

Kawasaki Heavy Industries, Ltd.

Sustainable Finance Master Framework for Trustworthy Solution for the Future

Mar.2026

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Appendix Eligible Product List

1. Introduction

1) Framework Overview

After issuing its first sustainability bond in July 2021, Kawasaki has continued to finance with the objectives to contribute to environmental and social sustainability.

We established our Sustainability Bond Framework in 2021, Sustainability Linked Loan Framework in 2022, and Sustainable Finance Master Framework in 2023. We have now revised our Framework to further accelerate our sustainability management efforts to realize the Group Vision 2030, "Trustworthy Solutions for the Future," strengthen engagement with stakeholders, contribute to achieving the SDGs, and realize a sustainable society.

The Kawasaki Heavy Industries Group ("Our group") has designated three fields to focus on in the future: A Safe and Secure Remotely-connected Society, Near-Future Mobility, and Energy and Environmental Solutions. The Group aims to provide solutions to social issues through its advanced technological capabilities cultivated in a wide range of business fields, including land, sea, and air.

In order to realize Group Vision 2030, we will further expand our funding base by utilizing the various types of Green, Social, Sustainability, Transition, Blue, Transition-Linked, and Sustainability-Linked bonds, loans, convertible bond, and other forms of financing stipulated in this framework to achieve our previously established target of 50% sustainable finance in long-term borrowings by 2030 and 100% by 2050.

2) Principles of Reference.

This Framework has been formulated based on the following principles.

- Green Bond Principles 2025(ICMA: International Capital Market Association)
- Green Loan Principles 2025 (LMA: Loan Market Association, etc.)
- Social Bond Principles 2025 (ICMA)
- Social Loan Principles 2025 (LMA, etc.)
- Social Bond Guidelines 2021 (Financial Services Agency)
- Sustainability Bond Guidelines 2021 (ICMA)
- Sustainability-Linked Bond Principles 2024(ICMA)
- Sustainability-Linked Loan Principles 2025 (LMA, etc.)
- Green Bond and Sustainability Linked Bond Guidelines 2024 (Ministry of the Environment)
- Green Loan and Sustainability Linked Loan Guidelines 2024 (Ministry of the Environment)
- Climate Transition Bond Guidelines (ICMA)
- Climate Transition Finance Handbook 2025 (ICMA)
- Guide to Transition Loans (LMA, etc.)
- Basic Guidelines on Climate Transition Finance (Financial Services Agency, Ministry of

Economy, Trade and Industry, Ministry of the Environment)

- A Practitioner’s Guide for Bonds to Finance the Sustainable Blue Economy
- (ICMA / IFC : International Finance Corporation / UNEP FI : United Nations Environment Programme Finance Initiative / UNGC : United Nations Global Compact / ADB : Asian Development Bank)
- Guidelines for Blue Finance Version 2.0 (IFC)

3) Our company Overview

For more than 130 years, our company has been contributing to the development of society through its technological expertise cultivated through manufacturing in a wide range of business fields, including land, sea, and air, beginning with the establishment of Kawasaki Tsukiji Shipyard in 1878 by its founder, Shozo Kawasaki, under the philosophy of "contributing to the nation and to society through expertise." As of 2026, our company has formed our group with 160 subsidiaries and affiliates in the worldwide.

Our group will demonstrate its advanced technological capabilities in a variety of fields, including Aerospace Systems Business, Rolling Stock business, Energy Solution & Marine Engineering business, Precision Machinery & Robot business, and Powersports & Engine business. In addition, we will seek synergies across fields to create new value and achieve a richer and more beautiful future society in harmony with the global environment.

2. Management Principles

1) Kawasaki Group Mission

In 2007, our group established the Group Mission ""Global Kawasaki" Contributes to the Future of Life and the Global Environment" to fulfill its role in society in the 21 century, while continuing its founding philosophy. We continue to create new value by contributing to the resolution of social issues around the world by utilizing our diverse and advanced technological capabilities.

2) Basic Policy on Sustainability

In order to achieve the Group's mission, this policy represents a long-term approach for management to realize both a sustainable society and our group's continuous improvement of corporate value by creating innovative solutions to various social and environmental challenges facing the world in the future.

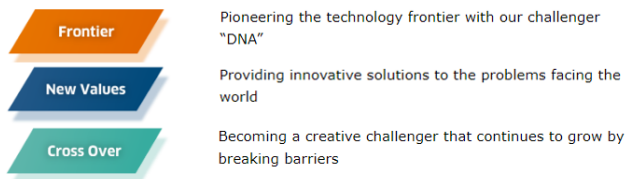
Positioning of Policy on Sustainability Management



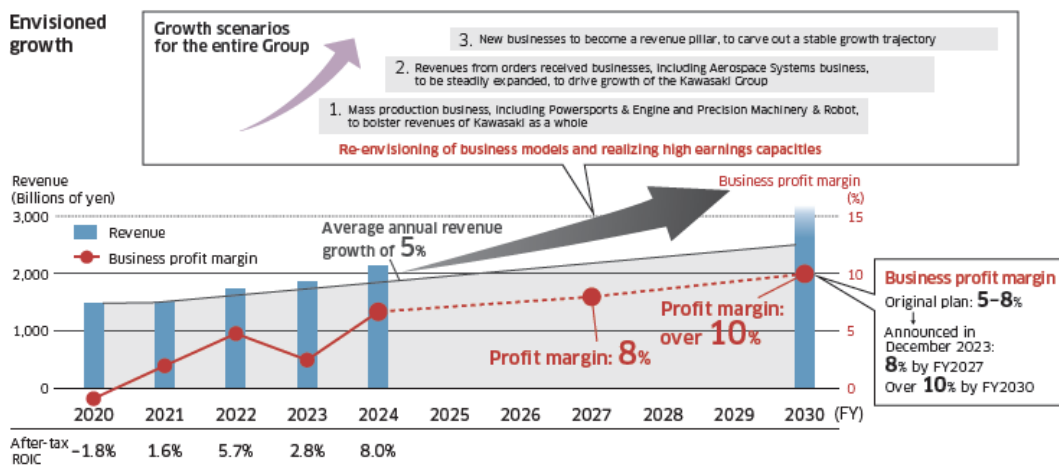
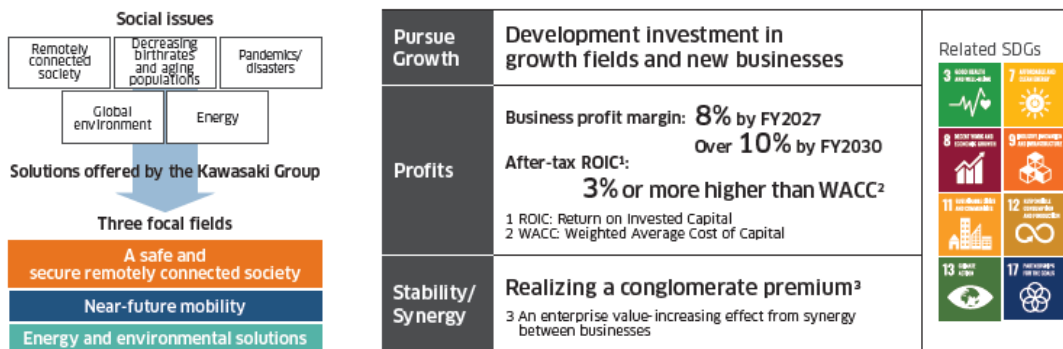
- ① Taking on the Challenge of Resolving Social Issues
- ② Responsible Corporate Conduct
- ③ Strengthening Business Foundations

3) Group Vision 2030

In 2020, our group established Group Vision 2030 "Trustworthy Solutions for the Future" as a vision for the future in 2030 to fulfill its mission in an optimal manner today. The Group Vision 2030 expresses our intention to expand our potential and grow by providing innovative solutions to an ever-changing society in a timely manner and creating a future that is hopeful.



In order to realize Group Vision 2030, we have set three fields to focus on for the future: "A Safe and Secure Remotely-Connected Society," "Near-Future Mobility," and "Energy and Environmental Solutions."



"A Safe and Secure Remotely-Connected Society" proposes radical changes in the traditional way of working and living through robots, remote control and other practical tasks.



"Near-Future Mobility" combines unmanned helicopters, four-wheelers, and robotic technology to provide new transportation and mobility.

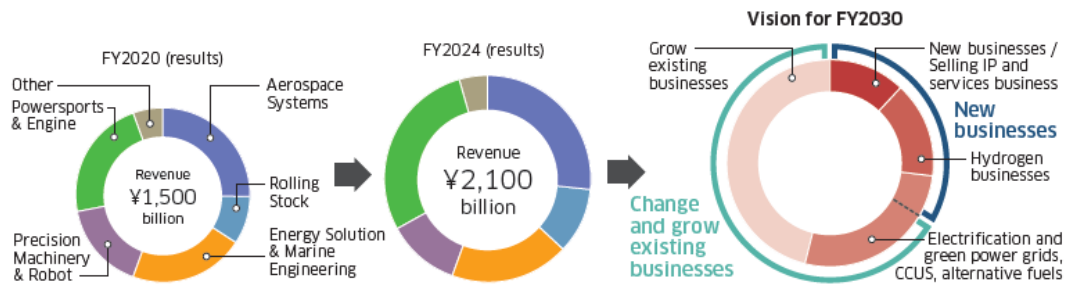


"Energy and Environmental Solutions" is the first in the world to secure the technologies necessary for the entire supply chain ("Production," "Transportation," "Storage," and "Utilization"), thereby realizing a society that utilizes hydrogen, the ultimate clean energy that does not emit carbon dioxide when used.



In existing businesses, our aim is for growth as we improve earning power through the development of products and services that meet market needs while we pursue business portfolio innovations in anticipation of the year 2030. We anticipate significant expansion in our hydrogen-related businesses on which we are currently concentrating and in our carbon neutral-related businesses such as for addressing electrification and green-power grids. Furthermore, we will accelerate both our shift from the sale of goods to the sale of IP and services, and the creation of new businesses that make the most of open innovation. Our goal is to be a corporation that achieves more substantive solutions to social issues and is even more well-regarded by all of our stakeholders.

We aim to achieve more fundamental solutions to social issues and become a company highly valued by our stakeholders.



(Focal field and goal)

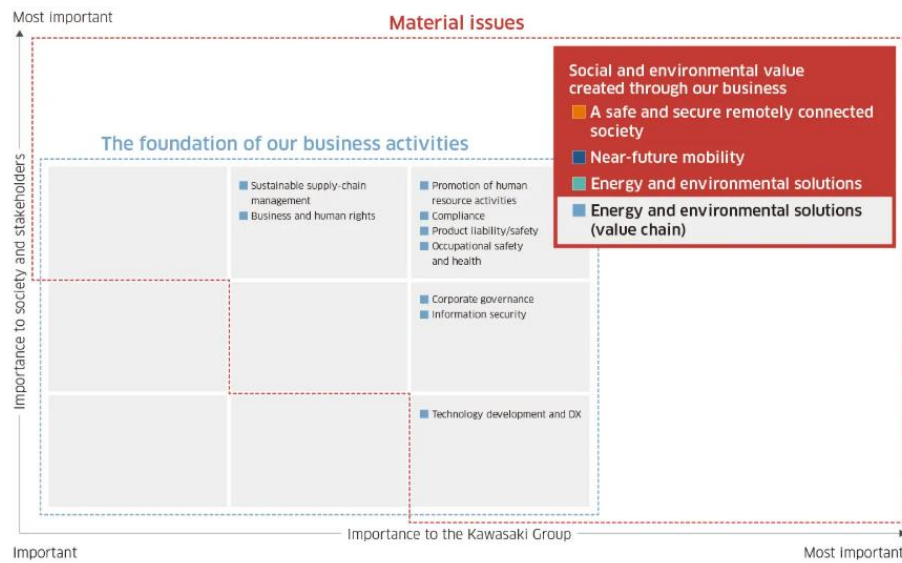


4) Material Issues of the Kawasaki Group (Materiality)

The expectations and requirements of stakeholders are diversifying, and the business environment surrounding us is changing. In consideration of these factors, the Kawasaki Group pinpointed and arranged the impact that our Group’s business activities have on society and in 2018 identified the Kawasaki Group’s materiality.

