

KPIs and Results for Materiality

Material issues (materiality) are divided into two broad categories: “social and environmental value created through our business” and “the foundation of our business activities.” We set quantitative targets and KPI for each item of the latter and are monitoring progress in our business activities.

For more details, refer to p. 13 Process for Identifying Materiality.

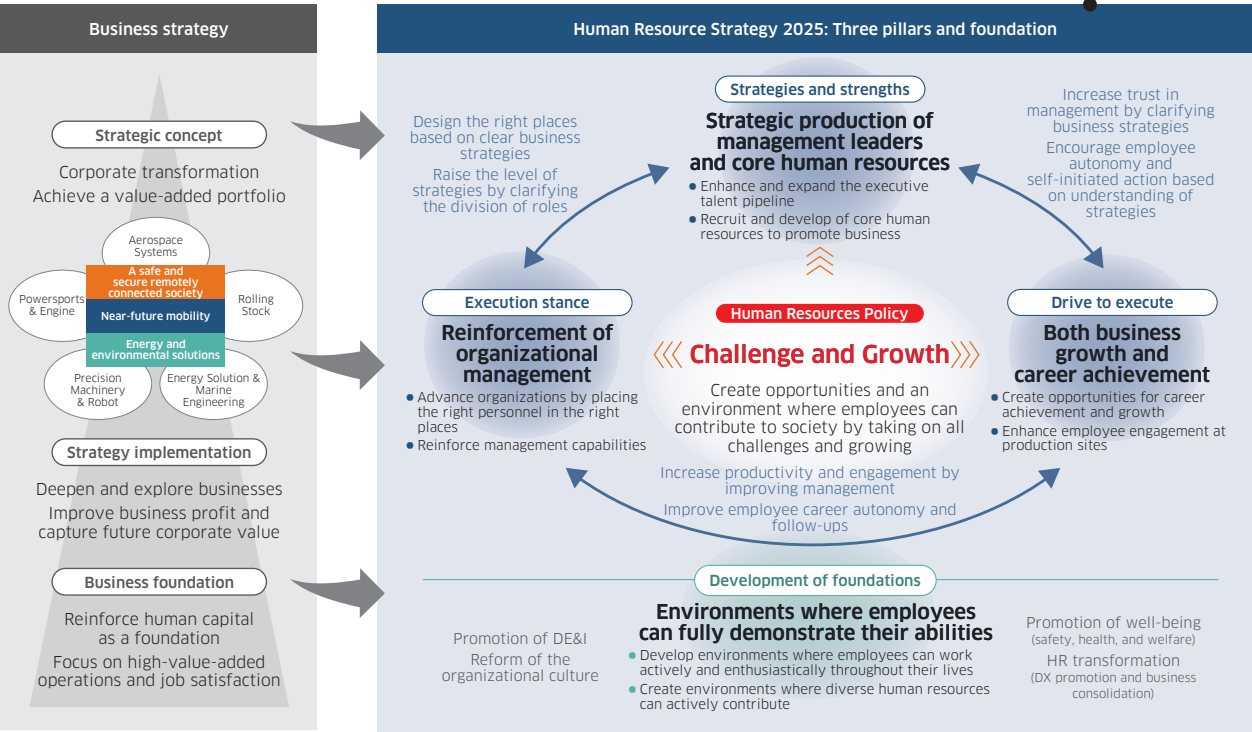
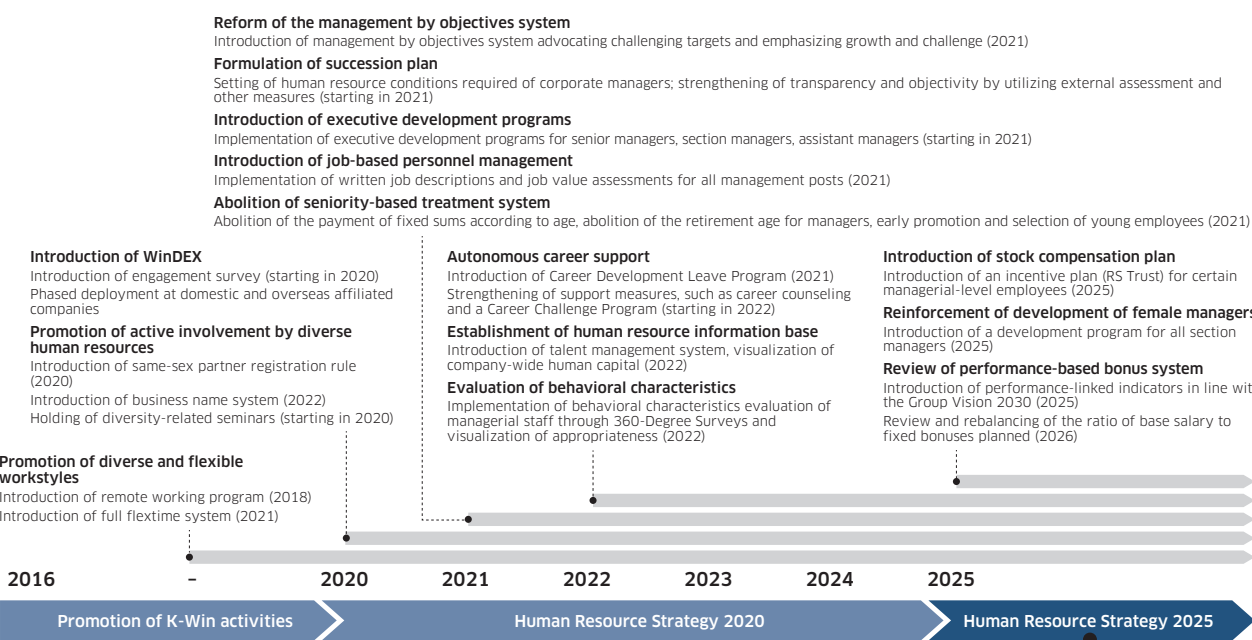
KPIs and Results for Materiality
https://global.kawasaki.com/en/corp/sustainability/materiality/task_kpi.html

