

KOMATSU

Komatsu ESG Databook

2026



ESG Databook 2026

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Editorial Policy

In principle, the period covered by the information on the sustainability website is from April 2025 to March 2026, but ongoing initiatives may include information outside the period covered.

The reports principally cover all our domestic and overseas consolidated Group companies and if the scope is different from the above, we stated the scope of report in each page.

The date of the previous report is August 2025. The date of the latest report is August 2026. The next issue will be published in July 2027.

Please use [this form](#) to send us any questions regarding our reports.

The reports contain Disclosures items referring to the GRI Standards. You can see a list of the Standard Disclosures and their location in our report [here](#).

Komatsu has received an independent practitioner's assurance on important quantitative data in environmental reporting, which can be viewed [here](#).

Sustainability policy

Sustainability policy..... 003

Our priority on sustainability management aims to generate a positive cycle of creating new value to address social issues and improve profitability to achieve sustainable growth.

With our "Sustainability policy" serving as a guideline for the achievement of a sustainable society and business growth, we are committed to meeting the challenge of climate change and other social issues, and we will fulfill our social and environmental responsibilities as a global company through our business activities.

Sustainability policy

Since Komatsu's founding, we have always pursued "Quality and Reliability", and have made efforts to build strong relationships of trust with our stakeholders based on our "Management Principle" of maximizing the total sum of trust from all stakeholders, including society.

Our pursuit of coexistence has been handed down through generations, and our basic stance is to contribute to society through business activities.

Our purpose is "Creating value through manufacturing and technology innovation to empower a sustainable future where people, businesses, and our planet thrive together".

We will continue to address issues that are important to both a sustainable society and our business, grow as a corporate group that can flexibly respond to changes in society and the external environment, further enhance our corporate governance, and contribute to society with our stakeholders.

What we do to empower a sustainable future where people, businesses, and our planet thrive together

With people	With business	With the planet
■ We provide an environment where diverse and global employees can work safely and healthily as one team, with respect for each individual, and with satisfaction and pride. ■ We nurture employees who can take on challenges in various jobsites and regions, create new value together with customers, and contribute to the realization of a sustainable society. ■ As Komatsu Group, we shall respect human rights related to all of our business activities.	■ We contribute to society through our business activities by providing our customers with safe and highly productive products, services and solutions that realize sustainable infrastructure development, resource development and a recycling-oriented society. ■ We build relationships with our business partners and local communities that enable mutual trust, fairness, co-existence and co-prosperity. ■ We comply with the rules of society, including laws and regulations, and strive to respond sincerely to the requests and expectations of all stakeholders, including society.	■ Through all of our business activities, we strive to reduce our environmental impact and preserve the global environment through the use of advanced technologies. ■ We strive to increase both global environmental conservation and business growth through manufacturing and technological innovation. ■ We pursue collaboration and value creation with our stakeholders towards a sustainable planet and future.

April 1, 2025
Komatsu Ltd.
President and Representative Director
Chief Executive Officer (CEO)



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Materiality

Komatsu positions the resolution of social issues through business activities as our fundamental stance under the Sustainability Policy.

We have identified 18 items across six areas as the important issues, or materialities, that Komatsu should address.

Background to materiality identification

Komatsu positions the creation of new customer value, based on our purpose, as the foundation for generating a positive cycle of solving social issues and improving profitability. This approach serves as the core concept of the Strategic Growth Plan to achieve sustainable growth. In 2024, in conjunction with the formulation of the current Strategic Growth Plan, we reviewed the materialities that our company should address.

The review adopted the concept of double materiality, which evaluates both financial impact and social and environmental impact. Komatsu analyzed both business impact and social and environmental impact. We incorporated these items in the priority initiatives of the Strategic Growth Plan.

Going forward, Komatsu will undertake regular materiality analyses and reflect the identified sustainability-related business risks and opportunities in management initiatives to respond flexibly to changes in the operating and management environment.

Process of revising materialities

Komatsu reviewed its materialities through the following process, with third-party support from Business for Social Responsibility (BSR), a U.S.-based nonprofit organization.

1) Identification of sustainability issues

We compiled a list of 39 items based on previous materiality assessments, international goals and standards, reporting frameworks, management philosophy and strategies, and issues considered important by stakeholders.

2) Evaluation of issues based on double materiality

We interviewed 26 internal and external stakeholders regarding the identified sustainability issues. Drawing on qualitative insights from these interviews, our public disclosures, and publicly available risk information, we evaluated and mapped each issue from both social and environmental perspectives and business perspectives, assessing each in terms of its potential impact and likelihood.

3) Identification of materialities

Based on the evaluation outcomes, we identified 18 materialities with a particularly large impact across six areas: employees, human rights, customers, ethics and governance, communities, and the environment.

4) Board of Directors' approval of the Strategic Growth Plan, including materiality

We confirmed the alignment of the identified materialities with our Sustainability Policy and the SDGs. The Board of Directors then approved these items and incorporated them into the Strategic Growth Plan as key issues to address in pursuit of sustainable growth through a positive cycle of solving social issues and improving profitability.

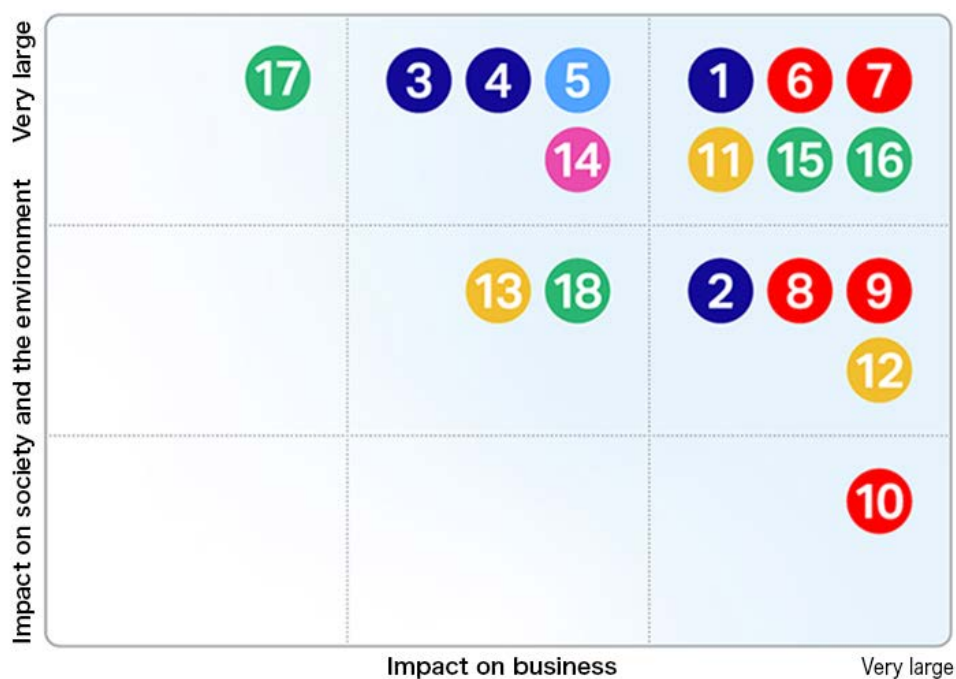
We also established key performance indicators (KPIs) to measure the progress and results of initiatives aimed at solving social issues for each materiality. We will disclose progress on these KPIs in the Komatsu Report.

* External: Institutional investors, the United Nations Development Programme, environmental organizations (Global Environmental Forum), customers, suppliers, and others

Internal: Officers (Directors and Executive Officers, including Global Officers)

Importance assessment mapping

Materiality map



Specific challenges

● Employees	1 Occupational safety and health, well-being 2 Talent acquisition, skills development, retention 3 Fair labor practices 4 D&I
● Human rights	5 Respect for human rights
● Customers	6 Customer value creation through workplace optimization 7 Product safety and quality 8 Value chain continuity 9 AI and DX 10 Business strategy to ensure competitive edge and profitability
● Ethics and governance	11 Privacy and data protection, cybersecurity 12 Governance aligned with business changes 13 Compliance
● Communities	14 Contribution to local communities
● Environment	15 Climate change 16 Resource circulation 17 Nature positive 18 Preserving forests through business activities

Risks and opportunities for identified materialities

Komatsu identified major risks, opportunities, and policy directions through the materiality assessment process. We reflected these items in the development of priority initiatives under the Strategic Growth Plan.

We established KPIs for these initiatives and disclose progress in the Komatsu Report. Refer to the appropriate page for KPIs for solving social issues.

	Major risks	Major opportunities	Policy direction
Employees	■ Labor shortages caused by difficulties in talent acquisition and employee outflow ■ Impact on employees from lack of appropriate occupational health and safety and fair labor practices	■ Improved retention through diverse talent acquisition, utilization, and capability development ■ Improved retention through enhanced occupational health and safety and fair labor conditions	■ Ensuring talent acquisition through greater recognition and strengthening global talent development ■ Strengthening partnerships and driving innovation through external collaboration ■ Enhancing occupational health and safety and well-being
Human rights	■ Negative impact on employees and corporate reputation due to child and forced labor ■ Negative impact on employees and corporate reputation due to harassment	■ Enhanced corporate credibility through proper human rights due diligence	■ Strengthening human rights due diligence upstream, within Komatsu, and downstream
Customers	■ Loss of trust from customers and society due to insufficient product safety or quality ■ Supply chain instability caused by political, economic, or natural disruptions ■ Risk of failing to contribute to customers due to changes in technology or market conditions	■ Minimizing the impact of changes in the external environment and continuing to provide a stable supply to customers ■ Improving productivity and efficiency through AI utilization and digital transformation (DX)	■ Providing solutions that optimize customer construction and fleet management ■ Providing solution-integrated products equipped with automation and other advanced technologies ■ Ensuring business continuity and expanding cross-sourcing and multi-sourcing ■ Enhancing productivity and creating value through AI and DX across all areas
Ethics and governance	■ Legal issues and reputational damage resulting from lack of corporate ethics ■ Loss of trust from customers and society due to inadequate data management or cybersecurity	■ Greater business opportunities through enhanced governance that matches the globalization and diversification of business	■ Ensuring appropriate privacy and data protection and cybersecurity ■ Enhancing governance in response to changes in business
Communities	■ Legal violations and damage to corporate reputation caused by infringement of the rights of local communities and indigenous peoples	■ Building trust and ensuring business continuity through charitable and volunteer activities in local communities	■ Respecting the rights of local communities and indigenous peoples at all business sites ■ Active contributions to local communities, including disaster recovery support
Environment	■ Increased costs and damage to corporate reputation resulting from insufficient action on climate change ■ Loss of business opportunities due to failure to meet customer demand for low-carbon products	■ Maintaining competitiveness and enhancing social reputation by meeting customer expectations for low-carbon products ■ Contributing to forest conservation and establishing new business pillars through more efficient forestry operations using forestry machinery	■ Developing business models for low-carbon products and solutions ■ Expanding the forestry machinery and reman businesses

Risk management

The management principle of Komatsu is to maximize its corporate value through the commitment to “Quality and Reliability.” Any uncertainty that hinders this pursuit is considered a “risk,” and measures are taken to address all risks threatening the sustainable development of the Komatsu Group.

1. Major risks and assessment

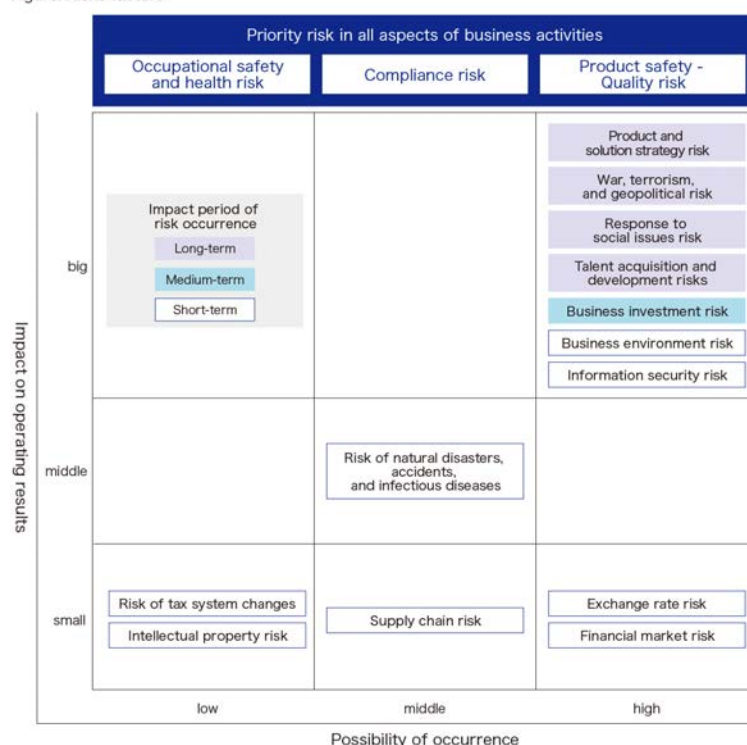
Komatsu identifies risks that may affect its business activities from an enterprise-wide perspective and evaluates them based on “impact on business performance,” “likelihood of occurrence,” and “impact duration in case of risk occurrence,” to determine the priority of risks. Furthermore, the company identifies “corporate risks,” which are significant enterprise-wide risks, and “regional risks,” which are risks specific to each country or region that may affect business activities in each region. After determining the departments responsible for countermeasures, Komatsu carries out activities to avoid or minimize risks and maximize opportunities. In FY2025, the Risk Management Committee met twice to identify risks and opportunities reflecting changes in the business environment and evaluate their priority.

Komatsu has established the Risk Management Committee to formulate Group-wide policies on risk management, identify “corporate risks” through the selection and evaluation of risks from an enterprise-wide perspective, inspect and follow up on the implementation status of risk countermeasures, and control risks when they materialize. The committee is chaired by the President, with the Executive Officer Supervising General Affairs serving as Vice Chairman and the Risk Management Group of the General Affairs Department acting as the Secretariat. In FY2025, the committee was convened in November and February, and the content of its deliberations and activities is regularly reported to the Board of Directors.

(1) Risk map (risk prioritization)

The risk map (risk prioritization) based on FY2025 risk assessment results is as follows. For details on the risks, please refer to the 157th Securities Report.

Figure: Risks factors



Risk assessment results

Category	Item	Impact on operating results	Possibility of occurrence	Impact period
Strategic risk	Product and solution strategy	Big	High	Long-term
	Business environment	Big	High	Short-term
	Business investment	Big	High	Medium-term
	Response to social issues	Big	High	Long-term
Operational risk	Supply chain	Small	Medium	Short-term
	Talent acquisition and development	Big	High	Long-term
	Information security	Big	High	Short-term
	Intellectual property	Small	Low	Short-term
Financial risk	Fluctuations in financial markets	Small	High	Short-term
	Changes in tax systems	Small	Low	Short-term
	Foreign exchange fluctuations	Small	High	Short-term
Hazard risk	War, terrorism, and geopolitical	Big	High	Long-term
	Natural disasters, accidents, and infectious diseases	Medium	Medium	Short-term

(2) Overview, impact, and countermeasures for "Corporate risks" and "regional risks"

The corporate risks for FY2025 are as follows.

Risks related to product and solution strategies

Risk description	Komatsu defines its purpose as “creating value through manufacturing and technology innovation to empower a sustainable future where people, businesses, and our planet thrive together.” In line with future market and societal needs, Komatsu is promoting the creation and market introduction of new products and solutions through machines compatible with various power sources, Smart Construction®, mine automation, and data-driven businesses such as Komtrax. However, as global movements such as the advancement of low-carbon technologies and compatibility with various power sources, including electrification, accelerate, Komatsu may lose its competitiveness in the market if it is unable to develop products and solutions that meet customer needs by the time they are required by the market, or if the products and solutions it develops fail to gain customer acceptance. In particular, as the diversification of power sources progresses toward decarbonization, Komatsu’s business model is also required to adapt to these changes. Failure to adapt may not only result in the loss of existing revenue sources but also lead to a decline in market competitiveness.
Impact on business	If we are unable to provide products and solutions that maintain an advantage over competitors, it could affect our business performance, and this impact could be prolonged.

Risks related to product and solution strategies

Risk mitigation actions	Komatsu is further advancing solution development and promoting initiatives for compatibility with various power sources, as well as more advanced automation and remote control. From 2020 to 2025, Komatsu introduced eight models of electrified construction equipment, primarily in the European and Japanese markets. Going forward, we aim to expand the product lineup to offer more options for customers. To address the challenge of power supply infrastructure for electrified construction equipment, we have jointly developed a generator using hydrogen co-firing engine technology with partner companies and are conducting a proof-of-concept (PoC) project as a power supply unit for electric mini excavators. In addition, in December 2025, Komatsu, together with Obayashi Corporation and Iwatani Corporation, conducted a demonstration test of a medium-sized hydraulic excavator equipped with a hydrogen fuel cell at a construction jobsite in Japan. To accelerate technological innovation, Komatsu acquired American Battery Solutions Inc. (ABS), a U.S.-based battery manufacturer. By combining ABS's battery technology with Komatsu's expertise, we are advancing the development and production of batteries for construction and mining equipment adapted to various environments. Going forward, we will expand the range of models equipped with ABS batteries and accelerate the in-house production of key components related to electrified construction equipment. Through these efforts, we will also work to establish a value chain business that supports the lifecycle of electrified construction equipment. In addition, Komatsu operates a global remanufacturing (reman) business that collects and regenerates components such as engines and transmissions after long-term use at customer sites. This resource-circulating business is an important element supporting Komatsu's component strategy. In Japan, Komatsu also remanufactures key components of hybrid hydraulic excavators, such as capacitors and inverters, and nearly all key components developed and produced by Komatsu are now eligible for remanufacturing. These initiatives contribute to reducing customer costs and environmental impact. Furthermore, in February 2026, Komatsu strengthened its supply capacity to meet growing global reman demand through the acquisition of SRC of Lexington's business. For construction jobsites, in December 2024, Komatsu fully redesigned its 20-ton class hydraulic excavator, a mainstay model in the civil engineering field, and launched it in Japan as the "PC200i-12." The model has now also been introduced in Europe and North America. As a new-generation hydraulic excavator equipped with standard 3D machine guidance that integrates with Smart Construction®, it improves safety and productivity and is designed to allow even less-experienced operators to work without stress. In September 2025, Tier IV, Inc., Komatsu, and EARTHRAIN Ltd. also began collaborating toward the practical application of autonomous operation technology for construction equipment. Komatsu is promoting the automation of its articulated dump trucks and rigid dump trucks for civil engineering and quarry sites in Japan, aiming to put an autonomous operation system into practical use by FY2027. At mine sites, in July 2025, Komatsu began operation of a diesel-trolley 930E at Boliden's Aitik copper mine in Sweden as the first model in its "power agnostic truck" series, which offers high compatibility with various power sources. The truck adopts a modular design that enables multiple power sources, such as diesel, battery, and hydrogen, to be interchangeable on the same vehicle platform, allowing flexible response if it becomes necessary to switch power sources in the future. In addition, in September 2025, Komatsu began collaborating with Applied Intuition to develop software-defined vehicle (SDV) architecture and an automated vehicle platform, which will serve as core technologies for next-generation mining equipment, with the aim of technological innovation including the full autonomy of mine sites. As of the end of March 2026, the cumulative number of ultra-large autonomous haulage trucks equipped with the Autonomous Haulage System (AHS) for mining trucks reached 1,016 units.
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Risks associated with addressing social issues (a) Response to climate change

Risk description	Komatsu operates globally and recognizes various social issues, including climate change, water resource depletion, and human rights issues. Amid growing social interest in climate change and other issues, Komatsu has incorporated climate change into its business strategy targets as one of its important management issues. Komatsu aims to sincerely address social issues, including climate change, fulfill its social and environmental responsibilities as a global company, and contribute to society through its business activities. However, because the standards expected by society are constantly changing, there is a risk that Komatsu's responses may be deemed insufficient by society. As a result, a decline in brand image and social credibility may adversely affect Komatsu's business performance.
Impact on business	Komatsu has long positioned environmental activities as one of its top management priorities. In 2021, to realize DANTOTSU Value, which represents a virtuous cycle of solving ESG issues and improving earnings through customer value creation, Komatsu declared its aim to achieve carbon neutrality by reducing CO₂ emissions to net zero by 2050. Komatsu has also set this declaration as a challenge target in its mid-term management plan launched in April 2025 and is actively promoting related activities. However, if Komatsu's responses to social issues are insufficient, or are deemed insufficient by stakeholders, this may affect Komatsu's business performance, and such impacts may be prolonged.

Risks associated with addressing social issues
(a) Response to climate change

Risk mitigation actions	To reduce climate change risks, Komatsu is working to significantly reduce emissions during product operation, which account for the majority of CO₂ emissions over the entire lifecycle, by advancing the market introduction of electrified construction equipment and conducting advanced research into fuel cells, hydrogen engines, and other technologies. In response to carbon neutrality needs at mine sites, Komatsu is developing "Power Agnostic Trucks," which can operate with any power source, through a GHG Alliance with 12 major resource companies. As an industry leader, Komatsu will also promote activities toward the realization of a low-carbon society by enabling efficient jobsite operations through autonomous driving and remote control using advanced digital technologies. Based on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), Komatsu assesses the risks and opportunities that climate change poses to the company, and identifies short-term (three years or less), medium-term (more than three years and up to 10 years), and long-term (more than 10 years) climate-related risks and opportunities. Komatsu also assesses the resilience of its strategy by considering multiple climate-related scenarios, including scenarios of 2°C or lower. In addition, across the value chain, including upstream, own operations, and downstream, Komatsu assesses acute physical risks, such as operational shutdowns caused by typhoons and heavy rain; chronic physical risks, such as deterioration of operating environments due to rising temperatures; regulatory risks, including currently applicable regulations such as carbon pricing and emissions regulations, as well as new policies and regulations expected to be introduced or strengthened in the future; technology risks, such as delays in responding to electrification; legal risks related to environmental laws and regulations, such as violations of emissions standards and reporting obligations; market risks, such as changes in customer needs for decarbonization; and reputational risks, such as a decline in trust due to delays in environmental response. Komatsu incorporates the processes for identifying, assessing, and managing these risks into its enterprise-wide risk management framework. Komatsu identifies risks related to social issues, including climate change, from an enterprise-wide perspective, evaluates them based on "impact on business performance," "likelihood of occurrence," and "impact duration in case of risk occurrence," and determines their priority. For identified risks, Komatsu clarifies the departments responsible for countermeasures and promotes responses to avoid or minimize risks and maximize opportunities. Komatsu has also integrated its response to biodiversity into its enterprise-wide risk management process as an important initiative that contributes to climate change mitigation and adaptation. Furthermore, Komatsu promotes initiatives related to climate change and water security through constructive dialogue with stakeholders. Through these activities, Komatsu aims to effectively reduce CO₂ emissions by 50% by 2030 compared with 2010, and to increase the use of renewable energy to 50%. These efforts will lead to Komatsu's challenge target of achieving carbon neutrality by 2050, which means effectively reducing CO₂ emissions to net zero by balancing CO₂ emissions and absorption.
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(b) Reputational risk related to the forestry equipment business

Risk description	Forests have an important function of absorbing carbon dioxide from the atmosphere and contribute significantly to the mitigation of climate change. Timber, one of the benefits derived from forests, can store the carbon dioxide absorbed during tree growth for a long period as long as it is not burned. Wood and paper are also renewable materials and have recently attracted attention as alternatives to plastics. Because these benefits can be achieved at relatively low cost, healthy forest growth and proper forest management are required. Meanwhile, forestry remains one of the industries with a high number of occupational accidents globally, and the introduction of forestry equipment is extremely important for both improving work efficiency and ensuring worker safety. Promoting mechanization contributes to the realization of safer and more sustainable forestry. In light of this external environment, Komatsu aims to contribute to "circular forestry," which seeks to sustainably use and regenerate forest resources while achieving harmony among the environment, economy, and society. However, if the importance of the sustainable use and regeneration of forest resources is not sufficiently communicated, and Komatsu's initiatives and the important role of forestry are not properly understood, misconceptions may arise that Komatsu contributes to deforestation or lacks consideration for the environment, particularly if only logging equipment or logging scenes are emphasized. Such misconceptions may lead to the misinterpretation of Komatsu's environmental initiatives and social responsibility, increasing reputational risk.
Impact on business	Komatsu positions the forestry equipment business as its third pillar, following the construction and mining equipment business, and is working to strengthen it. This business has expanded through M&A and provides mechanization in the areas of logging, processing, forwarding, and planting, as well as fleet management and solutions related to logging and timber transport. However, if the above risks materialize and Komatsu is perceived as giving insufficient consideration to the environment, evaluations by environmentally conscious customers and investors may decline, which could lead to damage to brand value, a reduction in business transactions, and a decline in sales. Furthermore, amid the tightening of ESG and environmental regulations, if the costs required for Komatsu to adapt to these regulations increase, this may reduce the profitability and competitiveness of the overall business and adversely affect Komatsu's growth strategy.
Risk mitigation actions	Komatsu believes it is important to properly communicate to society the significance of forestry equipment in contributing to sustainable forest management and the promotion of circular forestry. Komatsu actively communicates the positive aspects of forestry, including initiatives for reforestation after logging, the carbon fixation benefits of timber, the significance of improving safety through mechanization, and the efficient absorption of carbon dioxide by forests. In addition, to clarify its consideration for the environment and social responsibility, Komatsu is strengthening information disclosure based on ESG and SDGs frameworks. In addition to reducing CO₂ emissions from construction and mining equipment, Komatsu also focuses on the importance of the role forests play in environmental conservation and the circular economy. In particular, because forest management and planting operations still rely heavily on manual labor, Komatsu is developing the planting machine "Planter" and Smart Forestry solutions, aiming to improve the efficiency of forestry operations, establish regeneration cycles, and support sustainable, high-quality forest management. Komatsu is also working to rehabilitate former mine sites as forests and farmland and expand green areas. Employees are engaged in tree-planting activities at former mine sites in North America, as well as in China and Indonesia, contributing to the restoration of local environments.

Product safety and quality risk

Risk description	Komatsu strives to maintain and improve the quality and reliability of the products it provides based on strict internal standards established within the company. During the design and quality verification stages, Komatsu anticipates not only hazards that could cause harm to people, but also potential impacts on property, the environment, and the public, as well as hazards throughout the product lifecycle from shipment to disposal and hazards arising from increasingly diverse product usage. Based on these assumptions, Komatsu implements protective measures, including inherently safe design measures and safeguarding/additional protective measures. However, in recent years, product regulations and standards in various countries and regions have become increasingly stringent year by year. Komatsu is required to comply with a wide range of laws and regulations, including emissions regulations, radio certifications for ICT construction equipment, and the Cyber Resilience Act (CRA) in Europe. If Komatsu's response to these frequently changing product regulations and standards is delayed, there is a concern that business opportunities may be lost. In addition, if an accident or similar incident occurs due to unexpected defects arising from product design or manufacturing, Komatsu may incur compensation and other costs for damages, and its reputation and credibility may be damaged, which could adversely affect its business performance.
Impact on business	Under our basic stance of "commitment to Quality and Reliability," we place the highest priority on ensuring "safety" and "peace of mind" in our quality assurance activities. However, if a serious safety or quality issue were to arise, particularly given our global business operations, it could have a significant impact—such as loss of business opportunities, deterioration of brand image, erosion of customer trust, and reduced market share. Furthermore, costs associated with product recalls, sales suspensions, and compensation to customers may increase Komatsu's financial burden. In addition to these economic impacts, safety and quality risks may cause long-term damage to Komatsu's reputation, which could also lead to the loss of future business opportunities.
Risk Mitigation Actions	Komatsu's manufacturing framework has an organizational structure in which the research and development department responsible for design, the manufacturing department responsible for production, and the quality assurance department responsible for verification operate independently. By sharing quality-related information across departments and maintaining mutual checks and balances, Komatsu strengthens overall governance. In addition, all departments work together, from product planning to development, production, sales, and service, to continuously create safe, high-quality products. At each stage of development and production, Komatsu evaluates conformity through multiple review and assessment meetings and promotes built-in quality activities aimed at achieving defined targets. Through this process, Komatsu conducts quality assurance activities to ensure "quality and reliability." Through these initiatives, Komatsu strives to provide products and services that are considerate of the global environment, comply with international standards and laws and regulations, and ensure customer safety and improve customer satisfaction. Komatsu is also improving product safety by adopting safety assistance devices that support the prevention of collision accidents through detection of people, objects and hazards, as well as devices that support the prevention of rollover accidents. In addition, Komatsu will enhance product security by ensuring compliance with the CRA. To respond to increasingly stringent product regulations and standards in each country and region, Komatsu has established a dedicated regulatory compliance department within its development function. The department has created a database of information on laws and regulations in each country and is promoting the systemization of related operations. In particular, regarding engine emissions regulations, Komatsu has separated the testing department from the certification application management department, thereby enhancing organizational independence and strengthening the accuracy of operations, the prevention of misconduct, and the early detection of anomalies. Furthermore, to quickly and accurately understand the latest trends in each region, Komatsu collects information on relevant laws and regulations through the use of external consultants and global collaboration with regulatory personnel in North America and Europe. Komatsu also assigns regulatory personnel to major overseas sites and works with local law firms to strengthen its legal compliance systems.

Supply chain risks

Risk description	Under the philosophy of aiming to build a Win-Win relationship with our business partners, who are on an equal footing with us, and encouraging each other, Komatsu evaluates and selects suppliers accordingly. However, if our efforts toward sustainable and responsible procurement are deemed insufficient for any reason within the supply chain, there is a risk that the Komatsu Group's brand image and credibility may deteriorate. In addition, Komatsu's procurement of parts and materials is affected by fluctuations in raw material markets and energy prices. Sharp increases in the prices of materials such as steel, and energy such as crude oil and electricity, can lead to higher manufacturing costs for Komatsu products. Shortages of parts and materials, supplier bankruptcies or production discontinuation, import/export regulations among countries, and disruptions in international transportation may also make timely procurement and production difficult, resulting in lower production efficiency and lost sales opportunities. In addition, prolonged disruptions in global supply chains, unexpected surges in material and energy prices, and sustained supply constraints pose risks that could adversely affect Komatsu's business performance.
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Supply chain risks

Impact on business	In the construction and mining equipment business, Komatsu conducts business with approximately 2,500 business partners worldwide, which are primary suppliers. Establishing strong partnerships with business partners in the supply chain is extremely important for Komatsu's business operations. However, if a supplier violates compliance requirements or fails to address environmental issues, this could affect Komatsu's ability to secure raw materials and continue production. Procurement from business partners accounts for a large portion of Komatsu's manufacturing costs. For major construction equipment, such as medium-sized hydraulic excavators, this ratio reaches approximately 90%. Supply chain-related risks are diverse and include the management and SLQDC conditions of individual business partners, natural disasters, pandemics, international trade friction, and import/export regulations. If these risks materialize, they could cause production interruptions and cost increases, ultimately leading to delivery delays to customers and declines in quality.
Risk mitigation actions	In 2020, Komatsu formulated the "Declaration of Partnership Building" to promote mutual prosperity and enhance mutual added value in the supply chain. Through this declaration, Komatsu is strengthening collaboration with business partners and working to build new partnerships. Since 2022, Komatsu has held price negotiations with all primary suppliers in Japan, including auxiliary materials manufacturers, to optimize purchasing prices. In 2024, Komatsu continued to hold price negotiations with 1,207 companies and made necessary price revisions. Komatsu plans to continue holding price negotiations with business partners at least once a year. To maintain proper procurement activities, Komatsu has established a "whistleblowing system for suppliers" to receive inquiries and reports from suppliers regarding issues including violations of the Subcontract Act, and has put in place a system to promptly identify and correct compliance and transaction-related issues. In response to Japan's 2024 logistics issue, Komatsu has also established a "whistleblowing system for drivers," where drivers can consult on transportation-related matters. Through this system, Komatsu collects opinions and issues from external parties and responds appropriately. For important suppliers, Komatsu visualizes risks through regular risk assessments and works to reduce those risks. Specifically, Komatsu monitors the workload conditions of companies in the Komatsu Midori-kai in Japan on a monthly basis, watches for impacts on their management, and provides necessary support. In 2020, Komatsu also announced its voluntary action declaration for logistics improvement and joined the Ministry of Land, Infrastructure, Transport and Tourism's "White Logistics" Promotion Movement. Komatsu continues initiatives to realize sustainable logistics, including efforts to reduce driver working hours through the use of modal shifts and optimization of unloading area layouts, as well as efforts to set appropriate freight rates. To strengthen its production and procurement system so that it is resilient to changes in the operating environment, Komatsu has introduced global cross-sourcing, which enables flexible changes to production plants and product supply destinations in response to changes in the external environment, as well as multi-sourcing, which involves procuring parts from multiple suppliers, in preparation for the risk of plant damage caused by natural disasters such as heavy rain and flooding. Through these initiatives, Komatsu has built a production and procurement system that can continue business operations even in emergencies. In 2023, Komatsu reinforced its Asia Procurement Center and expanded local sourcing in ASEAN member countries and South Asia. Komatsu is also promoting global multi-sourcing, which involves placing parallel orders with suppliers in multiple regions, by utilizing cross-sourcing to reduce dependence on specific regions.

Risks associated with talent acquisition and development

Risk description	Komatsu considers talent to be one of its important management resources for creating new value. Based on this view, Komatsu continuously invests in its people and aims for the sustainable growth and development of both the company and its employees, while taking into account changes in internal and external environments and alignment with management policies. However, due to factors such as the decline in the working population, the number of experienced engineers is decreasing, and there is a shortage of engineering talent. In particular, competition to acquire talent in key areas required by Komatsu, such as digital technologies and EV-related technologies, is intensifying globally. If Komatsu is unable to acquire such talent as planned, or if it is unable to develop employees with the skills required in these specialized fields and secure the capabilities necessary for product research and development, this could have a significant impact on the execution of Komatsu's management plan and its sustainable growth.
Impact on business	Komatsu has set out three growth strategy pillars in its mid-term management plan: 1) value co-creation through innovation, 2) pursuit of growth and profitability, and 3) innovation of the management foundation. Under the innovation of the management foundation, Komatsu has positioned "promoting the acquisition and empowerment of talent to support business growth" as one of its key activities. In promoting this initiative, it is necessary to acquire and develop digital talent with expertise in areas such as software development. If the acquisition and development of such talent do not proceed as planned, this could affect the mid-term management plan and the company's sustainable growth. In addition, to advance the solution business, Komatsu needs to accelerate technological innovation by integrating its core technologies with external knowledge through collaboration with partners, M&A, and other means. If these initiatives do not proceed as planned, this could affect the mid-term management plan and the company's sustainable growth. In an environment where talent acquisition is difficult, retaining and developing the employees Komatsu has hired becomes important. If Komatsu does not understand employees' engagement with the company and implement appropriate measures, there is a risk that talent outflow may increase due to declining engagement, which could affect the company's sustainable growth.

