

**We will endeavor to preserve the environment in every aspect of corporate activities to ensure that future generations will inherit our beautiful ,irreplaceable earth.**

**Fundamental Policies**

As a manufacturer of such automotive equipment products as car air-conditionings and car air-conditioning compressors as well as such food distribution products as commercial freezing and refrigerating showcases and vending machines, the Sanden Group recognizes that it bears a social responsibility with regard to reducing the environmental impact of its products over their entire life cycles and with regard to helping solve global environmental problems.

Sanden's Corporate Philosophy positions the environment as a universal value. Based on the ideas and action guidelines described by the Corporate Philosophy, all the Company's employees are proactively striving to execute their work while giving due consideration to the need to preserve the natural environment. We have also adopted the Sanden Environmental Charter, which is being applied to all Sanden Group companies in Japan and overseas.

**Environmental Policy and Environmental Vision**

As a corporate citizen engaged in the development of global business operations, Sanden has taken measures to ensure that all of its corporate operations are executed based on due consideration of the need to preserve the environment. To provide common goals for all employees in this regard, we have established the "Environmental Vision: Eco-Excellent 2010" and "Environmental Action Guidelines," and our environmental action plans reflect the content of that vision and those guidelines.

Currently, we have adopted the Management Policy of striving to create corporate value with environment. Based on our original strengths of Quality and Global, we will achieve further growth with "Environment".

Going forward, we will operate in accordance with this management policy by powerfully promoting progress in the implementation of our environmental action plans. At the same

Environmental Chapter	
<b>Environmental Doctrine</b>	
Sanden, as a worldwide corporate citizen, recognizes that preserving the earth's environment is the most important shared responsibility of mankind. In order to pass on a safe and clean earth to the next generation, Sanden will take appropriate steps in all areas of business activities to preserve the environment.	
<b>Environmental Principles of Action</b>	
<ol style="list-style-type: none"> <li>1. Sanden will establish a specific organization to promote activities to preserve the earth's environment, and, in order to ensure these activities, will execute environmental audits and endeavor to maintain and improve the activities.</li> <li>2. Sanden will collect precise information regarding the environmental burden arising out of its activities, set an environmental objective/target, and continuously reduce the environmental burden as much as technologically and economically possible.</li> <li>3. Sanden will, in addition to complying with all environmental regulations, set up voluntary environmental standards, and engage in prevention of pollution in order to ensure further preservation of the earth's environment.</li> <li>4. Sanden will eliminate, as far as possible, any toxic substance which causes a burden to the earth's environment through the adoption of alternative technologies, conversion into alternative materials, collection, and recycling.</li> <li>5. Sanden will engage in saving resources and energy, recycling, and minimizing industrial waste in all areas of business activities.</li> <li>6. Sanden will undertake environmental educational in-house activities for all its employees at all levels, in order to enhance consciousness of preserving the earth's environment.</li> <li>7. Sanden will contribute to society as a community member by voluntary participation in the environmental preservation activities of the local communities.</li> <li>8. Sanden will, in order to obtain better understanding and cooperation with regard to the preservation of the earth's environment, offer PR activities on a broad base to the community, and provide information as required.</li> </ol>	

**Sanden ECO Vision 2010**

Environmental Vision: Eco-Excellent 2010	
Providing our leading customers around the world with products, systems, and services that feature "equal environmental quality"	
Eco- Products	Enhancing environmental functions of products and promoting the development of environmental technologies <b>Aiming for an Eco-Product Ratio of 100% by 2010</b>
Eco- Factories	Eliminating "all forms of waste" from our offices and other business locations <b>Aiming to Reduce Energy Use 10% (from 1990 levels) by 2010</b>
Eco- Management	Improving environmental management and integrating systems <b>Integrating the EMS of Our Business Locations in Japan by 2007</b>

**The Five Environmental Action Guidelines**

1. Develop environmentally responsible products and environmental technologies
2. Conduct green procurement, sales, and service activities
3. Conduct environmental protection activities that promote cost effects and environmental improvements
4. Upgrade the environmental management system
5. Increase community activities involving the environment

time, we will be closely watching developments in the international debate regarding greenhouse gas reduction targets as we work

to draft the next version of our Environmental Vision along with our medium-term goals.

