for cherry blossom viewing. The 2006 Symposium convened on April 3–4 in the city of Beppu in Oita Prefecture and attracted approximately 700 participants. Topics included reports on the preservation of notable cherry blossom viewing sites as well as on goodwill activities between Japan and China through the planting of cherry trees.

Creating Local Communities Rich in Flowers

Activities to create local communities rich in flowers are grounded in the fundamental philosophy of having coexistence between the natural environment and human beings. Through the creation of a sound material-cycle society or of a living environment that is beautiful and comfortable, the Flower Association of Japan aims to raise the quality of life for local residents. The Association serves as the secretariat for the Competition of Japan in Bloom (sponsored by the Ministry of Agriculture, Forestry and Fisheries and the Ministry of

Land, Infrastructure and Transport), held in October every year, and over 1,400 entries are fielded annually.



Working to create local communities rich in flowers

Research Investigation into Strengthening and Rehabilitation of Cherry Trees

At the Flower Association of Japan's Yuki farm in Ibaraki Prefecture, research is being advanced into the propagation of saplings through tissue culturing and the strengthening and rehabilitation of trees using microorganisms, enhancing the technological capabilities around the country with regard to cherry tree conservation. Furthermore, the Association is promoting the rehabilitation of important cherry trees, such as Yamatakajindai-zakura cherry tree, designated as a national natural treasure, or the Sakurakabu cherry tree of Izu-Oshima Island, in cooperation with local authorities and others.

Rehabilitation of the Yamatakajindai-zakura Cherry Tree

The Yamatakajindai-zakura cherry tree of Hokuto City in Yamanashi Prefecture is an ancient Edohigan tree (botanical name: *Prunus pendula*) and in 1922 became the first cherry tree in Japan to be designated as a national natural treasure. The tree is said to be between 1,800 and 2,000 years of age, and legend tells of wishes to rehabilitate the tree as early as 700 years ago. In recent years it has suffered from harmful insects that have taken hold, among other things, and the branches have become weaker compared with its heyday.

The Flower Association of Japan, in conjunction with local authorities, has since 2002 conducted the planning and supervising of restoration work on Jindai-zakura cherry tree, for a period of four years. In 2004 new branches had grown to a length roughly double those of the previous year, and thus the fruits of their efforts have already come to be seen little by little.



Yamatakajindai-zakura cherry tree in Spring 2005. A roof to prevent the decay of the trunk was taken away, and many cherry blossoms appeared

Support of Education and Learning Industry-academia Tie-ups

Komatsu has entered into industry-academia tie-up agreements with four universities, namely Shandong University (Shandong, China, 2003), Yokohama National University (2004), The Graduate School of Engineering of Osaka University (2005), and Kanazawa University Graduate School of Natural Science & Technology (2005). In addition to pursuing leading-edge technology collaboratively, through partnerships with nearby Komatsu business units, Komatsu is assisting in returning some of outcomes of these activities to the host local communities.

Dispatching of Lecturers to Universities and the Like

Komatsu dispatches lecturers upon request to instruct university students in internal corporate technology development or corporate management.

Cooperative Research with Universities

In addition to conducting joint research aimed at reducing the environmental impact of construction equipment, Komatsu promotes research to pursue state-of-the-art or future-looking technologies, after discussing the intersection between Komatsu "needs" and university "seeds."

Study Tours of Plants for Elementary and Junior High School Students

In response to requests for social studies-related study tours from local elementary and junior high schools, Komatsu conducts study tours of the plant and of recycling operations and provides opportunities to ride construction equipment.

Instruction Regarding Environmental Conservation

All of Komatsu's domestic manufacturing facilities have attained zero emissions. From the stance that the results of those efforts should be utilized in activities in the host local community, the Oyama Plant has released all the know-how it has developed to date regarding zero emissions to the public. Through instructing the 15 companies in the Oyama Industrial Park, the Oyama Plant contributed to the attainment of zero emissions by all companies in the Park. In addition, taking up the theme of ESCO, which the Oyama Plant has proactively introduced, Komatsu has accepted research and study groups from both in Japan and abroad, including from various ASEAN nations. Furthermore, between 2003 and 2005, the company conducted over 40 lectures to outside audiences.

Contributions to the Host Local Community

"Open House" Day

Komatsu holds "open house" days, inviting local residents, partner companies, and family members of employees, thereby building communication with the host local community.

Cooperation with Local Events

Each business unit participates in and cooperates with festivals and other events sponsored by its local chamber of commerce.

Sports Facilities Open to the Public

Each business unit opens up its gymnasium, field, tennis courts, various other recreational facilities, and so on to citizens' groups in their areas, fostering harmony with the host local community.

Head Office Rooftop Gardens Open to the Public

The rooftop gardens of the Head Office in Minato Ward, Tokyo have been open since 1966 in the case of the Japanese-style Sakura Cherry Garden and since 2001 in the case of the Western-style deck garden. Komatsu opens its rooftop gardens to the public every Friday from 2 PM to 4 PM.

Promotion of Sports

Komatsu Women's Judo Club

The Komatsu Women's Judo Club was founded in April 1991 as part of the company's 70th anniversary commemorative activities. Since that time the club has won the championship of the All Japan Company Judo Club Competition four times. Members of the club have also demonstrated a record of excellence in individual competitions both in Japan and abroad, winning the gold medal at the Athens Olympics in 2004, among other awards.



Women's Judo Club

Judo for Kids

In addition to its regular practice, the Komatsu Women's Judo Club offers lessons for children twice a week to support the growth of the next generation of athletes.



Judo for kids

Komatsu Electronic Metals Track and Field Club

The Komatsu Electronic Metals Track and Field Club receives the support of many in the host local community and participates in events such as in the New Year's Ekiden (long-distance relay race) and the Around the Kyushu Ekiden as the team representing Nagasaki Prefecture.



New Year's Ekiden

Recovery from Disasters and Humanitarian Assistance

Assistance to the Areas Impacted by Hurricane Katrina

As reconstruction assistance for the areas impacted by Hurricane Katrina, which struck the United States in September 2005, Komatsu America Corp. made a donation to the American Red Cross through the form of matching gifts.



A donation to the American Red Cross

Assistance to the Areas Impacted by the Earthquake in Pakistan

As reconstruction assistance for the areas impacted by the October 2005 earthquake in Pakistan, Komatsu, in collaboration with its Group companies, made a donation of construction equipment. In addition, Komatsu donated funds through the Japanese Red Cross Society.

Development of Criteria for Emergency Assistance after Natural Disasters

Assistance demands urgent, immediate responses. In order to enable more rapid initial action towards emergency assistance, Komatsu has formulated criteria for deciding the specific nature of its assistance through cooperation with its Group companies near the disaster area.

Contributions to Welfare Associations, Provision of Information on Welfare Assistance Activities

Each business unit makes financial contributions to the Japanese Red Cross Society, the Akai Hane ("red feather") community chest fundraising campaign, and more. Also, through the company's intranet, Komatsu provides information on welfare assistance activities to its employees.

Support for Employees' Social Contribution Activities

With a view to supporting employees' social contribution activities, Komatsu allows its workers to take short or extended leaves of absence for volunteer activities, and for activities of particular prominence the company awards official commendation. Official commendation for volunteer activities in FY2006 went to three employees, notably an individual who has given assistance to the disabled and the elderly by organizing a volunteer group.