The material issues were subsequently reevaluated following the announcement of the Group Vision 2030 in November 2020. As in 2018, we divided them into two broad categories: The “social and environmental value created through our business” and the “foundation of our business activities.” Initiatives conducted through our main business have been defined as the most material issues to be achieved by the Group over the long term, while other issues have been positioned as basic items for achieving the most material issues. Going forward, we will continue to regularly revise our material issues in accordance with changes in the business environment and expectations of society.

(Please refer to <https://global.kawasaki.com/en/corp/sustainability/materiality/task.html> for our approach to contributing to the SDGs.)

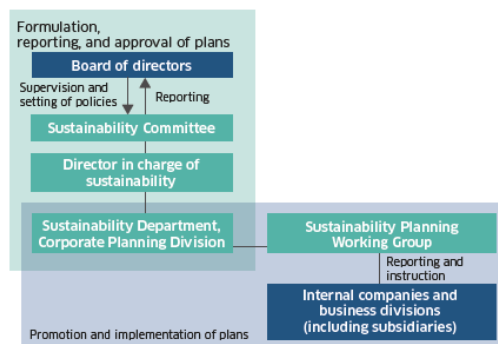


5) Sustainability Promotion System

At our group, the Board of Directors is the highest decision-making body that deliberates and determines the basic sustainability policies and plans for the entire Group. Under the supervision of the Board of Directors, the Sustainability Committee makes decisions on various measures based on the basic plan established by the Board of Directors, and reports the progress to the Board of Directors. The Committee meets at least twice a year in principle. In fiscal 2024, it met three times, and is reporting to the Board of Directors.

To expedite relevant initiatives, including those for the reform of our corporate culture and achievement of a decarbonized society, we revised the system for the compensation of Directors and Executive Officers in May 2024, and adopted new indicators linked, for example, to employee engagement indicators and contributions to the reduction of CO2 emissions.

Sustainability promotion system



Visual model of executive compensation

Existing system (composition of compensation ¹)		Following revision (composition of compensation ¹)	
50%	Basic compensation	33%	Basic compensation
Fixed	Fixed payments aligned to role	Fixed	Fixed payments aligned to role
30%	Short-term incentives	33%	Short-term incentives
Performance-based	Profit Level of short-term target achievement	Performance-based	Profit Level of short-term target achievement Employee engagement indicators
20%	Long-term incentives	33%	Long-term incentives
Fixed	Fixed allocation aligned to role50%	Fixed	Fixed allocation aligned to role30%
Performance-based	Level of medium- to long-term target achievement50%	Performance-based	Level of medium- to long-term target achievement ESG indicators ² Share price metric70%

6) Human Resource Management

The Kawasaki Group has inherited the spirit of founder Shozo Kawasaki and has continuously addressed the social issues of each era and boldly tackled challenges. The driving force of this has been the willingness of each employee who is facing difficulties to take on challenges and

the learning and growth gained from doing so.

The Group, which positions human resources as the source of medium- to long-term corporate value creation, has redefined its human resource management policy as the Human Resources Policy (HR Policy) in the form of a guideline supporting the growth of people and organizations. We will focus our efforts on fostering a culture and foundation that enables employees to tackle challenges with high goals and grow by learning from both their successes and failures. Centered on three pillars—take on challenges, expand horizons, and reach new heights together—we will strengthen our structures to encourage employees to tackle challenges and support growth from the perspectives of both systems and culture. We will create a virtuous cycle of employee self-realization and social contribution, leading to sustained growth by the entire company.

(Kawasaki Group Human Resources Policy)

Continue to Challenge, Continue to Achieve. Together.

"Rise to the challenge."
Carrying on the spirit of our founder Shozo Kawasaki, we continue to deliver innovative solutions that meet the needs of the times

Our employees are the reason this has been possible—always facing a challenge head on, learning and growing through both our successes and failures.

Kawasaki is committed to creating opportunities and environments that enable every employee to take on challenges without fear, to grow, and to contribute to society.

Take on challenges

Kawasaki builds a strong foundation for our employees by fostering mutual trust, ensuring fair employment conditions, and creating a safe and healthy work environment—enabling everyone to set ambitious goals and take on challenges with confidence and integrity.

Expand horizons

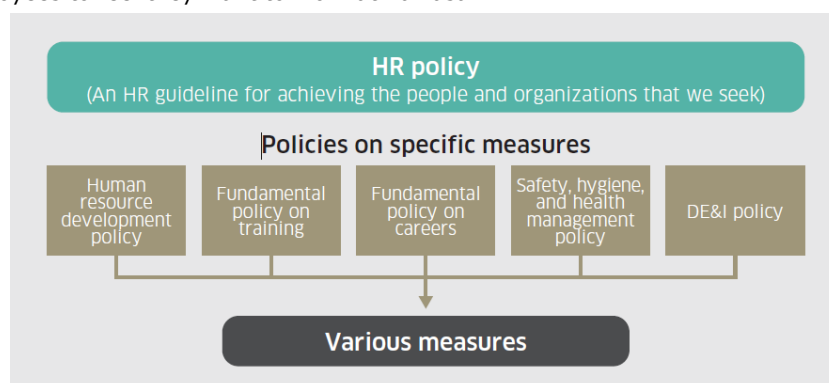
Kawasaki values and supports every employee and provides opportunities to unlock their potential and contribute to society by taking on challenges and pushing themselves to achieve more.

Reach new heights together

Kawasaki nurtures a culture of teamwork, mutual respect, and drive where the individual and organization can grow together.

The HR Policy states the Company’s fundamental thinking on the provision of support for employee recruiting, development, and active contribution in order to achieve the Group Vision 2030 and serves as a guideline for ensuring that the overall direction of human resources does not waver.

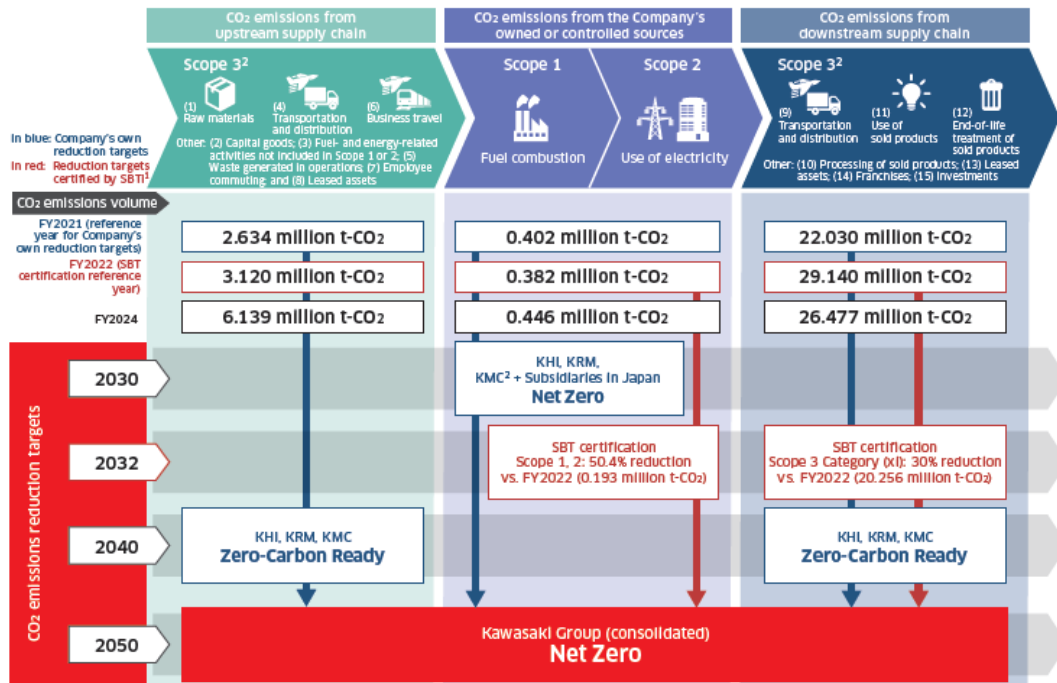
The policy clearly states our corporate stance of supporting employees who take on challenges and connects this to the further evolution of our corporate culture as a guideline that enables employees to feel they want to work at Kawasaki.



3. Transition Strategy and Goals

3.1 Climate Transition Strategy and Governance

1) Carbon-neutral strategy



1 SBTi: An international initiative jointly established in 2015 by CDP, the United Nations Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). It defines and promotes best practices for science-based target setting and independently evaluates corporate targets.
2 Regarding Scope 3, the calculation method has changed and the scope of aggregation expanded in recent years to ensure more accurate emissions data. For more details, refer to ESG Data in the Sustainability section of our website.

In August 2024, Kawasaki received certification of its greenhouse gas downstream reduction targets from the Science Based Targets initiative (SBTi^{※1}), an international climate change initiative. The certified targets include two types based on fiscal 2022: a short-term target (NEAR-TERM) and a long-term target (NET-ZERO). The Group has set its own CO₂ emission reduction targets in advance of obtaining SBT certification. In particular, for Scope 1 and 2, we have established ambitious targets that exceed SBT certification standards. Through voluntary initiatives centered on hydrogen power generation, we aim to achieve net zero domestically by 2030.



Reduction targets that have received SBT certification

Targets	Reduction targets receiving certification	
Short-term target NEAR-TERM	Scope 1 Scope 2	By fiscal 2032, reduce greenhouse gas emissions by 50.4% versus fiscal 2022 levels (aligned with the 1.5°C target)
	Scope 3	By fiscal 2032, reduce use in products sold (Category 11) by 30% versus fiscal 2022 levels (well below 2°C target)
Long-term target NET-ZERO	Scope 1, 2, 3	Bring greenhouse gas emissions to net zero (NET-ZERO) across the Group's value chain by fiscal 2049

Kawasaki Group CO₂ emissions reduction targets

Scope 1, 2	Scope 3
2030 Carbon Neutrality	2040 Contribute to carbon negative by realizing a hydrogen-based society and promoting commercialization of CCUS
Scope: Domestic Group companies	Category (j): 80% reduction Category (x1): Promote CO ₂ reductions in the world Scope: Kawasaki Heavy Industries, Kawasaki Railcar Manufacturing, Kawasaki Motors
2050 Carbon Neutrality Scope: Entire Group (consolidated)	

To address Scope 3 emissions, we will decarbonize products and services with hydrogenation, electrification, green power grid, alternative fuels, and CCUS as our keywords and strive to achieve by 2040 a status where customers select our

Zero-Carbon Ready decarbonization solutions. We will expand our decarbonization solutions together with our business partners and customers, contributing to the early realization of carbon neutrality

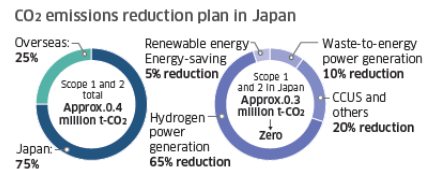
※1 SBTi: An international initiative jointly established in 2015 by CDP, the United Nations Global Compact, the World Resources Institute (WRI), and the World Wide Fund for Nature (WWF). It defines and promotes best practices for science-based target setting and independently evaluates corporate targets.

Scope 1,2

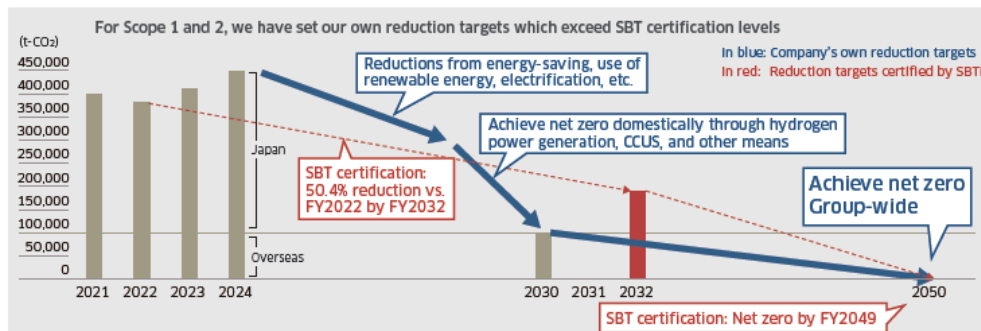
Scope 1, 2 In-house fuel and power use

/ Achieve carbon neutrality in Japan by 2030, mainly by hydrogen power generation

Regarding Scope 1 and 2, in Japan, which accounts for 3/4 of our group's total annual CO2 emissions of about 400,000 tons, we will realize a zero-emission plant by combining our own hydrogen power generation with waste power generation and renewable energy, as shown in the figure below. Through these efforts, the domestic group plans to achieve carbon neutrality by 2030 with 0 CO2 emissions. We are also working to reduce CO2 emissions overseas.



