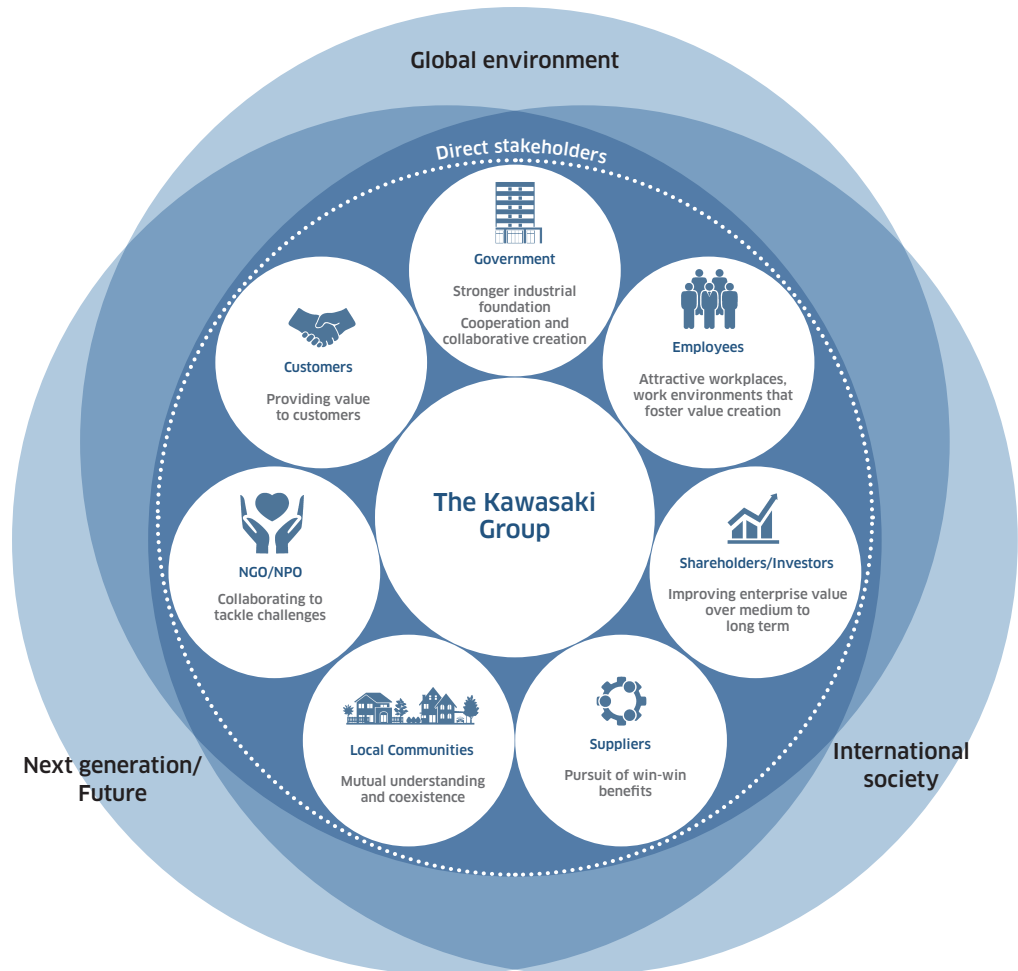


Stakeholder Engagement

State of Stakeholder Engagement

The Kawasaki Group Stakeholders

The Kawasaki Group actively acknowledges the expectations and requests of stakeholders and aims to create social value by meeting those expectations and requests through its business activities while working to raise enterprise value. Through stakeholder dialogue, we strive to enhance information disclosure and deepen communication and thus strengthen bonds of mutual trust.



Communication with Stakeholders


The Kawasaki Group works to gain a good understanding of and make improvements to issues by communicating with stakeholders through a variety of means in its daily business activities. Furthermore, in addition to day-to-day dialogues, we promote communication with experts and international institutions—positioning the views that these individuals and entities offer as representative of society at large—and reflect these exchanges in our activities.

Communication with Customers

Through our day-to-day sales activities, we carry out ongoing communication with our customers regarding their demands and desires. We have also set up customer inquiry contact points for different product types and sales formats, and we conduct annual customer satisfaction surveys.

Through sales companies in and outside Japan, the Motorcycle & Engine Company conducts surveys of customers who have bought new Kawasaki motorcycles regarding their opinions of their vehicles. It has also set up customer contact points to respond to inquiries about products. In the event of a vehicle recall, the relevant information is quickly posted on the company’s website.