Risks associated with talent acquisition and development

Risk mitigation actions	Komatsu promotes Diversity & Inclusion to create workplaces where employees with diverse backgrounds can work with peace of mind, foster an environment where innovation is more likely to emerge, improve individual motivation, encourage changes in corporate culture, and ultimately contribute to the growth of the company as a whole. As part of these efforts, Komatsu is working to increase the ratio of female employees, support LGBTQ employees, promote the employment of people with disabilities, and disclose human capital information. In conjunction with the reconstruction of its headquarters building, Komatsu aims to strengthen its functions as an urban innovation center that revitalizes co-creation and collaboration activities, including industry-academia and industry-industry collaboration, as well as the expansion of open innovation. In addition, Komatsu will utilize its global headquarters as an important base for creating innovation and communicating its corporate culture. By conveying Komatsu's values and appeal to talent around the world through a variety of touchpoints that combine in-person and online formats, Komatsu will strengthen its recruitment competitiveness. In addition, because it is difficult to acquire digital talent, Komatsu is promoting internal talent development. Komatsu has defined the type of talent it aims to develop through education and has established an integrated education system ranging from basic training to selective practical programs. Through this system, Komatsu promotes value co-creation through innovation and works to maintain and strengthen its competitiveness. Furthermore, to improve employee engagement, Komatsu regularly conducts engagement surveys on a global basis. Through these surveys, Komatsu understands and analyzes employee engagement, identifies strengths and issues by region and organization, and reflects these findings in various human resources measures.
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Information security risk

Risk description	In recent years, the threat of cyberattacks has become more advanced and sophisticated at an extraordinary pace year by year, posing an urgent and serious threat. In particular, techniques such as unauthorized access, ransomware, phishing, and DDoS attacks have evolved, and if Komatsu is affected by such attacks, it faces risks such as business interruptions and information leaks. As a result, this could not only lead to the loss of customer trust, but also have a serious impact on corporate management through a decline in brand value, the imposition of legal penalties, and an increased risk of litigation. Furthermore, in recent years, countries and regions have been enacting and strengthening laws and regulations related to the protection of personal information, the enhancement of cybersecurity, and data localization, from the perspectives of privacy protection, cybersecurity, and economic security. If Komatsu is unable to meet these requirements, it may incur legal liability due to violations of laws and regulations, and this could affect Komatsu's credibility, brand image, and relationships with customers.
Impact on business	Komatsu is developing businesses such as ICT-enabled "connected factories," Smart Construction®, automation of mining equipment such as the Autonomous Haulage System (AHS), and data-driven businesses such as Komtrax. However, as cyberattacks become increasingly sophisticated, the risk that these systems may be targeted is also increasing. Komatsu reduces the risk of unauthorized control of its systems by implementing multiple countermeasures. However, if damage such as the leakage of important information or system shutdowns caused by cyberattacks were to occur, Komatsu's information security measures could be regarded as insufficient. This could lead to the suspension of transactions with customers or refusal by customers to share data, which may hinder Komatsu's solution business. In addition, Komatsu operates its construction equipment and vehicles business globally through 62 production sites, 56 sales sites, and 208 sales and service distributors in 151 countries. If Komatsu is unable to respond fully to the strengthening of laws and regulations in each country and region and fails to meet legal requirements, it may incur legal liability due to violations of laws and regulations, which could have a serious impact on Komatsu's credibility and business performance.
Risk mitigation actions	To address these risks, Komatsu operates a CSIRT (Computer Security Incident Response Team) covering its sites worldwide. During normal operations, the CSIRT works to prevent information security incidents through information gathering, various system countermeasures, employee education, and other activities. In the event of an incident, the CSIRT aims to respond quickly, minimize damage, and restore systems as early as possible. To address risks specific to production sites, Komatsu has established an FSIRT (Factory Security Incident Response Team) and has built a response structure to prepare for cyberattacks on plant networks and production equipment. In the event of an incident, the FSIRT and CSIRT work together to minimize damage and enable an early resumption of production. In addition, to continue providing customers with safe and secure products and solutions, Komatsu works to ensure security from the product planning and development stages, and has established appropriate management of vulnerability information and response processes for cases where vulnerabilities are identified. Komatsu also continuously monitors international regulatory trends, including the Cyber Resilience Act (CRA) and the NIS2 Directive, as well as advanced security requirements from customers, and is working to establish processes to address them. Furthermore, Komatsu is strengthening collaboration with the dealers and business partners that make up its supply chain and is promoting the enhancement of cyber resilience across Komatsu as a whole and throughout the entire value chain.

Geopolitical risks

Risk description	Komatsu operates globally, with development, production, and sales sites in countries around the world, and heightened social, political, and military tensions in specific regions may affect its business. To minimize the impact of diversifying geopolitical risks, such as fluctuations in resource prices, import/export regulations, and impacts on the supply chain, Komatsu monitors political and economic conditions as well as trends in laws and regulations in each country, analyzes the situation, and takes appropriate actions. However, global political divisions and military tensions may cause supply chain disruptions and affect financial and economic conditions. In response to such circumstances, Komatsu gathers and analyzes information on trends in economic security-related laws, regulations, and other rules, including the Economic Security Promotion Act in Japan. Nevertheless, if Komatsu faces unexpected situations, there is a risk that its business performance may be adversely affected.
Impact on business	Heightened social, political, and military tensions in specific regions, such as the Russia-Ukraine situation and the situation in the Middle East, may affect Komatsu's business performance if they lead to a decline in demand in certain regions or an increase in procurement and transportation costs due to higher crude oil and fuel prices. In addition, Komatsu's electronics-related products incorporate advanced technologies, some of which are subject to export controls under the Export Trade Control Order, the Foreign Exchange and Foreign Trade Act, and other applicable laws and regulations, including controls on goods, technologies, and services. Although the current impact is limited, if regulations are further strengthened in the future, this could result in lost opportunities for main unit sales and disruptions to service support, potentially affecting Komatsu's business.
Risk mitigation actions	To address such risks, Komatsu has established a flexible production structure known as global cross-sourcing, which enables the mutual supply of products and parts across regions. Under this structure, Komatsu supplies products and parts to each market from the optimal sites, taking into account factors such as exchange rate fluctuations, production capacity at each site, cost competitiveness, and regional demand trends. In addition, Komatsu is strengthening multi-sourcing, which secures multiple procurement sources for the same parts, as part of its efforts to diversify risks. In response to the situation in the Middle East, Komatsu continues local operations while taking necessary measures, such as supplying main units and parts using routes other than the Strait of Hormuz, with safety as its top priority. In addition, to respond to regulatory trends arising from revisions to the Export Trade Control Order, the Foreign Exchange and Foreign Trade Act, and other applicable laws and regulations, as well as similar laws and regulations in each country, Komatsu has established a dedicated internal department. This department promptly collects information, shares it with relevant business divisions, and maintains a structure to respond in a timely and appropriate manner. Furthermore, in preparation for the strengthening of export controls on advanced technologies, Komatsu is working to reduce the risk of a decline in profitability due to regulations. In addition to diversifying regions by selling products outside regulated areas, Komatsu is working to enhance competitiveness through product differentiation and functional improvements, as well as to improve the profitability of the parts business.

Risks associated with AI utilization

Risk description	The evolution of AI has the potential to change the fundamental assumptions of Komatsu's business. Komatsu believes that the effective use of AI is essential to its strategy, which is built on three growth strategy pillars: 1) value co-creation through innovation, 2) pursuit of growth and profitability, and 3) innovation of the management foundation. If Komatsu is unable to strategically incorporate AI, it may lose new business opportunities and the competitiveness of its products and services.
Impact on business	Generative AI is currently a rapidly evolving field, and there is much public debate about its opportunities and risks. Rather than viewing these changes as threats, Komatsu needs to see them as opportunities and make effective use of generative AI. If Komatsu is unable to respond quickly to such rapid changes in new technologies and improve productivity and efficiency not only for Komatsu but also for customers and dealers, this could affect its competitiveness. On the other hand, inappropriate use of generative AI could lead to information leaks caused by the input of confidential information, or violations of the rights of others.
Risk mitigation actions	In January 2024, Komatsu established a cross-functional internal project led by the CTO (Chief Technology Officer) as a framework to deepen collaboration among sites around the world and respond quickly to changes brought about by the use of generative AI. Through this project, Komatsu is responding quickly to changes associated with the use of generative AI. Through the development and implementation of advanced use cases, Komatsu is gaining knowledge of the potential and use of new technologies in the field of generative AI and ensuring safe implementation. In addition, as part of risk management for the use of generative AI, Komatsu has established global policies and rules for generative AI use, including the appropriate protection of company information and personal information, and conducts internal training based on these policies and rules. Through these efforts, Komatsu is safely incorporating generative AI into its business while preventing information leaks and violations of the rights of others. In April 2026, Komatsu also established a core function in Japan to promote the safe and rapid use of AI, and in May of the same year, appointed approximately 500 AI promotion leaders. Going forward, Komatsu will use these promotion leaders as a starting point to solve frontline issues and create successful use cases, while strengthening the foundation that supports global deployment. Through these initiatives and collaboration, Komatsu will further accelerate AI utilization across the company and globally, leading to the establishment of a global CoE (Center of Excellence) in and after 2027. Going forward, Komatsu will expand AI utilization across the entire value chain and globally share and deploy practical knowledge accumulated at each frontline site. Through these efforts, Komatsu will advance the sophistication of business processes, products, and services, further enhance the value it provides to customers, and contribute more fully to solving social issues.

Regional risks for FY2025

Risk related to local communities and Indigenous peoples' rights	
Risk description	As it becomes increasingly important for companies to respect human rights and act responsibly, the emergence of human rights violations in business activities can lead to risks such as backlash from local communities, boycotts, loss of corporate reputation due to social criticism, business delays or interruptions, and cessation of transactions. In the mining business in particular, customers expect respect for the rights of Indigenous peoples. If the rights of Indigenous peoples are infringed upon when Komatsu's products are used, Komatsu's business may be affected to a certain extent. There is also concern about reputational impact if Komatsu is perceived as a company that does not give sufficient consideration to Indigenous peoples' rights.
Impact on business	Of Komatsu's revenue of 4.1 trillion yen for the fiscal year ending March 2026, approximately 1.9 trillion yen was derived from mining equipment, meaning that sales from the mining business account for about half of the company's total revenue. Given this, if Komatsu's efforts regarding the rights of local communities and Indigenous peoples are insufficient, or if Komatsu fails to respond appropriately, this could lead to a decline in sales or a slowdown in growth, and may result in significant losses to Komatsu's financial position.
Risk mitigation actions	In 2019, Komatsu established its "Policy on Human Rights," declaring that it would conduct business by applying respect for human rights in line with international standards across its global organization. This human rights policy has been reflected in Komatsu's Worldwide Code of Business Conduct and is thoroughly communicated to all employees of the Komatsu Group worldwide. Based on this human rights policy, Komatsu continuously conducts due diligence to identify, prevent, mitigate, and address human rights issues in its business activities, with the cooperation of external experts. In FY2022, Komatsu conducted web-based human rights surveys targeting all Group companies in Japan and overseas, as well as major suppliers. The results were provided as feedback to the responding companies, and Komatsu is working on risk mitigation measures. In addition, Komatsu conducted an impact assessment in the Republic of South Africa, where it engaged in focused discussions on human rights with various stakeholders. These discussions led to meaningful outcomes, including the sharing of issues and values with customers and a deeper mutual understanding. In FY2024, as part of stakeholder engagement in downstream business, Komatsu held meetings with an independent distributor covering West African countries. These discussions extended beyond human rights to cover a wide range of sustainability-related topics, including environmental initiatives, local human resource development, and community contribution activities. In FY2025, Komatsu conducted a gap analysis to understand whether its existing initiatives are aligned with the requirements of the EU Corporate Sustainability Due Diligence Directive (CSDDD), which is scheduled to begin applying in July 2029. As a result, Komatsu confirmed that its existing initiatives have established procedures and reporting systems to a certain extent for the continuous management of human rights and environmental risks. Komatsu also mapped business activities conducted by Komatsu, its subsidiaries, and business partners in the value chain as a whole, and conducted a human rights and environmental risk assessment in the business areas of construction and mining equipment and industrial machinery. The assessment found that risks were relatively high in the area of human rights related to materials procurement, which Komatsu should pay particular attention to. Going forward, Komatsu will conduct further surveys and analysis with a focus on the upstream supply chain. Furthermore, Komatsu is working on human resource development in regions where human resource development has become a social issue, in collaboration with national and local governments and customers. In the mining business, for example, as part of its human resource development initiatives, Komatsu provides proprietary human resource development programs in South America, the Republic of South Africa, and other regions for people who have limited access to educational opportunities due to various national and regional circumstances, offering basic education and practical technical training. Going forward, Komatsu will continue to give consideration to the rights of local communities and Indigenous peoples through its business activities in various countries and regions, toward the realization of a sustainable society.

2. Our specific initiatives

(1) Response to economic security

Greater political divisions globally may lead to tighter regulations in some countries. The Komatsu Group collects and analyzes information on trends related to the Economic Security Promotion Act and other economic security-related regulations.

(2) Compliance risk audits

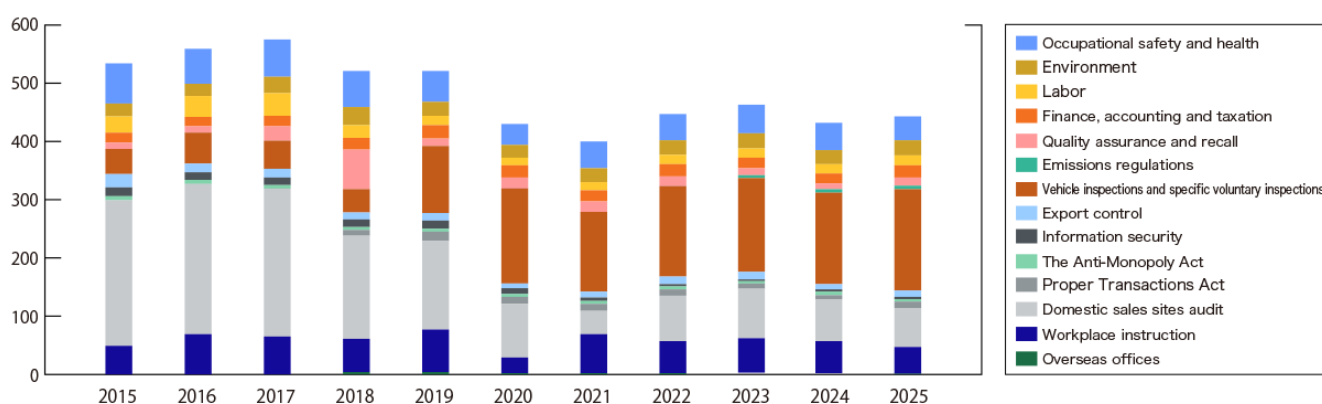
As part of its risk management activities, Komatsu has conducted compliance risk audits (CR audits) every year since FY2008. These audits are intended to visualize potential compliance risks within the company, particularly by confirming and evaluating the status of legal compliance, in areas not covered by J-SOX audits, which are conducted under the Financial Instruments and Exchange Act of Japan to evaluate internal controls over financial reporting. An internal specialist team conducts internal audits with an emphasis on periodic audits, covering Komatsu, its subsidiaries in Japan and overseas, independently owned distributors in Japan, business partners, and distributors. Through these activities, Komatsu aims to further improve the management level and compliance awareness of each company and department. Komatsu also reviews audit areas and methods in response to changes in the business environment and works to improve the quality of CR audits. The status of CR audits is reported monthly to the President and annually to the Board of Directors.

The audited areas in FY2025 are as follows:

1. Occupational safety and health, 2. Environment, 3. Labor, 4. Finance, accounting, and taxation, 5. Quality assurance and recall, 6. Emissions regulations, 7. Vehicle inspections and specific voluntary inspections (inspections required by law), 8. Export control, 9. Information security, 10. The Anti-Monopoly Act, 11. The Proper Transactions Act

In addition, cross-sectional CR audits covering the above areas include field instruction sessions conducted at each sales company site (occupational safety and health, environment, vehicle inspections and specific voluntary inspections), sales company site audits (finance and accounting, labor, information security), and overseas representative office audits (occupational safety and health, labor, finance and accounting, information security).

Implementation of compliance risk audits (Number of audits conducted annually)



Structure for promoting sustainability

A dedicated organization to promote sustainability

Komatsu has established the Sustainability Promotion Division, an organization under the direct control of the President, to oversee activities relating to the promotion of sustainability management across the group. The Sustainability Promotion Division aims to enhance the Komatsu Group's commitment to management that prioritizes sustainability by formulating and planning policies and measures related to the environment and society, thus enabling all divisions and companies within the group to actively engage in sustainability initiatives.

Sustainability-related committees

The Sustainability Promotion Committee, chaired by the President, is held twice a year (and at other times as needed) to deliberate and decide on the planning and promotion of sustainability measures for the Komatsu Group, environmental and CSR policies, and important initiatives and activities, thereby facilitating their implementation.

Furthermore, the deliberations of the Sustainability Promotion Committee are regularly reported to and reviewed by the Board of Directors.

Additionally, for each sustainability-related issue, such as human resources, occupational safety and health, compliance, human rights, and the environment, a committee chaired by the President or a responsible executive officer is established, composed of representatives from various business and functional divisions. These committees aim to discuss, decide, and promote policies and measures across the group. Specifically, the Komatsu Way Committee reviews personnel and educational measures, the Sustainability Promotion Committee discusses measures related to the environment and human rights. In addition, the Strategy Review Committee deliberates on business strategies for carbon neutrality and decarbonization. The deliberations by the above-mentioned committees and business strategies are regularly reported to and discussed by the Board of Directors.

Global information sharing

Komatsu provides opportunities for people to exchange opinions and frequently shares information regarding what it considers to be "CSR today." For example, Komatsu regularly convenes global CSR meetings and virtual meetings, bringing together approximately 30 managers and other personnel responsible for overseeing CSR activities at its overseas subsidiaries.

In addition, once every three years, Komatsu holds a Global Environmental Meeting attended by personnel responsible for environmental matters at Komatsu Group companies and business sites in Japan and overseas. In 2024, 55 participants from Japan and overseas shared information and exchanged opinions on the environmental activities of each group company and global trends.

Going forward, Komatsu will continue to build a system for gathering a wide range of views from around the world and broadly understanding and sharing what is required on the front lines where it conducts its business.

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FY2025: Key discussions on sustainability

Meeting names	Month held	Main agenda items
Board of Directors	April	- Review of the previous mid-term management plan - Responses to changes in the sustainability-related environment surrounding companies - Sharing the Sustainability Promotion Division's activities and implementation approach under the Strategic Growth Plan
	November	Progress management of the Sustainability Promotion Division's activities under the Strategic Growth Plan
Strategy review committee	As needed	Examination of business strategies related to climate change and resource circulation (R&D of low-carbon and electrified equipment etc.)
Executive Officer meeting	As needed	Progress management of management targets
	December	Lecture on human rights compliance by outside experts
Compliance Committee	September	Reports on regular compliance activities and project activities
	February	Reports on compliance issues
Risk management committee	November	Identification and organization of corporate risks
	February	
Komatsu Way promotion committee	September	- Progress of HR department activities in the Strategic Growth Plan - Challenges and solutions for global human resources
	January	- Progress of HR department activities in the Strategic Growth Plan - Challenges and solutions for the HR department, primarily in Japan
Sustainability promotion committee	September	- Non-financial information disclosure - Human rights response / environmental measures (nature-positive activity plan)
	January	- Progress of activities under the Strategic Growth Plan (reducing CO₂ emissions from product use, etc.) - Social contribution activities / non-financial information disclosure

Dialogue with stakeholders

Creating a variety of opportunities for dialogue

Engaging in dialogues with our stakeholders is essential for determining the relative effectiveness of Komatsu's management and business operations in terms of meeting social needs. Every department that has direct contact with our stakeholders strives to create an environment of transparency and integrity by detailing our company's current situation, receiving feedback, and engaging in effective discussions.

Stakeholders	Purposes	Examples of meetings and activities	Frequency
Customers	Collaborate to realize customers' goals and fulfill corporate responsibility	› Brand Management Activities	Daily
	Collaborate to resolve issues in society and in the regions where we operate, and participate in local activities		Daily
Business partners	Explanation by the President on business performance, policies and strategies	› Various meetings with Midori-kai	2 times a year
	Conduct safety patrols and provide opportunities such as for support of efforts for obtaining certification		As needed
Distributors	Explanation by the President on business performance, policies and strategies	Distributor meetings in each region	5 times a year
Employees	Explanation by the President on business performance and policies	› Meeting with the President › Sharing Q&A session content with global employees via the intranet	2 times a year As needed
	Dialogue with the labor union and employee representatives to improve the workplace environment	Regular Meetings between Management and Labor Union	As needed
Local community	Explanation of initiatives related to operations, the environment and safety	Meetings with residents of the local community near the plant	As needed
	Activities to resolve local issues based on employee suggestions	Voluntary activities by employees	Daily



Stakeholders	Purposes	Examples of meetings and activities	Frequency
Industry-academia collaboration partners	Exchange of ideas and opinions between representatives such as university professors and our Chief Technology Officer	Komatsu Science and Technology Collaboration Council	Every other year
Investors	CEO and CFO explanation of business performance, policies and strategies	› IR Meetings	Japan: Daily Overseas: Several times a year
	Respond to inquiries and SRI surveys	› SRI Surveys	Daily
Individual shareholders	CEO and CFO explanation of business performance, policies and strategies	› Shareholders Meetings	2 times a year, held in Japan (held online since FY2020)
	Plant tours and explanation of operations	› Plant tours for shareholders	About dozen times a year in Japan

Communication with shareholders and investors

Operating within our commitment to high managerial transparency, through proactive investor relations (IR) activities on a global scale, Komatsu discloses information in a proper and timely manner and engages in two-way communication.

1. Activities for institutional investors and securities analysts

On the same day that quarterly financial results are announced, Komatsu holds explanatory sessions for institutional investors and securities analysts and makes the content available on its website. In addition to investor briefings, Komatsu explains its business performance and other matters through participation in domestic and overseas conferences hosted by securities firms, visits to institutional investors in regions such as North America, Europe, Asia, and the Middle East, and online meetings.

2. Informational meeting for individual shareholders

Komatsu periodically holds briefing sessions for individual shareholders to explain the current status and future prospects of the Komatsu Group and the progress of the mid-term management plan to shareholders. Since the program began in 1997, a total of 57 sessions have been held, with total attendance of approximately 17,000 shareholders. In FY2025, one such session was held in February in Fukuoka City, Fukuoka Prefecture. Senior management provided an overview of the company's business, and shareholders asked questions regarding topics such as strategies for differentiation from competitors, responses to U.S. tariffs, the direction of the parts business, and shareholder return policies, fostering two-way dialogue.



Shareholder briefing held in Fukuoka City

3. Plant tours for individual shareholders

Komatsu holds plant tours for individual shareholders and Techno Center tours for children to deepen their understanding of our business activities. In FY2025, we held plant tours for a total of 10 events at the Awazu Plant (Ishikawa Prefecture), Osaka Plant (Osaka Prefecture), Ibaraki Plant (Ibaraki Prefecture), Oyama and Tochigi Plant (Tochigi Prefecture), and Techno Center (Shizuoka Prefecture). Additionally, in July, we hosted an online factory tour.



Plant tour held at the Awazu Plant (visitor sitting in the operator's seat)



Plant tour held at Osaka Plant



Plant tour held at Techno Center



Online tour

4. Meetings for individual investors

Komatsu holds company information sessions for individual investors through securities firms to explain the current status and future prospects of the Komatsu Group and the progress of the mid-term management plan. In FY2025, four sessions were held online.



A shot from an online meeting for individual investors

5. Executive insights (formerly Interview with the president)

Komatsu releases online videos in which top management related to each theme directly explains topics centered on the growth strategies of the mid-term management plan. In FY2025, these videos were released three times.

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Major IR activities in FY2025

		Venue / Number of events held	Reference information: Number of participants, etc.
For institutional investors and securities analysts	Financial results briefing	4	
	Small meetings	5	
	Business and ESG briefing	1	Theme 1. Komatsu's global management and manufacturing strategy 2. About Komatsu Report 2025 3. Ambition of value creation in the Middle East market
	Plant tours	Ibaraki Plant: 1 Awazu Plant and Himi Plant: 1	
	Overseas IR	Asia: 2 North America: 2 Europe: 1 Middle East: 1 Australia: 1	
	Respond to interviews	441	
For individual investors and shareholders	Shareholder briefing	Fukuoka City in Fukuoka Prefecture: 1	282 people in total
	Plant tours	Awazu Plant: 2 Osaka Plant: 2 Ibaraki Plant: 2 Oyama/Tochigi Plant: 2 Techno Center: 2 Online: 1	6,410 people in total
	Meeting for individual investors:	Online: 4	Viewed live or on demand by a total of 15,069 people
	Executive insights (formerly Interview with the president)	3 sessions	5,923 total views

Documents and other materials used in the meetings can be viewed on the following site. (Available only in Japanese)

The events are held only in Japan.

[> Website "Investor relations"](#)

Communication with employees

Within Komatsu, the President convenes a "Meeting with the President" periodically at each business site in Japan. At these meetings, the president directly explains the business environment and related issues, and also takes part in a Q&A session held for employees. These meetings held at our headquarters in Tokyo are simultaneously streamed online over other business units in Japan and are also translated into English for sharing among the Komatsu Group employees around the world.



Employee meeting held at the head office

Communication with local communities (efforts in Japan)

To deepen understanding of Komatsu's business activities among local residents and the families of employees, Komatsu regularly holds "Plant Fairs." In FY2025, these events were held at seven business sites, attracting approximately 39,200 visitors.

Due to the impact of the COVID-19 pandemic, these events had to be canceled from 2020 onward. However, in FY2023, Komatsu resumed events for local communities, employees, and their families, as it had done previously.

Venue Name	Number of visitors (approx.)
Himi Plant	Local residents and employees & their families: approx. 6,000
Awazu Plant	Same as above: approx. 6,000
Koriyama Plant	Same as above: approx. 2,500
Kanazawa Plant	Same as above: approx. 3,500*
Shonan Plant	Canceled due to rain.
Ibaraki Plant	Same as above: approx. 4,200
Oyama and Tochigi Plants	Same as above: approx. 12,000
Osaka Plant	Same as above: approx. 5,000

* Held as part of "Port Festa" at Kanazawa Port

Major achievements

KPIs for solving social issues

We aim to create a positive cycle of solving social issues and improving profitability through our business activities under our Sustainability Policy. For key issues (materiality), we have set KPIs for solving social issues based on the three pillars of our growth strategy under the Strategic Growth Plan, and are steadily measuring the progress and outcomes of these initiatives. We have also selected and organized 10 highly relevant goals from among the Sustainable Development Goals (SDGs).

Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
With people	 		1	Create safe and secure work environments; support employee health	Occupational accident frequency rate (per one million hours)	0.91	Continue to decrease from the three-year average frequency rate of 0.81 during the previous mid-term management plan period (performance disclosed) * Revised the target disclosed in the previous fiscal year
			2	Create workplaces where all individuals can shine as their authentic selves, wherever they are	Engagement surveys (1) Improvement of eNPS*1 (2) Global score for sustainable engagement*2 *1 Indicator measuring employee sense of attachment to the company *2 Scores represent the rate of positive responses.	(1) Global score 9*1, +5 compared with previous survey*2; (2) Global score 81*1, +1 compared with previous survey*2. *1 FY2025 survey results. *2 Conducted in FY2023.	(1) Continuous improvement (score higher than previous survey) (2) 85
			3		(1) Ratio of full-time female employees (global) (2) Ratio of women in managerial positions (global)	(1) 15.2% (2) 11.7%	(1) 17.0% (2) 14.0%
			4		Ratio of employees with disabilities	2.63% (single year, Japan)	2.7% (single year, Japan)
			5	Create environments and develop human resources to foster innovation	Enrich the succession planning (efforts to build diversity-conscious talent pools in each region)	Reassessment and job evaluation of Global Key Positions (GKP) is underway. * Approximately 700 key positions globally are designated as GKP, and succession plans are being formulated.	Improved readiness rate and secured diverse pool of talent
			6		(1) Global score for Innovation in the engagement survey (2) Training and growth support for digital talent and leadership driving strategic digital implementation initiatives	(1) Global score 68, +1 compared with previous survey; FY2025 survey results. (2) Global headquarters and group companies in Japan: 537 participants per year	(1) Continuous improvement (score higher than previous survey) (2) Global headquarters and group companies in Japan: 220 participants per year
			7		Certified personnel ratio under the solutions sales and mechanic certification program (proficiency assessments by region)	48%	70%

Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
With people	 	● Employees ● Human rights	8	Respect human rights across all business activities	Conducted human rights due diligence in the following three areas i. Upstream ii. Komatsu Group iii. Downstream	Continued initiatives to respect human rights. In particular, risk assessments and gap analyses were conducted in preparation for the EU Corporate Sustainability Due Diligence Directive. i) As part of risk assessment, dialogue sessions were held on human rights and environmental issues with major domestic suppliers. ii) Basic education on business and human rights and education for procurement personnel were conducted. iii) Dialogue sessions with the Marketing representatives were held.	Disclose results

Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
With business	 	● Customers ● Ethics and governance ● Communities	9	Enhance product safety	Plan, develop, and market safety equipment	Models equipped with safety equipment have been introduced to the market: (1) Rollover prevention system: HM460-6; (2) KomVision machine surroundings camera system: WA470/475/480/485-11, D175AX-10, HM460-6, PC128US/USi-12, and PC138US/USi-12; (3) Rollover avoidance alerts and KomVision Object avoidance: PC128US/USi-12 and PC138US/USi-12	Disclose results
				Expand Industrial Komtrax* contents * Equipment operation management system	Number of large press predictive maintenance contracts	57 lines (aggregate)	75 lines (aggregate)
			10	Improve jobsite productivity through Smart Construction	Rate of ICT machine* adoption * Hydraulic excavators and bulldozers equipped with 3D machine control and 3D machine guidance functions	29%	47%
			11		Smart Construction support center customer satisfaction	95%	90%
			12	Provide solutions for sustainable resource development (mining)	Cumulative Autonomous Haulage System (AHS) installations in mines	1,016 units (aggregate)	1,200 units (aggregate)
			13		Cumulative number of mines in commercial operation on the new platform (open technology platform)	Orders received from 8 sites	40 sites (aggregate)

Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
With business		● Customers ● Ethics and governance ● Communities	14	Provide solutions for sustainable resource development (mining)	Completed trials of mining TBM*, a new tunnel boring method * Tunnel-boring machines	Continued outdoor quality confirmation for trial machine	Completed trials at customer sites
			15		Hard rock mining business sales	US\$198 million (single year)	US\$400 million (single year)
			16	Provide solutions for better jobsite safety and productivity (automation, autonomous operation, remote operation)	Accelerate automation and remote control of construction and mining equipment	- Verified HM400 automation technology; - Completed development of PC200i-12 remote system specifications; - Completed development of the excavator soil spreading function at embankment sites; - Developing bulldozer soil leveling function; - Developing Autonomous Light Vehicle for AHS	Disclose results
			17	Build value chains adaptable to changes in the environment and demand	Aftermarket business sales growth rate	-1.6% (compared with FY2024, foreign exchange rates fixed)	+15% (compared with FY2024; foreign exchange rates fixed)
			18		Multi-site parts sourcing ratio for 20-ton class hydraulic excavators (produced by major overseas subsidiaries)	93%	95%
			19	Enhance governance and ensure thorough compliance	Initiatives to improve management efficiency, ensure sound management, and enhance transparency Full revision of the Komatsu's Worldwide Code of Business (13th edition) - Deployment in 18 languages globally - Improved global e-learning participation rate	Expanded governance-related disclosures on websites and other channels Revision policy for the 13th edition was determined, and the current edition was reviewed	Disclose results
			20	Continue social contribution activities	Ongoing social contribution activities (contribution to communities, landmine removal, disaster recovery support)	- Continued landmine removal projects in Cambodia and Laos, and newly introduced a project in Senegal; - Began scholarship support for CFPT vocational training school in Senegal; - Provided 10 million yen in support for the 2025 Myanmar earthquake; - Renewed CSR collaboration agreement with Cummins Inc.	Disclose results

Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
With the planet	     	●Environment	21	Implement efforts to become carbon neutrality	Reduce CO ₂ from production	Reduced by 48% (compared with FY2010 levels, total volume)	Reduce by 39% (compared with FY2010 levels, total volume)
			22		Reduce CO ₂ from product use	Reduced by 23% (compared with FY2010 levels, intensity basis)	Reduce by 32% (compared with FY2010 levels, intensity basis)
			23		Rate of renewable energy use	36%	40%
			24		Number of product models introduced to the market aimed at carbon neutrality	Commercialized: 2 models, PC26E-6 and PC33MRE-6	Disclose results
			25	Reduce environmental impact through business activities (industrial machinery business)	Unit sales of power generation units with thermoelectric elements	6 units (single year)	150 units (single year)
				Drive circular economies	Number of machine tools sold contributing to electric vehicle production (1. FSW units, 2. large processing machine for aluminum giga die-cast parts)	(1) 6 units (single year) (2) 0 units (single year)	(1) 7 units (single year) (2) 15 units (single year)
					Extended lifetime of light source modules (chambers) for semiconductor lithography (1. ArF immersion light sources, 2. KrF light sources)	(1) Development ongoing; (2) Development ongoing	(1) +20% (to be introduced to market in Q1 FY2027) (2) +30% (to be introduced to market in Q2 FY2026)
					Reman and rebuild business sales growth rate * Component repairs and overhauls performed by authorized Komatsu distributors using genuine parts, based on customer needs	+0.5% (compared with FY2024, foreign exchange rates fixed)	+5.2% (compared with FY2024; foreign exchange rates fixed)
			26	Provide solutions that support sustainable, circular forestry businesses	(1) Forestry machinery business sales growth rate (2) Annual increase in trees planted using tree-planting machinery sold during the fiscal year (based on additional planting capacity)	(1) -9.6% (compared with FY2024, foreign exchange rates fixed); (2) +0.5 million (compared with FY2024)	(1) +27.1% (compared with FY2024; foreign exchange rates fixed) (2) +60 million (compared with FY2024)
					27	Smart Forestry solution contract rate	62.3%
			28	Nature-positive activities	Nature-positive activity planning and framework development	Organized the desired state and current status for nature-positive activities and developed an activity plan. Examples of nature-related initiatives were disclosed in Komatsu Report 2025.	Disclose results
					Water consumption	29% (compared with FY2010 levels)	Reduce to 30% or less (compared with FY2010 levels)
			29	Contribute to solving global food challenges	Number of agricultural construction machines in operation * Agricultural bulldozers used in farming	23 units (single year)	100 units (single year)



Category	SDGs	Materiality	No.	Key activities	KPIs	FY2025 results	FY2027 targets
General		General	30	Obtain top-tier external sustainability ratings within the industry	(1) CDP (2) Dow Jones Best-in-Class Indices	(1) Selected for the A-List for both climate change and water security (2) selected for World and Asia Pacific	(1) Selected for A-list for both climate change and water security (2) Selected for World and Asia Pacific

External recognition

(as of May 11, 2026)

(1) External recognition and certification related to CSR, including SRI evaluation

[Global]



[CDP]

An NPO that was established in the United Kingdom in 2000 and engages in the surveying and global disclosure of corporate initiatives with respect to reduce greenhouse gas (GHG) emissions and climate change, while simultaneously analyzing and evaluating the surveyed details. In 2016, it started to run a system selecting A-list companies as global leaders in terms of the implementation of action on climate change, water security and others.

[Trends in the selection of the company over the last three years]

	2023	2024	2025
CDP Climate Change	A	A	A
CDP Water Security	A	A	A

[Dow Jones Best-in-Class Indices]

(previously known as Dow Jones Sustainability Indices (DJSI))

The sustainability indices were selected by S&P Dow Jones Indices LLC of the United States. They analyze and evaluate corporate sustainability from the three perspectives of the governance & economic, the environment and the society to select high-ranking companies in each industrial sector.

[Trends in the selection of the Company over the last three years]

Komatsu has been selected as a constituent of the "World Index" for consecutive years since 2006.

	2024	2025	2026
DJBICI	World	World	World



[MSCI Selection Indexes*1]

The Socially Responsible Investment indexes were developed by U.S.-based MSCI (Morgan Stanley Capital International), Inc.