The foundation of our business activities		Goals of Group Vision 2030	Priority matters	Target indicators (or key performance indicators)	Fiscal 2024 results
Items of particular importance going forward (items that will have an ever-increasing impact on future finances)	Energy and environmental solutions (Value chain)	● Implement, to the maximum extent, feasible measures concerning Scope 3, to steadily work toward the milestone of becoming Zero-Carbon Ready by 2040.	● For category (i), reduce CO ₂ emissions by suppliers of materials and parts ● For category (xi), pursue a lineup of CO ₂ -free standard solutions in all businesses	Scope 3 (category (i))	4,604,237 t-CO ₂ (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
				Scope 3 (category (xi))	26,430,330 t-CO ₂ (The Kawasaki Group)
				Initiatives to reduce category (i) of Scope 3	Held carbon neutrality networking and seminars and started collecting information on emissions of suppliers
	Business and Human Rights	● No violations of human rights throughout the value chain and no complicity in human rights violations.	● Implement human rights due diligence among subsidiaries and suppliers	Number of human rights impact assessments conducted for subsidiaries	● Implemented SAQ targeting 45 domestic subsidiaries ● Conducted employee hearings at two overseas subsidiaries
				Number of improvements and corrective actions based on the self-assessment questionnaire (SAQ)	● Made requests for improvement to five domestic subsidiaries subject to SAQ in fiscal 2024 ● Of the requests for improvement made in fiscal 2023, four companies took corrective action
				Number of reports from outside stakeholders	19 reports (total number of reports to supplier hotline and Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) hotline)
	Promotion of Human Resources Activities	● Strengthen and effectively use human capital (efficient allocation and human resource development) to achieve Group Vision 2030. ● Enhance employee engagement and build a company culture in which employees can continue to work with enthusiasm. ● Promote diversity, equity, and inclusion (DE&I) to build an organization in which a wide array of employees can maximize their individuality and potential.	● Implement the personnel system reform and human resource development in ways that enhance corporate value ● Promote DE&I	ROI from human resources	1.76 (The Kawasaki Group)
				Ratio of employees for whom both “engagement (job satisfaction)” and “enablement (productive work environment)” are high (employee engagement survey results)	31% (The Kawasaki Group [Japan])
				Proportion of women in managerial positions	2.5% (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
				Rate at which women, foreign nationals, and individuals with mid-career hires are promoted to senior manager or above	8.7% (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
				Wage differences between male and female employees	67.5% (The Kawasaki Group [Japan])
				Rate at which male employees take childcare leave	29.6% (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
	Technological development / Digital transformation (DX)	● Deliver new products and new businesses to market which contribute to the resolution of global environmental and social challenges. ● Successfully acquire and utilize intellectual property rights linked with business strategies. ● Promote process innovation, increase sophistication of processes and integrate digital technologies throughout the value chain.	● Promotion of open innovation ● Building of intellectual property strategy (strengthening of intellectual property strategy) for the co-creation of new businesses ● Promotion of digital transformation (DX) throughout the value chain	Number of cases of major external collaborations (number of cases disclosed in news releases)	11 cases (Started joint research into absorbing CO ₂ from the air and trapping it in concrete, formally introduced an in-hospital delivery service using robots, etc.)
				Number of patents held (calendar year basis)	Japan: 3,188 patents / Overseas: 4,637 patents
				R&D expenses	48.9 billion yen
				Number of personnel trained as DX promotion human resources	● AI fundamentals training: 10 persons ● DX & IT literacy training (pilot program): 25 persons ● Microsoft 365 fundamentals training: 23,211 persons
Items that were emphasized in the past, but which will be steadily reinforced going forward	Product liability/safety	● Deliver trustworthy and safe products and services from the customer’s perspective based on consistent quality policies covering from top management to work-site operators.	● Promote Total Quality Management (TQM) activities	Certification status of quality management system (ISO 9001)	73.1% (total of domestic and overseas manufacturing sites)
	Compliance	● Monitor as accurately as possible the risks of committing compliance violations. ● Build an inclusive and effective compliance system tailored to given risks, and continuously manage and regularly update this system.	● Further improve compliance awareness throughout the Group ● Strengthen anti-corruption measures throughout the Group	Attendance rate for compliance training for overseas	90.8%
				Number of whistle-blowing system reports	Japan: 92 reports / Overseas: 4 reports
				Number of cases of compliance violations	Japan: 15 cases / Overseas: 1 case
	Occupational safety and health	● Ensure that there are no serious occupational accidents Group-wide. ● Reduce the need for sick leave. ● Maintain and improve employee health.	● Implement appropriate occupational safety and health measures: to prevent work-related accidents, to reduce the need for sick leave, and to encourage employees to improve lifestyle habits	Lost Time Injury Frequency Rate (LTIFR) (calendar year basis)	0.35 (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
				Absence rate (day basis) due to sick leave (calendar year basis)	9.6 (Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, and Kawasaki Motors)
	Information security	● Maintain and manage cyberattack response and the protection of customer and product information with the world’s highest level of security.	● Strengthen information security governance throughout the Kawasaki Group	Scores of 80 points or more for all domains owned by KHI from security risk rating	Percentage of domains exceeding target values: 76%
				Interruption of production activities due to cyberattacks: 0 incidents	0 incidents
A wide range of items to be addressed (activities relating to both of the above)	Sustainable supply chain management	● Remain aware of environmental, human rights, and other risks associated with the entire supply chain and work with suppliers to promote sustainability.	● Revise and distribute Sustainable Procurement Guidelines ● Implement sustainable procurement survey of suppliers and review or audit based on their responses ● Initiatives including human rights due diligence, promotion of decarbonization, and efficient use of resources, in the supply chain	Ratio of major suppliers responding to our sustainable procurement survey	82.3% (responses from 200 companies of the total of 243)
				Implementation status of human rights due diligence	Identification of 9 supplier companies as targets for improvements based on the results of the sustainable procurement survey