CO2 emissions and reduction targets (Scope 1 and 2)



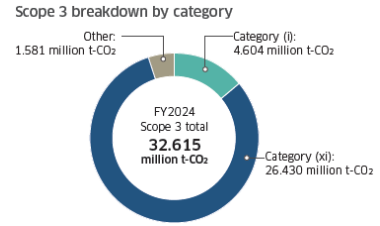
Zero-emission plant



Scope3

/ Promote ahead of society to become Zero-Carbon Ready

Scope3 Net Zero can be achieved only by ensuring that all customers and suppliers in the value chain are Zero-Carbon Ready. Our company will take the best possible action with Scope3 to achieve 0 Carbon Ready in 2040. Specifically, in Category 1, CO2 emissions at suppliers of materials and parts are reduced by 80%, and in Category 11, CO2FREE solutions are included in the standard lineup for all businesses. Furthermore, through the realization of a hydrogen society and the CCUS project, we will continue to reduce CO2 emissions by more than our company Scope3 emissions and contribute to the early realization of carbon neutrality in the world.



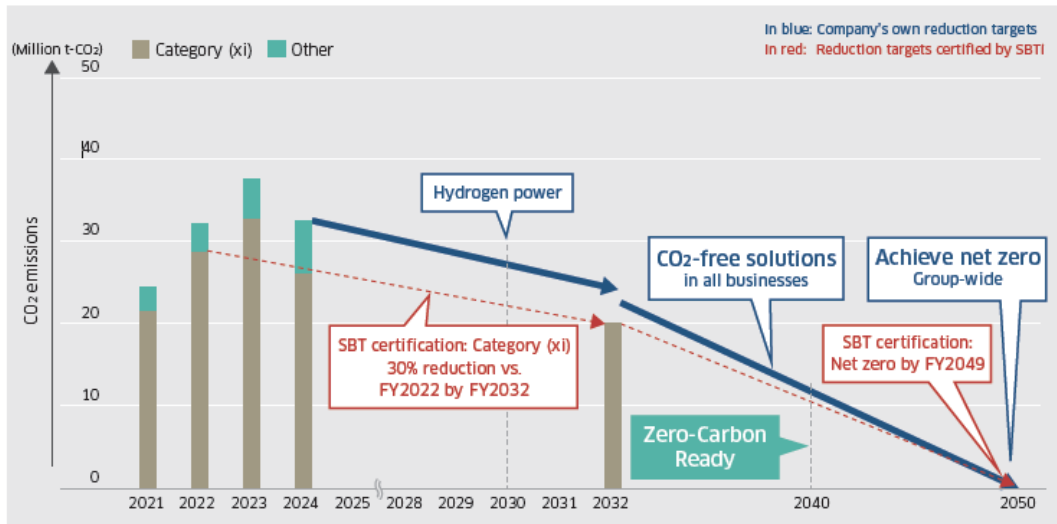
Scope 3 CO2 emissions reduction targets

2040 Zero-Carbon Ready (KHI, KRM, KMC*)

- Reduce CO2 at least 100% in real terms by engaging in the CCUS business
- Category (i): 80% reduction (compared with fiscal 2021)
- Category (xi): Develop a lineup of CO2-free standard solutions and facilitate global CO2 reductions

* KHI: Kawasaki Heavy industries, Ltd. (The Company, i.e., non-consolidated)
KRM: Kawasaki Railcar Manufacturing, Co., Ltd.
KMC: Kawasaki Motors, Ltd.

CO2 emissions and reduction targets (Scope 3)

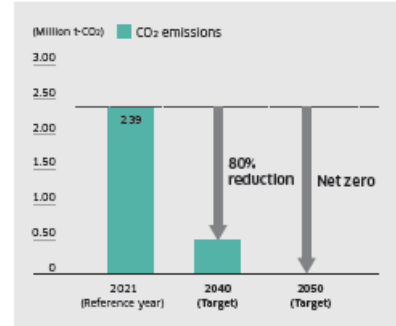


Scope 3 Category (i) CO₂ emissions from procurement of materials and parts

Hydrogen & CCUS solutions support industry initiatives and further accelerate reductions

Each industry and company are expected to take various measures to reduce CO₂ emissions, including the use of renewable energy and the efficiency of energy use. At our company, we will deepen cooperation with suppliers who are suppliers of materials and parts, such as sharing emission information, and provide solutions such as hydrogen power, hydrogen fuel, and other alternative fuels, as well as CCUS, not only in our group, but also to suppliers to support CO₂ reduction and achieve zero emissions sooner.

Scope 3 Category (i) (CO₂ reductions scenarios)



Scope 3 Category (xi) Providing customer solutions

Provide CO₂-free solutions to all customers

We will take action to decarbonize products and services with hydrogenation, electrification, green power grids, alternative fuels, and CCUS as our keywords.

● Initiatives in the leadup to 2030 (Short term)

Through Kawasaki Ecological Frontiers, a program for certification of environmentally friendly products, and other initiatives, we will continue to reduce the

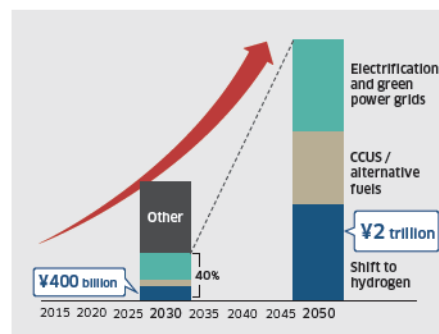
energy consumption and improve the efficiency of existing products and promote the shift to hybrid electric and battery electric motorcycles and other vehicles as part of the transition to a decarbonized society. We will also conduct development for the commercialization of hydrogen energy and expand the use of hydrogen in gas turbines, gas engines, and other equipment. Furthermore, we will work toward the development of Kawasaki CO₂ Capture and DAC for the capture and use of CO₂

● Initiatives in the leadup to 2040 (Medium to long term)

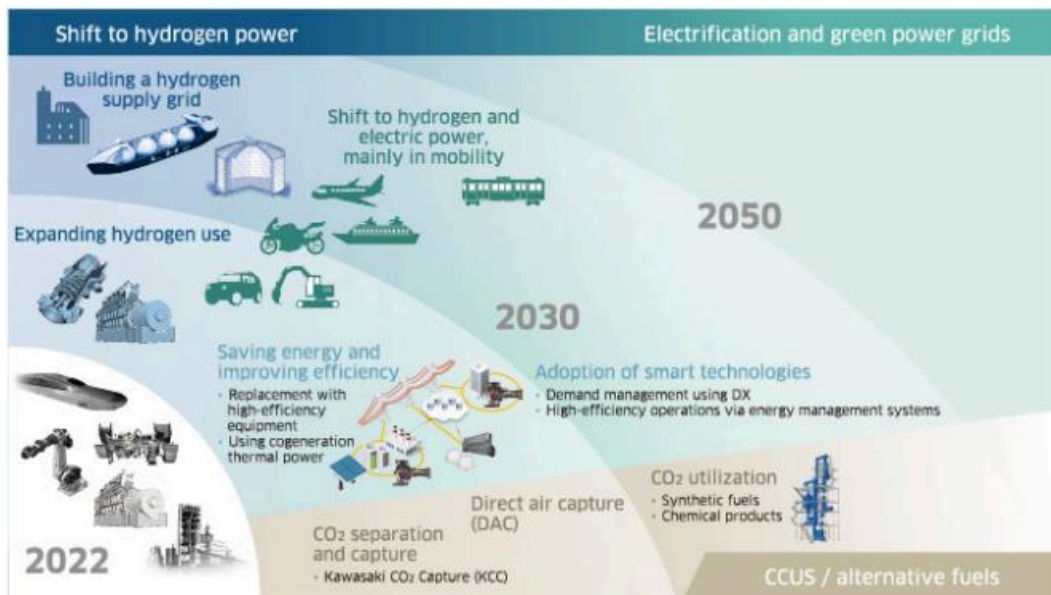
The Group will actively further the following three major initiatives.

- ① We will provide CO₂-free fuels and electrical power to society with a focus on the hydrogen business.
- ② We will make a selection of choices for electrification and CO₂-free fuels available to customers utilizing our various solutions including mobility and robots

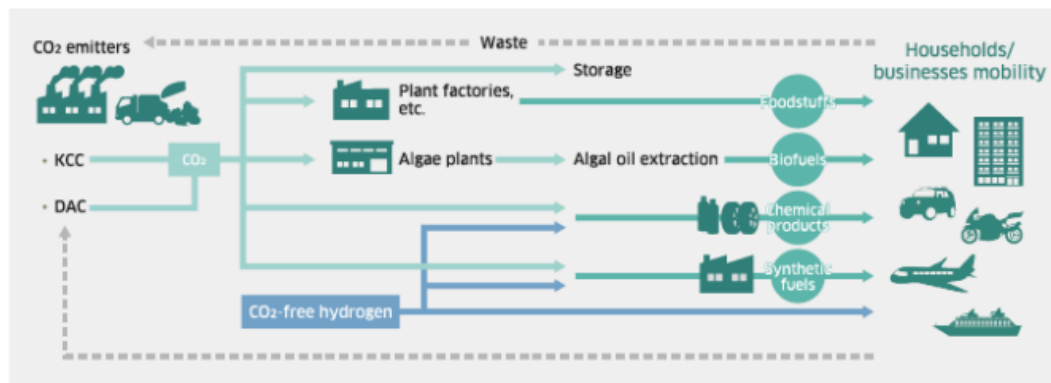
Envisioned scale of business by future solution



③ In addition to CO2 capture, we will promote the effective use of CO2 including the manufacture of synthetic fuels and chemical products to achieve a circular CO2 society. With these three pillars, the Group will make choices available to our customers of products and services (excluding defense and related; emergency products business) that contribute to the achievement of carbon neutrality by 2040, and promote global reductions in CO2.



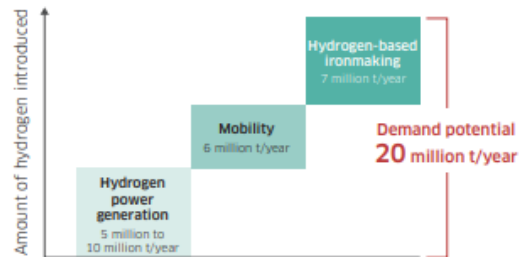
(Quoted from Kawasaki Sustainability Report 2024)



2) The coming of a hydrogen and carbon-neutral society

Crucial to Japan’s energy policy are its “S+3E” objectives. The major premise is “Safety,” with work being done to achieve a balance between “Energy Security,” “Economic Efficiency,” and “Environment.” Hydrogen is seen as being one of the types of energy that will achieve these objectives. The importance of hydrogen continued to be

Hydrogen demand forecast for 2050



Prepared by Kawasaki based on materials from the Agency for Natural Resources and Energy

emphasized in the 7th Strategic Energy Plan decided upon by the Cabinet in February 2025 as well. Efforts aimed at realizing a hydrogen society are ongoing, based cooperation between the public and private sectors. That said, the volume of the hydrogen supply that can be covered domestically is limited due to geographic constraints. Accordingly, large quantities of low-cost hydrogen imports from overseas will be essential to the hydrogen society of the future. We believe that liquefied hydrogen will be an effective solution for the issues of long-distance maritime transport, which is a requisite for hydrogen imports from overseas. Toward that end, we are pushing forward on developing technology and expanding infrastructure. In relation to our existing business, our shipbuilding division has a proven track record in constructing liquefied gas carriers of various sizes. Since the construction of the world’s first liquefied hydrogen carrier, SUIISO FRONTIER, we have been contributing to the commercialization of large liquefied hydrogen carriers by completing their basic design. Additionally, we are expanding our lineup to include medium and small-sized vessels, which are in higher demand during the early stages of this market. Furthermore, the expertise of our plant division, which has a significant track record in delivering large LNG tanks, is being extensively utilized in the development of large liquefied hydrogen tanks. Leveraging these strengths of our existing businesses, we are steadily progressing towards our goal of establishing a 400 billion yen liquefied hydrogen supply chain by fiscal year 2030.



