

Key Areas in Our Social Contribution Activities

Key Area 1

● Contribution to Local Communities

● Overview (relevance to our business)

We carry out activities for supporting sports and community exchange events, mostly in regions where we have offices or works. In Okinawa, many of our employees have taken part in coral reef regeneration activities as volunteers.

● Effects on Business

These activities help improve our presence in these communities.

● Effects on Society

Through these activities, we contribute to the sustenance and development of local communities.

Key Area 2

● Support for the Next Generation

● Overview (relevance to our business)

As a company that specializes in technological development and its widespread application, employees of the Kawasaki Group develop science education programs and hold handicraft and experiment courses for elementary school students in different communities.

● Effects on Business

These activities help improve employees' communication abilities and motivation while improving the Group's brand reputation.

● Effects on Society

By carrying out these science education programs on a regular basis, we contribute to building children's interest in science.

Key Area 3

● Realization of a Society Coexisting with Nature

● Overview (relevance to our business)

The Kawasaki Group upholds its contributions to the global environment as a key element of its Group Mission, and aims to create societies that coexist with nature. As part of these efforts, we are engaged in forest conservation activities in two locations: Hyogo Prefecture and Kochi Prefecture. This also helps to build environmental awareness among our employees and promote personal exchange with our communities.

● Effects on Business

These activities help to build environmental awareness among our employees, and also improve our reputation as an environmentally sensitive company.

● Effects on Society

We calculate and disclose the amount of CO₂ absorbed through these forestation activities.

Social Contribution Activities by Type (totals for Kawasaki and Kawasaki Good Times Foundation in the United States)

	(FY)	2015	2016	2017	2018	2019
Donations and philanthropy	%	40.78	42.18	47.34	34.86	36.29
Investments (ongoing partnerships with NGOs, etc.)	%	29.17	31.20	32.62	45.71	46.47
Advertising and marketing (support funding, campaigns, etc.)	%	30.06	26.61	20.03	19.42	17.24
Total	%	100	100	100	100	100

Note: Because the above figures are rounded to the second decimal place, the percentage figures may not add up to exactly 100%.

Social Contribution Activity Expenditure (totals for Kawasaki and Kawasaki Good Times Foundation in the United States)

		(FY)	2015	2016	2017	2018	2019
Total		Millions of yen	605	697	670	653	712
Breakdown by category	Vitalization of industry and economy	Millions of yen	64	95	100	178	205
	Communities	Millions of yen	258	300	266	154	198
	Education	Millions of yen	126	136	173	216	214
	Culture, sports	Millions of yen	121	121	73	59	59
	Welfare and humanitarian aid (including disaster relief)	Millions of yen	20	22	38	22	7
	Others (including environmental safety, and disaster prevention)	Millions of yen	16	23	20	24	28
Expenditure type	Provision of funds	Millions of yen	194	238	191	155	146
	Provision of goods	Millions of yen	220	239	234	236	238
	Employee volunteer activities	Millions of yen	191	220	245	262	328
	Indirect management costs	Millions of yen	0	0	0	0	0
Percentage of current earnings		%	0.65	1.90	1.55	1.73	1.76

Note: It includes expenses for donations, support funding, in-kind contributions and requests for support from third-party organizations, and cost of labor of employees assigned to third-party organizations (including expenses incurred by Kawasaki). It does not include internal cost of labor of employees or expenses associated with the use of facilities.

Measuring the Effects of Our Social Contribution Activities

Effects of Our Social Contribution Activities (output, outcome, and impact)

We quantify the performance of main activities in the key areas of our social contribution activities as KPI to make further improvements to the effectiveness of these activities.

● KPI/Performance of Our Social Contribution Activities (consolidated domestic)

		(FY)	2015	2016	2017	2018	2019
Social contribution expenses for communities		Millions of yen	258	300	266	154	198
Kawasaki Good Times World visitors		Thousands of people	221	219	247	227	198
Handicraft experiment courses	Participants		365	415	435	519	463
	Events held		16	21	24	25	21

(Fiscal 2019)

Forest conservation activities			Taka, Hyogo prefecture	Niyodogawa, Kochi prefecture
Participants	Persons		195	64
Activities per year	Number of activities		3	1
Area	ha		0.5	0.3
CO ₂ absorption amount	t-CO ₂		0.97	15.0
Tree planting	Trees		0	0