Promotion of Human Resource Activities

Kawasaki has been implementing Kawasaki Workstyle Innovation (K-Win) activities, an effort to promote workstyle reforms, since fiscal 2016 and started creating an environment where all employees can flexibly and proactively perform their work. K-Win activities have served as the first steps to increasing employee engagement, maximizing productivity, and pursuing sustainable growth by the company. In fiscal 2020, we established the Human Resource Strategy 2020, introduced job-based personnel management, created a talent management system, and took other phased measures to visualize and utilize human capital.

Changes in human resource management reform measures



In fiscal 2025, we are reorganizing the results of and issues arising during the five-year period starting in fiscal 2020 and setting a new direction for human resource measures in the form of the Human Resources Strategy 2025 in order to achieve the Group Vision 2030.

Strategic Production of Management Leaders and Core Human Resources

For the company to achieve sustainable growth, it is essential that we develop management leaders who can respond to drastically-changing management environments and secure the core human resources who will execute business. Under the Human Resources Strategy 2025, we are systematizing measures for strategically producing these human resources and will seek to build human resource foundations that contribute to reinforcing corporate competitiveness and creating value.

Enhancing and expanding the executive talent pipeline
When developing executives, early selection and continuous development are crucial. We implement a phased development program targeting all levels from young employees (assistant manager class) to management candidates through the Kawasaki Executive Coaching Program series (Executive Introductory Programs, Executive Coaching Programs, and Executive Advanced Programs). In addition, by linking this off-the-job training with challenging on-the-job assignments that include practical work and integrating learning in practice, we seek to develop human resources who have both managerial perspectives and the ability to take action.

For the selection of executives, we introduced the use of long lists and shortlists and established a selection system that emphasizes objectivity and transparency by visualizing the behavioral characteristics required of executive, utilizing external assessments, and conducting discussions within the Nomination Advisory Committee.

Recruiting and developing core human resources to promote business
Adapting to changes in the business environment requires securing human resources with flexible thinking and specialized skills not constrained by existing frameworks. Kawasaki is reinforcing its recruitment of the IT and data-related personnel that will be necessary for implementing digital transformation (DX) and work transformation (WX).

We are also focusing our efforts on recruiting and developing business exploration human resources who will perform new business creation, and we are promoting the creation of innovation by acquiring diverse human resources from both inside and outside the Company. In fiscal 2025, we launched the New Business Reassignment Program and Intrapreneur Development

Program using our CO-CREATION PARK – KAWARUBA social innovation co-creation hub.