[Trends in the selection of the company over the last three years]

Komatsu has been selected for consecutive years.

**[ISS ESG]**

The corporate sustainability rating indexes were developed by U.S.-based ISS group.

[Trends in the selection of the company over the last three years]
Komatsu has been consecutively awarded "Prime" status in the machinery sector.

[Japan]

**FTSE JPX Blossom Japan Index****[FTSE JPX Blossom Japan Index*2]**

The index, which was established by U.K.-based FTSE Russell, selects Japanese companies that implement excellent programs to facilitate ESG.

[Trends in the selection of the company over the last three years]
Komatsu has been selected for consecutive years.

**2025 CONSTITUENT MSCI NIHONKABU
ESG SELECT LEADERS INDEX**
[MSCI Nihonkabu ESG select leaders index*1]

The index is part of those established by U.S.-based MSCI Inc., aimed at selecting Japanese companies with relatively high ESG ratings.

[Trends in the selection of the company over the last three years]
Komatsu has been selected for consecutive years.

**2025 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)**
[MSCI Japan empowering women index*1]

The index is part of those established by U.S.-based MSCI Inc., aimed at selecting listed Japanese companies that promote a high level of gender diversity.

[Trends in the selection of the company over the last three years]
Komatsu has been selected for consecutive years.

**[S&P/JPX carbon efficient index]**

The index is offered by S&P Dow Jones Indices and the Tokyo Stock Exchange for member companies in the Tokyo Stock Price Index (TOPIX). It decides on the investment weights to be applied to such member companies with a focus on the disclosure of environmental information and level of carbon efficiency (carbon emissions per sales).

[Trends in the selection of the company over the last three years]
Komatsu has been selected as index constituent for consecutive years.

[Certifications]

**[SBT]**

SBT (Science based targets, namely, science-based emission reduction targets) is an initiative advocated by the CDP, the United Nations Global Compact, the World Wildlife Fund and the World Resources Institute. It certifies companies that have established reduction targets compatible with scientific knowledge aiming to achieve the target established under the Paris Agreement of keeping the average rise in global temperature due to climate change below two degrees from the pre-Industrial Revolution levels in the worst-case scenario.

Komatsu's CO₂ reduction targets were certified as SBT in April 2017.

[Please click here for further details about Komatsu's CO₂ reduction and SBT.](#)

**[DX Platinum Companies 2023-2025]**

The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange (TSE) select certain companies listed on TSE as "Digital Transformation (DX) Stocks Selection" for their accomplishments achieved by creating internal systems for promoting digital transformation (DX)* and excellent use of digital technologies leading to the enhancement of corporate value.

In FY2023, the company was selected as one of the newly established "DX Platinum Companies 2023-2025" as "a company that has continued to make particularly outstanding efforts since the program's inception."

* Digital transformation: A company establishing a competitive advantage by utilizing data and digital technology in response to intense changes in the business environment to transform products services and business models based on the needs of customers and society, and transform operations themselves, organizations, processes and corporate culture.

**[EcoVadis]**

EcoVadis, a French company, evaluates the sustainability of global supplier companies from four perspectives: environment, labor & human rights, ethics, and Sustainable Procurement impacts.

Komatsu has achieved the "Bronze" rating in the latest survey.

*1 THE INCLUSION OF KOMATSU LTD IN ANY MSCI INDEX, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT OR PROMOTION OF KOMATSU LTD BY MSCI OR ANY OF ITS AFFILIATES. THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI OR ITS AFFILIATES.

*2 FTSE Russell confirms that Komatsu has been independently assessed according to the index criteria, and has satisfied the requirements to become a constituent of the FTSE JPX Blossom Japan Index. Created by the global index and data provider FTSE Russell, the FTSE JPX Blossom Japan Index is designed to measure the performance of companies demonstrating specific Environmental, Social and Governance (ESG) practices. The FTSE JPX Blossom Japan Index is used by a wide variety of market participants to create and assess responsible investment funds and other products.

(2) External recognition of IR activities



2022 Award for Excellence
in Corporate Disclosure

— Industries —



The Securities Analysts
Association of Japan

[Excellent Disclosure Companies by The Securities Analysts Association of Japan]

Securities analysts developed objective evaluation criteria to decide on the ranking of companies in terms of its quality, quantity, timing and other factors of corporate disclosures, and based on which established the Award for Excellence in Corporate Disclosure from the Securities Analysts program. The program has been implemented since 1955.

Komatsu received the 2022 Award for Excellence in Corporate Disclosure (first place in the machinery section).

The award is given every other year and this is the 13th time Komatsu has received the award.



[2024 Best IR Award]

The Japan Investor Relations Association selects the member companies that conduct excellent IR activities for the “Best IR Awards,” and the “IR Grand Prix Award” to companies that have received the “Best IR Awards” for the third time.

In 2024, we were selected for the “Best IR Awards.”

This is the eighth time that we have been selected the “Best IR Awards” following 2007, 2008, 2010, 2013, 2016, 2017 and 2020, in addition the “IR Grand Prix Award” twice in 2010 and 2017.



[2023 Greatest IR Improvement Premium Company]

The Japan Investor Relations Association selects member companies that have consistently received high evaluations from the screening committee members during the screening period (17 years from 2007 to 2023) and have been recognized for their efforts to improve their IR as the Greatest IR Improvement Premium Company.

Komatsu has been selected for this selection.



[2023 Best Continual IR Efforts Premium Company]

The Japan Investor Relations Association selects member companies that have continuously applied for the Best IR Award during the screening period (17 years from 2007 to 2023) and have been recognized as having continued their IR activities over the medium to long term as the Best Continual IR Efforts Premium Company.

Komatsu has been selected for this selection.



[Tokyo Stock Exchange (TSE) “the corporate value improvement award” grand prix]

TSE created the Award program in FY2012, designed to annually award the companies which have achieved high corporate value by practicing management of improving corporate value through initiatives that consider capital cost and other investor concerns.

Komatsu was selected for the Grand Prix award of the 8th Corporate Value Improvement Award (FY2019) from all listed companies (about 3,650).

(3) Endorsement of initiatives

WE SUPPORT



[UN Global Compact]

The Global Compact, which is an initiative advocated at the World Economic Forum in 1999, requests that companies comply with and practice 10 principles with respect to human rights, labor, the environment and anti-corruption. Komatsu expressed its support for the United Nations Global Compact in November 2008.



World Business
Council
for Sustainable
Development

[WBCSD]

The World Business Council for Sustainable Development (WBCSD), whose members include more than 200 companies worldwide, is an organization that creates surveys and proposals on the economy, the environment and society with a focus on sustainable development. In addition, it works actively to implement SDGs. Komatsu decided to support WBCSD in 2010 and has been cooperating in its activities.



TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

[TCFD]

The Task Force on Climate-Related Financial Disclosures (TCFD), which is an initiative established by the Financial Stability Board in June 2017, requests that companies disclose climate-related information that may affect financial matters from the four perspectives of governance, strategy, risk management and metrics/targets. Komatsu expressed its support for TCFD in April 2019 and has disclosed information in compliance with the request.

Comparison with global principles

What Komatsu considers to be material issues are listed in our CSR Priorities, each of which are in line with international standards such as the ISO26000 and the United Nations Global Compact.

To translate these principles into concrete action, Komatsu has incorporated them into its internal guideline, "[Komatsu's Worldwide Code of Business Conduct](#),  " as well as into the "[CSR Procurement Guidelines](#)," which set out what Komatsu asks of its business partners.

ISO26000 core subjects /issues	UNGC 10 principles	Komatsu's materiality	Incorporation into Komatsu's internal guidelines		
				Komatsu's worldwide code of business conduct	Komatsu group CSR procurement guidelines
Organizational governance		[Ethics / Governance] - Corporate Governance - Compliance	"Quality and Reliability" of organizational structure, business operations, employees and management	●	●
			Emphasis on corporate governance	●	●
			Compliance with the rules of business society	●	●
Human rights	Human Rights Principle 1 Principle 2	[Human rights] - Respect for human rights [Communities] - Contributions to local communities	Respect for human rights	●	●
			Promotion of work-life balance	●	●
Labour practices	Labour Principle 3 Principle 4 Principle 5 Principle 6	[Employees] - Occupational Safety and Health - Enhancement of employee engagement - Promotion of Diversity & Inclusion - Talent development [Human rights] - Respect for human rights	Conversations or discussions with employees or their representatives	●	●
			Zero tolerance for child labor and forced labor	●	●
			Promotion of equal opportunities for employment, with zero tolerance for discrimination and any kind of harassment	●	●
			Ensuring a safe and comfortable work environment	●	●
			Human resources management in fair and impartial manner	●	●

ISO26000 core subjects /issues	UNGC 10 principles	Komatsu's materiality	Incorporation into Komatsu's internal guidelines		
				Komatsu's worldwide code of business conduct	Komatsu group CSR procurement guidelines
The environment	Environment Principle 7 Principle 8 Principle 9	[Environment] - Development of solutions for low carbon and reduced environmental impact - Resource recycling and remanufacturing - Reduction of energy consumption - Contribution to forest conservation through business activities	Providing products, services and systems that are environmentally-conscious	●	●
			Environmental protection	●	●
			Komatsu Earth Environmental Charter	●	
			Declaration of Conservation of Biodiversity	●	
			Reducing environmental impact, managing chemical substances and building up environmental management systems		●
Fair operating practices	Anti-Corruption Principle 10	[Ethics / Governance] - Corporate Governance - Compliance	Fair and appropriate business operations	●	●
			Fair and proper relationship with governmental bodies and agencies	●	
			Never providing, offering, promising, requesting, or accepting inappropriate money, goods, or other benefits	●	●
Consumer issues		[Customers] - Provision of solutions - Product safety and quality [Environment] - Development of solutions for low carbon and reduced environmental impact - Resource recycling and remanufacturing - Reduction of energy consumption - Contribution to forest conservation through business activities	Providing environmentally conscious, safe, and innovative products, services, and systems with the customer's perspective in mind	●	
			Initiatives for the global environment	●	●
			Reduction of environmental impact, proper management of chemical substances, and establishment of environmental management systems	●	●
Community involvement and development		[Communities] Contributions to local communities	To fully understand its social responsibilities as a corporate citizen	●	●
			Groupwide social contribution (5 Basic Principles for Social Contribution)	●	
			Good harmony with local communities	●	●

Sustainability-linked bond

In October 2022, Komatsu issued a Sustainability-Linked Bond (USD-denominated senior unsecured straight bond, hereafter “SLB”).

SLBs are bonds whose terms and conditions vary depending on the achievement status of pre-determined Key Performance Indicators (KPIs)(*1) set by the issuer.

Under its three-year Mid-Term Management Plan titled “Driving value with ambition”, which concludes in the fiscal year ending March 31, 2028, Komatsu aims to create customer value through a positive cycle of solving social issues and enhancing profitability via growth strategies. Through the issuance of this SLB, Komatsu intends to further accelerate its sustainability management initiatives toward achieving sustainable growth.

*1 KPI: Key Performance Indicators

Outline of the Bonds

	Sustainability-Linked Bonds (USD Denominated Senior Unsecured Straight Bonds)
1. Issuer	Komatsu Finance America Inc.
2. Guarantor	Komatsu Ltd.
3. Issuance amount	USD 600 million
4. KPI/SPT *2	SPT1.1: 45% reduction of the Scope 1+2 CO ₂ emissions (Intensity) (KPI1) from production by March 31, 2025 from 2010 baseline SPT2.1: 24% reduction of the Scope 3 CO ₂ emissions (Intensity) (KPI2) from use of products by March 31, 2025 from 2010 baseline
5. Interest rate	5.499% per year during the period from and including October 6, 2022 until October 5, 2025 From and including October 6, 2025, the interest rate shall be increased by 10 bps if SPT 1.1 has not been satisfied and increased by 15 bps if SPT 2.1 has not been satisfied as of March 31, 2025
6. Interest payment date	April 6 and October 6 every year from and including April 6, 2023
7. Term	5 years
8. Maturity date	October 6, 2027
9. Payment date	October 6, 2022
10. Use of proceeds	To be allocated for the redemption of outstanding bonds and general business purposes
11. Offering method	Offerings in overseas markets, primarily in the U.S., Europe and Asia (In the U.S., however, sales are solely for Qualified Institutional Buyers in accordance with Rule 144A under the U.S. Securities Act of 1933)
12. Market	Singapore Exchange Securities Trading Limited
13. Credit Rating	A2 (Moody's) A (S&P)

*2 SPT: Sustainability performance targets, which are measurable target figures of KPIs over the specific time period as stated by the issuer

[!\[\]\(73dc35a3913bfbff46c8d14ee8be6ab9_img.jpg\) Komatsu Sustainability-Linked Bond Framework \(1.78MB\)
 !\[\]\(1c2e65ef246faefe1c195bc782b1ad9f_img.jpg\)](#)

Second party opinion of Sustainability-Linked Bond eligibility

With respect to eligibility against the Sustainability-Linked Bond Principles 2020 and the Sustainability-Linked Bond Guidelines (2022), Komatsu has obtained a second party opinion from DNV Business Assurance Japan K.K. , an internationally recognized third-party organization with expertise in this field.

› [Second party opinion \(1.53MB\)](#) 

Reporting

Komatsu reports the performance of the KPI/SPT on an annual basis.
In addition, the external verification result is attached.

【Performance of KPI/SPT】

KPI	SPT	Performance		
	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2023
KPI1: CO ₂ emissions (Intensity) from production	SPT1.1: 45% reduction from 2010 baseline	55% reduction from the same	51% reduction from the same	43% reduction from the same
KPI2: CO ₂ emissions (Intensity) from use of products	SPT2.1: 24% reduction from 2010 baseline	23% reduction from the same	22% reduction from the same	21% reduction from the same

【Verification】

Komatsu obtains verification of the achievement status of the KPI/SPT for the bonds from DNV Business Assurance Japan K.K.

› [External Verification Report \(Issued October 2023\) \(104KB\)](#) 

› [External Verification Report \(Issued September 2024\) \(104KB\)](#) 

› [External Verification Report \(Issued September 2025\) \(104KB\)](#) 

Green bond

In July 2026, Komatsu issued a green bond (unsecured straight bond) through a public offering in the Japanese market. Green bonds are designed to raise funds for exclusive use in business which works to help solve environmental problems.

Under the current three-year medium-term management plan, “Driving value with ambition” (Strategic Growth Plan) which runs through the fiscal year ending March 31, 2028, Komatsu is aiming for sustainable growth through a positive cycle of creating new value to address social issues and improve profitability. Under the Strategic Growth Plan, Komatsu has established ESG management targets, including reducing Komatsu’s own CO₂ emissions by 50% by FY2030 (compared to FY2010), reducing the CO₂ emissions intensity from product use by 50% (compared to FY2010), and achieving a renewable energy usage rate of 50%, while working to reduce environmental impact.

Through this bond issuance and future ongoing green finance initiatives, Komatsu will allocate the funds raised to efforts that contribute to resolving issues with significant impacts on its business activities as well as the environment and society, thereby further accelerating its initiatives toward the realization of a decarbonized society.

Outline of the green bond

Issuer	Komatsu Ltd.
Pricing date	July 3, 2026
Payment date	July 9, 2026
Maturity	3 years
Issue amount	JPY20.0 billion
Interest rate	1.782% per annum
Use of proceeds	Capital expenditures related to the rebuilding of the headquarters (including associated land, facilities, and renovation costs). The new headquarters obtained ZEB Ready certification in April 2026.
Lead manager	Nomura Securities Co., Ltd.
Structuring agent*	Nomura Securities Co., Ltd.
Rating	"AA" by Rating and Investment Information, Inc. (R&I)
[Reference]Press release	Press release dated July 3, 2026

* Structuring agents support the issuance of green finance by providing advice on the formulation of green finance frameworks and on obtaining second-party opinions.

[!\[\]\(c824d564d2d5d2752eef72d91a8e177a_img.jpg\) Komatsu Green Finance Framework \(944KB\)](#)

Second-party opinion of green bond eligibility

Komatsu has obtained a second-party opinion from DNV Business Assurance Japan K.K. regarding its conformity with the following principles and guidelines: Green Bond Principles 2025, Green Bond Guidelines 2024, Green Loan Principles 2025, and Green Loan Guidelines 2024.

› [Second-Party Opinion \(2.33MB\)](#) 

Reporting

The allocation of proceeds and impact report for fiscal year 2026 will be published in 2027.

With people

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Komatsu's human capital initiatives

Komatsu regards human resources as one of its important management resources for creating new value. Approximately 90% of Komatsu's net sales are generated overseas, and about 70% of its approximately 67,000 Group employees work outside Japan. Komatsu believes that bringing out the full potential and individuality of employees with diverse backgrounds leads to the creation of innovation and the sustainable enhancement of corporate value, and it therefore continues to invest in human resources. Under the Strategic Growth Plan, Komatsu is further strengthening human capital management by implementing measures with an even greater awareness of their connection to its management strategy.

Global personnel policy

Komatsu established a global HR vision to create an environment in which global and diverse members can work together as a team for the growth of the business. Under this policy, we seek to enhance corporate value sustainably driven by a positive cycle of growth for both Komatsu and our employees. Our Company perspective focuses on 1) secure talent, 2) right people, right place, 3) development of future leaders, and 4) cost management. Our individual employee perspective emphasizes 1) joining an attractive workplace, 2) engaging in a challenging and/or meaningful job, 3) continuous growth and development, and 4) fair rewards and meaningful recognition. Based on both perspectives, we aim to maximize a uniquely Komatsu employee experience through a uniquely Komatsu employee journey (career development).

To realize this vision, we have set forth the priority initiatives undertaken by our human resources and HR development divisions to include creating workplaces where all individuals can shine as their authentic selves, wherever they are. To support these initiatives, we continue to focus on three foundational initiatives: creating a physically and mentally safe workplace, advancing the digital transformation of HR, and pursuing diversity and inclusion (D&I). Komatsu also formulates and implements action plans based on regular engagement surveys, assesses the effectiveness of these plans, and utilizes the results in subsequent initiatives.

In addition, Komatsu defines the following basic human resources policies in Komatsu's Worldwide Code of Business Conduct and establishes personnel systems that reflect local circumstances and are appropriate for each region.

1. We shall respect each employee's human rights, personality, individuality and legally-protected privacy;
2. We shall respect diversity and treat and appraise each and every employee in a fair and impartial manner. We shall not discriminate against any employee on the basis of race, ethnicity, color, sex, sexual orientation, gender identity, age, religion, national ancestry, disability, marital status or other legally protected status. We shall vigorously promote equal opportunities for employment*;
3. We shall give due consideration to work-life balance and physical/mental health, and endeavor to provide the employees with workplaces where they can effectively accomplish their tasks with satisfaction and pride;
4. We will not tolerate inappropriate behavior and speech which prevents employees from working effectively and comfortably. In particular, all Komatsu employees must not do any type of harassment including harassment of subordinate personnel, sexual harassment, or harassment related to pregnancy, childbirth, parenting, or nursing care, in and outside of workplace;
5. In designing and implementing Komatsu policies on employment conditions (such as wages, fringe benefits, performance appraisal, promotions), we shall assure that such policies are, and are understood to be, fairly and clearly implemented. Such policies shall be accurately communicated to employees and, to the extent practicable, made open and accessible;

6. We shall comply with all applicable laws and regulations governing employees' rights and faithfully accommodate, whenever applicable, conversations or discussions with employees or their representatives;
7. We shall not tolerate child labor or forced labor; and
8. We shall offer terms and conditions of employment that are sufficiently competitive in their respective regions.

* "Any action violating human rights (harassment of subordinate personnel, sexual harassment or other harassment related to pregnancy, childbirth, parenting or nursing care)" is specified as grounds for disciplinary action.

Implementation framework for various measures

Komatsu implements the priority initiatives of our Strategic Growth Plan to adapt to a rapidly changing business environment. We incorporate a human resources perspective into our analysis of the external environment surrounding our company to determine the direction of our human resources strategy and the personnel and training measures needed to support that strategy. We advance various initiatives under our human resources strategies by dividing the initiatives into two categories: initiatives implemented globally across the entire Group and initiatives advanced effectively and efficiently according to the characteristics of each region and business. The Komatsu Way Promotion Committee serves as the forum to discuss various HR initiatives. Chaired by the President, the committee brings together Executive Officers and Global Officers from Japan and overseas to discuss our human resources strategy, as well as HR and talent development initiatives. We also hold a regular Global HR Meeting attended by the heads of HR departments at major Group companies outside of Japan. These meetings provide a forum to develop a common understanding of key challenges, discuss HR initiatives, and exchange insights gained through implementing those initiatives.

About the Komatsu Way

The Komatsu Group is a global enterprise in which diverse employees with different nationalities and ways of thinking come together as one. The shared values that connect these diverse employees are embodied in the Komatsu Way. Based on the spirit of Komatsu's founding, the Komatsu Way codifies the corporate culture built by our predecessors and provides more specific behavioral guidelines for putting "Our Values" into practice—the attitudes employees should uphold: "Take on challenges," "See things through," "Create together," and "Act with integrity." Komatsu aims to foster a corporate culture in which employees share the values that should be maintained as Komatsu's strengths, respect one another's unique perspectives, leverage those perspectives together, and create innovation.

To disseminate and practice the Komatsu Way at all Komatsu Group companies around the world, Komatsu conducts various promotion activities and human resource development programs. The Komatsu Way is incorporated into internal training programs, where explanations and group discussions are provided to deepen employees' awareness and understanding. In workplaces, regular meetings are held to explain the underlying concepts and share personal experiences, thereby promoting communication across generations and encouraging the passing on and embedding of the Komatsu Way.

Since 2007, Komatsu has been engaged in brand management activities to "be indispensable to our customers and continue to be their partner of choice." Through these activities, Komatsu seeks to deepen relationships with customers by visiting customer workplaces, understanding their ideals, and working together with customers to help achieve their goals through the concerted efforts of the Komatsu Group and its distributors.

* For Komatsu's brand management initiatives, please refer to "> [Brand management initiatives](#)."

In January 2025, Komatsu released the fourth edition of the Komatsu Way, clarifying the relationship between Komatsu's purpose and values, and the Komatsu Way, and revising its content in light of changes in the internal and external environment.

To ensure that all employees can understand the Komatsu Way in their native languages, Komatsu provides electronic booklets and e-learning programs in 13 languages. In addition, Komatsu is strengthening promotion activities by globally sharing examples and episodes of how the Komatsu Way is practiced in each workplace and region, helping each employee see it as personally relevant and deepen their understanding. With regard to TQM (Total Quality Management), Komatsu incorporates it into level-specific training curricula in Japan and provides education according to employees' years of service and roles. Globally, the local instructor development program is now in its third year, and progress is being made in establishing frameworks that enable overseas subsidiaries to conduct training autonomously, steadily expanding the concepts and practice of TQM to each region.

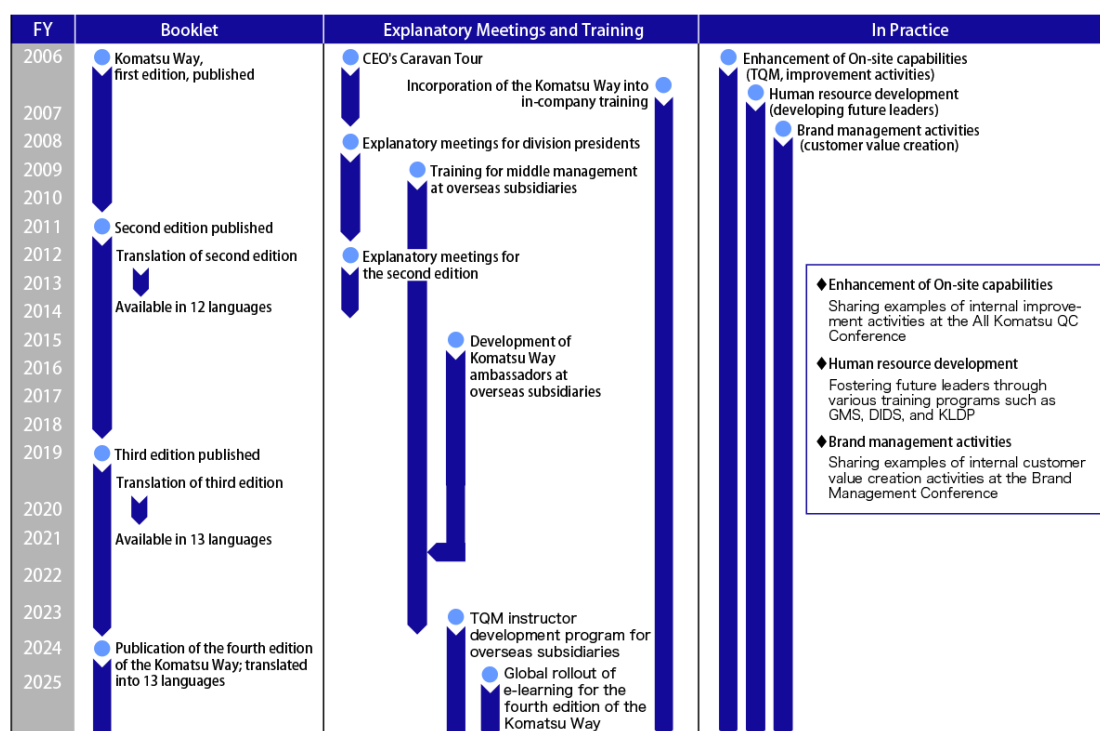
Komatsu will continue to provide human resource development opportunities for all employees, systematically promote the global dissemination and embedding of the Komatsu Way and TQM, and contribute to the growth of the entire Komatsu Group by developing personnel who will carry these principles forward to the next generation.

DATA

(1) Educational training that pertains to Komatsu Way/TQM in FY2025

Name of training course	Course participants	Targets	Training dates (in FY2025)	Number of participants/cases (in FY2025)
Komatsu Way training	Training content tailored to each job level	To promote understanding and practice of the Komatsu Way	Year round	1,282
Introduction to the fourth edition of the Komatsu Way e-learning	All employees in Japan and overseas	To promote understanding and practice of the fourth edition of the Komatsu Way	October and November 2025	Rolled out to all employees in Japan and overseas
TQM training: Introductory, Basic, Intermediate, Advanced, and Manager Levels (Japan)	Training content tailored to each job level	To promote understanding and practice of TQM	Year round	1,868
TQM instructor development training	Employees of overseas subsidiaries	To train local instructors capable of conducting TQM training in each region and company	November 2025	12
QC Circle promotion officer training	QC Circle promotion office and promotion officers	To revitalize QC Circle activities and learn smooth operation methods	June and July 2025	62
QC Circle leader training	QC Circle leader	To learn the mindset and methods necessary for QC Circle activities	February and March 2026	129
All Komatsu QC convention	Selected from the Komatsu Group in Japan and overseas	To present improvement activities as OJT and strengthen awareness of the Komatsu Way practices	November 2025	93 improvement presentations (including 31 from overseas) Number of on-site attendees: approximately 600

(2) The Komatsu Way-history of dissemination activities



Establishing the foundation for promoting human resource measures

As part of efforts to establish a foundation that supports various measures, Komatsu is working to create a workplace environment that is safe both physically and psychologically, and to promote diversity and inclusion, among other initiatives.

* For Komatsu's initiatives in occupational safety and health and health management, please refer to "> [Occupational Safety and Health, and Health Management Initiatives](#)."

Harassment prevention initiatives

The Komatsu Group is committed to eliminating and preventing all forms of discrimination and harassment. Each of our business sites has a designated harassment consultation desk, and we have established a system to promptly address issues as they arise. When a consultation is received, we conduct a careful investigation with utmost respect for the privacy of the person seeking consultation, implement any necessary corrective measures, and take action to prevent recurrence, while also providing follow-up support to the person who raised the concern. Additionally, we regularly conduct training to prevent discrimination and harassment for all employees at all levels. This fosters a deeper understanding of discrimination and harassment issues among employees, encourages empathy and consideration for each other's positions, and contributes to the creation of a safe and healthy work environment.

Facts about the initiative in FY2025

Number of consultations received by harassment consultation desks (in Japan)	35
Harassment and discrimination prevention training (in Japan) (e-learning and group training)	■ Basic education ■ New executive officer's program ■ Managerial-level refresher training ■ New managerial-level employee training ■ Foremen training ■ Assistant manager training ■ Assistant foremen training ■ Mid-level employee training ■ Third- and seventh-year employee training ■ New employee training

Promoting diversity and inclusion

Komatsu communicates a top message that diversity and inclusion (D&I) expands perspectives, accelerates efforts to take on challenges, and drives innovation. Under this message, we believe that creating an environment in which employees recognize and leverage each other's individuality and capabilities leads to the creation of innovation and, ultimately, the growth of the Company as a whole. Based on this belief, we pursue D&I by developing an environment in which diverse talent can thrive, supporting diverse working styles, and enhancing various systems that help employees balance work with childcare, family care, and medical treatment.

In addition, to deepen employees' understanding of diversity and respect for individuality and to foster a workplace where everyone can work with confidence, we conduct D&I Literacy Enhancement Activities, including the distribution of D&I-related videos (such as top messages, basic knowledge, and workplace case studies) and articles. These videos have been translated into 13 languages and are distributed globally. Going forward, we will continue to promote the sharing of knowledge and expertise on a global basis while strengthening collaboration with our overseas subsidiaries to further embed and reinforce D&I throughout the Group.

Promoting gender diversity

As part of our gender diversity initiatives, we have set target values for the ratio of women among regular employees and the ratio of women in management positions as global consolidated KPIs. Toward achieving these targets, we are implementing a range of measures, including the proactive recruitment of women, structured development through training programs, the creation of environments that support continued career growth, and the active appointment of women to roles with greater responsibility and authority. These initiatives not only promote the advancement of women but also contribute to building a workplace environment where everyone can work comfortably and fully demonstrate their abilities. Komatsu will continue to promote these efforts across the entire Group.

DATA

(1) Status of appointments to executive and managerial positions

	FY2025			
	Total	Of which female employees (ratio of female employees)	Of which employees of foreign nationality (ratio of employees of foreign nationality)	Of which experienced hires (ratio of experienced hires)
Executives and Global Officers	52	3 (5.8%)	13 (25.0%)	12 (23.1%)
Of which Executive Officers in Japan	26	1 (3.8%)	0 (0.0%)	1 (3.8%)
All managers	1,934	178 (9.2%)	19 (1.0%)	436 (22.5%)
Of which General Manager level and above	429	16 (3.7%)	0 (0.0%)	64 (14.9%)

* Komatsu's non-consolidated data as of the end of FY2025.

* Executives and Global Officers exclude Outside Directors and Outside Audit & Supervisory Board Members.

* Percentage of Executives and Global Officers posts filled by internal personnel: 100%

* Management positions include Executive Officers.

* Executive Officers (in Japan) do not include those who also serve as Directors.

**(2) Status of female employees**

	FY2023	FY2024	FY2025
Global consolidated			
Ratio of female regular employees	14.5%	14.9%	15.2%
Ratio of female managers	11.1%	11.9%	11.7%
Komatsu Ltd. non-consolidated			
Number of female regular employees (ratio)	1,564 (12.6%)	1,624 (13.0%)	1,661 (13.2%)
Number of female employees in management positions (ratio)	376 (10.1%)	411 (10.6%)	445 (11.2%)
Of which, female employees in senior management positions (ratio)	15 (3.4%)	17 (3.9%)	16 (3.7%)
Of which, female employees in middle management positions (ratio)	148 (10.2%)	155 (10.6%)	162 (10.8%)
Of which, female employees in junior management positions (ratio)	213 (11.5%)	239 (12.2%)	267 (13.1%)
Number of female research-related employees (ratio)	157 (5.1%)	174 (5.6%)	186 (6.0%)

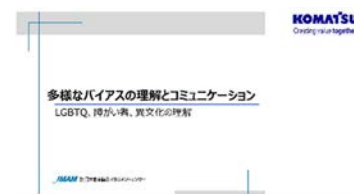
* Data as of the end of each fiscal year.

* Management positions include Executive Officers.

* The number of female research-related employees is based on data submitted for the Survey of Research and Development by the Ministry of Internal Affairs and Communications.

Support for LGBTQ

Komatsu is committed to creating a workplace environment in which all employees can perform to their full potential with confidence, regardless of their sexual orientation or gender identity. In "Komatsu's Worldwide Code of Business Conduct", the Company stipulates the prohibition of unfair discrimination based on sexual orientation and gender identity, in addition to nationality, race, religion, age, sex, and disability status. Inappropriate conduct or remarks related to such matters are treated as harassment and addressed rigorously. As specific initiatives, the Company has established an in-house consultation desk for LGBTQ related matters, introduced recognition of same-sex partnership and expanded the scope of welfare benefits. In addition, the Company incorporates these topics into level-specific training programs and distributes videos to all employees to promote understanding and raise awareness.



e-learning



LGBTQ video

Promoting the employment of persons with disabilities

Komatsu has set the employment rate of persons with disabilities as a KPI under the Strategic Growth Plan and is implementing various initiatives across the Group.

In March 2008, Komatsu established the Business Creation Center (BCC) within the Human Resources Department as a dedicated organization to promote the employment of persons with disabilities at Komatsu. Employees with intellectual or developmental disabilities work at BCC, which currently operates at 11 locations. By having the BCC perform operations that had previously been outsourced, as well as various clerical tasks and manufacturing support tasks, Komatsu is both expanding BCC's job scope and improving operational efficiency across the company. Advisors are assigned to each business site to provide training and advice on daily tasks. Employees at BCC are not simply given tasks—they participate in management by objectives interviews semiannually, like other employees, and their approach to work and achievements are appropriately evaluated, with the results reflected in compensation and other treatment. This system encourages each individual to work toward their own goals and fosters development toward greater independence and self-sufficiency.

Through such efforts, Komatsu is not merely focused on achieving a numerical target for the employment rate. Rather, it aims to create a workplace where employees with disabilities and other employees work together, and where everyone can find fulfillment in their work.

DATA

	FY2023	FY2024	FY2025
Employment ratio of persons with disabilities	2.72%	2.78%	2.90%
Number of BCC locations	10	10	11
Number of BCC staff members	155	166	175

* The data for Komatsu Ltd. (non-consolidated). As of June 1st of each fiscal year.

* The number of employees does not include advisors.

* As of April 2025, the number of locations has been changed to 11.

Promoting employment of senior employees

As Japan's birthrate declines and its population ages, we believe that efforts to improve employee productivity across all generations and to further enable senior employees to play active roles as valuable members of the workforce are not only a response to societal expectations but also a way to ensure our sustainable growth.

Komatsu has been promoting initiatives to achieve the above, including the introduction of a post-retirement reemployment system in 2006 and the reemployment of all applicants up to the age of 65 (for general employees) since 2013. Since 2021, Komatsu has implemented a selective retirement age system across all Komatsu Group companies in Japan, allowing employees to choose a retirement age of up to 65. Moreover, Komatsu is expanding its support framework to enable employees not only to continue working at Komatsu with peace of mind, but also to realize work styles based on their own values, by providing training opportunities for employees to reflect on their career and life plan, a paid leave system for skills development, and a financial aid system.

Systems and measures related to employment and career support for senior employees

Systems and Measures	Content
Selective retirement system	Employees can choose to retire at age 60, 62 (management), or 65 (general employees). Employees who choose to retire at age 62 or 65 receive the same treatment as before age 60.
Part-time work system	This system allows employees to work part-time when they choose to retire at age 60 or 62 and are rehired after retirement. Working hours can be set from 1/2 to 3/4 of those of full-time employees and not only working hours per day but also the number of working days per week can be set.
Second job system	Part-time employees who have been rehired after retirement can work a second job under certain conditions to support their careers.
Career support system	(1) Career Life Plan Seminar All employees aged 45 and older are encouraged to develop a proactive and autonomous career vision by considering their work prospects, work style, lifestyle, and financial plan. (2) Outplacement Support System A skills development leave system and outplacement services for employees aged 45 and older who want to progress their careers outside the company.

