CSR Framework

Basic Policy on CSR

We believe the Kawasaki Group's highest CSR priority is realizing the Group Mission, "Kawasaki, working as one for the good of the planet." Accordingly, we actively identify global social issues and aim to solve them by providing products and services driven by innovation and the pursuit of synergies within the Group. In addition, to earn and maintain the trust of society, we have made it the Kawasaki Group's basic policy on CSR activities to promote constructive dialogue with stakeholders and reinforce initiatives in such areas as ensuring fair business practices, preventing corruption, and promoting consideration of the environment and human rights.

Based on this policy, we have identified material issues that define the scope of our CSR activities, informing Group-wide CSR management. We will continue CSR-related efforts based on stakeholder expectations and demands and thereby reinforce our foundation for value creation.

Medium-term CSR Policy, Targets, and Performance

In fiscal 2017, management defined CSR-related material issues for the Kawasaki Group to address and reviewed the CSR activity framework, positioning material issues related to the creation of social value through business as top priorities to be achieved over the long term and all other material issues as CSR issues that underpin the management foundation. Under the new framework, we have clarified the divisions and individuals responsible for as well as our ideals and key performance indicators for key items related to the creation of social value through business and environmental, societal and governance (ESG) issues. We monitor accomplishments related to these key items every year. We implement a plan-do-check-act (PDCA) cycle while working to enhance our CSR activities.

For details, please refer to Material Issues 🚫 (page 8).

CSR Promotion System

The Corporate CSR Committee is charged with deliberating and determining Group-wide CSR policy and material issues concerning CSR and compliance. With the president of Kawasaki as the chair, the committee is composed of directors, internal company presidents, Director in charge of CSR and Head Office division heads. The attendance of Outside Directors is requested so that the committee can glean the benefits of their external expertise and opinions, and reflect them in its decision-making process. Also, Audit & Supervisory Committee Members participate in the committee as part of their auditing of the execution of business.

The Corporate CSR Committee meets at least twice a year in principle. In fiscal 2019, it met three times.



CSR Promotion System

Responsible Officers

Chair of Corporate CSR Committee: Yasuhiko Hashimoto, Representative Director, President and Chief Executive Officer

Katsuya Yamamoto, Representative Director, Vice President and Senior Executive Officer (in charge of CSR)

CSR Education and Awareness Building throughout the Company

Utilizing a variety of tools, such as educational seminars and its Company intranet, the Kawasaki Group carries out education and awareness-building programs related to CSR and compliance for its officers and employees.

CSR and compliance education and awareness building are provided through grade-specific seminars and training for such groups as new employees; newly appointed assistant managers, managerial staff, associate officers and executive officers; persons in charge of overseas businesses; and mid-career hires. In addition, to ensure that all Group employees are fully informed with regard to CSR, we regularly provide CSR- and compliance-related information via our Japanese-language Group newsletter Kawasaki and our Group-wide English- and Chinese-language newsletter Kawasaki On The Move!

Participation in Third-Party Initiatives and Organizations

Participation in Third-Party Organizations

The following is a list of organizations and advisory institutions in Japan where Kawasaki representatives hold official positions (as of September 1, 2020).

Shipbuilders' Association of Japan, vice-chairman and chairman of Technical Affairs Committee Society of Japanese Aerospace Companies, chairperson

Japan Aircraft Development Corporation, chairman (representative director) and councilor Japan Robot Association, director

Japan Association of Rolling Stock Industries, chairman and director

Japan Overseas Railway System Association, chairman and director

Japan Machinery Federation, general director

Japan Coal Energy Center, vice-chairperson

Japan Association for Trade with Russia & NIS, president

New Industry Research Organization, chairman and president

Kansai Economic Federation, councilor

Kawasaki representatives also hold membership positions in the Japan Business Federation (Keidanren), Japan Automobile Manufacturers Association and Japan Electrical Manufacturers Association.

Participation in International Initiatives

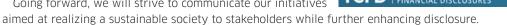
• United Nations Global Compact

Kawasaki has signed the United Nations Global Compact and participated in related activities since January 2020. In addition, we take part in the Global Compact Network Japan, the local network in Japan.

As a signatory company to the United Nations Global Compact, Kawasaki supports the Compact's 10 principles in the four areas of human rights, labor, environment and anti-corruption and is advancing initiatives accordingly.

Task Force on Climate-related Financial Disclosures

In September 2019, Kawasaki officially endorsed the recommendations of the Task Force on Climaterelated Financial Disclosures (TCFD). TCFD | TASK FORCE ON CLIMATE-RELATED | FINANCIAL DISCLOSURES



WEB

Participation in International Initiatives https://global.kawasaki.com/en/corp/sustainability/initiatives.html **United Nations Global Compact** https://www.unglobalcompact.org/ The Ten Principles of the UN Global Compact https://www.unglobalcompact.org/what-is-gc/mission/principles Global Compact Network Japan (Japanese language only) https://www.ungcjn.org/ Task Force on Climate-related Financial Disclosures https://www.fsb-tcfd.org/

Going forward, we will strive to communicate our initiatives