We are currently making preparations to dispatch employees under the New Business Reassignment Program while coordinating with each business segment. Meanwhile, the Intrapreneur Development Program is intended to cultivate intrapreneurs within the Company, and we established a framework to support idea generation, business verification, and business plan formulation, with approximately 70 employees participating in the program.

Through these initiatives, we are building a human resources portfolio covering management to on-site core personnel, thereby strengthening our human resources foundation that supports the sustainable growth of business.

Reinforcing Organizational Management

To achieve the human capital management that we seek, in addition to drawing out the maximum capabilities of each individual, it is essential that we reinforce management structures for improving the performance of organizations as a whole. Under the Human Resources Strategy 2025, we are promoting the right personnel in the right places by reinforcing operation of the job-based personnel management system, and clarifying the roles of management positions and reinforcing their development in an effort to raise organizational levels and enhance management capabilities.

Advancing organizations by placing the right personnel in the right places
The transition away from the traditional seniority-based and ability-based personnel system to the introduction of a job-based personnel management system that performs evaluation and placement based on job roles has become an important turning point in enhancing organizational flexibility and expertise. We prepared job descriptions for all managerial staff, clarifying the roles, skills, and performance indicators required for its position, thereby promoting the placement of the right people in the right positions.

In light of the intent of introduction of this system, we still have a long way to go, and in fiscal 2025, we will work to deepen the job-based personnel management system suitable for the Company while re-examining and discussing the ideal state of managerial staff.

Reinforcing management capabilities
A rapidly-changing business environment requires that managers are not simply individuals who execute business, but also that they perform the role of a leader, specifying the direction of the organization and drawing out the abilities of members. To reinforce management capabilities, we conduct training for senior and section managers and implement 360-Degree Surveys of all

Promotion of Human Resource Activities

managerial staff to encourage them to become aware of both their strengths and areas for improvement.

To strengthen organizational management capabilities even further, starting in fiscal 2025, we began reviewing the content of training for management and establishing an integrated development program for senior and section managers as well as young employees.

Both Business Growth and Career Achievement

At the foundation of the human capital management that we seek is a philosophy of achieving both career development by each employee and business growth by the Company. The Human Resource Strategy 2025 supports self-initiated career development by employees while implementing measures to increase overall organizational vitality and competitiveness through human resource development linked to business strategies.

Creating opportunities for career achievement and growth

Creating an environment where employees can take the initiative in shaping their own careers and feel a sense of growth is directly connected to improved engagement and human resource retention. Based on the Basic Policy on Career Development formulated in fiscal 2022, we provide opportunities for employees to identify their own strengths and future vision through the distribution of career support guidebooks, topic-specific career seminars, and career counseling.

In fiscal 2023, we introduced the Career Challenge Program, an open recruitment transfer system, implementing 43 transfers in fiscal 2023 and 24 transfers in fiscal 2024. The program allows employees to apply for positions that are announced once each year. The objectives are to encourage transfers across business segments and job categories, support self-initiated career development by employees, and achieve the placement of the right people in the right positions. Starting in fiscal 2025, we introduced internal talent matching program, and in the future, we plan to use it as a platform that includes secondment through collaboration with external organizations (such as other companies in the same industry, startups, and local governments).

Basic Policy on Career Development and status of initiatives

Basic Policy on Career Development (established July 2022)

The Kawasaki Group provides employees with opportunities to discover and realize what it is that they want to do and provides generous support for career development that respects the individual wishes of employees so that all employees can play central roles in the Group.

Career development steps and details of initiatives

Notice

Review

Prepare

Change

- Career guidebooks
- Internal Career Development Portal
- Online seminars (for employees and their supervisors)
- Career e-learning
- Open career training
- Career counseling
- Skills assessment and self-reporting (career consultations)
- Target setting (Challenge & Commitment)
- Career Challenge Program
- Job rotation program
- Career Development Leave Program

Enhancing employee engagement at production sites

Improving employee engagement at production sites that support the foundations of our business directly leads to improvements in quality, safety, and efficiency. Since fiscal 2020, we have conducted an engagement survey (WinDEX), implemented workstyle reforms that reflect the views of on-site workers, and promoted the development of workplaces where employees feel a sense of purpose and fulfillment.

Overall engagement scores have increased as a result of many years of efforts, but the scores for production site employees have been stagnant, and we are currently implementing countermeasures. Specifically, we hold town meetings for direct dialogue between production staff and management and have enhanced benefit facilities and taken other measures, and results have improved substantially at some sites.

To improve engagement even further, we believe that it will be necessary to provide compensation based on abilities, roles, and results and to build a framework that encourages action toward growth. In fiscal 2025, we created a project team to improve engagement among production staff and will take action to review evaluation systems and benefit programs.