## ■ Progress in Environmental Management Systems

Based on its Environmental Charter and Environmental Vision, Sanden has drafted Environmental Action Guidelines. Based on these guidelines, all Sanden Group companies in Japan and overseas set themselves targets for each fiscal year and implement diverse environmental programs at each of their facilities.

Our environmental management systems are operated in accordance with ISO 14001 international standards for environmental management systems, and we employ PDCA cycles as we undertake the sustained implementation of environmental activities. The scope of our environmental management system encompasses manufacturing facilities as well as principal nonmanufacturing facilities (the head office, marketing offices, and the Technical Center), and we have progressively obtained ISO 14001 certification for those facilities since 1997. As a result, at the end of fiscal 2008, we had obtained ISO 14001 certification for 35 facilities-15 in Japan and 20 overseas. Thus, 94% of Sanden Group employees are engaged in environmental activities based on the ISO 14001 standard.

Environmental activities at each site are subjected to a Companywide environmental audit (internal audit) conducted several times each year to confirm that operations are in conformance with the Companywide policies and plans. The audit also calls for management reviews of the activities of environment managers and representatives of each site, with the goals of ensuring compliance with Environmental Action Guidelines as well as sustained improvement efforts.

Having positioned environmental activities as a top priority management task, Sanden has established its Central

Environment Committee, which is chaired by the Company's director in charge of environmental affairs and meets four times each year to draft Companywide policies and confirm that such policies are being thoroughly implemented.

In addition, to promote environmental management at each Sanden Group company in Japan, a conference of domestic Group companies' environmental activity promotion managers is held each month. These conferences work to ensure the sharing of information related to environmental policies and issues.

To promote sharing among the environmental activities of overseas Sanden Group companies, we organize a Global Environmental Management Promotion Conference once every two years.

is crucial to increase the environment consciousness of all employees and enable them to obtain requisite environmental knowledge.

The Sanden Group implements two categories of environmental education programs—general education and special education programs.

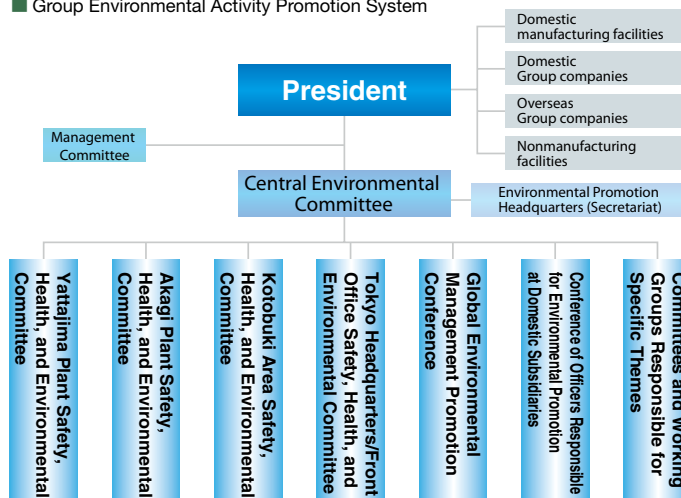
In fiscal 2008, we implemented an environmental education program for all technical staff while also giving emphasis to education and development related to life-cycle assessment (LCA), environmental efficiency indicators, material flow cost accounting (MFCA), and responses to harmful chemical substance regulations.

In fiscal 2009, we have begun implementing an environmental education program for all marketing staff that is designed to ensure that our marketing staff have strong capabilities for describing and discussing important environmental issues.

## ■ Implementation of Environmental Education Programs

To ensure the realization of the Management Policies, it

### ■ Group Environmental Activity Promotion System



■ A general environmental education program (part of education for newly hired employees)



■ A special environmental education program (LCA education)