40,000 m³ liquefied hydrogen carrier (artist's impression)



Superiority of Liquefied Hydrogen

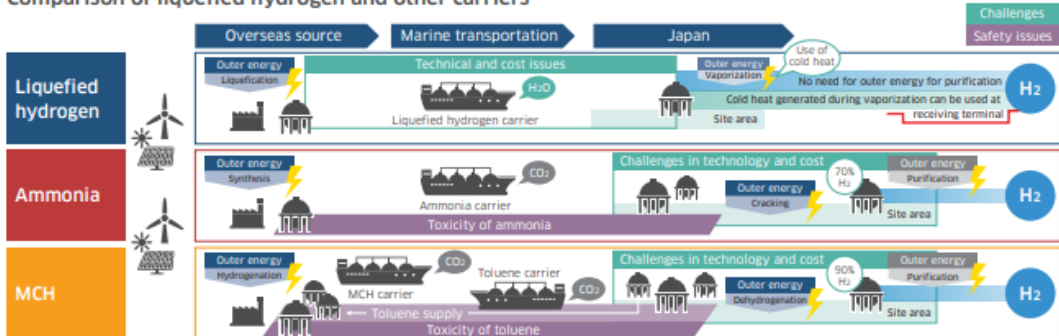
In the aerospace field, we have 40 years of experience and expertise in handling hydrogen, and we also have an established track record with hydrogen power generation operations and electric power supply. Also, in the spring of 2022, we completed a demonstration of maritime transportation between Japan and Australia and cargo handling using the SUIISO FRONTIER, the world’s first liquefied hydrogen carrier, which we constructed, demonstrating the feasibility of an international liquefied hydrogen supply chain.

Conceptual drawing for a liquefied hydrogen storage tank (computer generated image)

While other methods such as ammonia and MCH exist for the mass transportation of hydrogen, liquefied hydrogen is superior in the following respects. In the medium to long term, liquefied hydrogen is expected to be the most cost-effective and promising energy carrier.

- A liquefied hydrogen cargo handling base is located just 800 meters from the runway of the adjacent Kobe Airport, ensuring safety in handling based on our track record
- It is non-toxic, and during maritime transport, vaporized hydrogen gas can be used directly as fuel
- here is no energy loss required for decomposing the energy carrier to extract hydrogen or to increase its purity at the demand sites such as Japan
- Consequently, the equipment at the demand sites can be made simpler and more compact
- From an environmental perspective, it has the lowest greenhouse gas emissions in the international hydrogen supply chain

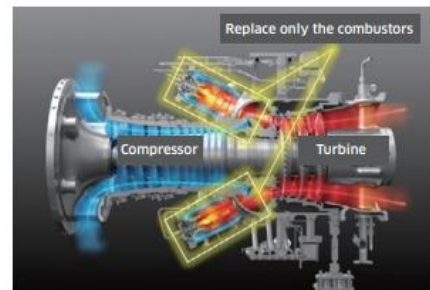
Comparison of liquefied hydrogen and other carriers



Furthering the Smooth Transition from Natural Gas to a Hydrogen Society

Media reports have noted a move back to natural gas in the energy markets in recent years owing to policy changes and so forth in the United States. However, in the long-term, there is no change to unavoidable, shared global goal of dealing with climate change. The current promotion of carbon neutrality is irreversible. In the early years of the hydrogen society, blue hydrogen※1—which is highly compatible with natural gas—will quite likely encourage the propagation of hydrogen through how it supports the introduction of green hydrogen.※2 As this unfolds, we are developing so-called hydrogen-ready technologies and products, such as gas turbines

Examples of transitional solutions



Phased support for mixed or hydrogen-only firing possible by replacing the combustors of conventional gas turbines (natural gas fuel)

and gas engines that can be switched from mixed firing with natural gas to hydrogen-only firing. We are preparing a system that will also be able to handle the period of the transition from natural gas to hydrogen.

※1 Blue hydrogen: Produced from fossil fuels, CO2 captured before emission

※2 Green hydrogen: Produced by the electrolysis of water, using renewable energy

3) Kawasaki Ecological Frontiers System

In order to reduce the environmental impact of our products and services throughout their life cycles, we have been promoting the Kawasaki Ecological Frontiers System since 2014.

The certification process

The Group evaluates its products and their manufacturing processes for conformity with its own internal standards and disseminates the results of its evaluations outside the company in accordance with international standard ISO14021. Specifically, our standards are geared to improving the environmental performance of our products and reducing the environmental impact of our manufacturing processes from three emissions-reduction standpoints: CO FREE (reduction of CO emissions), Waste FREE (reduction of industrial waste), and Harm FREE (reduction in the release of harmful chemical substances).

We have established three new categories (the Decarbonization Category, Transition Category, and Electric and Energy Saving Category) and, as explained below, register products as S Class or A class depending on the extent to which they meet evaluation standards.

S Class: Product evaluated as corresponding to the highest classes in the industry in terms of environmental consciousness

A Class: Product evaluated as exceeding industry standard class or our previous model in terms of environmental consciousness

In this system we constantly maintain up-to-date registration by reevaluating registered products every three years. As of the end of September 2025, the Group had registered 67 products in total, including 15 new registrations during the three years prior (5 in 2023, 7 in 2024, and 3 in 2025) and 52 renewed registrations of products originally certified in 2014–2022.

Impact of the system

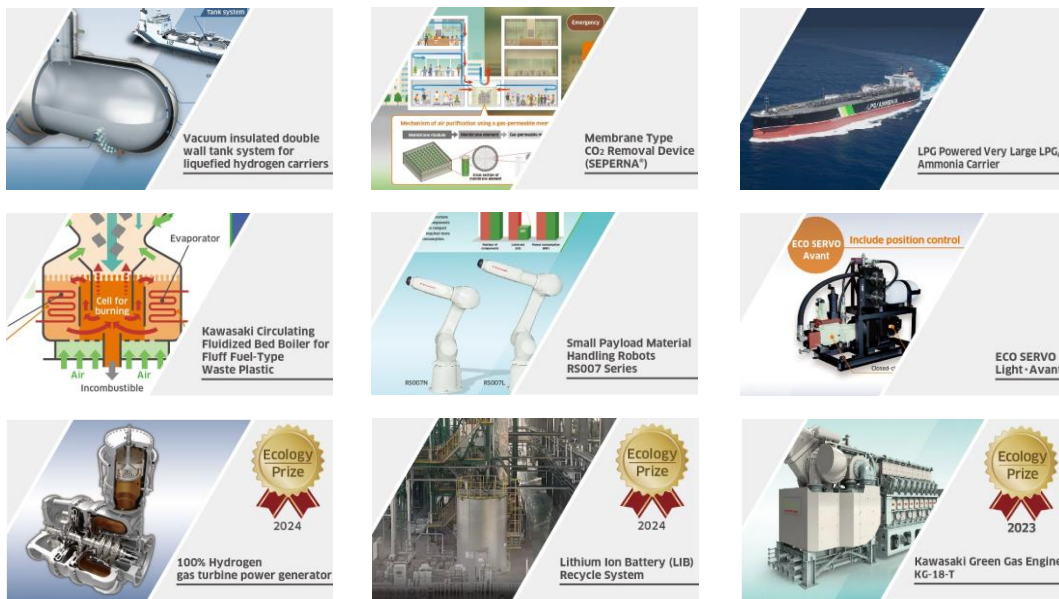
The CO emissions reduction effects of the Group's environmentally conscious products, including those registered under the Kawasaki Ecological Frontiers system, were 1,905 kt-CO in fiscal 2024. The certified and registered products are contributing in many ways to reducing annual CO emissions and other environmental impact. Examples include gas-turbine and gas-engine electric power generation equipment that has achieved world-class efficiency, motorcycles

manufactured with more than 90 percent recycled materials, and energy-saving rolling stock made possible by weight reduction.

*1 Reduction in CO₂ emissions compared to earlier products (refer to the calculation rules below.)

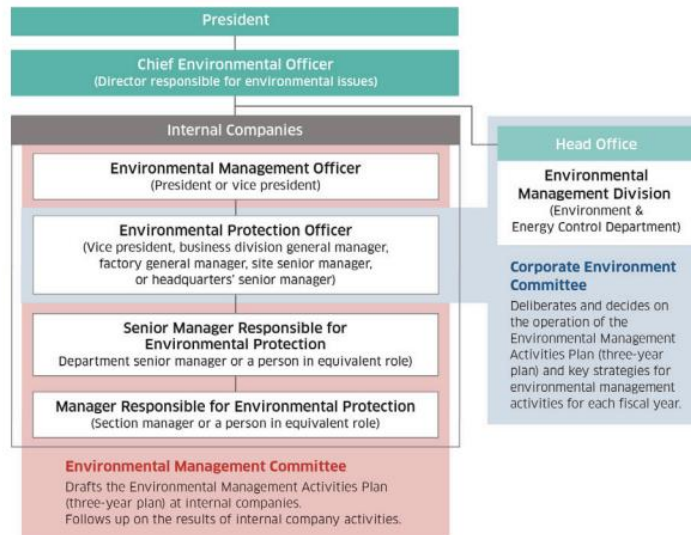
*2 To put this figure into perspective, a passenger car with a gas mileage of 15 km/l that is driven 10,000 km per year emits about 1.5 t-CO₂.

(Examples of Kawasaki Ecological Frontiers Registered Products)

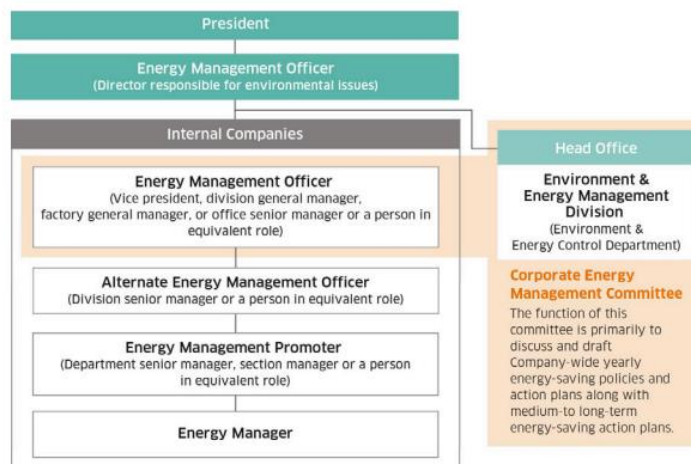


4) Environmental Management Promotion System

Environmental Management System



Energy Management System



3.2 Business Model Environmental Materiality

1) Materiality

As mentioned above, our group is reassessing the impact of its corporate activities on society and identifying material issues (materiality). In certain processes, we also consulted external advisors based on ESG rating agency (DJSI, FTSE, MSCI, Sustainalytics) survey items, SASB, investor stewardship policies, GRI, Future-Fit, and client company requirements (Self-Assessment Questionnaire). In 2017, we formulated the Kawasaki Global Environmental Vision 2050, which embodies environmental management based on the three visions of CO2 FREE, Waste FREE, and Harm FREE. Toward 2050, we are working to control climate change, promote

a recycling-based society, and conserve biodiversity.