Environments Where Employees Can Fully Demonstrate Their Abilities

Creating environments where all employees can work in good physical and mental health and with peace of mind is essential for achieving human capital management. We promote well-being and DE&I as dual aspects of this and work to create workplace environments where employees can fully demonstrate their abilities.

Developing environments where employees can work actively and enthusiastically throughout their lives

With the view that initiatives for the promotion of employee health constitute investment, Kawasaki promotes health management, a management method of conducting measures to address issues from a strategic perspective. We analyze and organize issues based on physical checkups, stress checks, work absence and work leave data, and implement measures based on our Health

Management Strategy Map. This strategy map qualitatively and quantitatively organizes health investment, health investment effects, and issues to be resolved through health management, clearly indicating the direction that the company should take for health management.

In the strategy map, we positioned halving absenteeism¹ and presenteeism² from current levels as final target indicators. We are undertaking integrated group-wide initiatives to achieve our targets, including establishing working groups on smoking cessation, addressing mental health, and preventing the aggravation of illness, with occupational health staff from business sites as members under the Collaborative Health Committee, which comprises representatives of the Company, health insurance union, and labor union.

1 Work absence and work leave due to health issues
2 State in which employees are not absent from work but are experiencing lower productivity due to health issues

Creating environments where diverse human resources can actively contribute

By promoting DE&I, Kawasaki is working to create an environment of mutual respect where diverse human resources can actively contribute. Respect for diversity directly leads to innovation creation and improved organizational flexibility, and we see it as the foundation of our human capital management.

The Company is focused on promoting the active participation of women and continuously encourages active recruitment of women with targets of raising the proportion of women in career-track administrative positions to at least 40% and in career-track technical positions to at least 15% among newly hired graduates. We also set a target to increase the proportion of women in managerial positions to 10% by fiscal 2030.

With the aim of facilitating the retention and fostering an awareness of career enhancement for

female employees, we host the DE&I Forum for female managers to exchange views on the active participation of women at the Company through a message from the President and a panel discussion among female officers. We also gain insights on facilitating growth from role models outside the Company, and host the Female Leadership Development Program, Networking Session for Female Engineers, and Cross-Industry Networking Event for Women Working in the Kansai Region in cooperation with Kobe-based companies, toward building human networks outside the company. The Company is actively undertaking activities for the recruitment of female engineers. This included conducting workshops as part of the Training Program for Female Engineers, in collaboration with universities.

Starting in fiscal 2025, we introduced the Kawasaki Women's Advanced Program for all women in section manager equivalent positions and formulated individualized development plans tailored to each person in order to accelerate measures for building a development pipeline for women who can become candidates for managerial positions and even officers. We plan to expand the scope of the program to other positions starting in fiscal 2026 to expand support for career enhancement of women even further.

- WEB

Human Resource Management

https://global.kawasaki.com/en/corp/sustainability/society/h-management.html
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Human Resource Development

https://global.kawasaki.com/en/corp/sustainability/society/h-development.html
- WEB