DATA

	FY2023	FY2024	FY2025
Reached age 60	301	265	278
Continued employment after age 60	282	244	254
Chose to retire at age 62 or 65	262	227	239
Rehired after retirement at age 60	20	17	15
Retired at age 60 (Retirement rate at age 60)	19 (6.3%)	21 (7.9%)	24 (8.6%)

* Data for Komatsu Ltd. (non-consolidated).

* People rehired after retirement include those rehired within the Komatsu Group.

Realization of diverse work styles

To realize diverse work styles, Komatsu promotes flexible and autonomous work styles that are not restricted by location or time. This includes the expansion of the “telework system” in FY2020 to allow employees to continue their careers and improve productivity and the abolition of core hours in the “flextime system” in FY2021.

Main system and measure

Main System and Measures		Content
Creation of diverse work styles	Flextime system	Flexible work hours (5:00~22:00) with flexible start and end times (no core time).
	Discretionary work system	A work system for employees who engage in highly discretionary work, such as R&D. Under this system, employees can execute their work at their discretion.
	Telework system	Work from home as often as desired to support career continuity and increased productivity. Telework allowance paid.

Promotion of work-life balance and support for balancing work with childcare, family care, and medical treatment

Komatsu promotes employees’ work-life balance by reducing total actual working hours and establishing various support systems. To reduce total actual working hours, Komatsu works with the labor union to achieve the specific targets of “less than 2,100 working hours per year and at least 20 days of annual paid leave taken by each employee,” based on compliance with the 36 Agreement. To steadily promote these initiatives, Komatsu regularly monitors working hours, the status of annual paid leave taken, and overtime work. As necessary, it checks the status of each workplace and takes measures for improvement. When overtime work occurs, Komatsu appropriately pays overtime allowances, holiday work pay, and other applicable compensation to eligible employees in accordance with laws and regulations and internal rules. Moreover, in developing its employee systems, Komatsu promotes initiatives not only to help employees achieve work-life balance but also to ensure safe and healthy work styles, for example, through the “Interval System” between workdays.

Komatsu has also expanded its safety net by providing leave and leave-of-absence systems that exceed statutory requirements for life events such as childcare, family care, and non-work-related injury or illness. Furthermore, Komatsu has implemented a “Life Support Leave” system that can be used for various life events in addition to annual paid leave. To complement these efforts, Komatsu has implemented support measures to create an environment that allows employees to utilize these systems and measures with confidence according to their individual circumstances during various life events.

Main systems and programs

Systems and Programs		Content
Child-care system	Parental care /childcare leave	Available for a maximum of three years from the birth of the child to the time the child enters nursery school. Paid leave is available until the child is 2 years old (about 104 weeks) and can be taken in installments. (The statutory leave period is up to two years.) Also available for a maximum of three years for the care of a child up to the third grade of elementary school in cases such as a spouse's job transfer.
	Part-time work	Working hours can be reduced by up to three hours per day for the care of a child until the child graduates from elementary school (can be used in increments; statutory coverage applies only to children under the age of three).
	Paternity leave	Up to 4 weeks (28 days) within 8 weeks after the birth of a child is available and can be taken in installments. Paid leave is available until the child is 2 years old.
	Subsidies for childcare expenses	Allowance toward the cost of childcare for infants up to age two before entering nursery school (10,000 yen/month).
	Leave for caring for a sick child and related purposes	Five days per year for one eligible child, or ten days per year in total for two or more eligible children (paid leave).
	Development of childcare facilities	Babysitting and other childcare services, as well as on-site day-care facilities, are available. Additionally, health management rooms located at each site offer private rooms for childcare and can be used for multiple purposes, such as freezing breast milk.
Family-care system	Family-care leave program	A maximum of three years is available for employees taking care of family members, which can be taken in installments. Paid leave is available for a total of 93 days. (The statutory leave period is a total of 93 days.)
	Part-time work	Shortening of working hours by a maximum of three hours per day, which can be taken for up to three years in total and can be taken in installments.
	Family-care leave	Five days per year for one eligible family member, or ten days per year in total for two or more eligible family members (paid leave).
Other types of leave system	Paid vacation	Statutory annual paid leave is granted for 10 days per year if the attendance rate is 80% or more at the end of the first 6 months of employment. Komatsu grants 20 days per year from the time of joining the company (in principle). Leave can be taken in half-day increments.
	Life support leave	This is paid leave that can be used by the primary caregiver for personal illness or injury, pregnancy, childbirth, child-rearing, and caregiving. Five days are newly granted each year, and unused days can be accumulated up to a maximum of 40 days. In the case of pregnancy, the leave may be used from early pregnancy until the start of prenatal leave. For child-rearing, it may also be used to attend school events for a child up to the completion of the third year of junior high school. Leave may be taken on an hourly basis.

Systems and Programs		Content
Other types of leave system	Flexible leave for refreshment	Provided to encourage employees to take five consecutive days of leave for mental and physical refreshment. Employees receive an additional five days of annual leave and a travel voucher upon completion of their 15th, 25th and 35th year of continued service.
	Interval system	To provide rest time after the end of the workday to ensure that employees can sleep and enjoy personal time. Provisions to ensure at least 10 hours between shifts (interval).
	Volunteer incentive program	Long-term paid leave of up to two years, or short-term paid leave of 12 days per year.
	Leave-of-Absence system for accompanying a spouse on transfer	A leave of absence of up to three years may be taken per transfer of an employee's spouse, available once per employee.
	Leave-of-Absence system for fertility treatment	A leave of absence of up to one year may be taken to undergo fertility treatment, available once per employee.
	Part-time work for non-work-related injury or illness	Working hours may be reduced by up to 3 hours per day, or by up to 5 hours per day in special circumstances approved by the company, for periodic medical visits due to a non-work-related illness or injury. This arrangement may be used for up to 6 months.

Main support measures

Support and Measures		Content
Child-care support	Childcare seminar	To support employees in balancing between childcare and work, Komatsu holds childcare seminars aimed at supporting employees raising children and promoting understanding among supervisors, colleagues, and others around them.
	Creating an environment to support balancing childcare and Work	Komatsu ensures thorough dissemination of information necessary for balancing childcare and work, including information on internal systems and consultation desks, through the distribution of leaflets and handbooks.
Family-care support	Family-care seminar	Seminars conducted by experts, either online or in person, to provide opportunities for employees to think about how to prepare for family care and how to balance it with work.
	Creating an environment to support balancing family care and work	To deepen understanding of family care and enable employees to balance family care and work with peace of mind, Komatsu conducts e-learning for all employees. In addition, Komatsu ensures thorough dissemination of information necessary for balancing family care and work, including information on internal systems and consultation desks, through the distribution of leaflets and handbooks.
Medical treatment support	Consultation desk for balancing medical treatment and work	To support employees' health and safety, a consultation desk has been set up at each site for employees who wish to discuss balancing medical treatment and work. We have also introduced various systems, including a leave-of-absence system for fertility treatment, to create a safe and secure working environment for employees who need medical treatment.

DATA

* Data for Komatsu Ltd. on a non-consolidated basis (full-time employees)

(1) Parental leave

	FY2023	FY2024	FY2025
Number of employees taking childcare leave (total)* ¹	217	229	240
Paternal leave	160	173	180
Maternal leave	57	56	60
Percentage of employees taking childcare leave (total)* ¹	45.0%	50.1%	57.7%
Paternal leave	37.6%	43.2%	50.8%
Maternal leave	100%	98.2%	98.3%
Return rate of employees from childcare leave	100%	98.9%	100%
Number and percentage of employees taking leave or leave of absence, including those taking childcare-related leave other than childcare leave* ²	349 (82.1%)	328 (82.0%)	298 (84.1%)

*¹ Calculated for employees who had a child during each fiscal year.

*² In addition to childcare leave, a leave system has been established that can be used for childcare, childbirth, family care, non-work-related injury or illness, and other purposes.

Calculated only for male employees who had a child during each fiscal year. Figures in parentheses indicate the take-up rate.

(2) Family-care leave

	FY2023	FY2024	FY2025
Number of employees taking family-care leave	2	3	2

(3) Paid vacation

	FY2023	FY2024	FY2025
Average days granted	20.0	20.0	20.0
Average days taken	20.9	20.8	20.5
Average ratio	105%	104%	103%

(4) Volunteer time off (VTO)

	FY2023	FY2024	FY2025
Number of VTO users	42	44	35
VTO in long-term	1	1	1

Status of labor unions

Komatsu, a signatory to the United Nations Global Compact, regards freedom of association and the right to collective bargaining as among the fundamental human rights that companies should respect. In Japan, the Komatsu Labor Union consists of approximately 11,310 members and operates through eight local branches nationwide. The union operates under a union shop system, with a labor union membership rate of 78.2% (calculated as the number of union members divided by the total number of employees, including management and other non-union members).

The Komatsu Labor Union is affiliated with the Federation of All Komatsu Workers' Unions and JAM (the Japanese Association of Metal, Machinery and Manufacturing Workers), an industrial labor union that serves as an upper-level organization. In Japan, 11 of Komatsu's consolidated subsidiaries and affiliates have labor unions affiliated with the Federation of All Komatsu Workers' Unions, with a total of approximately 6,510 members.

Komatsu also complies with laws and regulations concerning workers' rights in each country and engages in sincere dialogue and consultation with individual employees and their representatives.

	FY2022	FY2023	FY2024	FY2025
Labor union membership rate	77.2%	75.1%	78.6%	78.2%

Improvement of employee engagement

Under its Sustainability Policy, Komatsu aims to create a virtuous cycle of resolving social issues and improving earnings through its business, and has established KPIs for resolving social issues. Komatsu also continuously monitors the status of activities undertaken by its human resources and education divisions as KPIs. In addition, scores from its regular global engagement survey are used as one indicator. In 2021, Komatsu launched a global engagement survey of its Group companies in Japan and overseas. Each division has formulated an action plan to address the issues raised in the survey and is steadily implementing these plans. The second survey was conducted in FY2023, followed by the third in FY2025. Under the Strategic Growth Plan, Komatsu has set the global score for “sustainable engagement” as a KPI, as well as continuous improvement in the global scores for “eNPS” and “innovation” as KPIs. Komatsu will continue to conduct these surveys on a regular and ongoing basis, while also focusing on employees’ intentions and motivation and reflecting these insights in initiatives that encourage employees to take on challenges voluntarily and autonomously.

Overview of global engagement survey in FY2025

Scope	Approximately 70,000 employees of Komatsu and its Group companies in Japan and overseas responded (response rate: 81%)
Objectives	To regularly identify and analyze employee engagement, clarify our strengths and challenges at that time and take them into consideration when discussing and deciding plans for the future
Survey overview	60 questions related to employee engagement and its influencing factors, including vision (values, management policies), strategy and sources of competitive advantage (goal-setting, policy deployment), leadership, and well-being—including organizational culture, work environment, satisfaction, happiness, sense of purpose, and mental and physical health, including perceived stress and emotional well-being.
Methodology	Anonymous online survey
Results	Engagement-related scores: Global: 81 (score represent the percentage of favorable responses)

* Under the Strategic Growth Plan, the global score for “sustainable engagement” has been set as a KPI (global: 85). In addition, KPIs have been set for continuous improvement in the global scores for “eNPS” — an indicator that measures employees’ attachment to the company, etc. — and “Innovation,” meaning scores equal to or higher than those of the previous survey. (FY2027 targets)

Key activities and various measures under the Strategic Growth Plan

The various measures under the human resources strategy are divided into global cross-functional initiatives and initiatives designed to be implemented effectively and efficiently according to the characteristics of each region and business. These measures are promoted in collaboration with the human resources departments of each region and business.

Key initiatives promoted on a global basis

Enhancement of succession planning

For the Komatsu Group, which operates globally and generates approximately 90% of our total sales outside Japan and has approximately 70% of all employees working outside Japan, the planned development of global leaders who will lead our businesses, functions, and regions is a key to growth. In addition to Komatsu Executive Officers, heads of major regional subsidiaries are appointed as Global Officers, who are responsible not only for their respective regions but also for part of the Group's consolidated management. In addition, from among these Global Officers, appropriate individuals are selected and appointed as executive officers of Komatsu to assume core management responsibilities. To systematically develop global leaders, including senior management, approximately 700 key positions worldwide are designated as Global Key Positions (GKPs), for which succession plans are formulated and updated annually on a rolling basis. For key positions, discussions on future development plans are also held with the President at succession planning meetings. In conjunction with these succession plans, Komatsu also regularly conducts the Global Management Seminar (GMS), an internal training program for current and candidate management executives, to develop global leaders capable of practicing management rooted in the Komatsu Way.

Expansion of global mobility

Throughout our long history, Komatsu has assigned many Japanese expatriates to work around the world. Today, however, we do not limit our efforts to dispatching employees from Japan to overseas locations. We pursue global mobility (international personnel transfers) to achieve a borderless approach to placing the right people in the right roles. We launched the Global Mining Talent Program in fiscal 2024 to support these efforts. The program is a training program designed to develop next-generation talent in the mining equipment business. Through this program, Komatsu provides opportunities for cross-border practical training to personnel expected to lead each region in the future. Through these initiatives, we will strengthen the competitiveness of the business as a whole by pursuing further global mobility in the mining equipment business and cultivating global talent who will lead the future.

Development of human resources to foster innovation

With respect to the development of digital talent to create customer value through innovation, we defined the talent profiles we seek to develop through education and established an integrated educational framework ranging from basic training programs for all Komatsu employees to selective practical programs. Specifically, we provide training to develop business reform leaders, training to acquire problem-solving skills using digital technologies, and programs through which each participant can autonomously learn the skills they need.

In addition, through the activities of a global working team that is building a foundation for the use of generative AI, we are working to create an environment in which generative AI can be put into practice in each workplace. In fiscal 2025, we implemented literacy training for all Group employees on ways of working based on the use of generative AI. Through these initiatives, Komatsu will continue fostering a corporate culture in which all employees see generative AI as relevant to their own work and actively use the technology.

Training program overview

Training program	Objective	Curriculum overview	Target participants	Number of participants (FY2025)
DX leadership training	To develop business reform leaders with a forward-looking perspective	- Basic understanding of digital technologies and DX strategy - Strengthening the ability to formulate and execute plans for business and operational transformation and new value creation	Managers, including those at Komatsu Group companies in Japan	357
DX problem-solving planning and implementation training	To develop personnel capable of planning and implementing solutions to business challenges using ICT	- Identifying business challenges and designing solutions using digital technologies - Practical acquisition of the process from planning through implementation and verification	Selected engineers and professionals	30
DX promotion skills training	To develop personnel equipped with the knowledge and skills required to promote DX	- Systematic acquisition of basic knowledge related to data utilization and digital technologies - Developing skills suited to specific job requirements and promoting self-directed learning	All employees, including those at Komatsu Group companies in Japan	150
DX literacy training	To develop personnel equipped with the knowledge and skills required of business professionals	- Basic understanding of DX concepts and digital technologies - Acquisition of the literacy needed to appropriately utilize data and new technologies such as generative AI	All employees, including those at Komatsu Group companies in Japan	All employees

* Includes non-regular employees, such as employees on fixed-term contracts and employees rehired after mandatory retirement.

Other human resource measures and personnel systems

Fair and appropriate evaluation / Personnel system that accurately reflects employees' abilities and performance

A key to creating a workplace where employees can work with peace of mind lies in how fairly and appropriately employees are treated and compensated. Komatsu's personnel management system reflects individual abilities and performance, and maintaining fair and appropriate evaluations for each employee is essential. To this end, we ensure the implementation of evaluator training for all managers, as well as training for general employees who are subject to evaluation. At each business site, we also hold evaluation system management committee meetings jointly with the labor union to ensure that evaluations are properly conducted. Evaluation results are provided as feedback to both managers and general employees, and a dedicated contact point has been established to handle employee grievances and concerns.

Overview of the management by objectives system

Overview	Interviews are conducted between supervisors and their direct reports to establish work goals at the start of the period and review progress at the end of the period. Based on the primary evaluation by the immediate supervisor, an Evaluation and Development Committee is convened at the departmental level. The final evaluation is determined through multi-faceted assessments by multiple evaluators and relative evaluation.
Frequency	General employees are evaluated twice a year, while managers are evaluated once per fiscal year. Regardless of this schedule, continuous dialogue and feedback between supervisors and their direct reports are used to promote talent development and the management and improvement of work processes. Additionally, management by objectives interviews are conducted on a case-by-case basis when targets change due to departmental transfers, changes in job responsibilities, or other reasons.
Target	Full-time employees (general employees and managers)

Initiatives to ensure appropriate wage levels

The Komatsu Group's basic policy is to maintain salary and compensation systems that emphasize employees' roles, abilities, and contributions, thereby encouraging employees to take on challenges proactively and autonomously and to perform to their full potential. Komatsu Group companies in Japan and overseas subsidiaries also design and operate their salary and compensation systems based on this basic policy, while taking into account the laws and regulations, employment practices, labor market conditions, and business characteristics of each country, region, and company. To ensure appropriate wage levels, the Komatsu Group verifies the appropriateness of its compensation levels through participation in external compensation surveys and other means, and regularly reviews its salary and compensation systems as well as treatment levels.

Average Annual Salary (Komatsu Ltd. on a Non-Consolidated Basis)

	Total	Male	Female
FY2023	8,308,017 (Yen)	8,550,708 (Yen)	6,641,250 (Yen)
FY2024	8,591,258 (Yen)	8,832,771 (Yen)	6,981,219 (Yen)
FY2025	9,024,576 (Yen)	9,269,981 (Yen)	7,415,248 (Yen)

* Minimum wages set by age

* There are no wage rules or other institutional differences based on gender. The above gender differences are due to differences in labor composition, such as the percentage of women in management positions and job levels, and length of service.

Support for autonomous career development

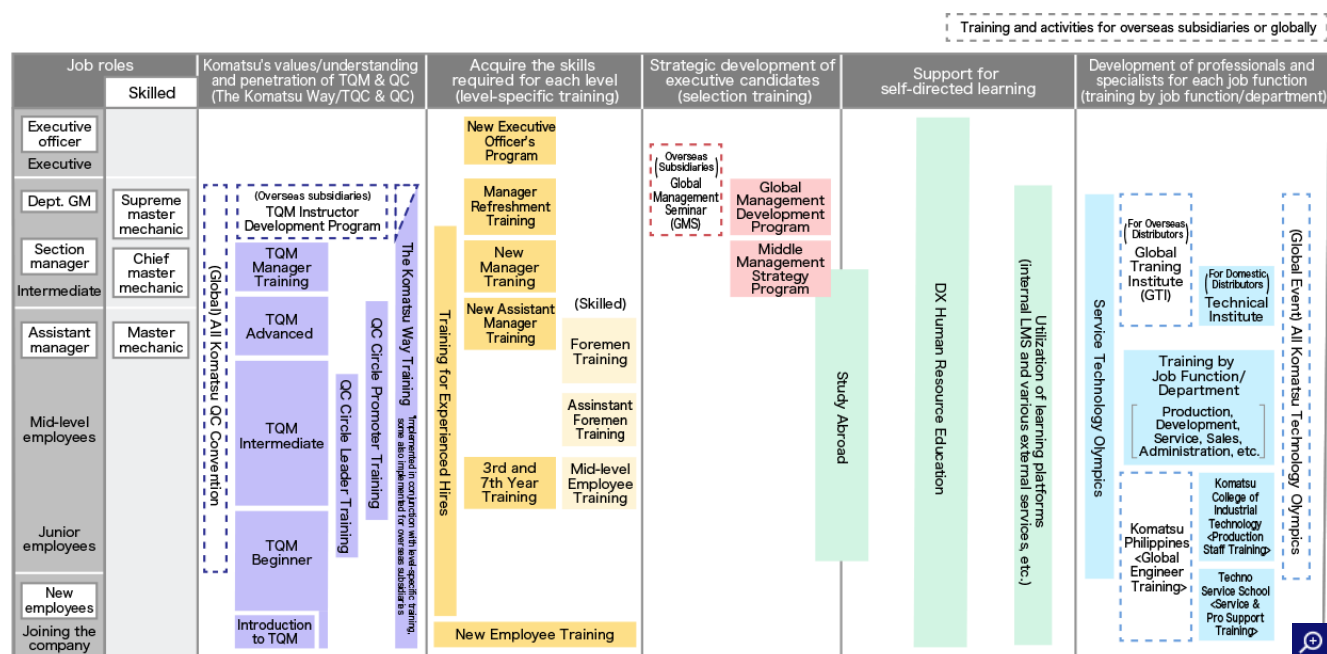
To achieve sustainable growth amid a rapidly changing business environment and an increasingly uncertain social environment, it is important to acquire, develop, and appropriately reward talent who are not bound by conventional methods or common assumptions and who create new products, services, and experiences with fresh ideas, as well as talent who can take on challenges autonomously and proactively, while also enhancing employee engagement. To this end, we will promote a variety of measures to realize a virtuous cycle of sustainable growth for both employees and the company.

Main systems and measures

Systems and Measures		Content
Support for career development	Career Development Program (CDP)	Once a year, supervisors and subordinates engage in career discussions to align career directions, promote the right people for the right position, provide growth opportunities suited to each employee, and support employees in taking on challenges proactively and developing their careers autonomously.
	Career challenge program	A system that allows employees who wish to take on new roles to register their desired departments, job types, and past work experience in a dedicated database, enabling matching with departments seeking talent.
	Internal job posting system	This system includes "Challenge Support Type" postings for employees seeking to take on challenges in new business areas and "Hometown Personnel Type" postings for employees seeking to build a new career due to family circumstances. If employees meet the application requirements and personnel specifications set by the recruiting department, cross-organizational transfers are possible based on employees' own applications.
	Study and research program	A program designed to enable employees to intensively acquire technologies and knowledge not typically available through standard training and apply them to their work. Eligible employees may apply to study at universities or research institutes in Japan or abroad.
	Subsidies for qualifications and trade skills tests	Employees who pass trade skills tests, which are national skills certification tests, receive partial or full subsidies for examination fees.
	Skill Up Library	An initiative to promote self-directed learning through a wide range of online courses and video lectures across various subjects.
	Career development training courses	In-house language courses and partial subsidies for correspondence courses and various certification exams designated by the company.
	Employee award programs for distinguished achievement	Various award programs, including performance improvement award, project award, individual merit award, health and safety award, technical merit award, and volunteer award.
	Sabbatical leave program	This program supports employees' "learning outside the company" at educational institutions, etc., for the purpose of acquiring new knowledge. Employees can take up to three years of leave, limited to once per person.

Providing diverse opportunities for skill development

Employee training at Komatsu is based on development by job type and department, with the primary aim of developing employees into professionals in their respective fields. The knowledge required at all levels, such as the Komatsu Way and TQM, is included as mandatory subjects in level-specific training programs and provided across functions and departments.



DATA

Training hours and costs per employee

Items		FY2023	FY2024	FY2025
Average hours per FTE	Non-consolidated	54	54	49
	Consolidated	49	56	46
Average spent per FTE	Non-consolidated	JPY 236,000	JPY 253,000	JPY 248,000
	Consolidated	JPY 108,000	JPY 122,000	JPY 145,000

Training program overview

Name of training program	Target participants	Objective	Implementation period (FY2025)	Number of participants (FY2025)
Global management seminar (GMS)	Senior executives and successors of overseas subsidiaries	To deepen the understanding of Komatsu's strategies and leadership among senior executives of overseas subsidiaries through discussions with Komatsu executives and internal/external lecturers.	December 2025	13
Global management development program	Junior general managers in Komatsu Group	To develop future executive candidates by dispatching them to overseas business schools (2–6 weeks) to build global leadership skills.	Year-round	12
Middle management strategy program	Junior managers in Komatsu Group	To develop future senior executives by proposing cross-functional business strategies through group research and presenting them to senior executives.	June 2025 – January 2026	34
New executive officer's program	Newly appointed domestic executives (e.g., executive officers)	To enhance the capabilities required of management executives.	Year-round	8
Manager refreshment training	Current managers in Komatsu Group	To encourage objective and holistic self-reflection through 360-degree feedback, thereby promoting improved methods for guiding subordinates and enhancing workplace communication.	November 2025 March 2026	829
New manager training	Newly appointed managers in Komatsu Group	To understand and acquire four management roles (task completion, task improvement, subordinate development, organizational activation) and the four key elements of management (task management, OJT-based development, safety/health & compliance, Komatsu Way).	June 2025 – February 2026	243
Assistant manager training	Newly promoted assistant managers in the Komatsu Group	To enhance the advanced job performance and problem-solving skills of newly promoted assistant managers and to strengthen their leadership foundation—especially in communication—in order to contribute to improving the overall organizational performance.	October 2025 – January 2026	343

Name of training program	Target participants	Objective	Implementation period (FY2025)	Number of participants (FY2025)
3rd and 7th year training	3rd and 7th year employees in Komatsu Group	To help employees in their 3rd and 7th year understand the mindset and behaviors expected of Komatsu Group employees and to acquire the knowledge, skills, and perspectives needed for future career development, while enabling them to carry out their assigned duties swiftly and accurately.	August 2025 – December 2025	339
Training for experienced hires	Experienced hires and fixed-term employees appointed as regular employees in the Komatsu Group	Acquire basic knowledge of the Komatsu Way, safety, health, and compliance, and other topics while becoming familiar with Komatsu's corporate culture.	Available anytime via e-Learning	87
New employee training	New employees in Komatsu Group	To provide new hires, including group companies, with basic duties, knowledge, mindset, and skills required as working professionals.	April – May 2025	349
Foremen training	Newly appointed foremen in the Komatsu Group	To acquire the essential knowledge required as on-site supervisors and to develop the necessary capabilities to fulfill their roles as foremen.	July 2025 – February 2026	45
Assistant foremen training	Newly appointed assistant foremen in the Komatsu Group	To acquire the essential knowledge and skills required as frontline supervisors managing subordinates for the first time	July 2025 – February 2026	94
Mid-level employee training	Field employees (7th year of regular hire, 3rd year of experienced hire)	To acquire basic knowledge of safety and health, the Komatsu Way, and quality management, aiming to further enhance on-site capabilities.	Year-round (schedule varies by business site)	155

Enhancing the technical capabilities of our manufacturing operations

Komatsu has categorized important master skills that should be passed down into 24 skills in 11 fields and has established a Technical Skills Improvement Committee for each field. These committees plan and manage skill improvement activities for employees at all levels, from new employees to highly skilled technicians.

In FY2006, Komatsu introduced the Meister system to pass down skills at manufacturing sites. Since then, highly skilled technicians in each field have been certified as Meisters and have been engaged in providing guidance and training to skilled workers not only in Japan but also at overseas subsidiaries and business partners. Komatsu has designated the third Saturday of every October as "Technical Day" and holds the "All-Komatsu Technology Olympics". Employees from overseas subsidiaries and business partners also participate, helping to maintain and enhance the skill levels of the Komatsu Group by honing their skills through mutual learning and competition.

DATA

All-Komatsu Technology Olympics participation results

Category	FY2023	FY2024	FY2025
Number of participants	192	227	192
From overseas	32 (9 countries)	33 (9 countries)	34 (8 countries)

Service personnel human resource development

Establishing a framework centered on Komatsu Academy

Our service personnel, who support the operation of products delivered to customers, play an extremely important role in upholding Komatsu's values of "Quality and Reliability." Komatsu has established a specialized department, Komatsu Academy, and is dedicated to developing both its own personnel and service personnel at distributors around the world.

First, as part of our internal service personnel development and training programs, we operate the "Techno Service School" to train Japanese staff and the "Komatsu Philippines Human Resources Development Center" to train Filipino staff. We provide planned staff development through overseas assignments and rotations within departments.

We have established training centers in 22 locations in 15 countries worldwide to support the development of distributors responsible for sales and service. These centers provide training not only in marketing, service, and operator skills, but also in management development and improvement activities, thereby supporting the enhancement of distributors' capabilities.

The human resource development programs conducted at training centers are planned or supported by Komatsu, depending on the content. For basic training courses on services and products, Komatsu provides curricula and training materials, and local Komatsu subsidiaries and distributors deliver actual training. We also provide more advanced training courses by inviting managers and senior service personnel to Japan, as well as technical skills training courses provided by the training centers (mother training centers) with specialized expertise. Having set up these training environments, we conduct knowledge-level tests to assess the capability levels of distributors and provide practical training integrated with sales promotion activities.

In recent years, we have further advanced hybrid training that combines online and in-person formats, conducting more than 400 training sessions worldwide, with over 5,000 distributor staff in attendance.

TOPICS

Development of a simulator

Ensuring safety, training operators, and maximizing productivity are top priority issues at customer worksites, which are always associated with a certain risk of accidents. Komatsu is working to help solve these issues at worksites by utilizing simulators. The Department for the Promotion of Distributor HR Development has developed a simulator that enables training in a virtual reality (VR) space using pedals and controllers installed in the same manner as in actual machines. By providing training for operators using this simulator, we are helping to develop human resources for customers and distributors, improve safety at work sites, and enhance construction efficiency.



Simulator developed

Training Filipino engineers at KPC

Komatsu Philippines Corporation (KPC), formerly known as Komatsu Human Resources Development Center, is now in its 18th year since its establishment in the Philippines. KPC recruits Filipino students who have graduated from science and engineering universities in the Philippines and trains them over six years to become engineers who can work globally. Most recently, we established a new training facility (see photo below) in 2021 to strengthen our human resource development function. We will continue to utilize the new training facility to further enhance our training, and we are committed to expanding our business by developing our human resources.



Other data on human resources

* Except for "(2) Number of employees (Consolidated basis)," the data are, in principle, for regular employees of Komatsu Ltd. on a non-consolidated basis, excluding employees on leave of absence.

Numbers of employees and all other numbers shown are as of the end of each fiscal year, except as otherwise noted.

(1) Number of employees (Non-consolidated basis)

	FY2023	FY2024	FY2025
Total	12,285	12,344	12,435
Male	10,771	10,804	10,851
Female	1,514	1,540	1,584

(2) Number of employees (Consolidated basis)

	FY2023	FY2024	FY2025
Total	65,738	66,697	67,279
employees working outside Japan	45,272	46,464	47,081

(3) Average age

	FY2023	FY2024	FY2025
Total	41.2	41.5	41.7
Male	41.4	41.7	42.0
Female	39.9	40.0	39.7

(4) Years of continuous employment

	FY2023	FY2024	FY2025
Total	16.7	16.9	17.1
Male	17.1	17.3	17.6
Female	13.8	13.9	14.0



(5) Number of employees by age

	Total	Male	Female
Total	12,435	10,851	1,584
60 and over	651	554	97
50-59	2,869	2,473	396
40-49	3,473	3,195	278
30-39	3,483	3,147	336
Under 30	1,959	1,482	477

(6) New graduates employment

	Total		Employment category								
	Total	Excluding blue-collar work	College graduate			Junior college/ vocational school graduates			High school graduates/others		
			Total	Male	Female	Total	Male	Female	Total	Male	Female
FY2024	301	210	184	136	48	19	14	5	98	75	23
FY2025	293	206	183	143	40	11	9	2	99	76	23
FY2026	280	198	183	156	27	10	9	1	87	74	13

(7) Experienced hires (as of March 31, 2026)

	Total		Experienced hire ratio		Employment category					
	Total	Excluding blue-collar work	Total	Excluding blue-collar work	College graduate			Others		
					Total	Male	Female	Total	Male	Female
FY2023	198	96	41%	33%	110	90	20	88	74	14
FY2024	158	85	34%	29%	86	66	20	72	62	10
FY2025	85	54	23%	21%	55	43	12	30	26	4



(8) Employee turnover

	Total	Male	Female
FY2023	203 (1.49%/1.26%)	166	37
FY2024	200 (1.44%/1.26%)	174	26
FY2025	219 (1.58%/1.25%)	183	36

* The figures in parentheses in the table are (total turnover rate/voluntary turnover rate). The voluntary turnover rate does not include those who retire at retirement age.

* Period covered: April to March of each fiscal year

(9) Retention of new employees

	Total	Male	Female
New graduate hires in FY2023	290	209	81
Employees remaining as of FY2026	279	202	77
Employees who left within three years (turnover rate)	11 (3.8%)	7	4

* "Employees remaining as of FY2026" refers to the status as of April 1, 2026.

Brand management initiatives

What are brand management initiatives?

Becoming invaluable to our customers, who both create and assess our corporate value

Komatsu defines corporate value as the total sum of trust given to us by society and all our stakeholders, and our management principle is to enhance this corporate value.

Komatsu has a wide range of stakeholders. When these stakeholders are divided into “those who create corporate value” and “those who assess corporate value,” the former includes employees, business partners, and sales and service distributors, while the latter includes society, shareholders, investors, and the media. Komatsu believes that its customers are the only stakeholders that fulfill both roles. This is because customers co-create and assess Komatsu’s corporate value and, ultimately, generate returns for the company.

Komatsu therefore defines “enhancing the trust placed in Komatsu by customers” as “increasing the extent to which Komatsu is indispensable to them and, as a result, becoming a partner that continues to be chosen.” Komatsu has pursued brand management (BM) activities since 2007 based on this definition.

Realizing our customers' vision and mission together "from the customer's perspective"

Our brand management (BM) activities are built on the fundamental principle of "from the customer's perspective." While marketing often involves considering differentiation from competitors and market positioning, viewing things from the "customer's perspective" means first and foremost understanding the customer's ideals, mission, and goals—and focusing on how to help them achieve these. To realize the customer's ideals, mission, and goals, we are engaged in activities designed to develop and deliver our own management resources and capabilities. These initiatives have traditionally relied more on experience and intuition, but in Komatsu’s BM activities, we utilize a variety of tools and methods to visualize case studies, accumulate know-how, and pass it on to the next generation.

In Komatsu’s BM activities, we provide DANTOTSU Value by leveraging the collective strengths of the Komatsu Group to help realize the customers’ ideals, mission, and goals identified through the thorough practice of customer orientation. By horizontally deploying these efforts to a wide range of customers, we aim to achieve sustainable enhancement of corporate value.

Recent activities and future plans

BM activities, now in their 20th year since launching in 2007, have expanded globally across a wide range of customers in various industries, including construction, mining, quarrying, forestry, agriculture, logistics, ports, industrial waste, and other sectors. The principles underpinning these activities have been incorporated into the Komatsu Way as the Brand Management Edition—a set of values to be continuously passed down and practiced by all employees at their worksites and workplaces throughout the Komatsu Group.

In the latest 4th edition of the Komatsu Way, we have added a new message stating that BM activities are a company-wide initiative involving departments such as sales, production, development, and administration working together as one. Promoting BM activities through cross-functional teams has strengthened organizational capabilities and broadened the range of solutions Komatsu delivers to its customers. Komatsu will continue to advance BM activities as a united global team.



