

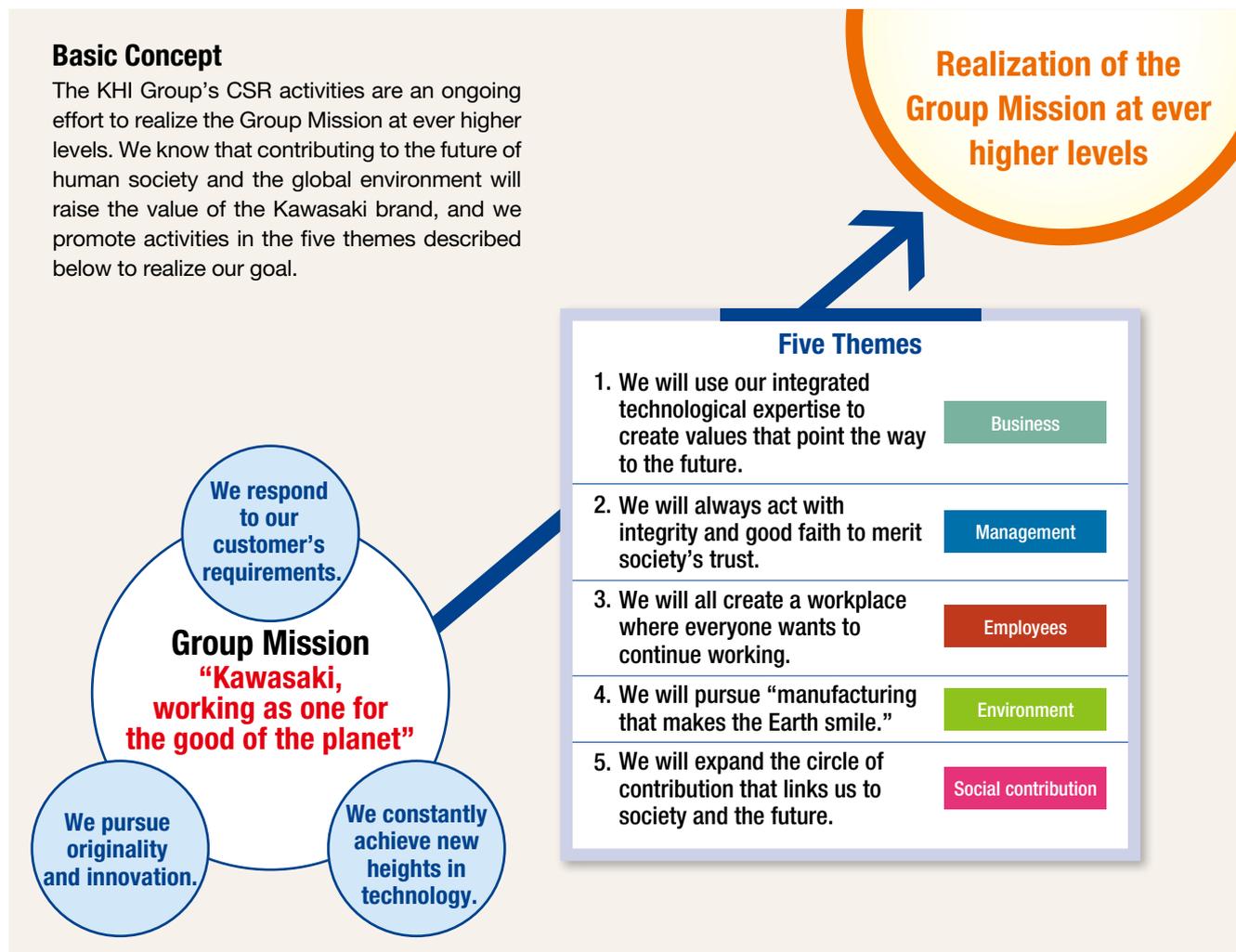
KHI Group CSR

The KHI Group’s mission is “Kawasaki, working as one for the good of the planet : (Enriching lifestyles and helping safeguard the environment: Global Kawasaki).”

Each and every employee puts this statement into practice as he or she goes about individually assigned daily business activities.

To this we added a broader view of CSR and action goals, as we seek to realize the Group Mission at ever higher levels.

Group Mission and CSR



Creating the Group’s CSR Framework

The Group’s CSR activities fall into five themes.

Categories are established for each theme and action goals are set for each one of these.