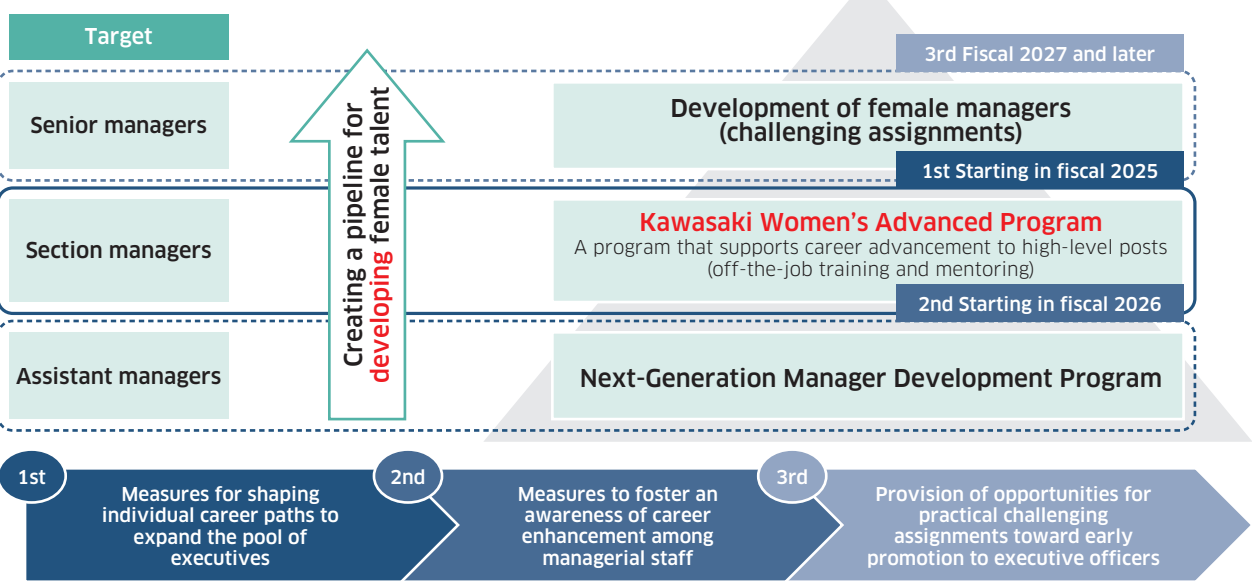
Diversity, Equity, and Inclusion

https://global.kawasaki.com/en/corp/sustainability/society/diversity.html
- WEB

Occupational Safety, Hygiene, and Health

https://global.kawasaki.com/en/corp/sustainability/society/health.html

Overall image of measures to develop female employees



Human Rights Due Diligence

Policies Relating to Human Rights Due Diligence

The Kawasaki Group Policy on Human Rights
The Kawasaki Group adopted the Kawasaki Group Policy on Human Rights in fiscal 2019 to complement the Kawasaki Group Code of Conduct, and then revised it in fiscal 2023. We recognize how essential it is for the realization of our Group Mission that the human rights of all stakeholders be fully respected and that the Kawasaki Group’s employees uphold high ethical standards; and we have established policy to be actively engaged in such key issues of human rights as prohibition of forced labor and child labor, prohibition of discrimination and harassment, diversity and inclusion, approving freedom of association and the right to collective bargaining, and ensuring a safe and healthy working environment.

Group Policies for Material Procurement and Sustainable Procurement Guidelines
The Kawasaki Group set forth the Kawasaki Group Policies for Material Procurement, which contains the Group’s sustainable-procurement philosophy, and its expectations for its suppliers in that regard, as well as the Kawasaki Group Sustainable Procurement Guidelines, which further fleshes out the content of the aforementioned policy by stipulating by-laws on its expectations for its suppliers.
Among these, based on growing social demands for sustainability initiatives in the supply chain, the guidelines were revised in fiscal 2022 with reference to

the RBA¹ Code of Conduct. The revisions included a variety of items, including consideration for compliance, human rights, labor, occupational health and safety, and the global environment. On that basis, the Kawasaki Group Code of Conduct was incorporated to clarify the Group’s policy to enhance the sustainability of its entire supply chain.

1 Responsible Business Alliance (RBA): International initiative promoting corporate social responsibilities across the global supply chain

Human Rights Due Diligence Process

The Kawasaki Group is working to embed use and enhance the effectiveness of the PDCA cycle based on the Kawasaki Group Policy on Human Rights with the objective of identifying, preventing, and mitigating adverse impact on human rights resulting from our corporate activities.

Specifically, we assess the impact of identified human rights risks based on the Group’s business activities and endeavor to take appropriate action to prevent and mitigate human rights risks based on the results. We also conduct ongoing monitoring including follow-up surveys relating to the status of implementation of corrective action and ongoing impact assessments of human rights risks.

Furthermore, in cases where—through dialogue with stakeholders and grievance mechanisms—it becomes clear that the Kawasaki Group has caused an adverse impact on human rights or been involved in such, we will work to redress the situation through appropriate procedures.

Company manufacturing sites undergo RBA VAP audits

Kawasaki Heavy Industries’ Robot Business Division has achieved the highest evaluation of Platinum Status in the Validated Assessment Program (VAP), a third-party audit that evaluates compliance with the RBA Code of Conduct.

For VAP audits, an RBA-certified third-party organization evaluates compliance with the standards through criteria and management systems related to ensuring safe workplaces, respectful and dignified treatment of workers, responsible environmental management, and ethical business practices as provided in the RBA Code of Conduct, and a status is issued based on the evaluation score.

In the fiscal 2024 audit, our Robot Business Division at the Akashi Works and Nishi-Kobe Works was recognized for its proper management and operation in the fields of labor, health, safety, environment, ethics, and management systems. We achieved a perfect score of 200 points, earning the highest evaluation of Platinum Status.



Impact Assessments / Corrective Measures

	Impact assessments	Corrective measures
Main initiatives in fiscal 2024 targeted at Group companies	- Monitoring using SAQ² created in-house based on the RBA Code of Conduct - Implemented at 45 domestic Group companies	- Corrective measures based on the monitoring results - Requested improvements separately at a total of five companies in the areas of safety and health emergency preparedness and management system communications - Carried out third-party interviews focused on workers based on the results from monitoring of Group companies overseas located in countries where human rights risks are considered to be high
Main initiatives in fiscal 2024 targeted at suppliers	- Questionnaire survey for major domestic suppliers - Responses from 200 companies of our significant suppliers	- Formulation of plans for corrective measures based on the questionnaire results - Formulated plans for corrective measures based on agreements between some suppliers and our Company, and supported their implementation - As necessary conducted on-site assessments whose goal is to confirm the status of sustainability-related initiatives