Global BM conference (Komatsu city, Ishikawa prefecture, October 2025)

Occupational safety and health

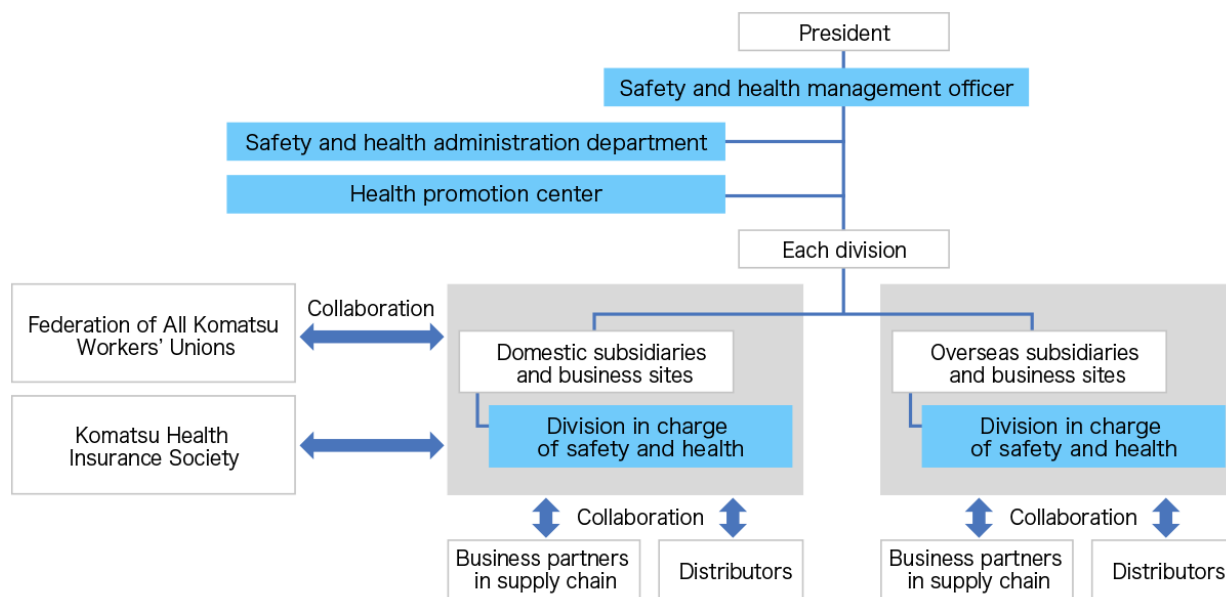
Occupational safety and health is a core component in Komatsu's business operations. In line with this commitment, Komatsu thus enhances safety at the workplace for our employees and business partners.

Occupational safety and health, and health management promotion structure

Organization

The Komatsu Group promotes occupational safety and health, as well as health management, under the structure shown below.

The status and challenges of occupational safety and health, as well as health management, are discussed by the Board of Directors on a regular basis and whenever necessary.



Meeting committee structure

The Komatsu Group holds various meetings to discuss and share information on safety, health, and health management, including the following:

■ Group Safety and Health Conference

This conference convenes with the aim to increase awareness regarding safety and health for employees of the Komatsu Group and partner companies while raising the level of safety and health activities. It involves sharing activity policies, priority items, and outstanding safety and health activities, and disseminating this information within individual departments. The conference also includes the presentation of presidential awards related to safety and health.

■ Group Safety and Health Committee (Japan)

This committee, comprising both labor and management, investigates, deliberates, and decides on fundamental measures to eliminate workplace risks and prevent health hazards.

Major items to be examined and discussed:

- Formulation of safety and health regulations
- Discuss and decide on annual activity policies and manage progress of activities, etc.

■ Global Regional Safety and Health Conferences

In each global region, including North America, Latin America, Europe, Asia, and China, Komatsu shares information and holds discussions on safety, health, and environmental topics. Through the safety and health activities of each overseas subsidiary, these conferences help improve the safety and health level of the entire Group.

■ Meeting on Mid-Term Health Planning (Japan)

- Formulates and promotes company-wide policies for health management activities.
- Summarizes health management activities of each company and business location.

■ Health Promotion Committee (Japan)

This committee consists of business owners and employees (organized by Komatsu Union) as well as the Health Insurance Society. This occasion affirms a common recognition of "Health", and formulates measures and policies aimed to enhance the health care for employees and their families.

Basic policy on Occupational safety and health, and health management

As a guiding principle for employee actions, "Safety & Health, Compliance, Quality, Delivery, Cost" are prioritized, with safety and health taking precedence. Additionally, based on the President's "Message concerning Occupational Safety and Health," the entire group is committed to ensuring a safe and secure work environment and promoting the maintenance and improvement of employee health. To achieve this, all employees work together to actively advance safety and health management activities under the established "Safety and Health Policy."

Occupational Health and Safety Message

1. The Komatsu Group shall comply with the SLQDC's (Safety, Law, Quality, Delivery, Cost) priorities, first of all to "ensure a safe and secure work environment for employees" as well as to "maintain and promote the health of employees."
2. The Komatsu Group shall promote "proactive occupational health and safety activities" in order for all employees to achieve the above conditions by working together as one team.
3. The Komatsu Group shall proactively strengthen occupational health and safety efforts not only within the Komatsu Group but also at our partners, such as customers, distributors and suppliers.
4. Every individual in a management position within the Komatsu Group must recognize the above-mentioned three matters as their highest priority tasks and take the lead in executing daily responsibilities accordingly.

Personnel who oversee occupational health and safety as well as all other employees are requested to promote specific activities based on the above message, while applying the following guidelines.

- (1) Fully understand and comply with the laws and regulations concerning occupational safety and health (including notices, guidelines, administrative notices and guidance) as well as internal regulations and rules (15 items of basic safe work, work standards and safety lessons learned) and promptly respond to any problems.
- (2) Respond to problems through fact finding activities with all employees. To accomplish the above task, management and the labor unions are expected to work together and further improve communications.
- (3) Eliminate risks on site by ensuring the health and safety management system functions (acquisition of ISO 45001 in principle) to prevent incidents such as labor related injuries and fires. Regarding natural disasters, we will do our utmost to minimize damage.
- (4) To establish a comfortable and engaging work environment that promotes the mental and physical well-being of employees.



日本語 English

April 1, 2025
Takuya Imayoshi
President and CEO, Komatsu Ltd.

Since 2014, Komatsu has been implementing its “Five-Year Health Promotion Plan.” This initiative aims to develop employees’ health literacy*, or their ability to pay attention to their own health and the health of their colleagues, consider necessary actions, and put them into practice, so that they can lead healthy and fulfilling lives not only during their employment but also after retirement.

* Capability of voluntarily practicing healthy actions (lifestyle improvement/maintaining an appropriate exercise regimen and diet, etc.)

Komatsu Health Declaration

We support the daily 'health promotion' of our employees working with in the Komatsu group, and we are committed to providing a workplace environment where everyone can live a healthy, vibrant life, both mentally and physically.



日本語 English

April 1, 2025
Takuya Imaiishi
President and CEO, Komatsu Ltd.

KOMATSU

Occupational safety and health policies

1. Observe the laws and regulations concerning occupational safety and health as well as internal rules, key items common to the Komatsu Group about occupational safety and health, and particularly items agreed as a result of labor-management consultations in each workplace.
2. Set up targets for activities based on occupational safety and health policies, review their progress, and endeavor to continuously improve and enhance occupational safety and health activities.
3. Carry out occupational safety and health activities in management-and-labor partnership on a full participation basis and keep good communication with stakeholders with regard to occupational safety and health.
4. Identify and evaluate the risk for occupational safety and health of a workplace and take appropriate actions accordingly.
5. Actively promote employees' healthcare management and support the maintenance and promotion of employees' health.
6. Actively promote education, training and qualification acquisition necessary for employees' occupational safety and health activities, and endeavor to develop human resources for safely carrying out their responsibilities in the workplace.
7. Subject to appropriate protection of personal information, publicly offer the knowledge and information about occupational safety and health activities obtained through the business activities in order to secure safety and health in society.

Occupational safety and health, and health management initiatives

FY2025 Komatsu Group priority activities for occupational safety and health

Komatsu has set priority activity items and their target values, and is promoting the following activities across the entire Komatsu Group.

[Occupational safety and health management]

Activities to eliminate serious occupational accidents

- Promotion of risk management activities
- Elimination of accidents involving inexperienced workers
- Activities to maintain and improve occupational safety and health management systems.

[Health management]

Improvement of employees' health literacy

- Tobacco-related diseases
- Lifestyle improvement
- Mental health

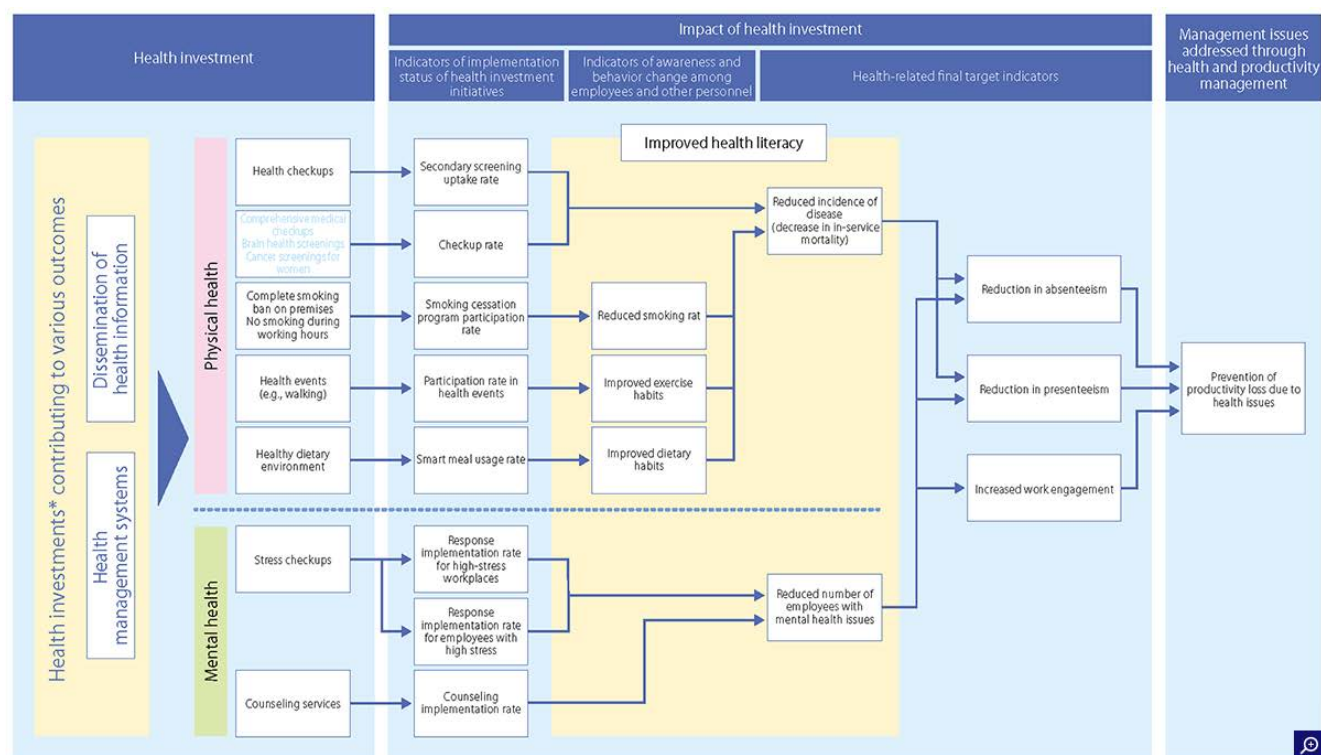
Komatsu Health & Well-Being Report

Komatsu published its first Komatsu Health & Well-Being Report in July 2025. By introducing and disclosing the company's health-related initiatives and data to internal and external stakeholders, the report aims to promote broader understanding of these activities and raise employees' health awareness.

The report presents the purpose, policies, and history of Komatsu's health promotion activities, as well as related initiatives, achievements, and data. Going forward, Komatsu plans to publish the report regularly in line with the progress of its health promotion plan.

[> Komatsu Health & Well-Being Report \(6.95MB\)](#)

Health strategy map



Major accomplishments in FY2025 are listed below:

Item	Initiative	KPI	Result		Goals (FY2026)
			FY2024	FY2025	
Improvement of Health Literacy	Enhancing the ability to acquire, understand, select, and utilize accurate health information necessary for individuals to engage in proactive health behaviors	Communicative and Critical Health Literacy Scale* ¹	3.55	3.58	3.7 or higher
Cancer and lifestyle diseases	Increase the percentage of employees using the various health checkup consultations for the early detection and treatment of cancer and lifestyle diseases and the prevention of severe diseases	Regular check-up percentage	100%	100%	-
		(Reference) Secondary health check-up percentage	97.3%	99.1%	100%
		Milestone checkup consultation percentage	86.3%	81.8%	95% or more
		Female cancer checkup consultation percentage	78.0%	77.8%	80% or more
Tobacco-related diseases	Reduce secondary exposure to cigarette smoke and smoking percentage	Percent of the Komatsu Group in Japan that smokes	26.1%	Male: 25.6%; Female 6.9%	Down 1 pt from FY 2025

Item	Initiative	KPI	Result		Goals (FY2026)
			FY2024	FY2025	
Lifestyle improvement	Establish a system or environment that leads to the improvement of motivation to improve or promote the healthy lifestyles of employees (e.g. diet and exercise)	Percent of employees with Healthy Action Competency*2	54.7%	56.4%	60% or more
Mental health	Reduce the number of individuals with mental disorders, provide early care, appropriately support their return to workplaces, and create a happy and vigorous workplace	Percentage responding to our recommendation to interview employees under high stress	99.4%	99.6%	100%
		(Reference) Stress check implementation percentage	99.0%	98.9%	-
		Percentage responding to high-stress workplaces	100.0%	100.0%	100%

(Scope of aggregation: All employees of the Komatsu Group in Japan)

*1 The figures are calculated based on the average score out of 5 for the five questions in the questionnaire (1. Information collection, 2. Information selection, 3. Understanding and communication, 4. Reliability assessment, 5. Planning and action).

*2 Capability of voluntarily practicing healthy actions (lifestyle improvement/maintaining an appropriate exercise regimen and diet, etc.)

Item	Initiative	Result	
		FY2024	FY2025
Absenteeism	Average number of days lost per employee per year due to mental health issues	1.59 days/year	1.44 days/year ^{*3}
Presenteeism	Evaluate one's own work performance over the past four weeks, assuming 100% performance when there is no illness or injury Presenteeism = 100 - Average score of all employees	15.2%	15.4% ^{*4}

*3 FY2024: Number of subjects: 22,248 people FY2025: Number of subjects: 22,996 people

*4 FY2024: Number of participants: 21,402 people (response rate: 99.2%) FY2025: Number of participants: 20,920 people (response rate: 99.5%)

Introduction of the Komatsu health promotion 100 (KHP100)

As part of the "Lifestyle Improvement Promotion" of the "Second Health Promotion Plan," in FY 2021, we launched the Komatsu Health Promotion 100 (KHP100) in cooperation with the Komatsu Health Insurance Association to further promote employees' health and health literacy.

Under KHP100, we distribute wearable devices to employees who wish to use them to visualize their physical activity and exercise. We also offer walking and other health events on a health portal that can be linked to the device, providing employees with opportunities to change their health-related behavior.

Komatsu certified as “Sports Yell Company 2026”

Komatsu has been certified as a “Sports Yell Company 2026” by the Japan Sports Agency in recognition of its initiatives such as KHP100, which aim to promote employee health. This marks the third time Komatsu has received this certification, following its certifications in 2023 and 2025.

The “Sports Yell Company” program certifies companies that actively promote sports activities to improve employee health, with the aim of promoting sports participation among people in their prime working years and fostering broader social momentum for sports.



Supporting supplier's safety activities

For details on the safety activities for the member companies of Midori-kai, an organization made up of our business partners (suppliers), please click "[Support for Member Companies of the Komatsu Midori-kai](#)".

Status in FY2025

Educational training for occupational safety and health (in Japan)

■ Education regarding mental health

Contents	FY2025 Practice
In accordance with the Industrial Safety and Health Act, Komatsu provides education and training on mental health. The company began conducting stress checks in 2006 and introduced stress-related learning programs in FY2007, covering employees of all domestic Group companies.	Stress Check and Training Conducted for 21,814 employees

■ Education based on job levels

Contents	FY2025 Practice
Safety and Health education and mental health education is provided to each level of Komatsu Group companies in Japan including new employees.	New employees (349 people)* Third-year / Seventh-year employees (339 people) Mid-career recruitment (119 people) Newly appointed assistant managers and employees in RD VII (343 people) Foremen/senior foremen (45 people) Assistant Foremen (94 people) New managers (243 people)

* Total for head office employees

■ Education based on Function

Contents	FY2025 Practice
Safety and health education is provided according to function to the production managers, Production Engineering Division, and workplace safety and health promoters of Komatsu group companies in Japan.	Safety and health practical training for production managers (20 trainees) Ergonomics training for production engineers (53 trainees) ISO 45001 standards understanding training (59 trainees) ISO 45001 internal auditor development training (75 trainees) ISO 45001 internal auditor level-up training (12 trainees)

Number of major work-related accidents (fatal)

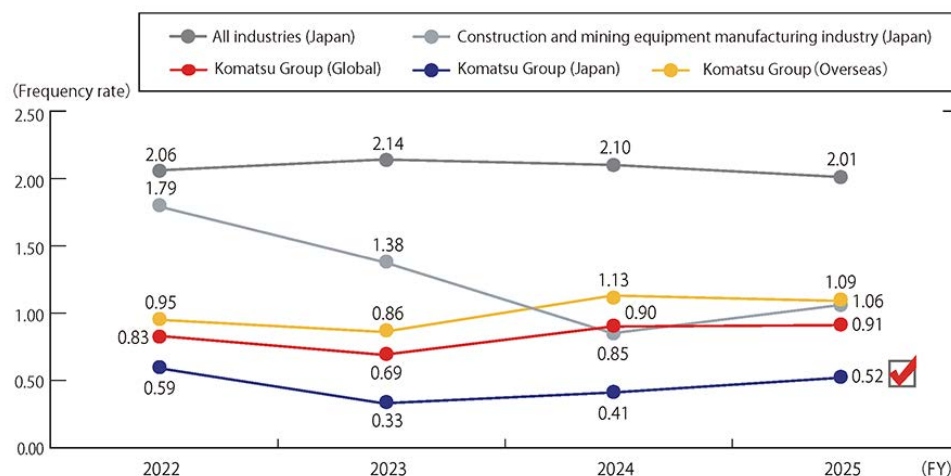
		FY2021	FY2022	FY2023	FY2024	FY2025
Komatsu group consolidated companies	Subtotal	0	2	0	0	0
	Japan	0	0	0	0	0
	Overseas	0	2	0	0	0
Non-consolidated sales companies	Subtotal	0	0	0	0	0
	Japan	0	0	0	0	0
	Overseas	0	0	0	0	0
Contractors	Subtotal	0	1	0	0	0
	Japan	0	0	0	0	0
	Overseas	0	1	0	0	0
Total		0	3	0	0	0

The Komatsu Group thoroughly analyzes the causes of each incident and shares preventive measures across all relevant operations to prevent recurrence.

We take these accidents very seriously, and will continue to actively engage in appropriate safety and health activities to ensure that such accidents will not occur again.

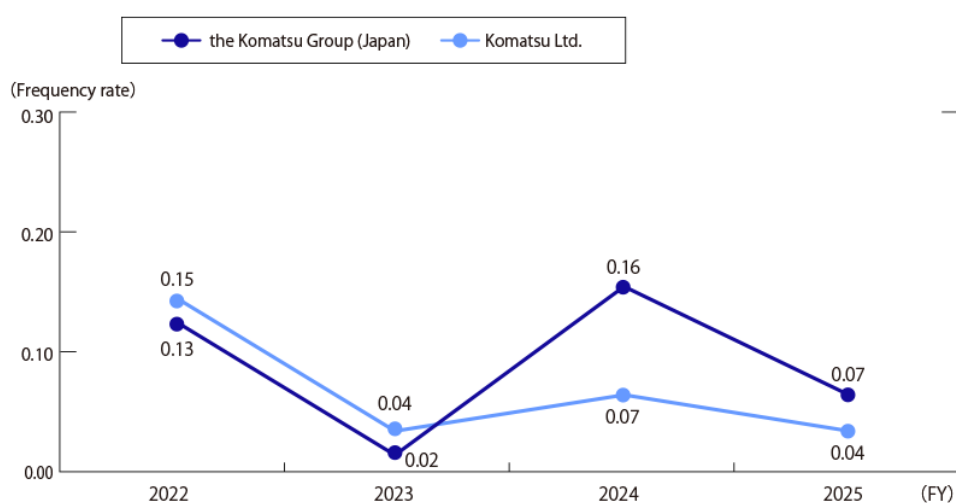
Data

Incidence rate of occupational accidents (1) Lost Time Injury Frequency Rate



1. Lost Time Injury Frequency Rate (LTIFR) = (Number of Lost Time Injuries / Total Hours Worked) × 1,000,000 (The reporting scope includes contractors.)
2. The data for all industries (Japan) and construction and mining equipment manufacturing industry (Japan) are provided by the Ministry of Health, Labour and Welfare.
3. The scope of the Komatsu Group (Japan) includes Komatsu Ltd. and 10 Komatsu group companies in Japan.
4. The scope of the Komatsu Group (global) includes "Komatsu Group (Japan)" and 22 overseas locations.

Frequency of occupational accidents (2) Occupational Disease Frequency Rate



1. Occupational Disease Frequency Rate = (Number of Occupational Disease Cases / Total Hours Worked) × 1,000,000
2. Occupational illness: Back problems, heat illnesses, chemical poisonings, infection, etc. specified by the Ministry of Health, Labour and Welfare
3. Komatsu Group (Japan): Komatsu Ltd. + 10 Komatsu group companies in Japan

Status of occupational safety and health management system certification

Since FY2007, Komatsu Group companies in Japan have promoted the acquisition and renewal of OSHMS certification based on the Japan Industrial Safety and Health Association method at each business site. Since FY2018, they have been working toward integrated certification under the international standard ISO 45001. The Osaka Plant obtained ISO 45001 certification ahead of other sites in April 2019, and other business sites and Group companies obtained integrated certification in April 2020.

Overseas, Komatsu Group companies have also promoted the acquisition and renewal of OHSAS 18001 certification, and since FY2018, they have been working to obtain ISO 45001 certification.

ISO 45001 certification requires the following activities to be properly managed by the company's occupational safety and health management system:

- Occupational safety and health risks and hazards assessments to identify potential hazards in the workplace.
- Prioritization and integration of action plans with quantitative targets to address occupational safety and health risks.
- Actions to prepare for and respond to emergencies.
- Assessment of progress toward goals for reducing and preventing health risks.
- Internal audit.
- Investigation of occupational injuries, illnesses, and accidents.
- Occupational safety and health activities for employees and other stakeholders to raise awareness and reduce occupational safety and health accidents.
- Introduction of occupational safety and health standards in procurement and contractual requirements.

In Japan

* As of March 31, 2026

Certified business locations*		First year of certification
Komatsu	Osaka Plant	2019
	Head Office	
	Awazu Plant	
	Kanazawa Plant	
	Ibaraki Plant	
	Oyama Plant	
	Tochigi Plant	
	Koriyama Plant	
	Shonan Plant	2020
	Himi Plant	
	Shiga Plant	
	Field Testing Department	
Group Company	GIGAPHOTON	
	KELK	
	Komatsu NTC	
	Komatsu Industries Corp.	
	KOMATSU LOGISTICS Head Office	2022
	Komatsu Safety Training Center Ltd.	
	Komatsu Customer Support Co., Ltd.	2024

**Overseas**

Certified business locations*	First year of certification
Komatsu Chile SA	2018
Komatsu America Chattanooga Manufacturing Operation	2019
Komatsu America Newberry Manufacturing Operation	
Komatsu UK	
Komatsu Italia Manufacturing	
Hensley Lingfeng Co., Ltd.	
Bangkok Komatsu Co., Ltd.	
Komatsu America Peoria Manufacturing Operation	2020
Komatsu Mining Peru	
Komatsu Mining Wadeville	
Komatsu Mining Tianjin	
Komatsu Germany (Construction Division)	
Komatsu Germany (Mining Division)	
PT Komatsu Indonesia	
PT Komatsu Undercarriage Indonesia	
Komatsu Shandong Construction Machinery Corp.	
Lehnhoff Hartstahl GmbH	
Komatsu Mining Longview	2021
Hensley Industries, Inc.	
Komatsu Changzhou Construction Machinery Corp.	
Komatsu (Shuozhou) Remanufacture Ltd.	
Komatsu Dalian Machine Tool	
Komatsu Mining India	2022
Komatsu do Brasil Ltda.	
DESARROLLOS TECNOLÓGICOS S.A	
Komatsu Manufacturing Rus LLC	
Komatsu Africa Holdings Pty Ltd. (Reman Centre)	
Distribuidora Cummins Chile S.A.	
PT Komatsu Marketing and Support Indonesia	
Komatsu Australia Pty Ltd.	2024
Komatsu Brasil International Ltda. (KBI)	
Komatsu Colombia S.A.S	
Komatsu Maquinarias Mexico S.A. de C.V.	2025
PT KOMATSU REMANUFACTURING ASIA	

Human rights policy

In September 2019, Komatsu established our Human Rights Policy (revised in September 2023) and declared that we endeavor to conduct our business respecting human rights in compliance with the United Nations Guiding Principles on Business and Human Rights, and to apply respect for human rights in accordance with international standards throughout our global organization. Based on this policy, Komatsu develops and implements measures to prevent and mitigate negative impacts on the Group and our business partners' human rights, including suppliers, sales and service distributors, and further improves its processes to correct potential negative impacts on human rights.

This human rights policy has been incorporated into the Komatsu's Worldwide Code of Business Conduct (revised in 2024) and is thoroughly communicated by all Komatsu Group employees worldwide.

Human rights policy

1. Scope of application

This policy applies to all business activities and all employees of the Group worldwide.

Furthermore, our business partners including suppliers and distributors are also expected and encouraged to comply with the policy in their own operations.

2. Respect for human rights

Our purpose is "Creating value through manufacturing and technology innovation to empower a sustainable future where people, businesses and our planet thrive together." The sustainability policy based on this purpose advocates the realization of a sustainable society and growth of business, and clearly declares that as Komatsu Group, we shall respect human rights related to all of our business activities.

We believe that it is essential to ensure that respect for human rights is firmly embedded within our company and therefore applies the human rights policy to Komatsu's worldwide operations to conduct its business. This policy is formulated based on international human rights principles encompassed by the Universal Declaration of Human Rights. In addition to promoting business activities in line with this philosophy, we promote activities that respect human rights in accordance with the "United Nations (UN) Guiding Principles on Business and Human Rights" and the "ILO Core Labour Standards". Komatsu Group will comply with the laws and regulations of all countries where it conducts its business activities. Where established international human rights norm exists as well as national laws, we will follow the higher standard; where they are in conflict and will seek ways to respect internationally recognized human rights to the greatest extent possible.

■ Health safety

We will, first of all, strive to "ensure a safe and comfortable work environment" and "maintain and promote employees' health", aiming to create a bright and vibrant work environment ensuring mental and physical health.

■ Prohibition of discrimination and harassment

We shall respect diversity and treat and appraise each and every employee in a fair and impartial manner. We shall not discriminate against any employee on the basis of race, ethnicity, color, sex, sexual orientation, gender identity, age, religion, national ancestry, disability, marital status or other legally protected status. We shall vigorously promote equal opportunities for employment. We shall not tolerate inappropriate behavior and speech which prevents employees from working effectively and comfortably, or any type of harassment including harassment towards subordinate personnel, sexual harassment, or harassment related to pregnancy, childbirth, parenting, or nursing care, in and outside of workplace.

- Prohibition of child labor

We shall not tolerate all forms of child labor. Furthermore, we will not assign young workers to late-night or overtime work, or to tasks that threaten their health or safety.

- Prohibition of forced labor

We shall not tolerate all forms of forced labor including bonded labor and human trafficking.

- Freedom of association and right to collective bargaining

We respect the rights of workers concerning activities related to freedom of association and collective bargaining in accordance with the laws and regulations applicable to the countries and regions where it conducts business activities. Even in cases where freedom of association and the right to collective bargaining are restricted by the laws and regulations of each country or region, we will faithfully accommodate, whenever applicable, dialogue and discussion with employees or their representatives.

- Working hours and wages

We comply with all the laws and regulations on working hours and wages applicable to the countries and regions where it conducts business activities and pays wages above the level at which employees can fulfill a minimum level of living. Furthermore, we set working conditions including wage levels that are competitive in each region.

3. Stakeholder engagement

When we talk about "stakeholders", we refer collectively to all parties that are affected by our business activities. Stakeholders include customers, shareholders, investors, distributors, suppliers, local communities and employees. We will consult with independent external knowledge on human rights issues and respect dialogue and discussions with internal and external stakeholders to understand human rights related issues. We will regularly and publicly communicate our activities on human rights based on this policy through our reports and/or Group website.

4. Local communities

Companies cannot continue to exist without maintaining good harmony with the local community. We wish to be the most transparent company which actively seeks harmonious balance of interests with the local communities through close communication and contributes to the local communities as a valued corporate citizen.

5. Human rights due diligence

We conduct human rights risk assessments for our existing and new construction/mining equipment and forestry machinery businesses worldwide based on international norms such as the "UN Guiding Principles on Business and Human Rights" with the help of external experts. In addition to risk assessments, we will conduct CSR procurement assessments for suppliers and promote CSR procurement through improvement activities based on the results of the assessments. We will also perform risk assessments downstream in the value chain with the aim of proceeding with dialogue with all relevant stakeholders including distributors, and building an approach directed at responsible sales.

6. Guidance for employees

In order to ensure the effectiveness of this policy, we will conduct appropriate training and activities to raise awareness in employees throughout the Group.

7. Remedy

We have established and maintained a Global Compliance Hotline at our headquarters to take reports relating to non-compliance, including regarding human rights issues and make this Hotline number known to all Komatsu Group employees. Any employee who believes a conflict arises between this policy and the laws, customs, or practices of the place where they work, or who has questions about this policy or would like to confidentially report a potential violation of this policy, should raise those questions and concerns with the Hotline anonymously. In addition to the Hotline for Komatsu Group employees, anyone other than Komatsu Group employees who become aware of any circumstance or action that violates or appears to violate this policy or applicable law with respect to human rights, can file a report anonymously. They can contact us at <https://www.komatsu.jp/en/inquiry/> or call at +81-3-6849-9701.

Established: September 2019

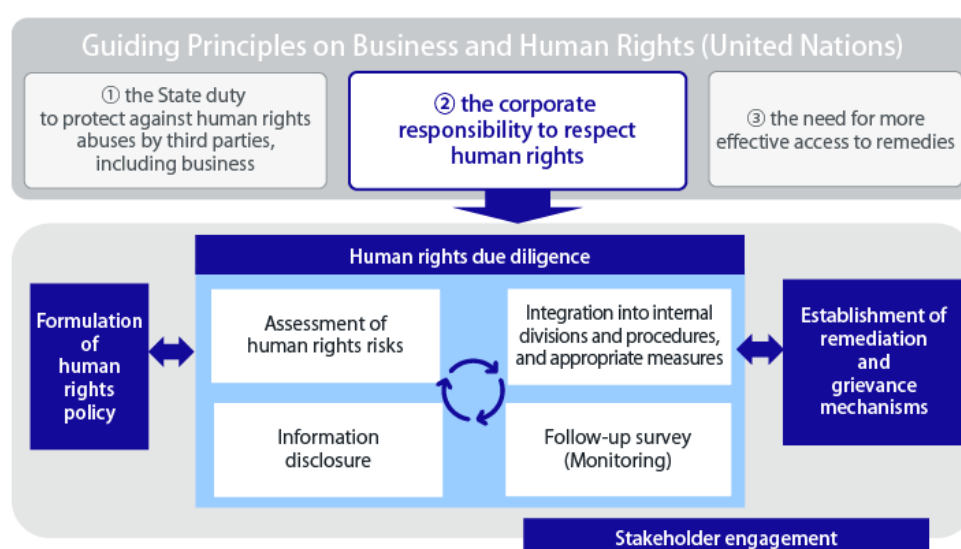
Revised: September 2023

* This policy has been approved by the Sustainability Promotion Committee, chaired by the president.

Business and human rights

We recognize that respecting human rights is a corporate responsibility, and we respect human rights related to our business activities in accordance with international human rights standards, including the United Nations Guiding Principles on Business and Human Rights. We also identify, prevent and mitigate the occurrence of negative impacts on human rights and establish following processes for corrective measures and monitoring if it becomes clear that we have caused or been involved in such impacts.

【Komatsu group human rights management system】



Assessment of human rights risks: Identifying potential risks continuously based on the requirements of domestic and international laws and regulations on human rights.

- **Main human rights issues covered in risk assessment:** Prohibition of child labor, forced labor, human trafficking, and excessive working hours; freedom of association; the right to collective bargaining; prohibition of discrimination and harassment; minimum wage; occupational safety and health; indigenous rights; rights to privacy, etc.
- **Key stakeholders in risk assessment:** Komatsu Group companies, suppliers, distributors, other business partners, local communities, etc.

Integration into internal divisions and procedures, and appropriate measures: Adoption of improvement activities based on risk assessment evaluation results (appropriate actions to prevent or reduce identified risks and integration of these actions into internal divisions and procedures).

Follow-up survey (Monitoring): Monitoring of the status and effectiveness of risk prevention/mitigation measures and the prevention of the recurrence of incidents.

Information disclosure: Disclosure of information on web pages and in reports to provide an overview of risk assessment efforts and the actions taken to address identified risks.

1. Formulation of human rights policy

In September 2019, Komatsu established our human rights policy (revised in September 2023), declaring our endeavors to conduct business with respect for human rights in accordance with international standards, including the United Nations Guiding Principles on Business and Human Rights, throughout our global organization. This policy applies to all Komatsu Group activities, and Komatsu encourages our suppliers, sales and service distributors, and other business partners to engage in their respective business activities based on this policy.

In September 2023, the Human rights policy was revised following discussions by the Sustainability Promotion Committee and final approval by the President. The revised policy incorporates Komatsu's "Purpose" and "Sustainability policy," clearly articulating the company's stance by stipulating the prohibition of forced labor and child labor and respecting freedom of association and right to collective bargaining. The revised version has been translated into 13 languages and disseminated to Komatsu Group companies and partner companies (suppliers and distributors).

[> Komatsu's "Human rights policy" !\[\]\(a7a0ce04267a432eb375d086961e59d9_img.jpg\)](#)

2. Promotion structure

Since human rights management activities are closely related to the operations of each department, including human resources, procurement, occupational safety, and marketing, the Sustainability Promotion Division serves as the secretariat and promotes human rights management in cooperation with each department. Human rights policies, measures, and activities are discussed and decided by the Sustainability Promotion Committee, and the discussions are reported to the Board of Directors at least once a year.

3. Human rights due diligence

With the assistance of external specialists, we continuously conduct human rights due diligence to identify, prevent, mitigate, and address human rights issues arising from our business activities.

[Summary of human rights due diligence conducted to date]

2014	Conducted assessments with the assistance of an external specialist to evaluate human rights risks pertaining to the construction and mining machinery business, as well as the forestry machinery business, both of which we develop on a global scale.
2017	Conducted the second human rights risk assessment. In conducting the assessment, we referred to the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights.
2019	Established the "Human rights policy."
2020	Conducted a systematic human rights risk assessment on a global scale with support from an external specialist targeting our downstream business (machinery and spare parts sales) of the construction and mining machinery business, as well as the forestry machinery business. Assessed relevant issues pertaining to discrimination based on race, ethnicity, or country of origin; forced labor; freedom of association; and fair labor conditions, in light of the characteristics of our businesses. Identified potential issues and priorities by business and by region.
2021	Prioritized the human rights issues facing Komatsu, and approved plans to administer written questionnaires to Komatsu Group companies and suppliers.
2022	- Conducted a human rights web survey targeting the Komatsu Group and major suppliers. - Performed an on-site impact assessment of downstream businesses in South Africa.
2023	- Revised the "Human rights policy." - Conducted basic training on business and human rights for all Group employees, as well as supplier human rights training for procurement staff within the Group (and have continued onwards). - Held open discussions with Komatsu headquarters marketing representatives in charge of each region. - Visited suppliers in Japan and exchanged opinions on the status of their human rights initiatives.
2024	- As part of stakeholder engagement in the downstream business, we held a dialogue with an independent distributor serving the West Africa region and other countries. The discussion covered a wide range of sustainability topics. - Expanded the "opinion exchange meetings" launched in 2023 with headquarters marketing personnel. In addition to the construction equipment marketing division, the initiative was extended to include staff responsible for mining and forestry equipment to further facilitate the exchange of information and opinions (and have continued onwards).
2025	- Conducted a gap analysis against the EU "Corporate Sustainability Due Diligence Directive." - Conducted human rights and environmental risk assessments for construction and mining machinery and industrial machinery by mapping the business activities of our company, our subsidiaries, and our business partners along the value chain. - Visited domestic suppliers and exchanged views on their human rights and environmental initiatives.