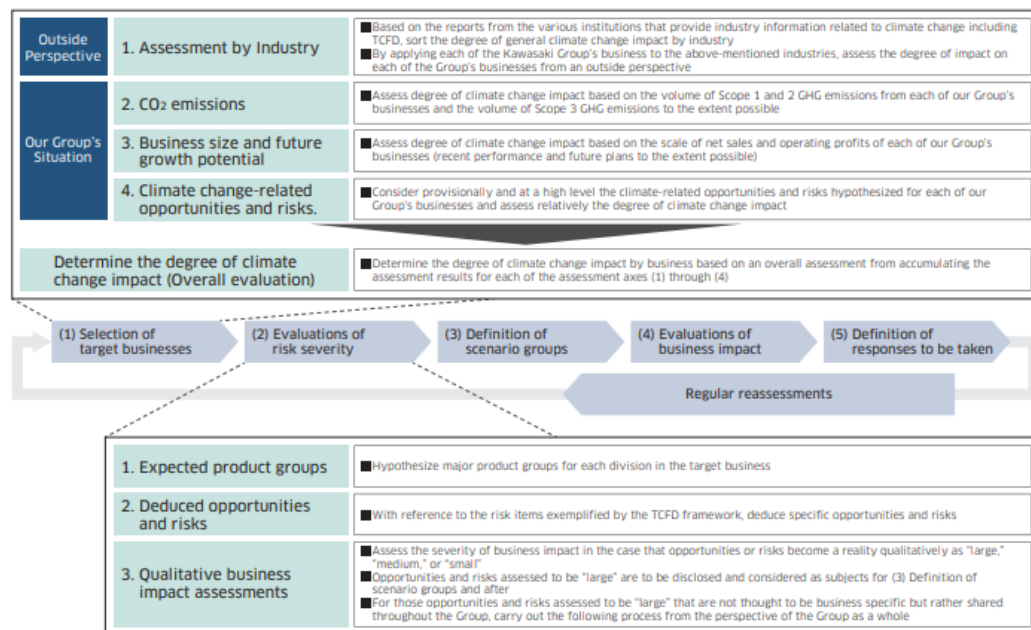
(See <https://global.kawasaki.com/en/corp/sustainability/materiality/task.html> for details.)

2) Information disclosure in accordance with TCFD recommendations (scenario analysis)

Under Group Vision 2030, our group will actively contribute to the realization of a society in which the global average temperature rise under the Paris Agreement will be reduced to 1.5°C compared to the pre-industrial level through the promotion of hydrogen projects and CCUS. On the other hand, in the face of severe natural disasters, we are implementing measures such as business continuity plans (BCP) and supply chain resilience based on risk analysis.

We have now taken a broad view of the Group as a whole and comprehensively evaluated (1) by industry, (2) CO₂ emissions, (3) business size and future growth potential, and (4) opportunities and risks related to climate change to identify businesses that are significantly impacted by climate change. In addition, considering the consistency with Group Vision 2030, we set 2030 as the target year and conducted the analysis based on the 1.5°C and 4°C scenarios.

Process for Scenario Analysis (1.5°C Scenario)



3.3 Climate Transition Strategy and Targets to be science-based

In line with the "CO₂ FREE" stated in the Kawasaki Global Environment Vision 2050, our group aims to achieve 0 CO₂ emissions by 2050. For Scope1 and 2 in Japan, which include Group companies, we are aiming to achieve carbon neutrality by 2030 through initiatives centered on hydrogen power generation. For Scope3, we have set targets for 2040 for the main categories (1) and (11). We have also established short- and long-term targets related to Scope 1, 2, and 3 emission reductions, which have been certified by the SBTi.

Our group's efforts to achieve these CO2 emission reduction targets are consistent with the following roadmap, which refers to international scenarios that are consistent with the goals of the Paris Agreement. We believe that our group's strategy and CO2 emission reduction targets have a scientific basis consistent with the Paris Agreement.

formulating entity	Date of Formulation	Roadmap Name
Agency for Natural Resources and Energy	November 2025	Transition Roadmap for Power Sector
Ministry of Economy, Trade and Industry	November 2025	Technology Roadmap for "Transition Finance" in the Gas Sector
	October 2025	Technology Roadmap for "Transition Finance" in the Cement Sector
	October 2025	Technology Roadmap for "Transition Finance" in the Automobile Sector
Ministry of Land, Infrastructure, Transport and Tourism	December 2021	Summary of the Study Group for the Promotion of Carbon Neutral Domestic Marine Transport
	May 2024	Procedure Chart for the Promotion of Decarbonization of Aviation (Study Group on CO2 Reduction in Aircraft Operations)
	March 2022	Toward Achieving Net Zero GHG Emissions from International Shipping by 2050
IATA※1	October 2021	Net zero carbon 2050 resolution
IMO※2	April 2025	2023 IMO STRATEGY ON REDUCTION OF GHG EMISSIONS FROM SHIPS Regulations on the IMO Net-Zero Framework※3

※ 1 International Air Transport Association

※ 2 International Maritime Organization

※ 3 From Draft revised MARPOL Annex VI

3.4 Implementation transparency

Our group will pursue sustainable growth by transforming itself into what the times demand while investing in growth businesses under the policies of "pursuit of growth potential," "reasonable profits," and "stability and synergy."

Based on the implementation of the Group Vision 2030 measures, we expect net sales related to carbon neutrality to be 650 billion yen (FY 2030) and investment related to carbon neutrality to be 350 billion yen (FY 2020 to FY 2030).

The overall investment plan for the hydrogen business, which is the core of our carbon neutral strategy, is not disclosed in view of confidentiality with partners of each project and international competition, but we plan to invest ~~50 billion yen~~ to become the world's first to realize a "zero-emission plant." In the Power Sports & Engines business, we plan to invest 150 billion yen (FY 2023 to FY 2027) in the development of mobility using hydrogen engines, general-purpose engines, and the replacement of major vehicle models with EV/HEV.

Results of scenario analysis (1.5°C scenario, 4°C scenario)

 Financial Impact¹ -- ★: less than ¥10 billion; ★★: ¥10 billion or more, less than ¥100 billion; ★★★: ¥100 billion or more

Target: 2030 1.5°C scenario	Energy Solution & Marine Engineering	Aerospace Systems	Powersports & Engine	Precision Machinery & Robot	Rolling Stock	
Opportunities	• Hydrogen related • CCUS and alternative fuels • Electrification					
Risks	• Falling demand for LNG power generation facilities, aircraft, gasoline-powered vehicles, and diesel construction machinery • Increase in R&D and capital investments					
Financial Impact ¹	• Carbon neutrality-related revenue, including hydrogen: ¥650 billion (FY2030)					
	Revenue	★★★ Sales of hydrogen-related products will rise	★ Creation of hydrogen aircraft will come around 2040 or later	★★★ Move first with the shift from gasoline-powered vehicles to EV/HEV, and shift to e-fuel and hydrogen will progress	★★	★
	Investment amounts	• Carbon neutrality-related investments: ¥350 billion (FY2020-FY2030)				
		★★★ Including use of GI Fund	★★ Including use of GI Fund with respect to the development of hydrogen aircraft	★★★ Investment of ¥150 billion for the period FY2023-FY2027	★★	★

4. Sustainable Finance Master Framework For Our Group Vision 2030

4.1 When specifying the use of funds: Disclosure based on the Green Bond Principles, etc.

1) Use of proceeds

The Green, Social, Sustainability, Transition and Blue Finance (Sustainable Finance) proceeds will be allocated to finance new and existing expenditures for businesses and projects related to the following eligible criteria: Refinancing of existing expenditures is limited to expenditures made within two years prior to sustainable financing.

※In the case of convertible bonds (CBs), the application of this Framework shall, in principle, be limited to the period prior to conversion into equity.

Depending on the financing to be executed, proceeds will be allocated to the following project categories.

- Green Finance: Green (Blue) Project
- Social Finance: Social Project
- Sustainability Finance: Green (Blue)/Social Project
- Sustainable Finance: Green (Blue)/Transition/Social Project
- Transition Finance: Green (Blue)/Transition Project
- Blue Finance: Blue Project

※ The marks in each project example refer to the following project categories:




 : Green Project

 : Social Projects



 : Blue Project

 : Transition Projects



































[A Safe and Secure Remotely-Connected Society]
















Eligibility Criteria	Eligible Category (Target Populations)	Project Example
Surgical Support Robot	Access to essential services Socioeconomic advancement and empowerment (Persons with diseases, healthcare professionals, etc.)	 Hinotori™ surgical robot system (R & D and Capital Investment)
Social Robot for Care Facilities	Socioeconomic advancement and empowerment (Nursing care staff, etc.)	 Social Robot for Care Facilities (Related indoor positioning information service) (R & D and Capital Investment)
Social Robot for hazardous work, etc.	Socioeconomic advancement and empowerment (hazardous work operator, etc.)	 Kaleido (R & D and Capital Investment)

[Near-Future Mobility]

Eligibility Criteria	Eligible Category (Target Populations)	Project Example
Delivery robot and unmanned transport helicopter	Access to essential services Socioeconomic advancement and empowerment (Deliverer, residents of remote islands, etc.)	 Delivery robot  VTOL unmanned aircraft (R & D and Capital Investment)

[Energy and Environmental Solutions]

Eligibility Criteria	Eligible Category	Project Example
Clean transport and storage of hydrogen	Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes (Sustainable Marine Transport)	  Hydrogen liquefier* 1   Liquefied hydrogen shipping and receiving base* 1   Liquefied hydrogen storage tank* 1   Liquefied hydrogen carrier* 1   Hydrogen fuel vessel* 1   Tank system for liquefied hydrogen carrier* 1   hydrogen compressor* 1 (R & D, Demonstration, and Capital Investment)
Clean energy use of hydrogen	Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes clean transportation (Sustainable Marine Transport)	  Hydrogen gas turbine for power generation (dedicated firing) * 2   Hydrogen gas engine for power generation (dedicated firing) * 2  Core technologies for hydrogen aircraft   Marine hydrogen engine and hydrogen fuel ship propulsion system(MHFS)  Hydrogen engine for motorcycle  Hydrogen engine vehicle  Fuel cell vehicle (R & D, Demonstration, and Capital Investment)
Clean energy use of hydrogen (co-firing)	Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes	 Hydrogen gas turbine for power generation (co-firing)  Hydrogen gas engine for power generation (co-firing) (R & D, Demonstration, and Capital Investment)
CCUS	Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes	 CO2 separation and recovery in flue gas (Kawasaki CO2 Capture)  DAC (Direct Air Capture) (R & D, Demonstration, and Capital Investment)
Use of gas energy	Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes clean transportation	 High efficiency gas turbine  Kawasaki Green Gas Engine  Large LPG and LNG carriers (R & D and Capital Investment)
Transport Equipment (Electric)	Clean Transportation	 EV Motorcycle Vehicle  Infrastructure for EV Motorcycle Vehicles  Track material monitoring and remote monitoring device (R & D, Demonstration, and Capital Investment)

Eligibility Criteria	Eligible Category	Project Example
Transport Equipment (Hybrid)	Clean Transportation	 Hybrid motorcycle vehicle  Marine hybrid/electric propulsion system * 3 (R & D and Capital Investment)
Waste Disposal	Pollution prevention and control	 Garbage Carbonization fuel system (R & D and Capital Investment)
Construction and cement	Energy conservation	 Controller for construction machine  Electric joystick  CK Mill  CKK system (R & D and Capital Investment)
Sewage Treatment	Pollution prevention and control (Marine Pollution)	  Mega MAG Turbo (R & D and Capital Investment)
Other energy-saving products	Energy conservation	  Cogeneration system * 4  Eco Servo  Membrane type CO2 removal device (SEPERNA) (R & D and Capital Investment)
Aquaculture System	Environmentally sustainable management of living natural resources and land use	  Aquaculture System "MINATOMAÉ" (R & D, Demonstration, and Capital Investment)



*(1) As the project promotes the transition from natural gas to a hydrogen society from its early stages, the project is eligible as a green/transition project.

*(2) Equipment that can switch between exclusive firing and co-firing is eligible as a green/transition project.

*(3) In the case of pure battery electric propulsion, the project is eligible as a green project.






*(4) If fossil fuels are used as primary fuels, they are eligible as transition projects.





