Heightened Awareness as an Environmentally Friendly Brand

Kawasaki believes that one of its important responsibilities is to make its environmental policies and initiatives easy to understand and to disclose those policies with transparency. We conduct Kawasaki Green Product Promotion Activity that includes the registration of products based on an assessment of product performance and the manufacturing process in consideration of the environment, with the aim of broadly communicating and instilling our support for the environment through our products. In addition, we work to appropriately disclose information regarding our environmental activities to stakeholders by disclosing information in the Environmental Report and on our website, and by proactively responding to questionnaires, etc., from external evaluation organizations.

Key Strategies and Targets under Ninth Environmental Management Activities Plan (FY2017–FY2019)

Heightened awareness as an environmentally friendly brand

- 1 Leverage Kawasaki Green Product Promotion Activity
 - Register Kawasaki-brand Green Products every year and release data to public
- 2 Enhance image through external evaluations and rankings
 - → Announce results of third-party verification, improve evaluations from external organizations such as CDP, and sustain placement in Dow Jones Sustainability Index

Kawasaki Green Product Promotion Activity

To realize our Group Mission: "Kawasaki, working as one for the good of the planet," we will draw on high-level, comprehensive technological capabilities over the Kawasaki Group's extensive range of business pursuits to create new value for coexisting with nature and building a brighter, more comfortable future for generations to come. We have launched Kawasaki-brand Green Products, a program in support of the Group Mission objective and through which we will boost the environmental performance of products and accelerate the reduction of environmental impact caused by associated manufacturing processes. The products selected for this program must meet self-established criteria and are categorized as either Kawasaki Green Products or Kawasaki Super Green Products. The products

are then labeled compliant with ISO 14021, and the list is made public.

The program logo embodies the Group's commitment to environmental sustainability through products and manufacturing. The three pillars in the logo represent our primary business areas—land, sea and air transport systems, energy and environmental engineering, and industrial equipment—and the innovative and advanced technological capabilities in these respective areas form a firm foundation for these pillars, which together support the global environment.



Figure 25: Program

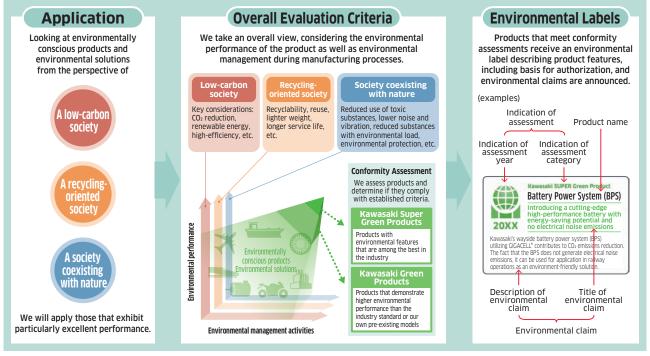


Figure 26: Conformity Assessment Procedure

External Information Disclosure

Kawasaki discloses information to our stakeholders through means such as the Kawasaki Report, the Environmental Report, and our website. In addition, we receive questionnaires from many external evaluation organizations, including: the CDP Climate Change Information Request, published by the CDP; the Environmental Management Survey, conducted by Nikkei Research Inc.; the Toyo Keizai CSR Survey; and the Dow Jones Sustainability Index, which we view as the voice of stakeholders representing investors, and we vigorously pursue the disclosure of environmental information by responding to such questionnaires.

As a result, we have continuously been selected as a stock for investment for the DJSI Asia Pacific Index, and the SNAM Sustainable Investment Fund, which is managed by Sompo Japan Nipponkoa Asset Management Co., Ltd. (SNAM).

Product Assessment

For newly developed and designed products, as well as for particularly important products, Kawasaki assesses products according to such criteria as resource and energy savings and recycling potential, with the goal of reducing the environmental impact of our products during their life cycles. Because specific evaluation $% \left(1\right) =\left(1\right) \left(1$ techniques vary depending on the type of product, each business segment draws up product assessment rules appropriate to the characteristics of the respective product. The main evaluation items of product assessment are shown below.