We will strengthen the identification of human rights risks and issues by conducting constant risk assessments throughout our business.

a. Internal and supply chain human rights due diligence

(1) Human rights risk assessment and impact assessment

Assessment of Komatsu Group and the supply chain

From FY2020 to FY2021, we have conducted a Self-Assessment Questionnaire (SAQ) on CSR activities, including human rights, among 156 Midori-kai supplier companies in order to further promote CSR in our supply chain and reconfirm that all parties remain fully aware of the guidelines. We confirmed their recognition of the CSR procurement guidelines and the status of their CSR activities, and followed up on the survey results on an individual basis.

* Midori-kai: A supplier organization that is considered particularly important to our business and has been established in Japan, the U.S., Europe, China, and Thailand. The amount procured from Midori-kai accounts for approximately 70% of the total.

In FY2022, we conducted a web-based human rights survey of all Group companies and Midori-kai supplier companies in Japan and overseas. To ensure objectivity in this survey, we received support from an external consultant to create questions and analyze the results based on the UN Guiding Principles on Business and Human Rights and other international rules.

Although no serious human rights violations were found, some challenges such as insufficient awareness of the human rights policies and grievance mechanisms were identified. To mitigate these risks, a feedback report was distributed to all respondents and the results were shared.

DATA Human rights assessment results for Group companies and suppliers

Period	Human rights web survey in FY2022	
	From October 2022 to February 2023	
Content	11 categories, 106 questions in total	
Number of entities surveyed	84 Komatsu Group sites in 48 countries* ¹ (all Komatsu Group companies)	Midori-kai suppliers 292 companies in 4 countries* ²
	Total 376	
Response rate	100% (total 84)	72.9% (total 213)

*1 All consolidated companies are aggregated to 84 for the survey, depending on the country/region and the business.

*2 In Europe, discussions on the legislation of human rights due diligence are currently underway. Komatsu plans to conduct future investigations in accordance with the finalized legal frameworks.

Supplier visits and meetings

As part of our human rights and environmental due diligence process, we are actively engaged in stakeholder engagement. In 2025, we visited the headquarters of four suppliers in Japan. We met with representatives and personnel from each company to discuss their human rights and environmental initiatives and exchange views. As a result, we were able to confirm that each company is effectively and diligently advancing its human rights and environmental initiatives. We will utilize the feedback received during these visits to further advance our human rights and environmental due diligence efforts moving forward.



Screening

In our global operations, we have established a screening system to check and regulate transactions with partners designated specified in our sanction lists and other documents. We are ensuring compliance with international laws and regulations (such as embargoes).

Response to conflict minerals

In line with its corporate social responsibilities, Komatsu continues its efforts to avoid using in its products raw materials associated with human rights risks in the mining of conflict minerals originating in the Democratic Republic of the Congo and neighboring countries. We have informed our business partners of this policy through the Komatsu Green Procurement Guidelines. Working hand-in-hand with suppliers, we conducted a country-of-origin survey to determine the location of origin of our materials. Komatsu continuously investigates the subject minerals using the RMAP* and other processes. As the number of minerals of concern is increasing, we are taking action while monitoring the laws and regulations of each country.

* RMAP (Responsible Minerals Assurance Process): A process proposed by the Responsible Minerals Initiative (RMI), an international organization.

[› Komatsu Green Procurement Guidelines](#)

Response to UK modern slavery act

In response to the "Modern Slavery Act 2015" being enacted by the UK in October 2015, Komatsu UK Ltd. revised its "Slavery and Human Trafficking Statement for the Financial Year 2015." disclosed on the web site. Recognizing the possibility of the risk of human rights violations occurring in Komatsu's business operations and its supply chains, this statement reports how such an issue will be properly managed.

[› Komatsu UK Ltd. website](#)

(2) Integration into internal departments and procedures and appropriate measures

As a measure to address human rights risks, Komatsu launched training programs in FY2023: a business and human rights basic education for all employees and procurement staff. These programs are being continuously implemented and updated as necessary.

(3) Follow-up surveys

We repeatedly conduct risk assessments and continuously follow up on identified risks.

(4) Disclosure of information

In the "Komatsu's Worldwide Code of Business Conduct," we declare that we shall proactively disclose information, except in cases involving confidentiality or trade secrets. We will also make efforts to disclose relevant information on human rights issues to improve transparency and fairness.

(5) Stakeholder engagement

We consider "freedom of association" and "the right to collective bargaining" to be fundamental human rights that we must respect as a company. To foster a continuously positive labor-management relationship based on mutual respect and trust between the company and the labor union, we regularly engage in constructive discussions on a variety of topics, including "occupational safety and health," "employee health," and "work styles."

b. Human rights due diligence in downstream business

We continue our efforts to establish a "responsible sales" approach, considering human rights in our downstream business, i.e., sales and service of products and spare parts.

[Activities in 2022] On-site impact assessment in South Africa

Based on the results of the risk assessments conducted up to the previous year, we have been conducting on-site impact assessments of our business operations on human rights since 2022.

In September 2022, we conducted an on-site impact assessment in South Africa with the support of CSR Europe. The assessment was conducted in cooperation with Komatsu Ltd. and Komatsu South Africa (Pty) Ltd., which oversees sales and services in South Africa. Based on desk research conducted in advance, the on-site impact assessment was carried out to hold dialogues with stakeholders involved in our business in South Africa. No major human rights risks were identified, and intensive discussions on human rights were held, enabling us and our customers to share awareness and deepen the understanding of issues and values.

DATA Downstream impact assessment results

	FY2022
Country	South Africa
Number of interviews	Individual interviews: 7 companies/organizations (customers: 5, NGOs: 2) Dialogue with stakeholders: 12 companies/organizations (customers, potential customers, NGOs, mining industry associations, chambers of commerce, vocational training institutions, university associate professors, etc.)

c. Compliance with the EU "Corporate Sustainability Due Diligence Directive"

(1) Gap analysis

Regarding the Corporate Sustainability Due Diligence Directive (CSDDD), which is scheduled to take effect in July 2029, we conducted a gap analysis in 2025 to determine whether our existing initiatives align with the CSDDD's requirements. As a result, we confirmed that our existing initiatives have, to a certain extent, established procedures and reporting processes for the ongoing management of human rights and environmental risks. However, as challenges were identified in areas such as the formulation of due diligence policies and implementation manuals, we will prioritize and address the necessary actions in preparation for the future implementation of the CSDDD.

(2) Risk assessment along the value chain

In 2020, we conducted a human rights risk assessment with the support of external experts. In 2025, we conducted a human rights and environmental risk assessment based on the CSDDD in our business sectors of construction, mining, and forestry machinery, as well as industrial machinery by mapping the business activities of our company, our subsidiaries, and our business partners along the value chain comprehensively. As a result, we concluded that human rights risks in the area of materials procurement are relatively high and require our particular attention; therefore, we will focus on the upstream portion of the supply chain and proceed with further investigation and analysis accordingly.

【Human rights and environmental risk assessment in 2025】

*HR: Human rights risks
*Env.: Environmental risks

			Upstream		Komatsu and Group	Downstream
			R&D	Procurement	Production/Assembly	Transportation/Storage
Risks	Construction & mining machinery	HR	Very low	High	Medium	Low
		Env.	Low	Medium	Low	Low
	Industrial machinery	HR	Very low	High	Low	Low
		Env.	Low	Medium	Low	Low

4. Remediation and grievance mechanisms

Komatsu has established a "Global Compliance Hotline" at its headquarters, which can be used to report any violation of human rights issues, and has made this hotline known to all Komatsu Group employees. The hotline also accepts reports of violations or suspected violations of policies and laws related with human rights issues such as child labor, forced labor and human trafficking, as well as reports of non-compliance or suspected non-compliance in procurement activities, to whom anyone can contact anonymously if he or she becomes aware of facts that may indicate a violation or suspected violation. With respect to all such reports, the "Five Principles of Compliance," which all Komatsu Group companies and their employees are required to observe, stipulate that reporting must not be obstructed and that employees who make legitimate reports must not be subjected to any disadvantageous treatment as a result of such reporting.

[> Compliance hotline \(Internal reporting system\)](#)

In addition, to broadly receive and respond to inquiries—particularly those from external stakeholders—regarding human rights issues across the entire value chain, Komatsu joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER) in 2024. In July 2024, we received a report via JaCER alleging "forced labor at a supplier." The report concerned the alleged mistreatment (forced labor) of foreign workers at a plastic parts manufacturer in Malaysia that was suspected of being a Komatsu supplier. Upon verification, it was confirmed that Komatsu has had no business relationship with the company, and the case was closed.

We did not receive any reports via JaCER in 2025. Going forward, Komatsu will continue working toward the establishment of fair and transparent grievance mechanisms by actively collecting opinions and inquiries on human rights both internally and externally.

[> JaCER Grievance Platform](#)



5. Internal training

Since FY2023, we have been conducting “Basic training on business and human rights” for all Group employees and “Procurement staff training” for employees at procurement departments through online e-learning. The training materials were translated into 13 languages and distributed to each Komatsu Group company. In addition, we have continued to hold “opinion exchange meetings” with Komatsu headquarters marketing personnel, where we introduce past initiatives and engage in mutual exchange of opinions and information on approaches to responsible sales. We will continue to provide human rights training and work to raise human rights awareness throughout the entire Komatsu Group.

Furthermore, we will strive to promote understanding of respect for human rights not only among our executives and employees, but also among our suppliers, sales and service distributors, and other business partners.

Revitalization of local communities (social contribution activities)

We believe that revitalizing the local economy will also help solving potential human rights issues. Through human resource development utilizing our core skills, we continue to focus on education at training centers around the world, and support regional vocational training schools through our social contribution programs in ways such as providing curriculums and training tools. This is expected to further reduce the risks of product-related accidents and misuse.

› [Developing people needed by the community](#)

Examples of specific human rights due diligence activities

Komatsu has identified Myanmar as a region with potential human rights risks, and since 2019, we have conducted due diligence involving external experts to identify issues and discuss appropriate responses. Based on the outcome of those discussions, we made a decision in 2019 to discontinue the sales of mining equipment to the jade mining market in Myanmar. We also ceased operations of our local mining equipment maintenance subsidiary and have completed the liquidation process. We will continue to collaborate with our distributor in Myanmar and external experts to implement effective measures that strengthen respect for human rights in our business operations.

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Enhancing safety through products and solutions

Komatsu defines its strategic vision as a “collaborative partner committed to optimizing safe, productive, and clean workplaces.” Recognizing that improving safety at customer worksites where our products operate is a significant social issue, we have positioned the planning, development, and market introduction of safety equipment and solutions as one of our key KPIs for addressing such challenges, and we continue to actively promote their advancement.

In 2013, Komatsu introduced ICT bulldozers with automated work equipment control, followed by ICT hydraulic excavators in 2014. These not only enhance productivity in civil engineering worksites through Smart Construction, but also contribute to worksite safety by eliminating the need for manual staking and surveying.

In the mining equipment sector, Komatsu was the first to bring the Autonomous Haulage System (AHS) to market. By combining advanced technologies such as communications satellites, radar, and sensors, we continue to meet customers' needs for safe, productive, and clean sites free of human intervention.

Examples of safety initiatives

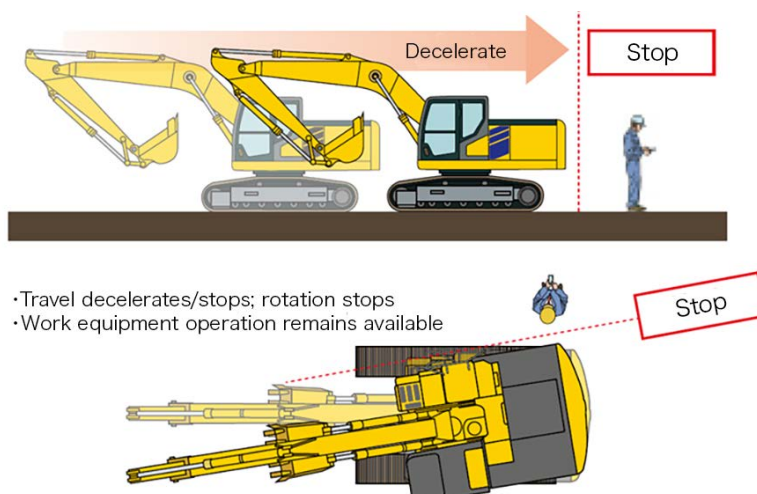
Evolution of systems to reduce contact accidents

Komatsu has developed "KomVision," a system that uses onboard cameras and vehicle control technology to detect and alert operators when a person approaches a machine in operation. Since 2019, the system has been standard equipment on hydraulic excavators, and obstacle detection systems have since been introduced to dump trucks, wheel loaders, and motor graders.

The hydraulic excavator PC200i-12, launched in December 2024, features an upgraded KomVision with a new "human + object detection mode" that detects not only people but also objects such as forklifts and vehicles. The addition of a quasi-millimeter wave radar has significantly improved detection accuracy.

When a person or object is detected near the machine during travel or turning, the system alerts the operator via the in-cab monitor and controls machine operations, stopping the machine during low-speed travel to help prevent collisions at the work site.

The system, offered as an option on the new WA380-8 and WA475-11 wheel loaders, detects nearby people, cargo, or vehicles while reversing, warns the operator, and automatically engages the brakes to decelerate or stop the machine when a collision risk is identified. It is designed to suit the unique structure and use conditions of wheel loaders, predicting movement direction based on steering angle. It also disables ground detection alerts automatically when performing tasks such as shoveling on uphill slopes to prevent false alarms from terrain near the machine's rear.



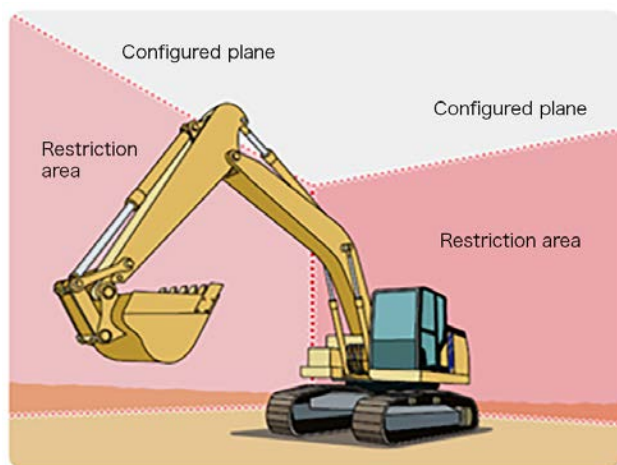
KomVision human detection function

This system is not designed to prevent collisions under all conditions and has performance limitations.

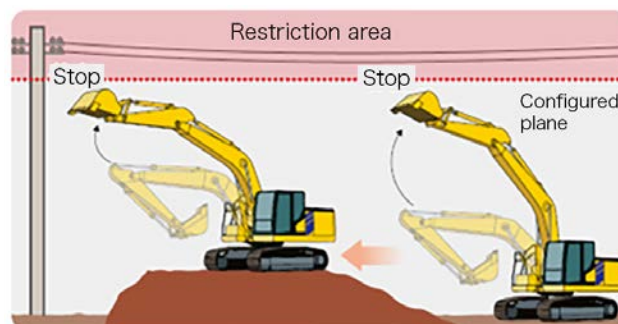
- Before using this system, be sure to read the operator's manual thoroughly, understand the system, and use it correctly.
- This system is not intended to prevent operator inattentiveness, such as distracted or careless operation.
- The system does not operate if obstacles are outside the detection area, such as in blind spots or outside the camera's range of motion.
- Detection may not function properly depending on the condition of the object (e.g., running or crouching posture, clothing with low contrast), camera condition (e.g., dirt or fog on the lens), or the work environment (e.g., poor weather, low lighting, backlighting, nighttime, vapor or smoke in the air).
- Under the following conditions, the machine may stop suddenly due to system activation and become unstable. Always ensure surrounding safety when operating:
 - Traveling with suspended loads
 - Working on steep slopes
 - Operating on slippery surfaces or soft ground
- During loading or unloading onto a trailer, the machine may stop abruptly and become unstable due to the system. In such cases, please turn OFF the machine stop control function.
- The radar system complies with Japan's Radio Law and is shipped with national certification. Modification or use of a damaged radar unit is a legal violation and subject to penalties. If the radar is damaged, please contact an authorized Komatsu distributor for repair.

Geofencing

The PC200i-12 hydraulic excavator is also equipped with a new geofencing system that sets a virtual work restriction area around the machine. If the body or equipment approaches the restricted zone during operation, the machine automatically stops. Since the system incorporates elevation data, there is no need to reset the restriction area even when moving onto embankments. This helps avoid damage to overhead power lines, walls of nearby homes, and underground pipes, while also eliminating the need for monitoring personnel, thereby improving worksite safety.



Virtual restricted area defined by geofencing (illustration)



Elevation data automatically adjusts the restricted area

Rollover Prevention System for Articulated Dump Trucks

Articulated dump trucks are primarily used to transport earth and other materials at construction sites with uneven or rough terrain. Because the vehicle's center of gravity can shift while traveling over uneven ground or during dumping operations, reducing the risk of rollover is a critical safety concern. The HM460-6, launched in 2026, is equipped with a rollover prevention system designed to help reduce this risk. The system continuously monitors vehicle speed and operating conditions. When it detects conditions that may increase the risk of rollover during turning or dumping operations, it provides warnings to the operator and automatically controls vehicle speed and dumping functions. These features help enhance operational safety and reduce the likelihood of rollover incidents.



HM460-6 articulated dump truck traveling over rough terrain

KomVision, All Around Monitoring System

At construction jobsites, where conditions change daily as work progresses, workers from many different trades and construction equipment often operate in the same area, and the risk of contact between people and construction equipment is always present. The KomVision machine surround camera system uses four cameras installed at the front, rear, left, and right sides of construction equipment to display a bird's-eye view including the area around the vehicle on a large monitor in the operator's seat. This system has also been installed on two models: the WA470-11/WA480-11 wheel loaders launched in 2025 and the HM460-6 articulated dump truck launched in 2026. Both models have cab designs that reduce blind spots from the operator's seat. By supplementing forward visibility when starting, left and right visibility when turning, and rear visibility when reversing, this function further reduces blind spots and contributes to safe operation by helping operators avoid contact with people and objects and understand the surrounding terrain.



Bird's-eye view image of the WA470-11 wheel loader

Quality and reliability - Our responsibility to customers -

Komatsu's approach to manufacturing is based on the pursuit of quality and reliability, and on providing products that satisfy customers. To achieve this, Komatsu has adopted "Customer First" as its basic policy. We regard all functions, including development, production, sales, service, and administration, as integral to customer satisfaction, and continuously pursue reforms and improvements to maximize customer satisfaction.

Our basic approach to quality assurance

Komatsu's basic approach to quality assurance is to "ensure customer satisfaction by providing products that meet customer needs and effectively carrying out support activities to enable these products to fully perform their functions, through cooperation with affiliates, partner companies (suppliers), distributors, and others across all activities from planning, development, and production to sales and service."

Mechanisms for quality assurance

Komatsu employees across all areas of our operations, from product planning to development, manufacturing, sales, and after-sales service, work together as a single cohesive unit to continuously develop safe, innovative, and high-quality products. By further strengthening Komatsu's unique product development and manufacturing system, we are able to introduce highly competitive DANTOTSU Products (advancement of machines) to the market and provide distinctive services and systems.

At each step of the development and manufacturing process, various meetings and evaluations are conducted to assess conformity and promote activities aimed at achieving goals, thereby ensuring quality and reliability through quality assurance activities.

Through these efforts, Komatsu provides products and services that consider the global environment and comply with international standards and laws and regulations in various countries, while striving to ensure customer safety and improve customer satisfaction.



Structure for quality assurance

The majority of Komatsu's products, such as construction and mining equipment, utility equipment (compact machines), forest machines, and industrial machinery, are used as manufacturing equipment at customer work sites. These products are required to contribute to customers' operations with high utilization rates and productivity over long hours every day. Reflecting these product characteristics, Komatsu's sales and service staff visit customers directly to provide detailed advice and maintenance activities related to products and work methods. They also collect customer feedback and requests about the products and quickly relay this information to the relevant departments to enhance customer satisfaction.

Komatsu also maintains comprehensive databases on market information regarding product quality. Company staff are able to utilize this wealth of information to ensure the rapid resolution of quality-related issues, should they be raised.

Quality assurance activities at the global level

The goal of Komatsu's global quality assurance activities is to achieve a unified quality level at all locations worldwide. To this end, we engage in activities aimed at standardized technical drawings, manufacturing systems, inspection methods, information collection, and quality management across all regions.

Komatsu has a number of manufacturing facilities that it refers to as "Mother plants". These plants have product development capabilities and serve as the central hub for global product development initiatives using cutting-edge technologies and techniques. Any form of progress or advancement that is conceived at a "Mother plant" is immediately disseminated to other Komatsu manufacturing locations around the world, creating a uniform ecosystem that promotes technological development and enhances product quality.

Using ICT to provide lifecycle support

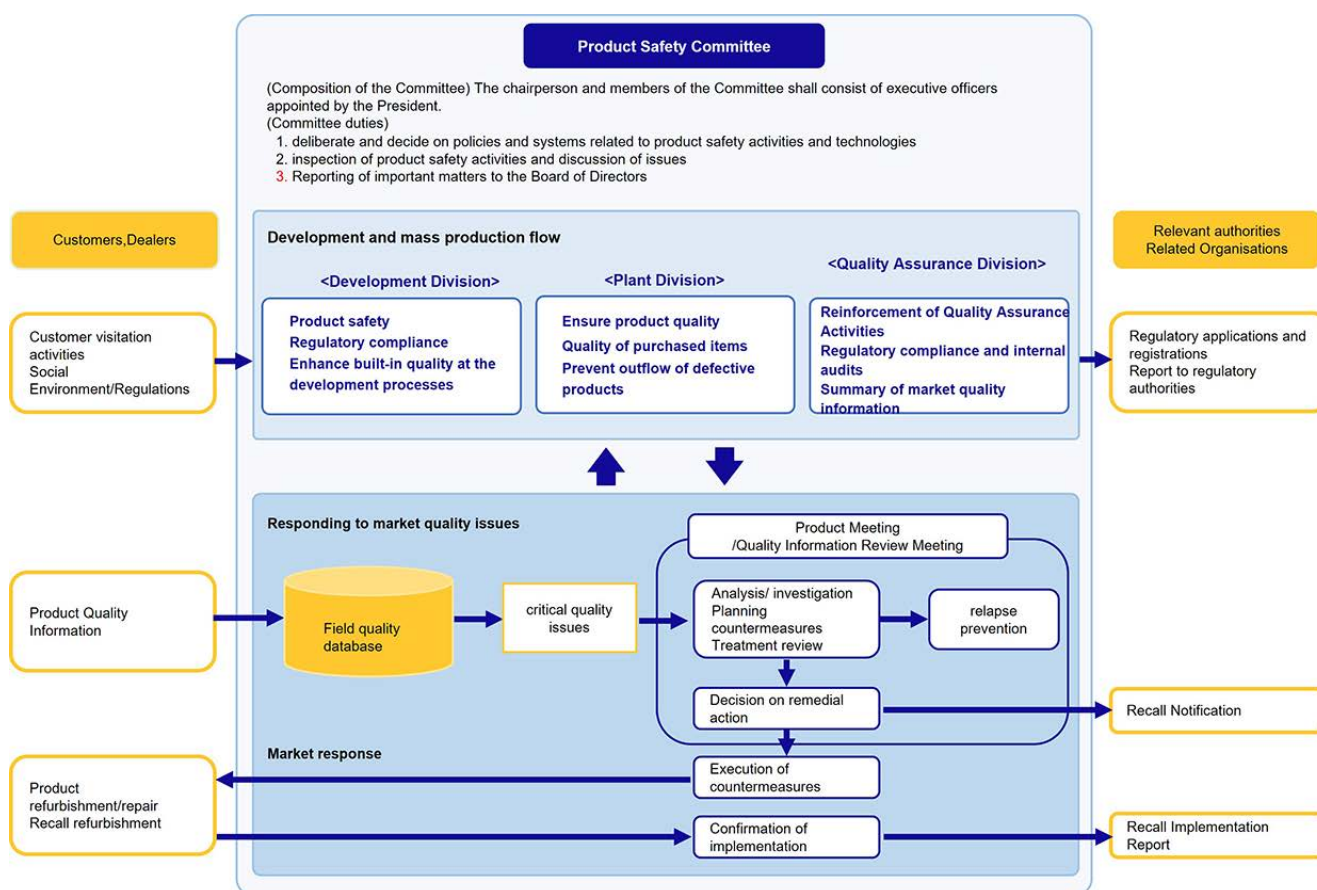
Komatsu equips its construction equipment with Komtrax and its large mining equipment with Komtrax Plus, ICT-based machine operation management systems. These systems enable Komatsu to track information such as the operating status and condition of vehicles, and to utilize this information in its products and services. In doing so, Komatsu contributes to providing support throughout the lifecycle, including improving the operating rates of customers' vehicles and reducing maintenance costs.

Promoting product safety activities to ensure safety and reliability

Komatsu prioritizes safety and reliability of our products as the most important issues in its quality assurance activities. By establishing product safety action standards and guidelines, and ensuring that all employees comply with them as a united team, we aim to provide products that are safe, reliable for long-term use.

Information system for product safety

To quickly detect product safety issues in the market, Komatsu has established an information system for product safety to ensure rapid responses. Centered around the company-wide product safety committee, we have built a system that allows for the rapid execution of a series of activities, including (1) analysis and handling of accident causes, (2) communication with relevant government authorities, and (3) making decisions on corrective measures such as product recalls, involving top management to continually make improvements.



Providing product safety information to customers

The methods for providing product safety information to customers are as follows:

1. Information on the product or in the user manual
2. Explanations provided by sales dealers to customers
3. Efforts made on a case-by-case basis, such as visits by engineers or top management to customers when necessary

Recall management system

Komatsu strictly oversees compliance with legal requirements. Should a defect be found in its products, the company initiates prompt correction measures and moves forward with proactive information disclosure, and strives to ensure safety in the market.

■ Recall procedures

1. Obtain defect information from the market
2. Proposal for rectification of the situation based on information regarding the defect; decision regarding what measures the company will take toward the market
3. File a notice with relevant authorities as provided under the law
4. Inform customers through appropriate channels
5. Take appropriate corrective measures including, for example, repairs, replacements
6. Grasp the progress situation of the corrective measures

■ Initiatives for proper recall management

1. Strengthening of information collecting systems on product quality in the market
2. Promotion of technical verification of the problem involved in the recall and timely decision making
3. Promotion of early resolution in compliance with laws and regulations (notification to authorities, information disclosure, recall collection, etc.)
4. Grasp the progress situation of the corrective measures
5. Regular auditing of recall-related operations

Komatsu strictly oversees compliance with legal requirements. Should a defect be found in its products or services, the company initiates prompt correction measures and moves forward with proactive information disclosure.

[DATA] Number of Recalls

	FY2023	FY2024	FY2025
Number of recalls issued (cases)	7	6	7
Number of units (units)	5,062	2,532	2,955

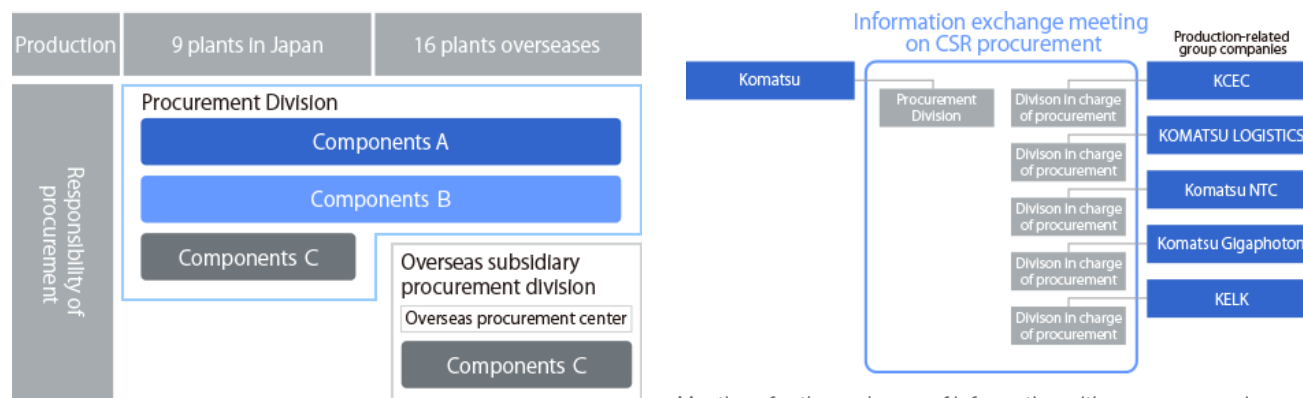
* Recalls: Figures cover models operable on public roads in Japan and represent the number of recall cases and units reported to the Ministry of Land, Infrastructure, Transport and Tourism.

Procurement promotion system and supply chain overview

Our business partners are important members of our value chain, who supply the materials, parts and components necessary for the continued operation of our manufacturing enterprise. At Komatsu, we aim to build a Win-Win relationship with our business partners by making interactive efforts under a relationship of mutual trust. Along with the expansion of our global operation, our supply chain has also been expanding all over the world. Taking seriously the recent gain of momentum for the spread of CSR in the overall supply chain, we are working to realize CSR procurement globally by being proactive in providing intense support for the CSR initiatives of our business partners.

1. Promotion system and human resource development in procurement departments

Komatsu employs a centralized procurement system where the Procurement Division deals with almost all the components and materials used in multiple plants in Japan. For overseas production, A- and B-category components as specified in the component categories described above are dealt with by the Procurement Division, and the C components are dealt with by the procurement departments of overseas subsidiaries. In addition, we have established an overseas procurement center within each site in the U.S., Europe, China, and Asia to ensure the penetration of the policies of the Procurement Division and ensure the consistency of the procurement activities of each overseas subsidiary. We are also using this system for global supply chain management and the promotion of CSR procurement. Furthermore, we hold meetings to exchange information with the procurement departments of production-related group companies on a regular basis to respond to common issues on a group-wide basis.



Meetings for the exchange of information with group companies

Allocation of procurement responsibilities at construction equipment production sites (excluding components and parts)

Developing procurement staff responsible for CSR procurement is also a key issue. The Komatsu Way – Procurement Edition outlines essential fundamentals for promoting global procurement, especially the core principles and code of conduct to keep in mind when working with partner companies. In addition, we have been facing significant changes in laws and regulations of Japan and other countries on business transactions, employment and labor, environmental protection, export control and other matters. Responsible persons from the procurement department are required to understand these trends and reflect them appropriately in their daily procurement activities. In 2025, Komatsu conducted compliance refresher training and human rights education for approximately 500 managers and other employees in the procurement division. This training aimed to update their understanding of CSR procurement and share the importance of further raising awareness across the entire division. Going forward, Komatsu continues to ensure thorough understanding through group training and e-learning tailored to each job class, from new employees to managers.

- Komatsu Way procurement**
1. Relationships with cooperative companies
 - (1) Cooperative companies are equal partners
 - (2) Keep communication
 2. Improvement of the level of cooperation with companies
 - (1) Procurement in the style of agricultural peoples
 - (2) Maintain tense relationships with cooperative companies
 3. The Mind Set of Buyers
 - (1) The procurement division is a representative of our company and related companies
 - (2) Suppliers shall be selected based on fair-mindedness and competition
 - (3) Do not return externally produced products to the company
 - (4) Do not reduce costs unreasonably
 - (5) Buyer's work sites are within cooperative companies

Komatsu Way procurement

2. Categories of procured items and components, and production and procurement policies

Komatsu's basic production policy is to manufacture products in the regions where they are in demand, and 50 of its 62 plants related to construction and mining equipment are located overseas.

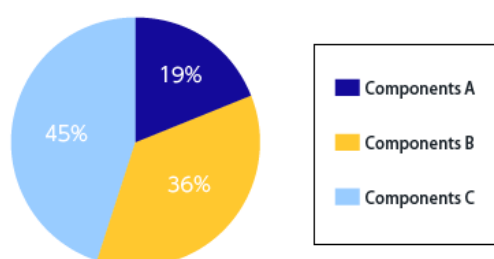
For components, parts, materials, and other items, we are proactively promoting local procurement based on production and procurement policies established according to the characteristics of each item. In particular, for B and C components, we aim to achieve globally optimal procurement by expanding cross-sourcing among regions so that we can respond flexibly to changes in the trade environment, such as exchange rate fluctuations, FTAs and EPAs, and import/export regulations.

Production and procurement policies for components and parts used in construction and mining equipment

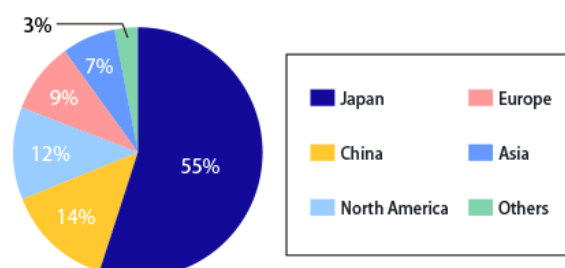
Category	Definition	Production and procurement policy	Examples of parts
Components A	Key components for differentiation that determine product quality and functions	Permanent development and production in Japan (supply from Japan to the world)	Engines, transmissions, axles, hydraulic equipment, and electronic equipment
Components B	Components that we need to purchase intensively from certified suppliers from the viewpoints of functions, quality, and investment	Optimal procurement from 2 or 3 regions in the world	Cabs, floor parts, cooling components, undercarriage parts, cylinders, high-pressure hoses, tires, rims, and operator's seats
Components C	Parts with relatively low levels of technological difficulty, which should desirably be produced or procured close to the assembly plant	Local procurement	Thick/ thin sheet-metal parts, machined parts, and cast and wrought products as materials

The breakdown of procurement in monetary terms in the construction and mining equipment business of the Komatsu Group in FY2023 is shown below.

Components Types by Percentage of Procurement in Monetary Terms



Origin of components by Percentage of Procurement in Monetary Terms



3. Supplier composition and the Komatsu Midori-kai

In its construction, mining and utility equipment business, Komatsu does business with approximately 2,500 suppliers (Tier 1 suppliers) worldwide. From among these suppliers, Komatsu selects priority suppliers through a screening process that considers ESG-related, country-specific, industry-specific and product-specific risks, as well as business relevance.

Among these priority suppliers, Komatsu selects those considered particularly important based on assessments of factors including their management fundamentals, including top management's philosophy; their SLQDC performance in business with Komatsu, including development and proposal capabilities; the importance of the items they supply from procurement strategy and technical perspectives; and the history and scale of their business with Komatsu. The companies selected through this process constitute Midori-kai. Midori-kai currently operates in five regions: Japan, China, Thailand, North America and Europe. Procurement from Midori-kai member companies accounts for 74% of Komatsu's total procurement by value in FY2025. Each regional Midori-kai works in collaboration with Komatsu's production plants in the region to promote activities that leverage local characteristics. Through regular meetings, each regional Midori-kai also promotes a better understanding of Komatsu's business and encourages active communication between Komatsu executives and the top management of member companies.