In addition, to support customers' enjoyment of motorcycling, the Motorcycle & Engine Company operates the motorcycle user social group Motorcycle KAZE, regularly organizes new product announcements and social events, and holds safe riding classes in various regions as part of its contribution to traffic accident reduction efforts.

Expectations and Demands for the Kawasaki Group	Creation of products and services that meet customer expectations and address issues they face; response to customer complaints and inquiries; appropriate disclosure of product and service information
Response to Expectations and Demands	For details, please refer to Customer Relationship Management  (page 67).

Communication with Shareholders and Investors

The Kawasaki Group works to ensure fair, timely and appropriate disclosure based on its Disclosure Policy (published on the corporate website) and actively communicates with shareholders and investors through a broad range of IR activities in Japan and overseas.

Furthermore, through proactive communication with shareholders and investors, we aim to foster understanding of the Group's principles, corporate policy, business strategy, and ESG initiatives to secure greater trust.

- Fiscal 2019 Communication Activities
IR meetings with institutional investors: 213
- Participants in Factory Tours for Shareholders
November 2019 (Gifu Works): 126

Expectations and Demands for the Kawasaki Group	Timely and appropriate information disclosure; reflection of shareholder and investor perspectives in management
Response to Expectations and Demands	So that requests received at IR meetings and the General Meeting of Shareholders are reflected in management, we pass them on in the form of feedback to the relevant divisions.



Investors

<https://global.kawasaki.com/en/corp/ir/index.html>


Disclosure Policy

https://global.kawasaki.com/en/corp/ir/policies/disclosure_policy.html

Communication with Suppliers

Kawasaki's purchasing departments communicate with suppliers in the course of day-to-day procurement. In addition, to ensure adequate communications outside of procurement activities, we organize training programs, liaison meetings and other events with suppliers in Japan.

Since fiscal 2016 we have been implementing CSR procurement questionnaire survey of our suppliers in and outside Japan as part of CSR procurement efforts implemented together with our suppliers.

Expectations and Demands for the Kawasaki Group	Solid partnerships with our suppliers based on relationships of mutual trust; enhancement of supply chain risk management and enterprise value through CSR procurement
Response to Expectations and Demands	For details, please refer to Working with Suppliers  (page 60).

Communication with Employees

The Kawasaki Group issues the monthly Group newsletter *Kawasaki* in Japanese and the English and Chinese language Group newsletter *Kawasaki On The Move!* to provide information on our corporate activities and performance in an easy to understand format. We also provide a broad range of information and updates via our Company intranet. Furthermore, we hold grade-specific training programs where participants learn about our corporate systems and setup, management policy, business strategy, and other knowledge necessary to complete their duties.

With regard to employee career advancement, we help employees create future career roadmaps through dialogue with their supervisors that are held every six months to provide feedback regarding their performance.

To ensure that employee input is appropriately reflected in how the Company functions, we hold regular talks with the labor union, which represents employees and with which we have signed a labor agreement. In addition, we have set up a suggestion box on the Company intranet through which employees can directly request improvements to operations. We regularly post examples of improvements based on requests received through the suggestion box on the Company intranet for employees to review.

We also conduct periodic employee satisfaction surveys to gauge employee satisfaction and better understand and respond to their needs. In fiscal 2014 and 2018, we conducted employee satisfaction surveys of all employees and temporary staff of the domestic Group. In fiscal 2016, we carried out satisfaction surveys of certain executives and managers at Group companies outside Japan.

<p>Expectations and Demands for the Kawasaki Group</p>	<p>Employee-friendly workplaces; effective use of human resources; appropriate treatment of human resources; promotion of occupational safety and health</p>
<p>Response to Expectations and Demands</p>	<p>For details, please refer to Diversity 🔗 (page 72), Securing and Retaining Human Resources 🔗 (page 84), and Occupational Safety and Health 🔗 (page 91).</p>

Communication with NGOs and NPOs

In addition to disclosing information, we engage in dialogue as needed when being assessed or surveyed by international environmental, social, and governance (ESG) assessment organizations or international non-government organizations (NGOs), such as Transparency International. Based on the results of such assessments and surveys, we work to improve disclosure and revise initiatives.

Furthermore, we work with local non-profit organizations (NPOs) as part of our social contribution activities.

