"Kawasaki, working as one for the good of

the planet"

The Kawasaki Group consistently creates new value by drawing on diverse, sophisticated technological capabilities to contribute to solutions to social issues around the world.

Global Social Issues Greater movement of people and goods in step with globalization Heightened environmental risk Emerging countries: Insufficient social infrastructure Developed countries: Graying of society, shrinking working population

Kawasaki Group Management Resources Invested capital ...¥1,023.0 billion Manufactured capital Global production structure Capital expenditures... ¥70.4 billion Key production sites **19** in Japan 21 overseas Intellectual capital 120 years of experience and know-how Advanced technological capabilities across extensive domains ¥52.6 billion Human capital A technology-based Group pursuing quality Number of employees.....36,332 Social and relationship capital Kawasaki brand Relationships of trust built with business partners over many Natural capital (non-consolidated) **Energy consumption 6.348** _тյ (heat conversion)...

Procured amount of raw materials

(steel)

Kawasaki Value • We respond to our customers' requirements • We constantly achieve new heights in • We pursue originality and innovation **Business Portfolio** Wide-ranging technological strengths Inter-business **Value Creation Drivers** The Medium-Term Business Plan 2019 April 2019 - March 2021 **Kawasaki-ROIC Management** The Foundation Supporting Our Business **Activities (ESG Initiatives)**

Business Activities and Strategy

Providing pioneering innovative products and services **Key Products** Before-tax ROIC*. (Fiscal 2019 figures) CO₂ emissions from business activities (non-consolidated) 285 kt-CO₂ Reduction of CO2 emissions through 23.138 kt-co₂ product-based contributions (non-consolidated) (Fiscal 2019 figures) * ROIC (Return on Invested Capital): A management indicator that shows how much profit is generated with the capital invested in a business Value created and distributed to stakeholders (Billions of yen) Business partners ¥1,358.4 Business costs (excluding costs for employees, society, and government) Employees ¥249.3 Value delivered Salaries, bonuses, etc. (net sales) ¥1,641.3 Society ¥0.7 Social contribution expenses Government ¥10.5 Income taxes-current Amount after payments to Value created ¥22.2 business partners, employees, society, and government Creditors Shareholders ¥5.8 Internal, etc. ¥12.8 Dividends paid

Key Outputs

Provide safe and secure, clean, comfortable movement of people and goods by land, sea, and air Create clean energy Improve social infrastructure, especially in emerging countries

Created Social Value

(Fiscal 2019 figures)

4.2%

4.0%

External Environment and Risks

. **110** kt-co2

(Fiscal 2019 figures)

Changes in Industrial Structures

- Technological innovation
- The evolution of AI and IoT

Climate Change

- Global warming
- Major natural disasters

Currency Fluctuations

• Impact on revenue due to the Group's large proportion of overseas sales

Economic Trends

- Impact via capital expenditure
- Impact of the COVID-19 pandemic

Respond to the needs of

an aging society and shortage of

labor through automation

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