The Midori-kai Management Roundtable, held in Japan every November, is attended by many overseas member companies as well as member companies in Japan. At the meeting, Komatsu management provides an overview of its business and explains its global procurement policy and priority initiatives.

To support member companies in improving their competitiveness, member companies in Japan and China are organized into groups, or subcommittees, according to their industries and the types of items they supply. Each group selects common themes such as safety, the environment and advanced production technologies and works with Komatsu to promote improvement activities. Examples of improvements are shared among companies within the same group and rolled out across the group.

* SLQDC: abbreviation for Safety, compliance with the Law, Quality, Delivery and Cost



Global procurement meeting



General meeting

For more information on Komatsu's initiatives for Midori-kai member companies, please refer to the following page.

› [Support for Midori-kai member companies \(management and social initiatives\)](#)

› [Support for Midori-kai member companies \(environmental initiatives\)](#)

Breakdown of critical suppliers

Area		Number of Critical Suppliers							
		Total	Sub-contracted* ¹			Proprietary parts* ²			
			Invested by Komatsu	Highly dependent on business with Komatsu	Others	Invested by Komatsu	Highly dependent on business with Komatsu	Big enterprise	Trading firms / Materials
Midori-kai	Japan	155	6	86		2	7	43	11
	China	57	2	37	2	1	4	9	2
	Thailand	33		19		1		10	3
	North America	46	1	15	6		1	18	5
	Europe	30		4	13			11	2
	subtotal	321	9	161	21	4	12	91	23
Non Midori-kai	Japan	1	1						
	North America	1						1	
	Europe	1						1	
	Indonesia	4	1	1					2
	India	18		4				14	
	Vietnam	4		3			1		
	Philippines	1						1	
	subtotal	30	2	8	0	0	1	17	2
Total		351	11	169	21	4	13	108	25

*1 Business partners who manufacture goods based on drawings and/or specifications from Komatsu (mostly medium and small enterprises)

*2 Business partners who manufacture goods based on their own drawings and/or specifications (mostly major companies)

Classification and breakdown of critical suppliers

Category			Number and percentage of companies		Percentage of procurement amount
1	Total Tier 1 suppliers		2,553	100%	100%
2	Critical suppliers*	Level-3	351	14%	74%
3		Level-2	197	8%	63%
4		Level-1	15	1%	8%

* The classification levels of critical suppliers indicate the degree of Komatsu's involvement in their management.

Level-1: Critical suppliers that are highly dependent on business with Komatsu and in which Komatsu has an equity investment.

Level-2: Critical suppliers who highly depend on business with Komatsu.

Level-3: All critical suppliers.

Outline of procurement policy and supply chain

Our business partners, who supply materials, parts, components and other items, are important partners that support Komatsu's manufacturing activities. Based on relationships of mutual trust, Komatsu aims to build Win-Win relationships with its business partners through mutual efforts. As our business activities expand globally, our supply chain has also extended worldwide. Taking seriously the growing social expectations for promoting CSR throughout the entire supply chain, we are working to achieve global CSR procurement by proactively supporting the CSR initiatives of our business partners.

1. Basic policy for procurement

Komatsu's procurement policy is based on the philosophy of aiming to build a Win-Win relationship with our business partners, who are on an equal footing with us, and encouraging each other. The policy aims to evaluate and select suppliers in a fair and equitable manner from a SLQDC (Occupational health & Safety, Compliance with the Law, Quality, Production capacity & delivery and Cost competitiveness) and ESG perspective.

As evaluation criteria for selecting suppliers and reviewing ongoing transactions with them, the General Manager of Komatsu's Procurement Division has established the CSR Procurement Guidelines and Green Procurement Guidelines based on the basic policy approved by the Sustainability Promotion Committee, and Komatsu publishes these guidelines on its website. Komatsu also communicates these guidelines to its business partners and requests that they act in accordance with the intent of the guidelines in their business activities. In addition, Komatsu's basic transaction agreements clearly stipulate, as contractual compliance obligations, compliance with Komatsu's Human Rights Policy, CSR Procurement Guidelines, and Green Procurement Guidelines. Komatsu also provides support and guidance necessary for compliance with both guidelines. Examples of such support and guidance include the following:

- Providing employee education curriculum and training on relevant laws and international rules.
- Offering support to help suppliers build a promotion system (e.g., formulating operation rules), auditing and advising on the operation status.
- Awarding prizes and rewards to business partners that have made significant progress in CSR activities.

2. CSR procurement guidelines

To promote CSR activities throughout the supply chain, Komatsu established and published the "CSR Procurement Guidelines" in 2011. These guidelines summarize the matters that Komatsu requests its business partners to address, in line with international guidance such as ISO 26000 and the Ten Principles of the United Nations Global Compact, while also incorporating Komatsu's Worldwide Code of Business Conduct and the concept of the Komatsu Way. The guidelines cover a broad range of ESG-related issues, including corporate governance, compliance, the environment, human rights and labor, information security measures, corporate ethics, social contribution, and coexistence with local communities. Efforts to comply with these guidelines are also incorporated into transaction agreements with business partners. If a clear violation of, or situation of non-compliance with, these guidelines is identified at a business partner and appropriate corrective measures are not taken within the designated timeframe, Komatsu may suspend or terminate transactions with that business partner.

Request to business partners regarding the guidelines

In accordance with the Komatsu's Worldwide Code of Business Conduct (established in 1988), all companies of the Komatsu Group have worked together in pursuit of thorough compliance. Moreover, Komatsu has focused on corporate social responsibility (CSR) in its business management with the aim of coexisting with society and achieving sustainable growth. As part of this effort, Komatsu has participated in the Global Compact, a voluntary principle of action in relation to "human rights, labor, environment and prevention of corruption" advocated by the United Nations, since November 2008 and has also expressed its position as a global enterprise on critical issues confronting international society faces.

Against this backdrop, ISO26000 was officially issued in November 2010 to provide international guidance on social responsibility. Komatsu sincerely reacts to the issues set forth in ISO26000 and will exercise leadership so that social responsibility will be borne throughout the entire value chain.

According to the Komatsu's Worldwide Code of Business Conduct, we shall "seek to establish long-lasting stable relationships on the basis of mutual trust" by considering business partners to be important partners of the Komatsu Group. The revision in April 2011 added statements that we shall encourage business partners to follow the spirit of Komatsu's Worldwide Code of Business Conduct and that the criteria for the selection of business partners shall include their compliance with rules of business society.

The CSR Procurement Guidelines contain a list of practices recommended for our business partners in line with the basic policy above, covering compliance and CSR. Since its establishment in 2011, we have revised it to address new issues that meet the social needs. Companies of the Komatsu Group are kindly requested to take note of and incorporate the guidelines into their management principles and unfailingly promote CSR. Moreover, we hope that these companies make similar requests to their suppliers.

April 1, 2025

Daisuke Ban, President of Komatsu Procurement Division

Komatsu group CSR procurement guidelines

(Established on August 30, 2011; revised on April 1, 2019; revised on April 1, 2021; revised on April 1, 2024; revised on July 1, 2026)

1. Operations for sound management

- (1) Build a system or operational structure designed to meet various risks.
- (2) Establish legal and transparent decision-making processes concerning management.
- (3) Conduct appropriate accounting procedures, tax filing and settlement of accounts.
- (4) Place importance on communication with stakeholders (customers, shareholders, business partners, employees, community etc.).
- (5) Ensure that top management will be notified promptly when any abnormal condition develops and that your company will be able to promptly and accurately respond to the situation(s).
- (6) Fulfill accountability to society through active disclosure of corporate information.
- (7) Properly handle the personal information of customers, business partners and employees. Take appropriate measures for information security to ensure that the confidential business information provided by Komatsu or by business partners will not be leaked, lost or destroyed.
- (8) Create an effective BCP so that, even in the event of large-scale natural disaster, infectious disease pandemic or any other emergency, we can appropriately take initial measures to ensure the safety of employees, quickly restore business operations and fulfill our responsibility to supply customers with products.

2. Thorough enforcement of compliance

- (1) Engage in business operations while complying with the laws and regulations, as well as the rules of the business community in the countries and regions where we conduct business operations. In addition, make efforts to respect internationally accepted standards.
- (2) Define a code of conduct, comprising company rules, under the leadership of senior management, and develop a corporate climate that places top priority on compliance.
- (3) Establish a compliance regime, in accordance with the scale and characteristics of the company, that prevents the company, executives, and employees from engaging in illegal conduct, and promptly addresses situations where issues have occurred (e.g. a whistle-blowing system).
- (4) Prohibit all forms of corrupt conduct, including fraud, extortion, collusion, money laundering, misleading representation, and false reporting.

3. Product safety, QCD and technology innovation

- (1) Comply with the laws and regulations concerning product safety and deliver products and services which will offer safety and peace of mind to customers.
- (2) In addition to maintaining the quality and cost competitiveness of products and services which your company delivers to customers, stand by the agreed upon date of delivery and supply your products in a stable manner.
- (3) Establish a quality management system and make efforts to maintain and improve it.
- (4) Constantly engage in technology development and provide innovative, safe and environmental-friendly products and services.

4. Considerations for the environment

- (1) Continue efforts to reduce environmental impact resulting from business operations.
- (2) Appropriately manage chemical substances contained in products.
- (3) Build up environmental management systems such as the ISO14000 series and "Eco Stage."
- (4) Pollutant air and water, other wastes, noise, vibration, etc. that affect the health and living environment of community, must be appropriately managed and disposed of in accordance with relevant laws and regulations.

5. Measures to respect human rights, appropriate labor conditions and occupational safety and health

- (1) Respect human rights including the rights to freedom of association and collective bargaining.
- (2) Never get involved, directly or indirectly, in any child or forced labor.
- (3) Create a work environment where there is no discrimination or harassment in any aspect of employment.
- (4) Respect the rights of workers, through payment of fair wages and proper working hours management.
- (5) Establish a system for occupational labor health and safety, under the leadership of top management, and create a working environment where all employees can work safely and healthily.
- (6) Establish fair and equitable human resource system, and pay attention to human resource development and employee education as well.
- (7) Give consideration to improving communication between top management and employees.
- (8) Prevent using raw materials (such as conflict minerals, deforestation, etc.) that may cause social issues by combining environment and human rights.

6. Fair business practices

- (1) Comply with all related laws and regulations and engage in free and fair competition and business transactions.
- (2) Respect intellectual properties of other parties and work to prevent infringement thereof.
- (3) Never offer, provide, or accept bribes, facilitation payments, excessive entertainment or gifts, or any other inappropriate money, goods, or benefits to or from public officials or stakeholders, including customers, transaction partners, and other business partners, either domestically or internationally.
- (4) Carry out proper foreign trade transactions (goods and technologies) while complying with the related laws and regulations.
- (5) Never have any relationship with antisocial forces or groups.
- (6) Never engage in any transactions that may result in a conflict of interest or that may have the potential.

7. Social contributions and co-existence with the local community

- (1) Engage in social contribution activities based on your company's management principle(s) and support employees' volunteer activities.
- (2) Place importance on co-existence with local communities which is the foundation of your business, and proactively support the growth of local communities.

8. Spread of the guidelines throughout the entire supply chain

- (1) Encourage the company's own business partners to comply with the items stipulated in these guidelines, and make efforts to ensure that the guidelines are disseminated throughout the entire supply chain.
- (2) Understand the purpose of these guidelines, and communicate and disseminate them to the company's officers and employees, affiliated companies, contractors, and secondary and subsequent suppliers.
- (3) If Komatsu determines it necessary, actively cooperate with self-inspections, surveys, submission of materials, interviews, and other activities related to the status of compliance with these guidelines.
- (4) If any fact that violates these guidelines, or any risk thereof, is identified, promptly report it to Komatsu, investigate the cause, and implement corrective measures and measures to prevent recurrence.
- (5) If a serious violation is identified, or if corrective measures are not taken within a reasonable period, Komatsu may review the transaction.

* These guidelines will be revised as needed.

3. Green procurement guidelines

The Green Procurement Guidelines are a supplementary addition to the environment-related issues included in the CSR Procurement Guidelines. In 1992, Komatsu established the "Komatsu Earth and Environment Policy," declaring its commitment to environmentally conscious business activities to achieve a sustainable society.

Through these guidelines, we prioritize green procurement of raw materials and procured components/parts, which are essential elements in our production. We also encourage our business partners to engage in environmental management and activities to reduce environmental impact.

[▶ Komatsu green procurement guidelines\(1.25MB\)](#)

In relation to these guidelines, we have also conducted the following surveys in our supply chain.

(1) Conflict minerals (U.S. Dodd-Frank Act)

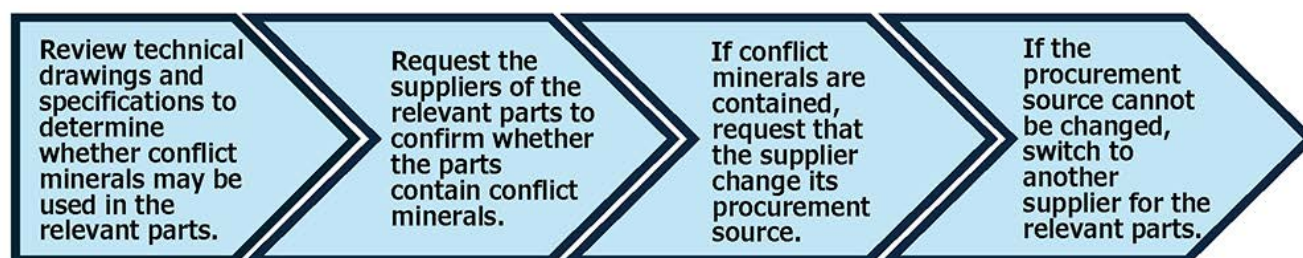
From a CSR perspective, Komatsu has established a policy of not using “conflict minerals,” such as tin, tantalum, tungsten and gold (3TG), originating from the Democratic Republic of the Congo and its adjoining countries. Komatsu communicates this policy to its business partners through its Green Procurement Guidelines.

From 2011 to 2014, Komatsu conducted surveys using the Japan Auto Parts Industries Association (JAPIA) survey template, known as the JAPIA Sheet, for each part supplied by its business partners. The surveys examined the quantities of the relevant minerals contained in each part and their countries of origin, including the identification of upstream smelters/refiners.

As a result, Komatsu determined that the quantities of the relevant minerals used in its products were negligible and that there had been no use of “conflict minerals” in its products. Since then, under the direction of the Head of the Procurement Division, the Procurement Planning Department has continued to follow up on this matter by including relevant questions in CSR-related SAQ surveys, human rights due diligence surveys and other surveys. Komatsu has also expanded the scope of matters that can be reported or raised for consultation through Komatsu’s whistleblowing system for suppliers to include matters concerning conflict minerals.

Going forward, if Komatsu or any of its business partners is found to be using “conflict minerals,” Komatsu will promptly take steps to ensure that sourcing is switched to RMI-certified smelters/refiners.

Procedures for identifying and responding to risks related to the use of conflict minerals



(2) REACH regulation

The REACH Regulation governs the registration, evaluation, authorization and restriction of chemicals in the EU. Companies that manufacture substances subject to the Regulation within the EU or export finished products containing such substances to the EU are required to comply with the Regulation, including by registering the substances and applying for authorization where the annual volumes used exceed prescribed thresholds. The substances subject to the Regulation are continually expanded, with additional Substances of Very High Concern (SVHCs) contained in products being designated each year.

As with its response to conflict minerals, Komatsu uses JAPIA Sheets to survey, on a part-by-part basis, the quantities of regulated substances contained in parts supplied by its business partners and reports the results to the relevant EU authorities. In collaboration with its business partners, Komatsu is also working to reduce the use of SVHCs and replace them with alternative substances whose safety has been confirmed.

4. Declaration of Partnership Building

The Declaration of Partnership Building is a voluntary code of conduct under which large companies, as parent enterprises, declare that they will collaborate and cooperate with small and medium-sized enterprises (SMEs) through fair transactions, with the aim of enhancing added value across the entire supply chain and achieving coexistence and co-prosperity between large companies and SMEs.

In support of this initiative promoted by the Cabinet Office, the Small and Medium Enterprise Agency, and various economic organizations, Komatsu announced its own declaration in August 2020. Since then, Komatsu has revised the declaration by adding items such as the basic principles for transactions involving molds and dies and efforts to disseminate the content of the declaration throughout the entire supply chain.

Komatsu complies with the provisions set forth in the Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors and in the Promotion Standards under the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises. Komatsu will also continue to support the strengthening of its business partners' business foundations by helping them enhance productivity and improve operational efficiency through the use of ICT, as well as by providing various training and education programs.

In July 2022, the basic principles (Article 3) of the Act on the Promotion of Subcontracting Small and Medium-sized Enterprises were revised. In response, Komatsu issued a letter to all domestic Tier-1 suppliers, including sub-materials suppliers, encouraging them to reflect fluctuating raw material, energy, and labor costs in product prices. We are actively promoting the optimization of purchasing prices. In 2024, we also held price negotiations with 1,207 suppliers and actively implemented necessary price revisions. Since 2025, we have continued to hold price negotiations with our suppliers at least once a year.

In January 2023, we launched the "Supplier Portal (KOMATSU Global portal)," a website for sharing information with our business partners. This site allows both our employees and business partners to share daily order and production data, and utilize tools that facilitate data processing and analysis. By using this portal, it is possible to detect fluctuations in production and orders, and anticipate the demand for intermittent production parts. Additionally, it enables the monitoring of management indicators such as delivery date achievement rates and defect rates. As of May 2026, approximately 1,100 companies are using the portal. Going forward, we will continue to enhance its functionality and expand its content as we work to strengthen information sharing.



Logo of "Declaration of Partnership Building"

[> Komatsu's "Declaration of Partnership Building" *only available in Japanese \(152KB\)
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The "Declaration of Partnership Building" is also available on the website below.

[> National association of small and Medium enterprise promotion organizations *only available in Japanese
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Risk Assessment in the supply chain

Procurement from business partners accounts for a substantial percentage of Komatsu's manufacturing costs, reaching nearly 90% for medium-sized hydraulic excavators, a representative type of construction equipment. Therefore, to ensure the stable continuation of its business activities, it is essential for Komatsu to identify and respond to supply chain risks at an early stage. Supply chain risks are wide-ranging and include the management and SLQDC status of individual business partners, natural disasters and pandemics, international trade friction, and import and export restrictions. Komatsu visualizes risks through regular risk assessments, particularly for critical suppliers, and undertakes activities to mitigate those risks.

In Japan, Komatsu monitors the workload levels of Midori-kai (cooperating supplier companies) on a monthly basis, closely monitors the impact on the management of each company, and provides support as necessary. In 2024, caps on overtime work were extended to the transportation industry, raising concerns about a nationwide shortage of transportation capacity. In 2020, Komatsu announced a voluntary action declaration to improve logistics through mutual understanding and cooperation with business partners and logistics service providers and joined the "White Logistics" promotion campaign led by the Ministry of Land, Infrastructure, Transport and Tourism. Komatsu continues to work toward sustainable logistics by reducing long-distance transportation through modal shifts, optimizing unloading-area layouts to reduce drivers' working hours, and striving to establish appropriate freight rates.

1. Commencement of business with new suppliers

When determining whether to commence business with a new business partner, Komatsu conducts a preliminary assessment of the prospective company using the new supplier evaluation checklist. The assessment covers not only the basic SLQDC criteria but also ESG considerations and is conducted through the review of publicly available information, interviews with the prospective company, on-site audits of its business locations, and other means.

Compliance with the aforementioned CSR Procurement Guidelines and an understanding of the Green Procurement Guidelines are also included in the evaluation criteria. The ESG category is assigned the highest weighting among the evaluation categories. Komatsu gives priority to commencing procurement from business partners with strong ESG performance.

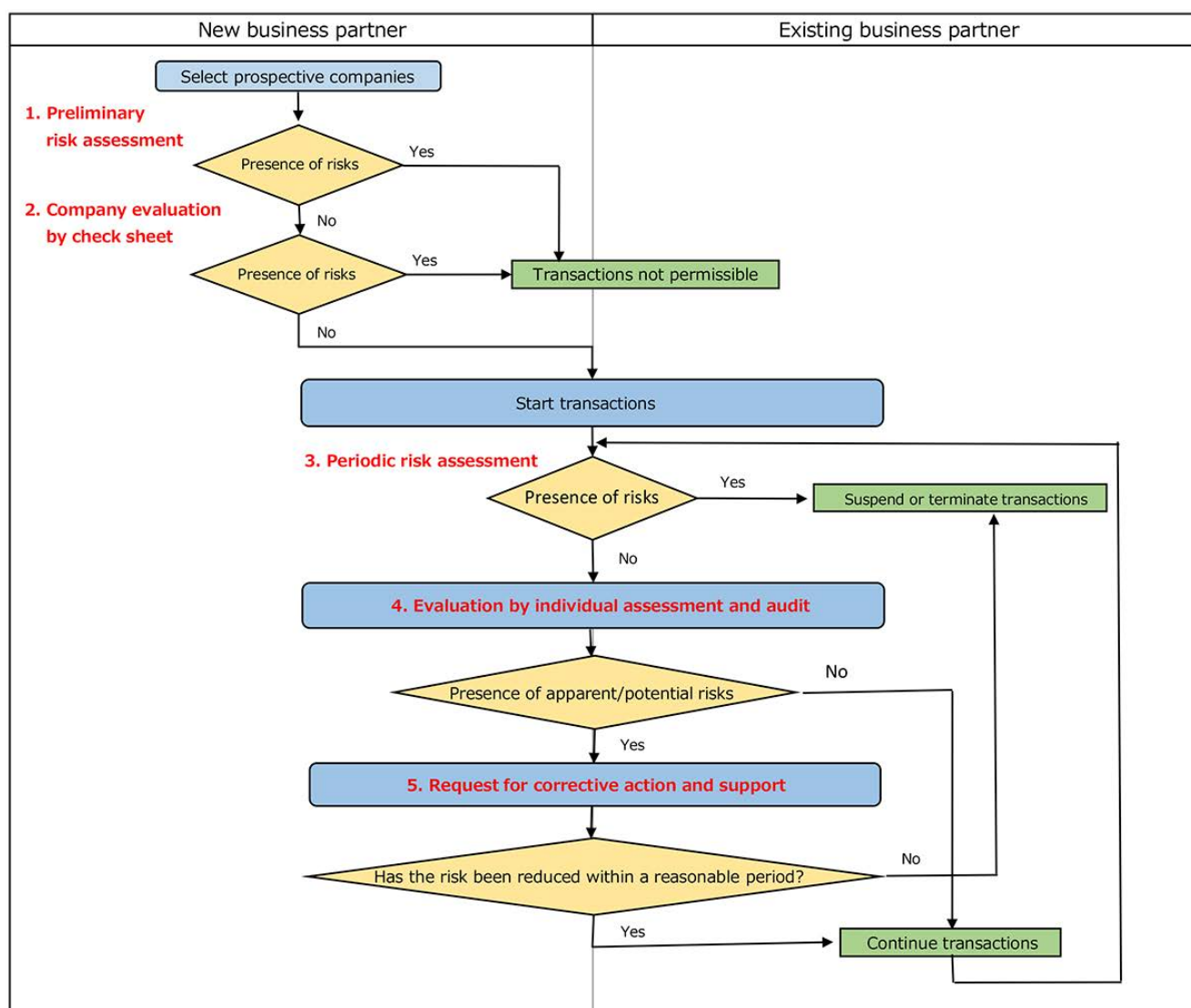
Weighting of criteria for new supplier evaluations

Category	Evaluation criteria	Weight (%)
ESG	Occupational health and safety, environment, compliance, export control, and information security	26%
General management	Management policy, organizational structure, financial soundness, employee education and training, etc.	25%
Production capacity	Systems for production planning, progress control, and delivery management; procurement capabilities; subcontractor management, etc.	21%
Technical superiority	Development capabilities, cost competitiveness, equipment maintenance capabilities, etc.	16%
Quality	Quality assurance systems, on-site management, initial product management, etc.	12%
Total		100%

2. Risk assessment process for business partners

We conduct regular risk assessments of new and existing business partners from a compliance perspective, using specialized external databases. These assessments verify whether business partners are classified as high-risk customers, located in regulated countries, or associated with regulated items and technologies in terms of export control, and whether they are connected with or involved in anti-social forces. For management status, mainly from a financial perspective, we conduct verification using publicly available information and questionnaire surveys as appropriate. For new business partners and existing companies of concern, we also use private credit research companies and other sources to conduct additional verification. From CSR and ESG perspectives, we regularly check the websites of government agencies and relevant local authorities to verify whether there have been any violations of occupational health and environmental laws and regulations, antimonopoly laws, subcontracting laws, immigration laws, and other applicable laws and regulations. In addition, as part of our response to risks related to raw material procurement in the construction and mining equipment industry, we continue to conduct country-of-origin surveys for conflict minerals.

Risk assessment process for business partners



Key risk assessments and implementation status for suppliers

Category	No	Objective		Content	Measures to check	Frequency	Target (○ to be implemented)					Implementation status in FY2025*1		
							Critical suppliers (Tier 1 suppliers only)			Other Tier 1 suppliers		Number of companies	Number of companies subject to individual follow-up	Number of companies with completed or planned corrective actions
							Level-1	Level-2	Level-3	Japan	Overseas			
Compliance	1	Determine companies of concern for export control.		Check whether the company falls under or is related to the list of companies of concern published by Japanese and overseas government agencies.	Chaser search in the CISTEC database.	Once a year	○	○	○	○	○	1,108	0	-
	2	Determine association with anti-social forces.		Check whether the company falls under or is related to anti-social forces.	Verify through public information and specialized agencies.	Twice a year	○	○	○	○	○	2,246	0	-
Management	3	Confirm management status.	Credit investigation	Confirm management and financial status.	Public financial information and reports from private credit investigation agencies.	As needed	○	○	○	○	○	1,398	0	-
	4		Periodic survey of business conditions	Surveys on profit and loss, employment, operation rate, investment, and overall management.	Questionnaires	Quarterly	○	○						
ESG	5	Check for violations of labor, environment, antitrust, subcontracting, immigration, and other laws and regulations.			Search for cases of violations announced by the Labor Standards Bureau, local governments, Japan Fair Trade Commission, Immigration Bureau, etc.	Monthly	○ (Japan)	○ (Japan)	○ (Japan)	○		2,246	0	-
BCP	6	Identify any risk of natural disasters (flooding, tsunami, landslide, etc.) based on business location.			Check hazard maps published by the Ministry of Land, Infrastructure, Transportation and Tourism, and Aqueduct.	Once every 3 years	○	○	○	○	○	1,326 (Japan)	0	-

*1 If annual surveys are not performed, the most recent survey results are shown.

3. Risk assessment, audit, and support for corrective and improvement activities for key business partners

To address potential risks in the supply chain, Komatsu conducts risk assessments and audits in individual areas of business activities, in addition to the assessments described above, according to the importance of each business partner to Komatsu. These risk assessments and audits are conducted by Komatsu experts through desktop surveys and on-site surveys. The table below outlines the content, scope, and implementation status of these assessments and audits in FY2025.

Actual and potential ESG risks identified through these risk assessments and audits are reported to the relevant business partners based on verification through on-site audits. Komatsu requests these business partners to develop corrective plans, implement appropriate measures within a reasonable period, and monitors their progress. If it is determined that it would be difficult for the relevant business partner to take corrective action independently, Komatsu provides improvement guidance and support upon request from the business partner, with the cooperation of Komatsu experts. In FY2025, Komatsu provided support to nine companies. In FY2025, no business partners had their transactions terminated due to significant negative impacts identified through risk assessments, audits, or corrective actions.

The status and results of these processes are reported regularly by the Procurement Division to Komatsu management through monthly reports. For risks deemed particularly important, the reports also include details of the risks and the progress of corrective measures.

Komatsu also strives to maintain consistency between its supplier code of conduct and purchasing activities by feeding back the results of these assessments and audits into its actual purchasing policies.

In parallel with these individual corrective activities, Komatsu also supports business partners in improving their overall understanding of, and response capabilities for, CSR activities by providing various education and training programs for employees, as well as publishing and providing e-learning materials.

In FY2025, Komatsu also provided training on human rights and D&I to 510 employees as part of employee education.

For environmental management and occupational safety and health activities, Komatsu also recommends obtaining official certifications from external third-party organizations to enhance each company's promotion system.

Major individual risk assessments and audits of business partners

Category	No.	Content	Methods	Frequency	Target (○ to be implemented)					Implementation status in FY2025		
					Critical suppliers (Tier 1 suppliers only)			Other Tier 1 suppliers		Number of companies	Number of companies with corrective action plans formulated	Number of companies with corrective actions completed
					Level-1	Level-2	Level-3	Japan	Overseas			
General	1	(1) Interaction among company leaders at regular meetings.	Meeting	Twice a year						321	-	-
		(2) Promote activities to improve productivity, energy conservation, etc. through subcommittees.	Plant visit, activity briefing, etc.	all-year	○	○	○			212	-	-

Category	No.	Content		Methods	Frequency	Target (○ to be implemented)					Implementation status in FY2025		
						Critical suppliers (Tier 1 suppliers only)			Other Tier 1 suppliers		Number of companies	Number of companies with corrective action plans formulated	Number of companies with corrective actions completed
						Level-1	Level-2	Level-3	Japan	Overseas			
Management and QCD	2	Corporate evaluation	Evaluate annual SLQDC and ESG performance	KPI result	Annually	○	○	○			321	0	0
			Evaluate the factor about the above and corporate management	KPI result, management interview		○	○				98	0	0
	3	Quality audit and heat treatment audit (only for companies with safety parts and heat treatment processes)	Confirm quality assurance system and process control status.	Written survey, onsite audit, voucher check, etc.	Annually (designated companies)	○	○	○	○	○	Heat treatment audit 339	0	0
	4	Monthly operation capacity check	Confirm monthly operation capacity forecast and the way to forecast.	Written survey, management interview	Monthly	○ Japan	○ Japan				80*1	0	0
Compliance and ESG	5	Compliance risk (CR) audit on important process	Identify potential risks in the areas of accounting and finance, labor management, procurement (subcontracting law), and information security.	Written survey, onsite audit, voucher check, etc.	Once every 2 years	○					9	6	6
	6	Survey on the employment status of overseas workers	Survey on compliance with laws and regulations regarding employment of overseas workers (including trainees).	Questionnaire and interview	Annually	○	○				2	0	0
	7	Occupational health and safety level assessment (including compliance check)	Confirm organizational structure to promote occupational safety and health activities, compliance with labor-related laws and regulations, and evaluation of activities.	Onsite audit such as safety patrol, interview with management and safety managers, etc.	Twice a year	○	○				98	3	3
	8	Promote acquisition of environmental management system (EMS) and environmental education	Mandate acquisition of third-party certification for environmental management	Written survey, onsite audit, Interview with management and environmental officers, etc.	Annually	○	○	○ EMS			155	0	0
			Dissemination of the latest revisions to environmental laws and regulations	Operational liaison meetings and bulletin boards	Monthly	○	○				155*1	-	-
	9	CSR SAQ survey	Self-assessment of overall CSR using a checklist.		Once every 3 years	○	○	○			-	-	-
	10	Risk survey on human rights	Self-assessment focused on human rights and occupational health and safety using a checklist.	Questionnaire and interview	Once every 2 years	○	○	○			4	0	0

*1 If risks are anticipated, conduct additional checks with Tier 2 and subsequent suppliers.

Examples of corrective action support for business partners

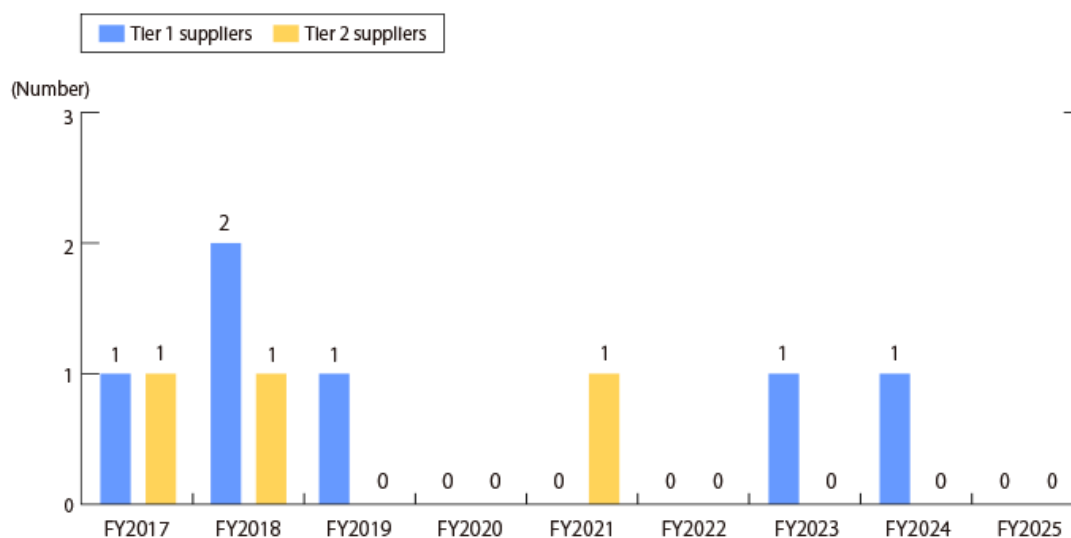
Category	No.	Major support	Content
Management	1	Cash management support	Advance payment, cash payment, etc.
			Purchase of excess inventory, advanced ordering & receiving, etc.
			Purchase of production equipment, lending, etc.
	2	Human resource support	Dispatch of managers and technical instructors on secondment, acceptance of training at our company, etc.
	3	Provision of education and training programs	For managers and general employees

4. Komatsu's whistleblowing system for suppliers

Komatsu established a whistleblowing system for suppliers in March 2017 to receive reports on compliance violations in the procurement activities of the Komatsu Group and on the use of conflict minerals. Matters reported through dedicated internal and external reporting channels are verified and investigated by a department in a neutral position, leading promptly to corrective measures. Komatsu declares that it will not treat partner companies that submit reports disadvantageously because they have made such reports.

[› Komatsu's whistleblowing system for suppliers\(171KB\)](#)

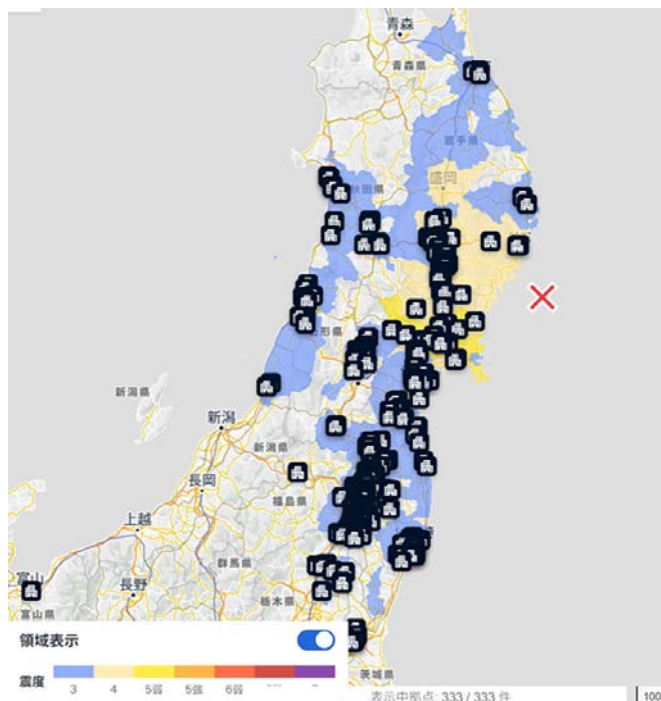
Changes in reported cases



5. Supply chain BCP risk management

In recent years, risks surrounding the supply chain have become increasingly diverse and complex. In addition to natural disasters such as earthquakes, tsunamis, typhoons, and heavy rainfall, these risks include the spread of infectious diseases, geopolitical risks, and disruptions to logistics networks. To minimize the impact of these risks on our business and maintain stable production activities, we had been operating a proprietary supply chain risk management system developed in-house following the Great East Japan Earthquake. To further enhance its capabilities, we replaced this system with "Spectee SCR" in 2025.