<p>Expectations and Demands for the Kawasaki Group</p>	<p>Incorporation of a broad range of social opinions; contribution to society through not-for-profit activities.</p>
<p>Response to Expectations and Demands</p>	<p>For details, please refer to Social Contribution Activities 🔗 (page 107), and Third-party Evaluations 🔗 (page 111).</p>

Communication with Local Communities

Personnel at our business sites and the Head Office communicate with local residents in the course of business operations. In addition to pursuing thorough noise and waste management, we strive to raise awareness among employees to prevent rude or inappropriate behavior and quickly respond to any complaints received from residents.

We also organize events and activities that help maintain and develop local communities, seeking to ensure harmonious coexistence with them.

<p>Expectations and Demands for the Kawasaki Group</p>	<p>Fulfillment of our responsibilities as a corporate citizen; participation in communities</p>
<p>Response to Expectations and Demands</p>	<p>For details, please refer to Social Contribution Activities 🔗 (page 107).</p>

Communication with the Government

The Kawasaki Group makes policy proposals to the government through its participation in business and industry organizations.

In addition, we communicate with the government through active participation in industry/government/academia projects via open innovation efforts, such as joint research.

Expectations and Demands for the Kawasaki Group	Compliance with laws and regulations; policy proposals; participation in industry/government/academia projects
Response to Expectations and Demands	For more information about open innovation please refer to Research and Development (page 45).

Working with Stakeholders

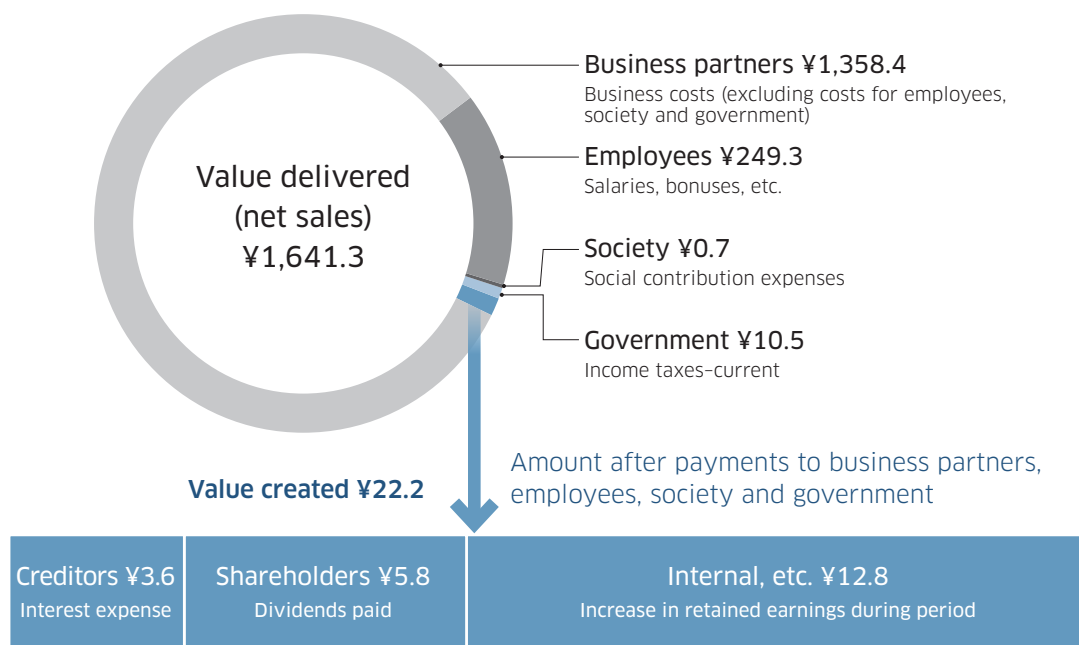
Since 2014, Kawasaki's Fukuoka Office has worked with the Fukuoka City NPO/Volunteer Center 'Asumin,' mainly to hold annual handicraft and experiment courses for children in Fukuoka City. Kawasaki supports the activities of this organization, which promotes citizen-led community building, and is working with it to contribute to the development of young people in the area.

 **Fukuoka City NPO/Volunteer Center 'Asumin' (Japanese language only)**
<https://www.fnvc.jp/>

Creation and Distribution of Value for Stakeholders

(Billions of yen)

Value Created and Distribution of Value to Stakeholders



(Fiscal 2019 figures)