2 Self-assessment questionnaire

Assessment of impact at KMI
Based on the results of monitoring based on SAQ, in January 2025 at PT. Kawasaki Motor Indonesia (KMI) we conducted direct interviews with managers and workers with the goal of assessing whether there were any human rights risks and the degree of their impact. For the worker interviews, 50 individuals were selected in an all-encompassing way based on gender, department, and employment status. As to implementation, grounded in the Dhaka Principles (principles for the responsible recruitment and employment of migrant workers) and based on a questionnaire covering human rights issues that workers face, the third-party non-profit organization Caux Round Table Japan (CRT Japan) conducted an interview-based survey prioritizing items with particular relevance to the attributes of the workers and the environments in which they were placed.

The results of the interviews on the whole were satisfactory, and no human rights violations such as forced labor or discrimination in the workplace were corroborated.



Conducting an interview with workers

Meanwhile, based on feedback received from workers during interviews, we are implementing necessary measures such as improving safety measures and ventilation at the plant. KMI will continue to work on establishing an employment and working environment where workers’ rights are more respected.

Grievance Mechanisms

The Kawasaki Group has established multiple consultation systems as grievance mechanisms for employees, and we promise that employees will not be subject to disadvantageous treatment as a result of filing a complaint.

We also established a supplier hotline for officers and employees of our Group suppliers in Japan as well as those in supply chains related to our products and services. In addition, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which provides an external engagement and remedy platform, in fiscal 2024. Through these initiatives, we accept human rights related complaints and consultations from a wide range of stakeholders and seek to improve access to remedies.

Capacity building for suppliers

We directly communicate our approach to sustainability to our suppliers through briefings and other means while also informing them about important issues in supply chain management, such as human rights and environment, and requesting that they enhance their sustainability initiatives. To increase the ratio of primary data on CO₂ emissions in category (I) of Scope 3, we are furthering understanding of the management statuses for CO₂ emissions and providing support for initiatives to calculate CO₂ emissions and reduce emissions for our main suppliers.

In fiscal 2024, we held carbon neutral seminar sessions three times for a total of 440 main suppliers. In addition to explaining future initiatives that we will pursue with future to reduce emissions, we also conducted seminars on support for decarbonization management from governmental and financial institutions and outlined the calculation of Scope 1, 2, and 3 CO₂ emissions for our suppliers. Furthermore, in March 2025, we confirmed the CO₂ emissions for fiscal 2023 of 372 suppliers and provided measurement support as necessary.

Compliance

Our Basic Stance

Strict compliance should be at the foundation of all Kawasaki Group business activities, and all Group officers and employees must engage in business with a proper awareness of compliance. Through various initiatives to strengthen compliance and thoroughly prevent corruption, each employee is made aware of the fundamentals of compliance, which is not merely following laws, regulations, and rules, but also always acting correctly to gain the trust of society in order to make the Kawasaki Group a sustainable group that is trusted by society even more and where every employee can work with pride.

Based on the Kawasaki Group Code of Conduct and the Kawasaki Group Policy on Anti-Bribery, we are working at being thoroughgoing with compliance and at preventing corruption.

The Kawasaki Group Code of Conduct
<https://global.kawasaki.com/en/corp/sustainability/basic/code.html>

The Kawasaki Group Policy on Anti-Bribery
<https://global.kawasaki.com/en/corp/sustainability/procurement/pdf/anti-bribery.pdf>

Efforts to Promote Compliance

To raise awareness of compliance, we conducted compliance training including e-learning-based training on the Kawasaki Group Code of Conduct. Training covers topics specified in the Code of Conduct, including fair business practices, anti-corruption initiatives, ensuring product quality and safety, and consideration for the environment and human rights.

In fiscal 2024, we implemented measures involving reading compliance materials together at each worksite for all Kawasaki Group employees in Japan, and 32,517 employees participated. Also, at overseas subsidiaries, in 2024, we conducted e-learning on the Kawasaki Group Code of Conduct in ten languages, and 3,102 employees underwent training. Additionally, during the Compliance Month of October, we ran an article in the Group newsletter “Kawasaki” based on uncovered cases of misconduct that highlights the importance of organizational culture reform and establishing systems that prevent misconduct. The newsletter also ran an overview of the Compliance Reporting and Consultation System (whistle-blowing system) and examples of actual improvements made through use of the system.