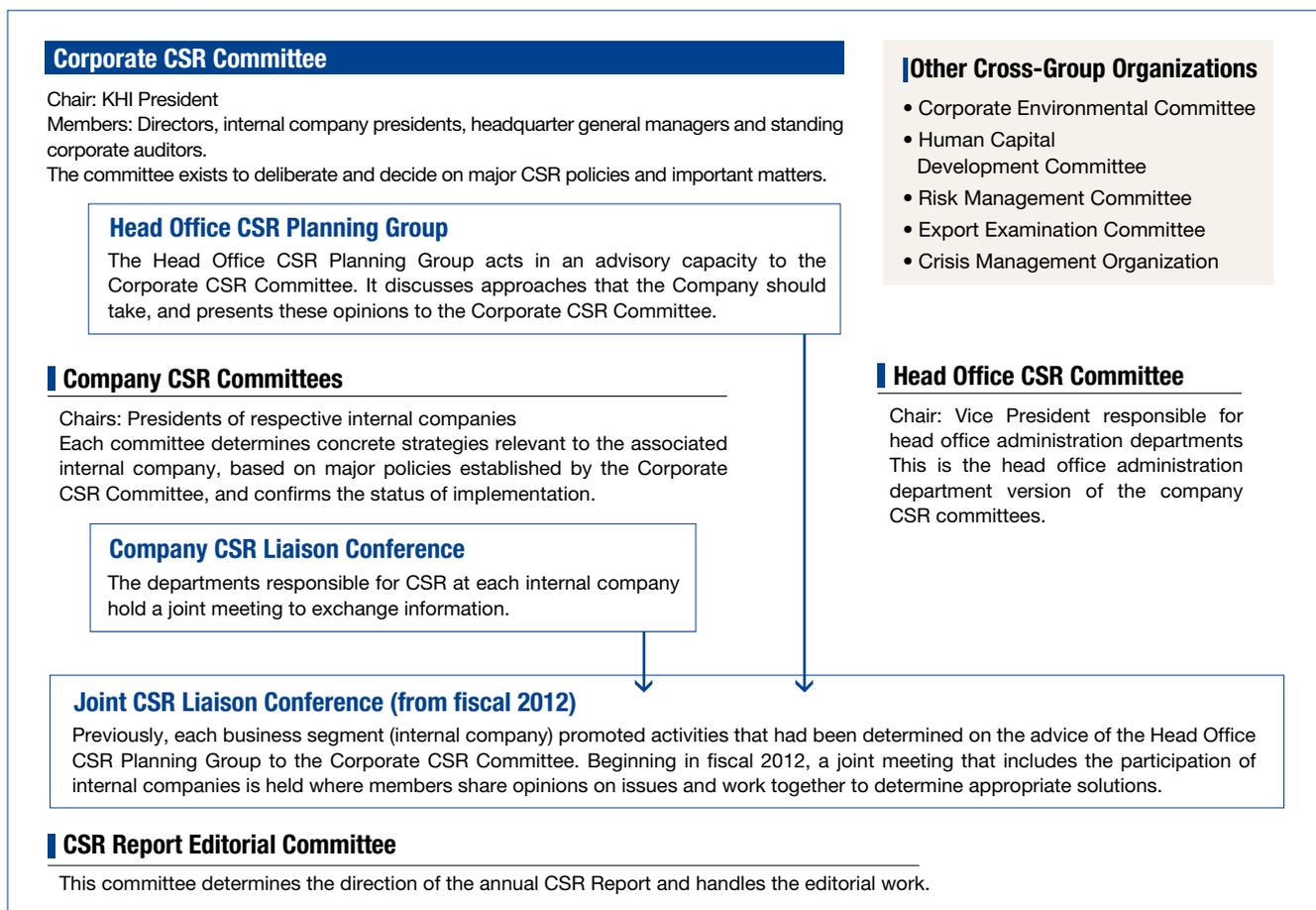
Various social expectations are placed upon companies. We collected and consolidated feedback from different sources, including requests from customers, points in CSR surveys conducted by third-party organizations, and ISO 26000 core subjects, and then selected specific CSR issues that we, as a corporate group, should address. These issues have been positioned as items of focused activity during the Medium-Term Business Plan 2010 (fiscal 2011-2013) that will enable the KHI Group to achieve its ideal.

The divisions assigned to these items self-assess the current status of their efforts and draft action plans highlighting

measures to compensate for shortcomings and to reinforce existing strengths. This PDCA (Plan-Do-Check-Act) cycle is repeated.(Please see page 7-8 for the individual CSR issues and Actions)

However, the social expectations placed on companies gradually change as the years go by, and the scope of issues that must be addressed starts to expand. Fiscal 2013 will be a year of preparation for the new medium-term business plan that will begin in fiscal 2014. During fiscal 2013, we will review our CSR issues and be ready to implement activities over the term of the new plan that perfectly reflect the changing times.

CSR Activity Structure



Group CSR Themes: Categories and Action Goals

Themes	Categories	Action Goals
Overall	CSR overall	Realize the Group Mission (KHI's duty to society) at a higher level.
1 Business	Product Development	Draw on comprehensive Group capabilities and apply sophisticated technologies to the development of high-performance, high-quality products.
	Product Liability	Provide products and services that are reliable and safe from customer's perspective.
	Customer Satisfaction	Provide products and services that meet customer needs and leave a great impression.
2 Management	Corporate Governance	Pursue sound, transparent management, enable each business segment to operate independently, and demonstrate the combined strength of the Group.
	Compliance	Build an organization that is open and self-regulating to underpin a corporate culture with credibility.
	Risk Management	Pinpoint major risks that threaten the achievement of business targets and establish a system capable of providing the most appropriate responses.
	Information Security	Institute reliable information security measures and maintain the safety and security of information.
	Information Disclosure, IR Activities	Provide timely, accurate corporate information and further enrich the contents of disclosure.
3 Employees	Business Partners	Coexist with business partners and maintain fair partnerships while promoting collaboration in CSR activities.
	Occupational Safety and health	Create a safe, pleasant working environment where employees can perform their jobs in good health and in a positive state of mind.
	Human Resources Development	Consistently cultivate the skills of employees, refine acquired talents, and raise the value of personnel assets to the highest level.
	Human Rights	Respect the diversity of employees and strive to create a workplace that embraces wide-ranging values and abilities and utilizes them.
4 Environment	Labor	Endeavor to create a workplace that provides motivation and satisfaction and one in which employees are treated fairly and appropriately.
	Global Environment	Strive to realize a low-carbon society, a recycling-oriented society, and a society that coexists with nature.
5 Social Contribution	Local Communities and Japanese Society	Coexist and cooperate with local communities and help nurture new generations that will develop future dream technologies.
	International Community	Respect the myriad cultures of countries around the world and contribute to their vibrancy by cultivating technology and human resources in these countries.