【Cross-cutting Initiatives】


Eligibility Criteria	Eligible Category (Target Populations)	Project Example
Social Innovation	Socioeconomic advancement and empowerment (Persons with diseases, healthcare professionals, Nursing care staff, hazardous work operator, etc.) Environmentally Adapted Products, Environmentally Conscious Production Technologies and Processes	  Innovation Lab (KAWARUBA) (R & D and Capital Investment)

Our group strives to implement environmental management activities in compliance with environmental laws and regulations, and pays attention to potentially negative environmental and social impacts when implementing relevant projects. We hold liaison conferences as needed for personnel with environmental responsibilities to ensure adherence to environmental laws and regulations, the dissemination and full understanding of legal revisions, and the enhancement of their capabilities. These conferences, which are held under the direction of the Head Office Environmental Management Division, serve as opportunities for working with Group personnel to preempt environmental accidents and other compliance-related problems.

< Consistency of each criteria with SDGs >

SDGs		Criteria
	3.8 Achieve universal health coverage (UHC), including protection from financial risks for all, access to quality basic health services and access to safe, effective, quality and affordable essential medicines and vaccines	<ul style="list-style-type: none"> • Surgical Support Robot • Social Robot • Social Innovation
	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing the release of hazardous chemicals and substances, halving the proportion of untreated wastewater and significantly increasing recycling and safe reuse worldwide	<ul style="list-style-type: none"> • Sewage Treatment • Aquaculture System
	7.1 Ensure universal access to affordable and reliable modern energy services by 2030 7.2 Significantly increase the share of renewable energy in the global energy mix by 2030 7.3 Double the rate of global energy efficiency improvement by 2030 7.a By 2030, strengthen international cooperation to promote access to clean energy research and technologies, such as renewable energy, energy efficiency, and advanced and environmentally sound fossil fuel technologies, and promote investments in energy-related infrastructure and clean energy technologies	<ul style="list-style-type: none"> • Clean transport and storage of hydrogen • Clean energy use of hydrogen • Clean energy use of hydrogen (co-firing) • CCUS • Use of gas energy • Transportation equipment (Electric) • Transportation Equipment (Hybrid) • Construction and cement • Other energy-saving products • Social Innovation
	8.2 Achieve high levels of economic productivity through diversification, technological improvement and innovation, including by focusing on high-value-added and labour-intensive sectors.	<ul style="list-style-type: none"> • Surgical Support Robot • Social Robot • Delivery robot and unmanned transport helicopter • Social Innovation
	9.1 Develop infrastructure, such as high-quality, reliable, sustainable and resilient regional and transboundary infrastructure, to support economic development and human well-being with an emphasis on affordable access for all 9.4 By 2030, improve sustainability by improving infrastructure and industry through improved resource use efficiency and increased adoption of clean technologies and environmentally friendly technologies and industrial processes. All countries will respond to each country's capabilities 9.5 Promote scientific research and improve technical capacity in the industrial sector in all countries, including developing countries, by encouraging innovation, significantly increasing the number of R & D workers per 1 million people, and increasing public and private R & D spending by 2030	<ul style="list-style-type: none"> • Surgical Support Robot • Social Robot • Delivery robot and unmanned transport helicopter • Clean transport and storage of hydrogen • Clean energy use of hydrogen • Clean energy use of hydrogen (co-firing) • CCUS • Use of gas energy • Transportation equipment (Electric) • Transportation Equipment (Hybrid) • waste disposal • Construction and cement • Sewage Treatment • Aquaculture System • Other energy-saving products • Social Innovation

SDGs	Criteria
 <p>11.2 Provide all people with access to safe, affordable, easily accessible and sustainable transport systems by 2030, with particular attention to the needs of vulnerable populations, women, children, the disabled and the elderly, and by improving transport safety, including through the expansion of public transport</p> <p>11.6 Reduce per capita environmental impact in urban areas by 2030, including through special consideration of air quality and municipal waste management</p>	<ul style="list-style-type: none"> • Delivery robot and unmanned transport helicopter • Waste Disposal • Sewage Treatment
 <p>12.2 Achieve sustainable management and efficient use of natural resources by 2030</p> <p>12.5 By 2030, significantly reduce waste emissions through prevention, reduction, recycling and reuse</p>	<ul style="list-style-type: none"> • Clean transport and storage of hydrogen • Clean energy use of hydrogen • Clean energy use of hydrogen (co-firing) • CCUS • Use of gas energy • Transportation equipment (Electric) • Transportation Equipment (Hybrid) • Waste Disposal • Construction and cement • Sewage Treatment • Aquaculture System • Other energy-saving products
 <p>13.1 Strengthen resilience and capacity for adaptation to climate-related and natural disasters in all countries</p>	<ul style="list-style-type: none"> • Clean transport and storage of hydrogen • Clean energy use of hydrogen • Clean energy use of hydrogen (co-firing) • CCUS • Use of gas energy • Transportation equipment (Electric) • Transportation Equipment (Hybrid) • Waste Disposal • Construction and cement • Sewage Treatment • Aquaculture System • Other energy-saving products
 <p>14.1 Preventing and significantly reducing all types of marine pollution, including marine litter and eutrophication, especially pollution from land-based activities, by 2025</p> <p>14.3 Ensure that the impact of ocean acidification is minimized and take action, including by encouraging scientific cooperation at all levels</p> <p>14.4 By 2020, effectively regulate harvesting and end overfishing, illegal, unreported and unregulated fishing and destructive fishing practices and implement science-based management plans, in order to restore fish</p>	<ul style="list-style-type: none"> • Hydrogen fuel vessel • Marine hydrogen engine and hydrogen fuel propulsion system • Sewage Treatment • Aquaculture System

SDGs		Criteria
	stocks in the shortest time feasible, at least to levels that can produce maximum sustainable yield as determined by their biological characteristics	
	17.7 Facilitate the development, transfer, dissemination and diffusion of environmentally sound technologies to developing countries under mutually agreed favourable conditions, such as concessional and preferential terms 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience of various partnerships and resource strategies	<ul style="list-style-type: none"> • Surgical Support Robot • Social Robot • Delivery robot and unmanned transport helicopter • Clean transport and storage of hydrogen • Clean energy use of hydrogen • Clean energy use of hydrogen (co-firing) • CCUS • Use of gas energy • Transportation equipment (electric) • Transportation Equipment (Hybrid) • Waste Disposal • Construction and cement • Sewage Treatment • Aquaculture System • Other energy-saving products • Social Innovation

2) Process for project evaluation and selection process

Eligible projects will be selected by our company's finance and planning departments based on eligibility criteria established in accordance with Group Vision 2030, the Carbon Neutral Strategy, and the Kawasaki Ecological Frontiers System. The selected projects will be finalized after approval by the Finance and Planning Officers.

3) Management of proceeds

The proceeds raised through sustainable finance will be allocated within approximately two years.

Our company Finance Division uses our company internal management system to track and manage the connection between funding and eligible projects and the allocation of funding. The tracking results will be reviewed by the Finance Officer on a quarterly basis. The proceeds will be managed in cash or cash equivalents until the proceeds are allocated.

In addition to the internal tracking of allocated and unallocated funds described above, we will also confirm that balances are properly managed through semi-annual internal audits and quarterly accounting audits by external auditors.

If a project for which funds have been allocated is cancelled or postponed, the funds will be reallocated to other projects that meet the eligibility criteria in accordance with this Framework.

4) Reporting

i. Allocation reporting

The allocation status is disclosed on the website or to the lender (in the case of a loan) once a year until the proceeds are fully allocated. In the case of a CB, this applies until the total issue amount is fully allocated, regardless of whether conversion takes place.

- Amounts allocated to each eligibility criteria
- Unallocated amount and investment method
- Amounts (or percentages) of the portion of the proceeds used for refinancing

Even after the completion of the allocation of proceeds, if an event different from the initial assumption occurs in the project subject to the use of proceeds, the Company will promptly disclose the event, the status of the occurrence of unallocated proceeds, the status of reallocation, etc.

In addition, if the entire amount of a CB is converted into equity, such fact will be disclosed.

ii. Impact reporting

Within the scope of confidentiality obligations, all or any of the following output and outcome measures will be disclosed once a year on our company website or disclosed to the lender (in

the case of a loan) as impact reporting for the target project until the full amount of proceeds is allocated to the target project, or, in the case of a CB, until the originally assumed maturity date regardless of whether conversion takes place.

[A Safe and Secure Remotely-Connected Society]

Eligibility Criteria	Output indicator	Outcome measure	Impact
Surgical Support Robot	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of installed hinotori™ surgical robot systems 	<ul style="list-style-type: none"> Number of operations with the hinotori™ surgical robot system 	<ul style="list-style-type: none"> Reduction of physical and mental burden and improvement of QOL of patients Reducing the burden on physicians and healthcare professionals
Social Robot for Care Facilities	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of Social Robots manufactured and sold 	<ul style="list-style-type: none"> Amount of Burden Reduction for nursing care staff and others through social robot deployment(headcount equivalent) 	<ul style="list-style-type: none"> Maintaining and improving care quality levels Reducing the burden and elimination of labor shortages on nursing care staff
Social Robot for hazardous work, etc.	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of Social Robots manufactured and sold 	<ul style="list-style-type: none"> Workload reduction for workers engaged in hazardous work through social robot deployment (headcount /worksites equivalent) 	<ul style="list-style-type: none"> Improvement of worker safety through the replacement of hazardous work.

[Near Future Mobility]

Eligibility Criteria	Output indicator	Outcome measure	Impact
Delivery robot and unmanned transport helicopter	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of users of delivery robots and VTOL drones 	<ul style="list-style-type: none"> Case study of delivery robot and VTOL unmanned aircraft 	<ul style="list-style-type: none"> Elimination of labor shortages Last One Mile (Disasters, Remote Islands)

[Energy and Environmental Solutions]

Eligibility Criteria	An example of impact reporting
Clean transport and storage of hydrogen	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of products developed or manufactured and installed Reduction of CO2 emissions by using hydrogen (theoretical value)
Clean energy use of hydrogen	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of products developed or manufactured and installed Reduction of CO2 emissions by using hydrogen (theoretical value)
Clean energy use of hydrogen (co-firing)	<ul style="list-style-type: none"> Research and development, progress of demonstration, research and development papers Number of products developed or manufactured and installed

Eligibility Criteria	An example of impact reporting
	<ul style="list-style-type: none"> Reduction of CO2 emissions by using hydrogen (theoretical value)

Eligibility Criteria	An example of impact reporting
CCUS	<ul style="list-style-type: none"> Research and development, progress of demonstration, research and development papers Reduction of CO2 emissions by using CO2 separation and recovery systems (theoretical value)
Use of gas energy	<ul style="list-style-type: none"> Number of products manufactured and installed Reduction of CO2 emissions by product contribution
Transportation equipment (Electric)	<ul style="list-style-type: none"> Research and development, progress of demonstration, research and development papers Number of products developed or manufactured and installed Estimated CO2 emissions reduction by product contribution (theoretical value) Reduction in energy consumption by service contribution (theoretical value)
Transportation Equipment (Hybrid)	<ul style="list-style-type: none"> Research and development, progress of demonstration, research and development papers Manufacture and sales of products Estimated CO2 emissions reduction by product contribution (theoretical value)
Waste Disposal	<ul style="list-style-type: none"> Number of products manufactured and installed Amount of waste reduction by product contribution (theoretical value)
Construction and cement	<ul style="list-style-type: none"> Manufacture and sales of products Reduction in CO2 emissions, energy consumption, and power consumption by product contribution (theoretical value)
Sewage Treatment	<ul style="list-style-type: none"> Number of products manufactured and installed Treatment capacity of installed sewage treatment plant (theoretical value)
Other energy-saving products	<ul style="list-style-type: none"> Number of products developed or manufactured and installed Reduction in CO2 emissions, energy consumption, and power consumption by product contribution (theoretical value)
Aquaculture System	<ul style="list-style-type: none"> Progress in R & D and demonstration Number of aquaculture operators that adopted the aquaculture system Shipment volume from aquaculture operations

【Cross-cutting Initiatives】

Eligibility Criteria	Output indicator	Outcome measure	Impact
Social Innovation	<ul style="list-style-type: none"> Progress in R & D and demonstration 	<ul style="list-style-type: none"> Research Results 	<ul style="list-style-type: none"> Realization of social innovation (hydrogen society, resolving labor shortages, etc.)