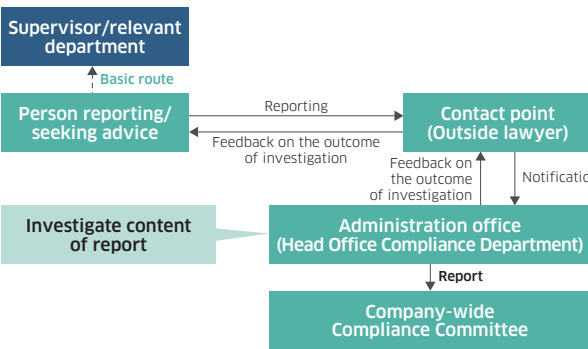
Whistle-Blowing System and Consultation Points

We have established the Compliance Reporting and Consultation System, with an outside lawyer acting as the contact, so that executives and employees of Kawasaki Group companies in Japan can report or seek consultation regarding suspected violations of compliance practices relating to their operations. The system accepts anonymous reports and consultations with the objective of fostering a corporate culture and creating mechanisms that effectively self-correct by making the system more user friendly.

Under this System, an outside lawyer responds directly to inquiries from reporting or consulting employees and accepts inquiries submitted by email or other means 24 hours a day, 365 days a year. The lawyer contacts the person who made the report or sought consultation directly to explain the results of the investigation. For anonymous reports, summaries of the reported issues and progress in addressing them are posted on the Company intranet. If a compliance violation is discovered as a result of investigation, company rules provide for the imposition of strict disciplinary measures on the offending employee in accordance with the employment regulations or other rules.

The number of reports and the details of specific consultation matters are reported to the Company-wide Compliance Committee, ensuring that the system is operating effectively.

Compliance reporting and consultation system flow chart (domestic)



In addition, since 2020, we have been introducing the Global Internal Reporting System at overseas subsidiaries, and introduction at more than 90% of overseas subsidiaries was completed through fiscal 2024. Under the Global Internal Reporting System, external law firms and internal administrative offices function jointly as contact points, accepting both anonymous and non-anonymous reports, and reports can be made in the major languages of the country or region where the reporter conducts business activities.

Information Security

Our Basic Stance

The Kawasaki Group provides products and services to a diverse range of customers, from businesses, the public sector, and general consumers to the Self-Defense Forces. Any information leakage could affect our credibility and brand value and thereby undermine the foundations of our management. This is why ensuring information security is an important management issue that needs to be considered.

Based on the Kawasaki Group Policy on Information Security, we are pursuing information security initiatives based on the following four ideas. This policy was revised in July 2025.

- Build a system to strengthen collaboration across the Kawasaki Group
- Identify and manage important information assets
- Plan and deploy appropriate measures to identify, defend, detect, respond, and recover from cyberattacks
- Ensure all officers and employees improve their knowledge and awareness of information security

The Kawasaki Group Policy on Information Security
<https://global.kawasaki.com/en/corp/sustainability/pdf/info-secur.pdf>

Information Security Risk Management

As part of our initiatives to reduce information security risks, we identify the information assets to be protected by the Kawasaki Group and collect information on a daily basis from the Information-technology Promotion Agency, Japan (IPA), Japan Computer Emergency Response Team Coordination Center (JPCERT/CC), and other specialized organizations, as well as security vendors, security analysts and other sources, in order to accurately capture increasingly sophisticated cyber threats. Based on the collected threat information, we analyze possible attackers, attack methods, and attack scenarios and identify vulnerabilities. We then conduct periodic assessments to determine whether information assets are protected accordingly from the analyzed or identified threats and vulnerabilities to evaluate risks.

We also conduct internal audits and use other means to periodically examine and assess the implementation status of countermeasures based on risk assessment results as well as the management and operational status in accordance with relevant policies and rules.

Information Security Countermeasures in Supply Chain

When addressing risks in the Group's supply chain, we establish processes for identifying, analyzing, prioritizing, and assessing risks.

Specifically, in fiscal 2022, we introduced the Kawasaki Group's Information Security Guidelines for Business Partners to encourage suppliers to implement information security countermeasures and to support them in adopting countermeasures tailored to their specific circumstances. In addition, as a part of supply chain management, we included questions relating to information security in the supplier survey conducted with both domestic and overseas suppliers starting in fiscal 2024.

Through these initiatives, we are working to confirm the information security status of suppliers and mitigate risks in supply chain.

Information Security Education and Training

We provide instruction that covers laws and social customs as well as corporate rules and examples of incidents regarding information security, and course content is tailored by position, with content for newly hired employees, general employees, and managerial staff. Employees are also instructed to avoid clicking on attachments or links in suspicious emails and to promptly report such emails to the reporting desk and to delete such emails to prevent the spread of damage. We also regularly conduct drills using simulated targeted attack emails.

In fiscal 2024, education on information security was provided to 20,274 employees, and 24 drills using simulated targeted attack emails were provided to 10,560 employees.

We also run content regarding information security in the Group newsletter “Kawasaki,” and strive to improve security awareness throughout the Group as a whole.

Content appearing in the Group newsletter “Kawasaki”

