

Kawasaki Group Policy on Quality Management

1. Fundamental Concepts

The Kawasaki Group believes that contributing to the well-being of people and the good of the planet into the future via the creation of new value is an integral part of its social responsibilities. Simultaneously, the Group considers the provision of high-quality products and services that satisfy customers to be a matter of crucial importance that can affect its business continuity and, therefore, must be enumerated as one of Kawasaki Group Management Principles. Accordingly, the Group hereby establishes its basic policy for quality management as below so that all Kawasaki Group business units remain effective, efficient and active in the creation of customer value and capable of ensuring proper quality management.

2. Quality Management Policy

(1) Purpose and Scope of Application

The purpose of this policy is to ensure that all Kawasaki Group employees fully understand the importance of quality management in business activities and properly act on such awareness. Therefore, this policy applies to all business activities undertaken by the Kawasaki Group.

To this end, the Group will strengthen comprehensive quality management via collaboration among all business units across the board. Specifically, the Group will strive to make the status of operational processes carried out at every department more visible in order to identify issues and facilitate improvement. The Group will also work to streamline, standardize, unify and otherwise upgrade such processes to raise the quality of output in relation to customer value, attain higher productivity and reinforce its ability to promote business structure reforms and ensure total optimization.

(2) Compliance

The Kawasaki Group will strictly comply with laws, regulations and rules associated with quality management in addition to upholding relevant international standards and codes of conduct, such as ISO quality management system standards.

(3) Quality Management System

The Kawasaki Group will constantly develop and steadfastly operate a robust management system designed to realize organizational as well as ongoing quality management.

(4) Response to Quality Incidents

The Kawasaki Group will ensure the timely and proper response to any incident associated with quality management (e.g., a grave quality

problem or defect that could exert a material impact on customers and society, inflict severe damage to the Group's credibility or require a product recall or mandatory reporting to relevant authorities) or the possibility of such incident. To minimize the impact of such an incident should it occur, the Group's response will include the swift disclosure of information, the provision of robust explanations, investigations into its root causes and the implementation of measures to prevent recurrences.

(5) Education and Training

The Kawasaki Group will regularly provide all its officers and employees with quality management-related required education and training according to their duties, with the aim of helping them raise their quality management awareness.

(6) Constant Improvement

The Kawasaki Group will carry out the periodic inspection and evaluation of the status of its operations in terms of quality management to make continuous improvement.

(7) Quality Management Involving Suppliers

The Kawasaki Group will ask its suppliers to similarly implement quality management involving the initiatives listed above, based on a belief that the Group's quality management hinges on close partnership with them.