- 1 Product weight reduction
- Product energy saving
- 3 Longer product life
- 4 Product safety and environmental conservation effectiveness
- **5** Measures for product disposal and recycling
- 6 Environmental impacts when problems or other extraordinary circumstances occur
- Provision of information for use and maintenance
- **8** Compliance with regulations

2017 Kawasaki-brand Green Products

[New]





BK117 D-2 Helicopter (Airbus Helicopters Model: H145)



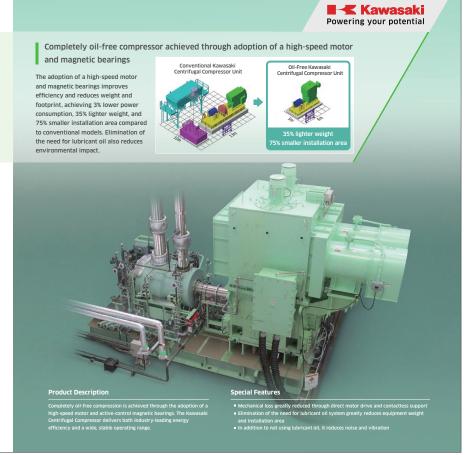
Kawasaki Heavy Industries, Ltd.

Kawasaki Powering your potential Achieves the quietest helicopter in its class, providing outstanding hovering performance and longer service life The introduction of a new tail rotor system and other features contributes to the reduction of . external noise, and environmental performance throughout the life cycle is also greatly enhanced, including longer service life through BK117C-2 BK117D-2 a significantly extended overhaul interval. Also, the increased main gearbox rating contributes to improve energy efficiency by 18%. Achievement of world's quietest helicopter in its class Notable increase of rated power through introduction of high-engine and improvement of main gearbox Notable extension of tail rotor gearbox overhaul interval to 5, hours instead of 1,500 hours for the C-2 The introduction of a new tail rotor system and other features achieves the quietest helicopter in its class. In addition, the introduction of a high-power engine and improved mail gearbox greatly enhances hovering performance, making this helicopter suitable for multipurpose missions such as fireflighting, disaster relief, law enforcement, emergency medical service, TV broadcasting, and passenger transport.

Oil-Free Kawasaki **Centrifugal Compressor**



Kawasaki Heavy Industries, Ltd.







Z650/Ninja650 (2017MY)



Kawasaki Heavy Industries, Ltd.

Kawasaki Powering your potential Improved fuel efficiency, reduced power/weight ratio, and greatly reduced exhaust emissions Compared to the previous models (ER-6n/6f), World-wide-harmonized Motorcycle Test Cycle (WMTC) mode fuel efficiency is 7% better and power/weight ratio is 4%/3% lower. CO, THC and NOx in exhaust emissions are also reduced by 63%, 56%, and 50%, Ninja650 Product Description These mid-range, new-century naked/full cowling model motorcycles have styling with a sense of presence comparable to large models. They are easy for beginners to handle and a joy to ride for intermediate to advanced riders. Liquid-cooled parallel two-cylinder engine provides a seamless throttle focused on a flat torque feel at low to mid rpm, and a power feel that in

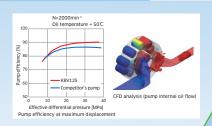
HST Pump K8V Series



Kawasaki Heavy Industries, Ltd.

Delivers world's top-class pump efficiency, low noise, and high reliability

Achieves world's top-class pump efficiency and a low noise level, both of which surpass competitors' products. (HST: continuously variable transmission with hydraulic pump and hydraulic motor)





Product Description

This dual-tilting hydraulic pump is suitable for closed circuit systems such as HST drive systems for various industrial vehicles. The world's top-class pump efficiency and low noise improve vehicle fuel efficiency and the working environment.

Kawasaki
Powering your potential

- Optimized design developed with the K7V, hydraulic pump for excavators, achieving the world's top-class pump efficiency and low noise
 Adoption of slide bearing on swash plate supporting structure and other improvements deliver high reliability





[Renewal]

After registration, products are reassessed every three years, and registration is renewed for products that meet the criteria.

