4.2 When not specifying the use of proceeds: Disclosure based on the Sustainability-linked bond Principles, etc.

1) Selection of KPIs and Calibration of SPTs

To demonstrate the Group's commitment to zero CO2 emissions in 2050, our company selected the following 3 KPIs and established SPTs for each KPI.

The use of KPIs and SPTs depends on the type of financing:

- Transition-Linked Finance :
Any of KPI1/SPT1, KPI2/SPT2, or KPI3/SPT3, or any combination thereof (excluding KPI3/SPT3 alone).
- Sustainability-Linked Finance :
KPI3/SPT3

KPI	SPT
KPI1: CO2 emissions (Scope1, 2)	SPT1: 2030 Domestic Group Company Net Zero ^{*1}
KPI2: CO2 emissions (Scope3)	SPT2: 2032 Scope3 Category(11) 30% reduction vs. FY 2022
KPI3: Building the hydrogen supply chain	SPT3: Completion of the construction, by FY 2030, of one commercialized demonstration liquefied hydrogen carrier with a transport capacity of 30,000 t/year or more for shipment to Japan ^{*2}

^{*1}Targeting domestic CO2 emissions from Kawasaki Heavy Industries, Kawasaki Rolling Stock, Kawasaki Motors, and domestic companies

^{*1}The base to be counted fluctuates as appropriate due to the refinement of measurement, etc.

^{*2}Tank capacity of 40,000m³

The above KPI/SPT is a quantitative indicator for achieving carbon neutrality in 2050 under our company's Group Vision 2030, Scope1, 2 and 3.

KPI1 is a direct indicator of our carbon neutral strategy.SPT1 is an ambitious target that significantly surpasses Japan's NDC and other benchmarks, as well as the SBTi-certified targets.

These figures were calculated in accordance with the GHG Protocol, and amounted to approximately 402 thousand tons in FY 2021, 382 thousand tons in FY 2022, 416 thousand tons in FY 2023, and 447 thousand tons in FY 2024.

KPI2 is also a direct indicator of our carbon neutral strategy. SPT2 is an ambitious, SBTi-certified target that significantly surpasses the reduction levels required under the Science Based Targets initiative.

As with Scope 1 and 2, these figures were calculated in accordance with the GHG Protocol and amounted to approximately 28,937 million tons in FY 2022, 32,650 million tons in FY 2023, and 26,430 million tons in FY 2024.KPI3 is a core project to realize Group Vision 2030, and our carbon neutral strategy. The main issues to be addressed for the realization of a hydrogen society are the required specification targets for core products and the achievement of future

hydrogen price targets that are equivalent to conventional energy, such as LNG prices. The concept itself is the world's first attempt at constructing a hydrogen supply chain, and many of the core products in the "Production, Transportation/Storage, and Utilization" phases require the development of the world's first technologies. Among them, our company will be the first in the world to develop a liquefied hydrogen carrier that will carry as "Transportation".

This project for constructing a hydrogen supply chain has been selected as a Green Innovation Fund project led by the Ministry of Economy, Trade and Industry (METI) and the New Energy and Industrial Technology Development Organization (NEDO). Taking into account the anticipated hydrogen demand of approximately 30,000 to 70,000 tons per year during the early social implementation phase of hydrogen (2030–2035), we plan to conduct a Commercialization Demonstration of a medium-sized liquefied hydrogen carrier by 2030.

【 Concept of SPT3 : Commercialization demonstration of medium-sized liquefied hydrogen carriers with a transport capacity of 30,000 t/year or more for shipment to Japan 】

- Liquefied hydrogen carriers per Vessel: Liquefied Hydrogen Carriage: 40,000 m³
- Number of transports per vessel 11 times/year x 1 vessels ≈ 30,000 t/year

In the event that there is a significant change in the setting of the SPT, our company may obtain an evaluation by an external evaluation body after consulting with the relevant parties regarding the establishment of an evaluation standard for the SPT with an ambition level equal to or higher than the existing evaluation standard based on these changes.

2) Characteristics of bonds and loans

The financial and structural characteristics of Transition/Sustainability-Linked financing (bonds or loans) implemented in accordance with the Framework will change depending on the progress of the SPT. The details, including the terms, will be set appropriately after discussion at an internal meeting, and will be disclosed in the bond disclosure document or the loan contract document, etc., each time the financing is executed.

- SPT value
- SPT observation date and method of assessment
- Specific financial and structural characteristics *

*These include, but are not limited to, the step-up or step-down of interest rates, donations to organizations for environmental conservation activities, and the purchase of emission credits.

3) Reporting

The progress of the SPT against the KPI is disclosed on the website or disclosed to the lender (in the case of a loan) at least once a year after the execution of the Transition/Sustainability-Linked financing until the redemption or completion of the repayment.

4) Verification

The status of SPT against KPIs is verified by external organizations, etc. at least once a year after implementation of Transition/Sustainability-Linked financing until redemption or completion of repayment, and is disclosed on our company website or disclosed to lenders (in the case of loans). The details will be disclosed in the disclosure documents of bonds or the contract documents of loans, etc., each time the financing is executed.

5. Sustainable Finance Master Framework With Our Partners

5.1 Use of the Framework by Business Partners/Customers

1) Purpose of Formulating the Framework

As part of its Scope 3 carbon neutrality targets, we are advancing the decarbonization of our products and services under the key themes of hydrogen, electrification, green power grids, alternative fuels, and CCUS. Our aim is to achieve “Zero-Carbon Ready” by 2040—a state in which customers choose our decarbonization solutions. Also, in August 2024, we obtained SBT certification with the goal of achieving net zero greenhouse gas emissions across the entire value chain by fiscal 2049.

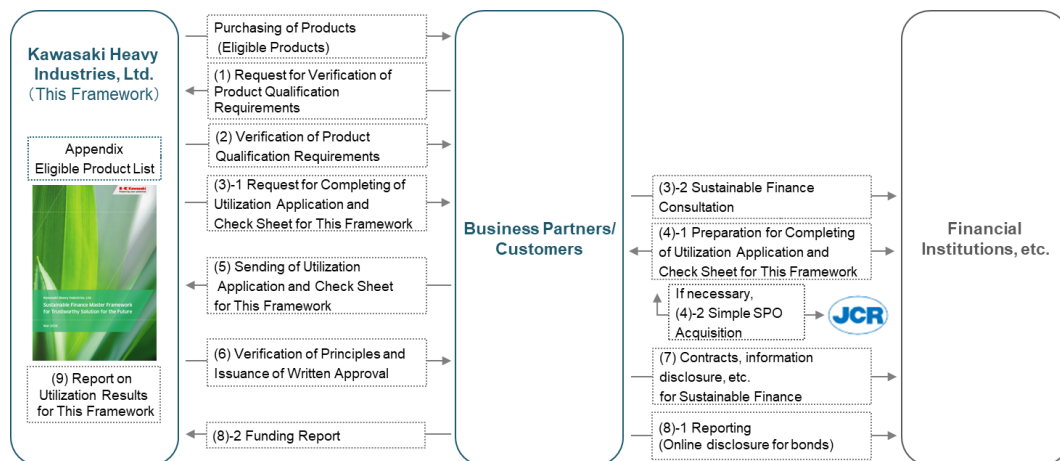
With the aim of reducing our Scope 3 emissions and promoting decarbonization by business partners/customers, we formulated this framework to enable business partners/customers to procure funds for purchasing green/transition products using green/transition finance.

By utilizing this framework, we will expand the circle of decarbonization solutions with our business partners and customers and contribute to the early realization of carbon neutrality.

2) Practical Flow

When our business partners/customers procure funds for the purchase of our Qualified Products listed in the attachment, the framework is used to establish procedures for procurement from financial institutions, etc. as green/transition finance.

The operational flow for business partners/customers to use this framework is as follows.



- (1) When a business partner/customer (procurer of funds) purchases a product of ours listed in the Qualified Product List attached hereto, they shall request us to verify the qualification requirements for the product to be purchased.
- (2) We will issue a letter of verification to the business partner/customer after confirming that the qualification requirements are met.

- (3)-1 We shall provide the customer with a Framework Utilization Application and Check Sheet (hereinafter, Check Sheet) to verify compliance with the core components under the Green Bond Principles (hereinafter, Four Components).
- (3)-2 Business partners/customers shall consult with financial institutions, etc. about green/transition finance, with the proceeds to be allocated to eligible products.
- (4)-1 The business partner/customer shall fill in the necessary items including items related to avoiding lock-in in the Check Sheet and request the financial institution, etc. to confirm the contents of the check sheet and fill in the necessary items. After that, both business partners/customers and financial institutions, etc. confirm the content.
- (4)-2 Business partners/customers will obtain simplified second-party opinions from third-party evaluators as necessary.
- (5) The business partner/customer returns the Check Sheet to us.
- (6) Based on the contents of the check sheet received, we will confirm that the business partner/customer complies with the Four Components, and will issue a written approval to the business partner/customer.
- (7) Upon receipt of the letter of approval, the business partner/customer will execute the necessary business operations for procuring funds, such as concluding green/transition finance contracts with financial institutions, etc. and issuing corporate bonds.
- (8)-1 Business partners/customers will disclose the allocation and impact reporting to financial institutions, etc. (in the case of loans) or on the website once a year until the proceeds are fully allocated. However, this does not preclude reporting after full allocation.
- (8)-2 The business partner/customer will provide an annual Funding Report to us until the proceeds are fully allocated.
- (9) Based on the Funding Report from the business partner/customer, we will disclose on our website a Framework Utilization Results Report within one year of the completion of the financing by the business partner/customer.

*Financial institutions, etc. may, upon request from business partners/customers, carry out the above operational flow on behalf of business partners/customers.

5.2 Disclosure based on the Green Bond Principles, etc.

1) Use of proceeds

The Green/Transition Finance proceeds by business partners/customers will be allocated to finance new and/or existing expenditures for products that meet one of the following criteria

(qualified products): Refinancing is limited to spending on qualified products purchased within two years prior to the issuance of the green/transition financing.

< Eligible Products >

- Products listed on the attached Eligible Product List
- Products confirmed by us as the latest products with improved environmental performance even if they are not listed on the attached Eligible Product List
- Products that have been confirmed by a third-party evaluation organization as being consistent with our carbon neutral strategy even if they are not listed on the attached Eligible Product List

Depending on the type of financing to be executed, proceeds will be allocated to the following product categories.

- Green Finance : Green Projects
- Transition Finance : Green/Transition Project

2) Project evaluation and selection process

Eligible products for use of proceeds under this framework shall be those for which eligibility has been confirmed in advance by a third-party evaluation organization (described in the attached Eligible Product List). Even if a product has not been verified to be eligible under this framework, it can be used for proceeds under this framework if it is confirmed by us that the product is the latest product with improved environmental performance from the products on the Eligible Product List, or if it is confirmed by a third-party evaluation organization that the product is consistent with our Carbon Neutral Strategy.

Additionally, the selection process of business partners/customers and mitigation and avoidance measures against negative impacts are verified by financial institutions, etc. or third-party evaluation organizations using check lists, etc.

3) Management of proceeds

Financial institutions, etc. or third parties verify how business partners/customers respond to the following items using the Check Sheet.

- (1) The tracking and management of proceeds are enabled using electronic files, etc.
- (2) A system for tracking and managing proceeds, the person in charge and the reporting system are clearly defined
- (3) A plan for the allocation of proceeds is established.
- (4) The method and time limit for storing vouchers related to proceeds is established.
- (5) An investment method is established in the event that unallocated proceeds arise temporarily

4) Reporting

Regarding the reporting system, in the case of loans, business partners/customers report the details of the reporting on the allocation and impact to financial institutions, etc. using a predetermined reporting format. In the case of bonds, etc., the report content is disclosed on the website of the business partner/customer.

The status of allocation of purchasers and the content of impact reporting are as follows.

i. Allocation Reporting

The allocation status is disclosed on the website or to financial institutions, etc. (in the case of a loan) once a year until the proceeds are fully allocated.

- Amounts allocated to each eligibility criterion
- Unallocated amount and investment method
- Amounts (or percentages) of the portion of the proceeds used for refinancing

Even after the completion of the allocation of proceeds, if an event different from the initial assumption occurs in the project subject to the use of proceeds, the Company will promptly disclose the event, the status of the occurrence of unallocated proceeds, the status of reallocation, etc.

ii. Impact reporting

Business partners/customers disclose the following indicators of environmental benefits to financial institutions, etc. (in the case of loans) or on their websites once a year, within the scope of confidentiality obligations, until all the proceeds are fully allocated to the target products.

- Overview of target products
- CO2 emission reduction amount (actual or theoretical) of the target products

In addition, the business partner/customer shall report the result of the procurement of funds to us using the prescribed form. We will disclose the index of the environmental benefits of products purchased using this framework on our website once a year within the scope of confidentiality.

- Utilization status of this framework in a format that does not identify business partners/customers (excluding the time the matter is announced)
- Overview of target products (extract and select some of the target products)
- Cumulative CO2 emission reduction effect of target products (theoretical value)

No	Eligible Products (Model Number)	Eligibility Criteria (ICMA Eligible Classification/Category)	Characteristics	Envisioned Negative Environmental and Social Impacts	Mitigations for Negative Impacts (Examples)	Compatible External Criteria As of March 2026
1	Hydrogen mono-firing gas turbine power generator (M1A-17D) Product Introduction Link *When used for hydrogen mono-firing *When used in hydrogen co-firing	Clean energy use of hydrogen (Environmentally friendly products, environmentally friendly production technologies and processes)	Environmental Benefits: Zero CO2 emissions at the time of power generation by 100% hydrogen mono-firing CO2 Emissions: CO2 emissions during power generation during 50% hydrogen co-firing 150 g-CO2/kWh Overview: Dedicated hydrogen combustion contributes to reducing CO2 emissions during power generation	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) 	At 100% hydrogen combustion (GHG emissions from hydrogen production, transportation and storage are not considered) EU Taxonomy: Electricity generation from renewable non-fossil, gaseous and liquid fuels (LC-GHG emissions < 100 g-CO2e/kWh) ASEAN Taxonomy: Electricity generation from renewable non-fossil gas and liquid fuels, including co-firing with fossil fuels (Tier1: LC-GHG emissions < 100g-GHG/kWh) At 50% hydrogen co-firing (GHG emissions from hydrogen production, transportation and storage are not considered) EU Taxonomy: Fossil gas-fueled power generation (less than 270 g-CO2e/kWh) ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
2	Hydrogen co-firing gas turbine/cogeneration system (M1A-17D) Product Introduction Link	Clean energy use of hydrogen (co-firing) (Environmentally friendly products, environmentally friendly production technologies and processes)	Environmental Benefits: CO2 emissions 193 g-CO2/kWh (10% reduction) Assumptions for Above: 30% hydrogen co-firing, use in cogeneration system. Total efficiency is 83.8% (catalog value), and CO2 emissions during power generation are calculated based on the Ministry of the Environment emission factors. The reduction rate is compared to conventional equipment using 100% city gas. Overview: Hydrogen co-firing helps reduce CO2 emissions during power generation	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Leakage of GHG from methane leaks ✓ Adverse effects on other environments (air and water) 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
Under development	Hydrogen co-firing gas turbine/cogeneration system (MSA-01D) Product Introduction Link	Clean energy use of hydrogen (co-firing) (Environmentally friendly products, environmentally friendly production technologies and processes)	Out of scope (under development)	Out of scope (under development)	Out of scope (under development)	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
3	Hydrogen co-firing gas turbine/cogeneration system (M7A-03D) Product Introduction Link	Clean energy use of hydrogen (co-firing) (Environmentally friendly products, environmentally friendly production technologies and processes)	Environmental Benefits: CO2 emissions 190 g-CO2/kWh (10% reduction) Assumptions for Above: 30% hydrogen co-firing, use in cogeneration system. Total efficiency is 85.4% (catalog value), and CO2 emissions during power generation are calculated based on the Ministry of the Environment emission factors. The reduction rate is compared to conventional equipment using 100% city gas. Overview: Hydrogen co-firing helps reduce CO2 emissions during power generation	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
Under development	Hydrogen mono-firing gas engine	Clean energy use of hydrogen (Environmentally friendly products, environmentally friendly production technologies and processes)	Out of scope (under development)	Out of scope (under development)	Out of scope (under development)	At 100% hydrogen combustion (GHG emissions from hydrogen production, transportation and storage are not considered) EU Taxonomy: Electricity generation from renewable non-fossil, gaseous and liquid fuels (LC-GHG emissions < 100 g-CO2e/kWh) ASEAN Taxonomy: Electricity generation from renewable non-fossil gas and liquid fuels, including co-firing with fossil fuels (Tier1: LC-GHG emissions < 100 g-GHG/kWh)
Launch	Hydrogen co-firing gas engine (Launch)	Clean energy use of hydrogen (co-firing) (Environmentally friendly products, environmentally friendly production technologies and processes)	Out of scope (pending evaluation and selection)	Out of scope (pending evaluation and selection)	Out of scope (pending evaluation and selection)	(GHG emissions from fuel production, transportation, and storage are not considered) EU Taxonomy: Electricity generation on fossil gas fuels (less than 270 g-CO2e/kWh)

No	Eligible Products (Model Number)	Eligibility Criteria (ICMA Eligible Classification/Category)	Characteristics	Envisioned Negative Environmental and Social Impacts	Mitigations for Negative Impacts (Examples)	Compatible External Criteria As of March 2026
		friendly production technologies and processes)				*When replacing coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
4	Gas turbine/cogeneration system (M1A-17D) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 214g-CO2/kWh Overview: Achieving class highest efficiency and NOx reduction through comprehensive technology	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
5	Gas turbine/cogeneration system (M5A-01D) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 211 g-CO2/kWh Overview: Achievement of the world's highest power generation efficiency and environmental performance in the 5MW class, as well as lightweight and compact design	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
6	Gas turbine/cogeneration system (M7A-03D) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 211 g-CO2/kWh Assumptions for Above: Overall efficiency: 85.2% (catalog value), calculated using the Ministry of the Environment emission coefficient Overview: World-class overall efficiency and low NOx performance	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
7	Gas turbine/cogeneration system (L20A-01D) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 210 g-CO2/kWh Overview: A domestically produced high-efficiency gas turbine with the world's highest thermal efficiency of 35%	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)

No	Eligible Products (Model Number)	Eligibility Criteria (ICMA Eligible Classification/Category)	Characteristics	Envisioned Negative Environmental and Social Impacts	Mitigations for Negative Impacts (Examples)	Compatible External Criteria As of March 2026
8	Gas turbine/cogeneration system (L30A-01D) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 210 g-CO2/kWh Overview: Achieves the world's highest end efficiency and low NOx performance in its class	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Methane leak detection and early remediation ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions, etc. from hydrogen production, transportation, and storage are not considered) EU Taxonomy: High-efficiency cogeneration (less than 270 g-CO2e/kWh) of cooling and electricity using fossil gas fuels *In case of replacement from coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
9	Combined cycle power plant/CCPP (M7 series) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 211 g-CO2/kWh Overview: Combining gas turbine power generation and steam turbine power generation to extract maximum power from the high-temperature thermal energy obtained from fuel combustion	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions from fuel production, transportation, and storage are not considered) EU Taxonomy: Electricity generation on fossil gas fuels (less than 270 g-CO2e/kWh) *When replacing coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
10	Combined cycle power plant/CCPP (M20 Series) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 210 g-CO2/kWh Overview: Combining gas turbine power generation and steam turbine power generation to extract maximum power from the high-temperature thermal energy obtained from fuel combustion	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions from fuel production, transportation, and storage are not considered) EU Taxonomy: Electricity generation on fossil gas fuels (less than 270 g-CO2e/kWh) *When replacing coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
11	Combined cycle power plant/CCPP (L30A Series) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 210 g-CO2/kWh Overview: Gas turbine power generation and steam turbine power generation are combined to extract the maximum amount of electricity from the high-temperature thermal energy obtained by burning fuel. L30A achieves the world's highest thermal efficiency in its class	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions from fuel production, transportation, and storage are not considered) EU Taxonomy: Electricity generation on fossil gas fuels (less than 270 g-CO2e/kWh) *When replacing coal, oil, etc. ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)

No	Eligible Products (Model Number)	Eligibility Criteria (ICMA Eligible Classification/Category)	Characteristics	Envisioned Negative Environmental and Social Impacts	Mitigations for Negative Impacts (Examples)	Compatible External Criteria As of March 2026
					remediation	
12	Kawasaki green gas engine (KG-18-T) Product Introduction Link	Gas energy utilization (Environmentally friendly products, environmentally friendly production technologies and processes)	CO2 Emissions: CO2 emissions 397 g-CO2/kWh Overview: Achieved a significant reduction in fuel gas consumption with the world's highest power generation efficiency in the same output class	<ul style="list-style-type: none"> ✓ Adverse effects on ecosystems caused by large-scale land development, such as the construction of new factories ✓ Noise and vibration caused by construction, scattering of hazardous waste, improper disposal of waste ✓ Adverse effects of improper disposal of equipment and facilities before replacement ✓ Increase in LC-GHG emissions ✓ Potential lock-in to fossil fuels ✓ Adverse effects on other environments (air and water) ✓ Leakage of greenhouse gases due to methane leaks 	<ul style="list-style-type: none"> ✓ Compliance with environment-related laws and regulations required by the state or the relevant location (installation, operation and disposal) ✓ Establishment of a management system to comply with the above laws and regulations, etc. ✓ Environmental impact studies as necessary ✓ Consideration of avoiding lock-in to fossil fuels (Refer to the Check Sheet) ✓ Methane leak detection and early remediation 	(GHG emissions from fuel production, transportation, and storage are not considered) ASEAN Taxonomy: Fossil gas power generation (Tier2: LC-GHG emissions 100-425 g-GHG/kWh)
13	Ninja e-1 (ZAD-NX011A) Product Introduction Link	Transport equipment (electric) (clean transportation)	Environmental Benefits: Zero CO2 emissions during driving Overview: Achieving ZEV (Zero Emission Vehicle)	<ul style="list-style-type: none"> ✓ Compliance with various laws and regulations at the time of scrapping ✓ Appropriate disposal of batteries at vehicle disposal 	<ul style="list-style-type: none"> ✓ Compliance (operation, disposal, etc.) with environment-related laws and regulations required by the state or the relevant location 	EU Taxonomy: Motorcycle Transport (Zero Emissions) ASEAN Taxonomy: Bikes (Tier1: Zero Emissions)
14	Ze-1 (ZAD-NX011A) Product Introduction Link	Transport equipment (electric) (clean transportation)	Environmental Benefits: Zero CO2 emissions during driving Overview: Achieving ZEV (Zero Emission Vehicle)	<ul style="list-style-type: none"> ✓ Compliance with various laws and regulations at the time of scrapping ✓ Appropriate disposal of batteries at vehicle disposal 	<ul style="list-style-type: none"> ✓ Compliance (operation, disposal, etc.) with environment-related laws and regulations required by the state or the relevant location 	EU Taxonomy: Motorcycle Transport (Zero Emissions) ASEAN Taxonomy: Bikes (Tier1: Zero Emissions)
15	Infrastructure for EV Motorcycle Vehicles	Transport equipment (electric) (clean transportation)	Environmental Benefits: Achieving zero CO2 emissions during driving Summary : Achieving ZEV (Zero Emission Vehicle)	<ul style="list-style-type: none"> ✓ Compliance with various laws and regulations at the time of scrapping ✓ Appropriate disposal of batteries at vehicle disposal 	<ul style="list-style-type: none"> ✓ Compliance (operation, disposal, etc.) with environment-related laws and regulations required by the state or the relevant location 	EU Taxonomy: Transmission and Distribution (construction and operation of EV charging stations) ASEAN Taxonomy: Low Carbon Land Transport Infrastructure (Tier1: Charging, grid upgrades, hydrogen stations)
Under development	Hydrogen engine motorcycle	Clean energy use of hydrogen (Environmentally friendly products, environmentally friendly production technologies and processes)	Out of scope (under development)	Out of scope (under development)	Out of scope (under development)	EU Taxonomy: Motorcycle Transport (Zero Emissions) ASEAN Taxonomy: Bikes (Tier1: Zero Emissions)