Approximately 24,000 business partners in Japan and overseas are registered in Spectee SCR. The system centrally manages information such as company locations and production sites and links this information with data on earthquakes, tsunamis, typhoons, heavy rainfall, landslides, volcanic activity, and other disasters. By quickly identifying business partners that may be affected and assessing potential impacts on logistics networks, the system enables the early detection of supply chain risks and a faster initial response.



Sample screen of Spectee SCR

For critical components, we are also working to visualize information on secondary and subsequent suppliers in addition to Tier 1 suppliers. At the same time, we continuously monitor components and processes with a high risk of supply disruption. Drawing on our experience of past disasters, we consider alternative suppliers, review inventory strategies as necessary, and take measures to reduce the risk of supply interruptions.

For semiconductors, electronic components, and other critical parts that are particularly susceptible to geopolitical risks, we are strengthening our stable procurement structure by promoting multi-sourcing, evaluating and adopting alternative components, and maintaining appropriate inventory levels. We are also optimizing our global procurement network and promoting geographically diversified procurement to reduce the risks associated with dependence on specific regions.

Going forward, we will continue to visualize supply chain risks and conduct ongoing monitoring as we build a resilient supply chain capable of withstanding disasters and changes in social conditions, thereby further enhancing our business continuity capabilities.



Disaster recovery support (lending electric generators)



Disaster recovery support (assisting the centering of working machines)



Information security measures in the supply chain are also an urgent issue. In 2021, Komatsu established information security guidelines for business partners to clarify the standards we require of our suppliers. We also provided e-learning education to 155 Midori-kai companies in Japan. At the same time, we conducted security assessments using self-check sheets, and followed up individually with suppliers where issues were identified. Starting in 2024, we have also begun recommending and promoting the implementation of Endpoint Detection and Response (EDR) solutions—which include behavior-based threat detection—to Midori-kai subcontractors in Japan, further strengthening security measures across the entire supply chain.

Implementation status of information security self-check

	FY2022	FY2023	FY2024
Number of companies implementing self-check sheets	156	156	155

* Shifted from a company-wide approach to an individualized approach as of FY2023.

6. Awareness building activities to ensure the penetration of CSR into the supply chain

To raise our business partners' awareness of Komatsu's CSR procurement guidelines, we are carrying out awareness building activities around Compliance and BCP at the Komatsu Midori-kai meetings and monthly business meetings held in each office. In addition, "CSR Report" issued for Midori-kai member companies shares CSR-related "Everybody's Compliance" articles which are published for the employees of the Komatsu Group, and information regarding the revision of related laws and regulations in Japan and other countries. To ensure the further penetration of CSR in the supply chain, from FY2021 onward, we have conducted an SAQ survey on CSR activities using the standard survey tool released by the Global Compact Network Japan (GCNJ), of which Komatsu is a participant. The survey targeted 156 Midori-kai companies in Japan, and responses were received from 153 companies. Through this survey, we confirmed that 95% of the responding companies were aware of our CSR Procurement Guidelines.

Moreover, in FY2022, as part of our human rights due diligence, we conducted a human rights risk survey across a total of 292 Midori-kai companies in Japan and overseas. Based on the UN Guiding Principles on Business and Human Rights and other international norms, we collected responses on a dedicated website regarding the status of human rights initiatives in 11 categories, including human rights management, occupational safety and health, and working conditions. To ensure objectivity, the entire survey process from question formulation to results analysis was conducted and overseen by outside experts. We prepared company-specific reports translated into the respective local languages, outlining the issues identified through the assessment and the corresponding responses, and provided individual feedback.

In FY2023, we visited five Midori-kai companies in Japan and conducted interviews and discussions, together with external experts, to develop human rights guidelines for our business partners. In FY2024, under the guidance of external experts, we began preparatory activities to address disclosure requirements and due diligence expectations, particularly in Europe. In FY2025, as part of our preparations to respond to the EU Corporate Sustainability Due Diligence Directive (CSDDD), we visited the Japanese headquarters of four companies within Japan Midori-kai that have production sites in India and Indonesia. Through interviews and discussions, we exchanged views on how they manage human rights and environmental matters in those regions.

Questionnaire items

No	Themes	Questionnaire items
1	Human rights management	Commitment to human rights, establishing human rights due diligence system, complaint handling mechanisms
2	Work environment and human rights	Prohibition of discrimination and inhumane treatment, prohibition of child labor and consideration for young workers, prohibition of forced labor Employment and labor relations, personal information protection, proper management of working hours, welfare, wages, respect for workers' rights to organize
3	Occupational health and safety	Occupational health and safety policies and management, workplace safety measures and environmental improvements, measures to address workers' health risks
4	Community impact	Impact on the community

Support for Midori-kai member companies (management and social initiatives)

Komatsu supports Midori-kai member companies, which are key business partners, in a variety of ways. The main initiatives carried out to date are described below.

1. Safety

Komatsu provides support for the establishment of safety activity systems and the improvement of activity levels at 98 companies, mainly subcontractors in Japan Midori-kai. The support includes continuous safety patrols by specialists from Komatsu, the sharing and horizontal deployment of occupational accident cases and safety measures from other companies, the introduction of management systems, and other activities. These activities are also carried out at China Midori-kai.

In addition, due to labor shortages at business partners, there has been an increase in the number of foreign workers, senior workers, and women working at worksites, and some workers from these groups have been involved in occupational accidents. In response, Komatsu has continued to provide support by making safety and health-related documents, such as work standards, available in multiple languages and creating workplace environments that are less physically demanding for senior workers and female employees.

In addition, to help prevent accidents before they occur, Komatsu has been sharing accident cases and flash reports from other companies with workplace workers at Midori-kai member companies. However, because text-only information led to differences in how workers understood the circumstances and risks of accidents, Komatsu created and rolled out AI-based reenactment videos and explanatory videos to improve workers' understanding. Komatsu also prepared tools that enable workers to horizontally deploy this information to their own departments. To support foreign workers, these videos have been translated into 13 languages.

(1) Komatsu experts conducting safety patrols

Using check sheets and on-site patrols, Komatsu conducts document reviews and workplace checks to confirm compliance with legal requirements, such as notifications and inspections, as well as the presence of unsafe areas and unsafe behavior at worksites. If any issues are identified, Komatsu requests the submission of a countermeasure report that details measures to prevent recurrence and follows up accordingly. Since FY2018, Komatsu has reviewed the check sheets and evaluation criteria to evaluate the activities of Midori-kai member companies using common standards across all target companies and has followed up on improvements in each company's activity level each year through One-rank-up Activities. Since FY2023, Komatsu has created workplace-focused patrol evaluation sheets to check each company's safety activities at each company's site from the same perspective, strengthening its bottom-up activities.

As part of the follow-up, Komatsu also trains on-site supervisors of business partners through fixed-point observation of work cycles on site and joint implementation of risk assessments.

To eliminate serious accidents, Komatsu regularly conducts comprehensive inspections of the safety devices installed on automated lines and machines and the operation of these devices, forklift and crane operations, and the status of standards established for work at heights, using a unified check sheet. In particular, Komatsu is promoting safety measures for automated lines and machines through Automated Machine Level Improvement Activities, which aim to shift safety assurance from reliance on people to safety assurance built into equipment.

(2) Implementation of mutual safety patrols among business partners

As part of the Midori-kai committee activities, mutual safety patrols are conducted among business partners from the perspective of companies in the same industry. We also emphasize checks from perspectives specific to each industry, such as the handling of heavy loads and high-temperature contact risks.

(3) Collaboration and information sharing with Komatsu's internal safety activities

Executives from the Midori-kai member companies in Japan participate in the Komatsu Group Safety and Health Conference, which is held in June every year. Excellent Zero Accident circles selected from Japanese and Chinese Midori-kai member companies provide presentations about their activities. In addition, we open the Safety Dojo (Safety Training Hall), a facility included in each Komatsu plant, to our business partners, aiming to improve the safety awareness of the employees of each company through danger simulation experiences and danger prediction training.

(4) Focused guidance for companies with repeated accidents

Komatsu designates companies that have experienced repeated accidents as targets for its Special Safety Activities and proposes specific improvements tailored to each company's circumstances. Komatsu also shares the action plans developed by each company and provides focused support and guidance.

(5) Introducing occupational safety and health management systems

To elevate the level of activities at each company, we support them in obtaining certification for occupational safety and health management systems, including ISO and OSHMS certification. In 2015, 97 companies adopted the occupational safety and health evaluation program for small and medium-sized workplaces conducted by the Japan Industrial Safety and Health Association (JISHA) to objectively evaluate their compliance with safety and health laws through independent certified auditing bodies. For identified issues, the companies develop corrective action plans, and Komatsu provides improvement guidance and support, with the cooperation of its experts, in response to requests from business partners.



Risk assessment training



Group performing a mutual safety patrol



Presentation by Sekigahara factory at a Komatsu safety meeting

FY2025 Safety activity policy

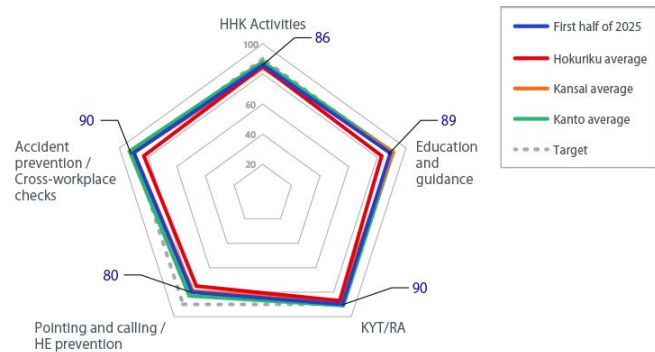
FY2025 Safety activity policy

FY2025 Targets

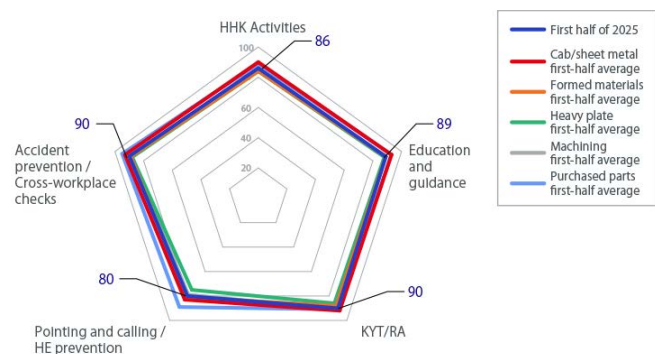
- Elimination of serious accidents: 0 cases
- Lost-time injuries: 6 or fewer cases (Continuation of the FY2024 target)

Activity item	Activity theme	Activity methods / frequency
(1) Activities to eliminate serious accidents	- Continue activities to improve the safety level of automated machines — Form ① Re-communicate the definition of automated machines and record the names of applicable equipment *1. (*1 Belt conveyors, chip conveyors for screwdrivers, etc.) - Continue strengthening inspections using the Serious Accident Elimination Checklist Including safety assurance for contractors. - Prepare and operate a sheet for sharing automated machine risks — Form ②	■ Serious Accident Elimination Checklist Self-assessment (collected by the end of June) ■ Prepare and share the Serious Accident Map by the first half. Applicable equipment: automated machines identified through the Serious Accident Elimination Checklist. (All Level 1–3 equipment is subject to this activity.) ■ During patrols, check issues and operating methods at the workplace based on the responses. (First half / second half: twice per year) ■ Identify trouble-handling and maintenance work, and understand the status of its management.
(2) Activities to improve workplace capabilities	- Conduct workplace patrols using checklists that include cross-workplace checks for similar accident risks and reinforcement measures (Confirm whether safety activities have permeated down to front-line workers.) ■ Visualize the current status of each company using the FY2024 workplace verification checklist and worker interviews. Two types of checklists — Forms ③ and ④ ■ Continue the following activities: ① Establish HHK activities ② Continue fixed-point observation ③ Improve KY capabilities ④ Ensure thorough pointing and calling ■ Keywords for cross-workplace checks for similar accident risks are determined by the company where the accident occurred and the relevant Komatsu departments.	■ Workplace Patrol Evaluation Checklist Self-assessment (collected by the end of June) ■ First-half patrol (Conduct assessment and provide advice at the workplace) *First half: once per half-year ■ Each company implements improvements based on the advice. ■ Second-half patrol (Conduct reassessment) *Second half: once per half-year ■ Worker interview checks are conducted by Komatsu during patrols. ■ Share safety videos and accident investigation information via BOX.
(3) Midori-kai subcommittee safety activities	- Strengthen management of trouble-handling and maintenance work - Create and disseminate risk assessment videos and work standard videos - Participate in subcommittee activities (Information sharing and safety guidance) - Participate in meetings and cross-patrols (Confirmation of improvements) *Participate as an observer.	- Participate in subcommittee activities (Information sharing and safety guidance) - Participate in meetings and cross-patrols (Confirmation of improvements) *Participate as an observer.

Workplace evaluation check (review of the first half of 2025)



	HHK Activities	Education and guidance	KYT/RA	Pointing and calling / HE prevention	Accident prevention / Cross-workplace checks
First half of 2025	86	89	90	80	90
Hokuriku average	85	83	87	75	83
Kansai average	84	91	87	79	90
Kanto average	88	91	91	83	93



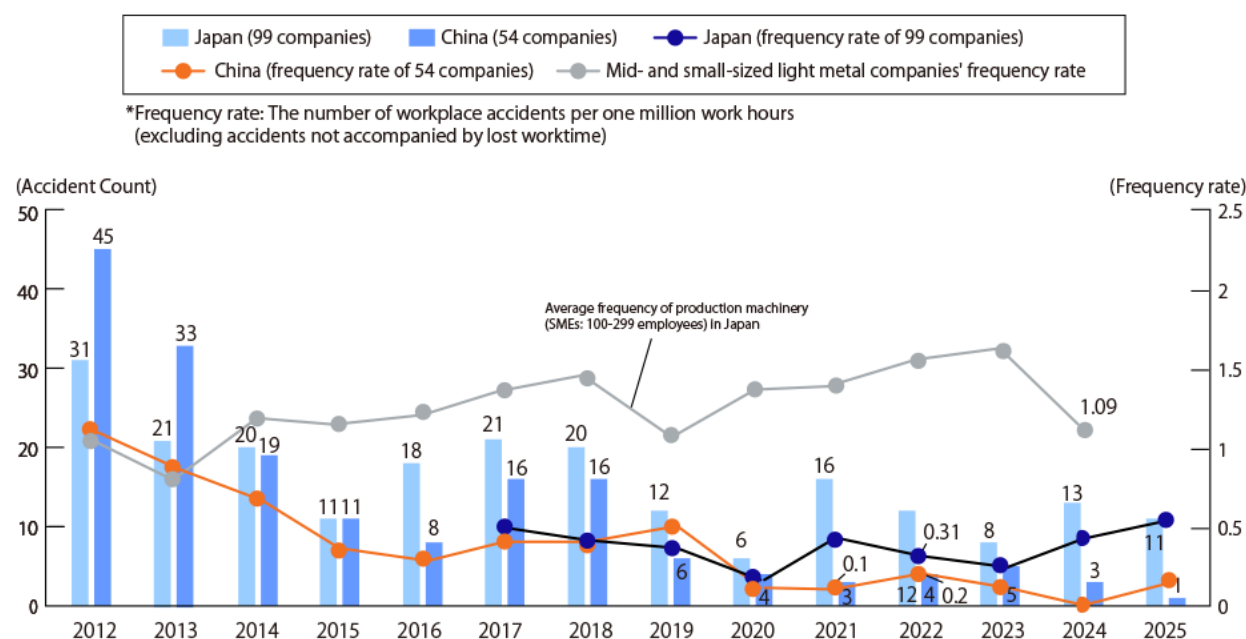
	First half of 2025	Education and guidance	KYT/RA	Pointing and calling / HE prevention	Accident prevention / Cross-workplace checks
First half of 2025	86	89	90	80	90
Cab/sheet metal first-half average	90	93	92	83	93
Formed materials first-half average	84	89	88	81	89
Heavy plate first-half average	84	88	86	75	88
Machining first-half average	86	89	91	79	89
Purchased parts first-half average	89	93	91	89	95

Workplace-level evaluation content (Excerpt)

Item category and purpose	Classification by activity element								
	HHK	Education	KYT・RA	Pointing and calling / HE prevention	Accident prevention / Cross-workplace checks	No	Category	Evaluation item	Check items (Komatsu / patrollers)
"Safety Takes Priority over Everything" as the foundation of corporate prosperity	★	★	★	★	★	0	President / Top management policy	1) Issuance and posting of the President's message 2) Embedding safety-first awareness among workplace workers	Posting of the President's message; communication to workers and interviews
(01) Continuation of activities to improve the safety level of automated machines	★	★	★	★		1	Automated machines	1) Whether safe work practices for Level 3 automated machines are communicated	Whether attention is called to these practices in safety standards / S-Points; confirm whether S-Point cautions are indicated at the workplace
(03) Implementation of HHK sheets and follow-up	★		☆	☆		3	HHK	1) HHK sheet implementation rate 75% or higher = ○ 50-74% = △ - Less than 50% = ×	Whether permanent or temporary countermeasures have been implemented 1. Effectiveness and communication of temporary countermeasures 2. Confirmation of implementation at the workplace
(08) Promotion of pointing and calling	☆			★		8	Pointing and calling	1) Whether forklift operators perform pointing and calling at key points - Stops at stop lines and performs pointing and calling = ○ - Stops at stop lines and only points, without calling out = △ - Not performed = ×	Whether operators stop the vehicle and check; whether pointing and calling is performed in accordance with established rules

Item category and purpose	Classification by activity element								
	HHK	Education	KYT · RA	Pointing and calling / HE prevention	Accident prevention / Cross-workplace checks	No	Category	Evaluation item	Check items (Komatsu / patrollers)
(09) Thorough implementation of basic safety practices for crane work				★		9	Crane	1) Whether pointing and calling is performed at key points during crane work ■ Pointing and calling is performed = ○ ■ Only pointing is performed, without calling out = △ ■ Not performed = ×	Whether pointing and calling is performed in accordance with established rules; whether crane work requirements are being followed
	☆		☆	☆	★	10	Crane	1) Whether unsafe crane work is avoided, including checking workers' standing positions and confirming that operators do not look away while operating	1. Whether workers avoid standing under suspended loads and whether their standing positions are appropriate 2. Whether operators avoid looking away or doing other tasks while operating
(11) Implementation of cross-workplace checks for similar accident risks		★		☆		14	Crane slinging / magnetic Lifting devices	1) Whether magnetic lifting devices are used correctly; management of workpiece diameter for thick plates, thin plates, and round bars	1. Whether shake checks are performed; confirmation of adhesion status 2. Whether workers understand what they should do as their own responsibility
		★	☆	☆	★	15	Crane slinging	1) Whether lifting devices are inspected before use; shape management such as cracks or openings in in-house-made lifting devices	1. Whether inspection items are appropriate 2. Whether any checks have been missed 3. Whether the condition of lifting devices reflects the inspection results 4. Whether workers understand what they should do as their own responsibility
		★		☆	★	20	Tools	1) Whether tools, jigs, etc. are free of damage; loose hammer handles or wedges, cracks, wear, or openings in sockets and wrenches	1. Whether tools, jigs, etc. are free of burrs and cracks; interviews on pre-use inspection points 2. Whether workers understand what they should comply with as their own responsibility

Changes in the number of accidents at Midori-kai member companies in Japan and China



2. Compliance

The Komatsu Group conducts compliance and risk audits, or CR audits. Since 2016, Komatsu has also conducted these audits at 16 business partners in which Komatsu holds minority stakes. The audits cover four areas: accounting, labor management, procurement, including compliance with the Subcontract Act, and information security. Through these audits, Komatsu checks compliance with relevant laws and regulations, as well as the establishment and operation of business rules, segregation of duties, decision-making authorities and other matters. Komatsu also reviews related records and conducts on-site inspections, with the aim of identifying potential risks and implementing corrective measures.

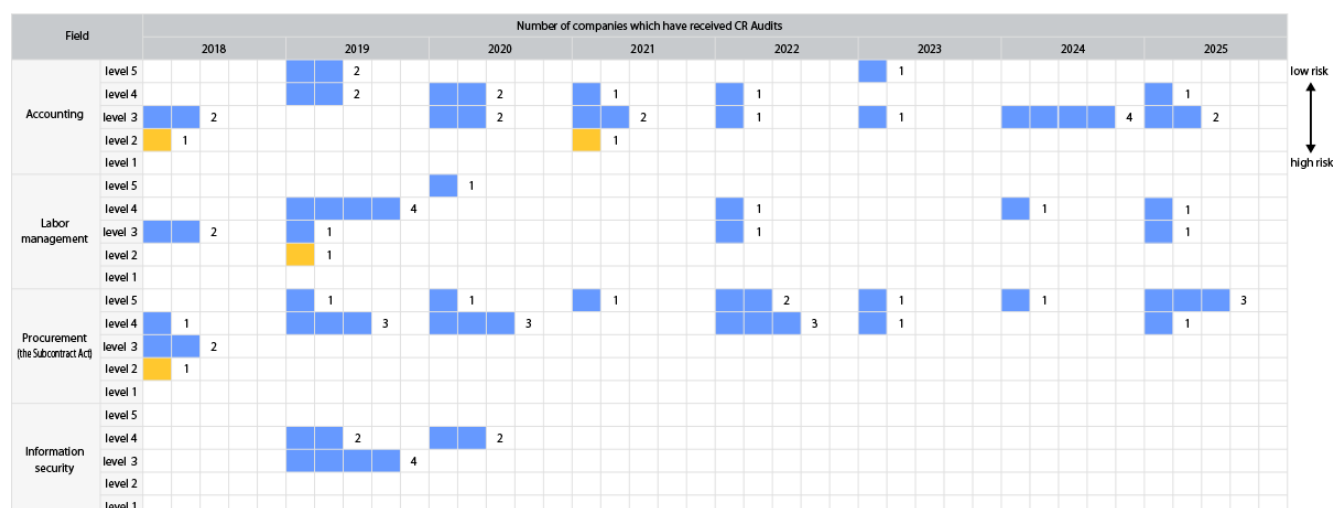
The voluntary establishment of compliance systems by business partners is essential for promoting CSR procurement. Komatsu believes that such systems should preferably be established through the following steps: 1) formulating rules, including establishing each company's code of conduct; 2) determining the promotion structure, including persons responsible and those in charge of practical implementation; 3) introducing a whistleblowing system; and 4) providing employee awareness training. In line with this policy, Komatsu provided support for establishing compliance systems to 99 companies, mainly outsourced parts suppliers among its key business partners in Japan Midori-kai. This support included introducing examples of initiatives implemented at Komatsu and providing employee training materials. By the end of FY2021, Komatsu had completed these support activities for all 99 companies. Follow-up after the completion of these support activities, as well as checks on the status of major business partners, is now conducted through SAQ surveys.

In FY2025, no serious violations of labor-related laws and regulations or environmental laws and regulations were reported at any of the 155 companies in Japan Midori-kai.

Major findings requiring corrective action in CR audits (2016-2025)

Items	Audit Findings	Countermeasures
Finance & accounting	Workflow, operational guidelines, and decision-making authority are either not set or insufficiently defined	Establish and review workflows and operational guidelines
	Physical inventory (including fixed assets) is either not conducted or not performed regularly and timely	Provide guidance on conducting physical inventories, etc.
	The rules for the disposal and forced evaluation loss of idle assets are unclear	Clarify rules
	Management of company official seals, password updates for the accounting system, and access control are inadequate	Separate approvers and applicants, etc.
	Balance confirmations for receivables and payables are not conducted	Conduct balance confirmations
	Board of Directors resolutions on financial results are not passed	Pass Board of Directors resolutions
Labor management	Deficiencies in subcontractor agreements with self-employed person	Switch to direct employment
	Handling of fractions (less than 30 minutes) in working hours management	Review time card procedures, etc.
	Deficiencies in labor-management agreements	Newly prepare labor-management agreements and exchange them with the labor union
	Time spent changing clothes is not included in working hours	Review work rules
	Deficiencies in notifications of appointment of industrial physicians	Complete procedures with the Labor Standards Inspection Office for registering additions and replacements
	Weekly workplace inspections by health officers are not conducted	Establish methods for conducting workplace inspections
	Monthly workplace inspections by industrial physicians are not conducted, in principle	Establish workplace inspection methods in consultation with industrial physicians
Procurement (Subcontract Act)	Lack of necessary information in order forms (Article 3 documents): provisional price, payment terms, etc.	Review order forms and supplementary documents, review workflows, etc.
	Risk of delayed payments (within 60 days of receipt)	
	Risk of early offsetting of the cost of supplied materials	
	Violation of the prohibition on subcontract payment reductions (reduction of the equivalent amount of discount fees due to cash payments)	
	Unclear rules for obtaining evidence of counterparty consent when canceling orders	Review order forms and documents concerning payment methods
	Deficiencies in the content of order forms and documents concerning payment methods	

Result of CR audit to level-1 critical suppliers



3. Human resource development

Komatsu believes that the greatest support it can provide to Midori-kai member companies is human resource development, and therefore offers a variety of programs tailored to different organizational levels (see table below). From FY2020 to FY2022, most face-to-face training programs had to be cancelled due to the spread of COVID-19. As an alternative, Komatsu provided remote education curricula to Midori-kai companies using online meeting systems, which could also be utilized as employee training materials. Since 2023, in-person training has resumed, and training programs have been conducted in a hybrid format that combines face-to-face and remote learning.

In recent years, Komatsu has particularly focused on two support activities: "Management Salons" and "Skills Transfer Activities." Management Salons are designed to foster the development of young managers who have recently taken over business responsibilities. In these sessions, Komatsu executives and the management of each company exchange views on analyses of each company's current strengths and weaknesses, as well as on their medium-term management visions, while aligning and sharing their respective policies and ideas. Skills Transfer Activities, on the other hand, are designed to smoothly promote the improvement and succession of on-site skills at each company. Through these activities, Komatsu shares its expertise to support companies in building promotion systems and skills evaluation systems, as well as in developing instructors in core skill areas.

Training and other programs for Midori-kai member companies

Target job level	Program	Outline	Major achievements	FY2025 results
Management	Commissioned training	Komatsu accepts sons and daughters of corporate managers of member companies and provides them with on-the-job training for up to five years.	58 trainees have been accepted since 1972.	Zero
	Middle management training	Komatsu opens its training program for its own future executives to successor candidates from member companies. The program lasts seven months.	32 people have participated since 2005.	1 participant
	Management Salon	Young managers present their companies' medium-term management visions, which are deliberated on and shared with Komatsu.	Conducted for 49 companies since 2014.	6 companies
Managerial staff	Managerial training	Exclusive to Midori-kai member companies; held twice a year.	Around 40 people participate each year.	35 participants
	Leader training (for frontline managers)		Around 60 people participate each year.	70 participants
Staff	Komatsu Technical Institute	A two-year residential program for leader candidates aged 30 or younger in production engineering and manufacturing.	33 people have entered since 2008.	Zero
	Production engineer training	Exclusive to Midori-kai member companies; a five-day program covering sheet-metal and mechanical fields, held once a year.	Around 40 people participate each year.	Zero
Skilled workers	Instructor training	A 30-day program to train candidates to become skills instructors at each company.	202 people have participated since 2015.	16 participants
	Inspection School	Training in inspection skills and classroom instruction.	Held as needed	87 participants
Others	All-Komatsu QC Convention	Participants are selected from Midori-kai member companies.	Around 20 companies participate each year.	7 companies
	All-Komatsu Technology Olympics	Participants are selected from Midori-kai member companies.		19 companies, 28 participants
	All Komatsu Safety Convention	Participants are selected from Midori-kai member companies to present reports on zero-accident circle activities.	Around 5 companies participate each year.	4 companies



Safety improvement case studies

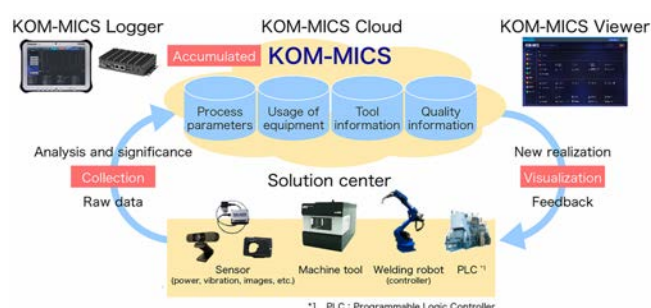


Inspection training school

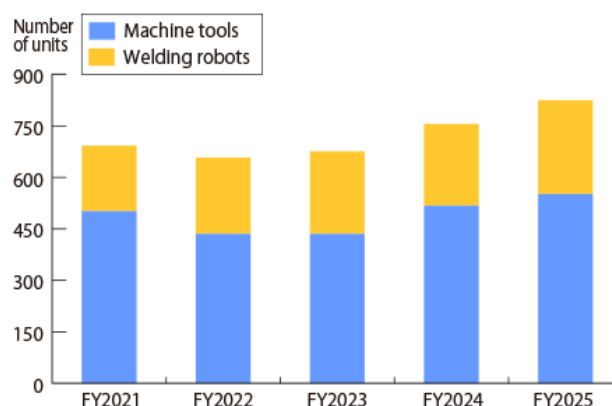
4. Supporting productivity improvement activities by using ICT

Addressing the issue of the labor shortage, which has been growing more serious in recent years, is an urgent management task for Komatsu and members of the Midori-kai. Komatsu continues to promote the networking of production sites and facilities using ICT (KOM-MICS) and productivity improvement and labor savings through its application. As a countermeasure against the labor shortage, we are expanding these activities to members of the Midori-kai. Through tools such as the KOM-MICS Logger operating-rate monitor developed by Komatsu, data on operational status and operating conditions are automatically collected from the controllers of machine tools and welding robots at each company and accumulated on the network. These data are then processed and edited on a PC using applications designed for specific purposes, visualizing issues related to improving operating rates and leading to collaborative analysis and implementation of improvement measures. What began as activities to improve the operating status of individual machines has now advanced to improving and optimizing the balance of entire production lines, with a view to improving throughput across entire factories in the future.

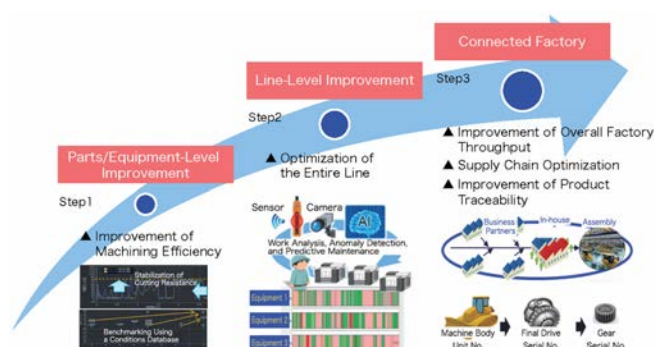
Outline of KOM-MICS



Change in the number of KOM-MICS Loggers installed



Steps for Improvement



5. BCP to prepare for natural disasters

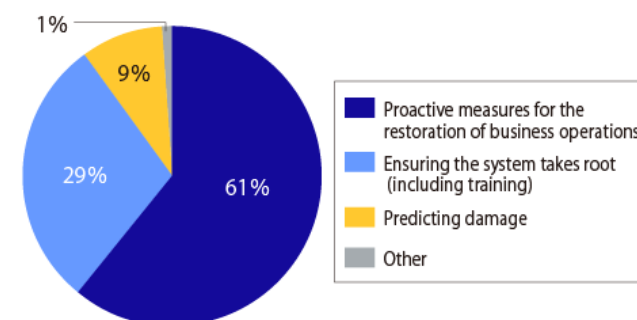
In addition to the frequent occurrence of natural disasters such as earthquakes, heavy rains, and typhoons in recent years, new threats such as the COVID-19 pandemic and cyberattacks have also become apparent. The need to establish a BCP system for the supply chain is becoming increasingly important. Since the Great East Japan Earthquake in 2011, Komatsu has provided support for measures to improve earthquake resistance and prevent inundation of buildings and equipment at 104 companies, mainly subcontractors belonging to Japan Midori-kai. In addition to these physical measures, it is also necessary to strengthen operational measures, including the establishment of an initial response system through the preparation of BCP manuals and a system for facilitating the early restoration of business operations. In FY2019, Komatsu held BCP workshops for 104 Midori-kai member companies, with a particular focus on supporting the establishment of initial response systems.

Since then, Komatsu has been encouraging measures such as appropriate methods for relocating data to prevent data loss in the event that in-house systems are affected by flooding, as well as anchoring equipment to prevent it from toppling or shifting due to earthquakes.



BCP workshops

Issues to consider when advancing the company's BCP (responses obtained from 87 Midori-kai companies)



Issues to consider when creating BCP

Support for Midori-kai member companies (environmental initiatives)

1. Support for environmental management system certification and environmental audits

Komatsu has requested all of its Midori-kai (cooperating supplier companies) in Japan and China to obtain certification for environmental management systems (EMS), such as ISO 14001 and Eco-Stage, and has provided guidance and support to help them obtain certification. In Japan, all 155 companies subject to this initiative have obtained certification, and Komatsu has been monitoring their certification renewal status since 2018. All 60 companies in China have also obtained certification.

Komatsu also encourages the remaining Midori-kai companies in Europe, the Americas and Thailand to obtain similar certification.

More than 10 years have passed since the Midori-kai companies in Japan obtained certification. As with occupational health and safety activities, it is important to monitor the extent to which EMS has become embedded in each company's business activities. To this end, Komatsu began conducting environmental audits of subcontractors that are members of Midori-kai in 2021 and had conducted on-site audits of four companies by 2023.

Through document reviews of compliance with environmental laws and regulations and on-site inspections at each company's facilities, Komatsu assesses whether each company's EMS has become embedded in its on-site operations and uses the findings to provide follow-up support for improvements. Since FY2022, Komatsu has expanded checklist-based self-assessments to all subcontractors that are members of Midori-kai in Japan and has held study sessions on environmental laws and regulations. In FY2023, Komatsu conducted training specifically focused on the Water Pollution Control Act and the Sewerage Act, as the document reviews identified a particularly large number of facilities subject to these laws. Komatsu will continue to increase the number of on-site audits, focusing primarily on companies considered to be at higher risk.

Environmental audits



Onsite audit



Documents screening

Number of Midori-kai member companies with EMS certifications (as of the end of March 2026)

* The composition of member companies may change from time to time.

Region	Number of member companies	Number of companies which have obtained certification						Percentage of companies with certification	
		FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026 Target	FY2025 Progress
Japan	155	156	156	156	156	155	155	100%	100%
China	56	58	60	60	60	60	53	100%	95%
Thailand	32	16	16	18	20	20	19	65%	59%
North America	47	19	27	27	27	27	21	50%	45%
Europe	40	34	34	35	35	35	35	90%	88%
Total	330	283	293	296	298	297	283	90%	86%

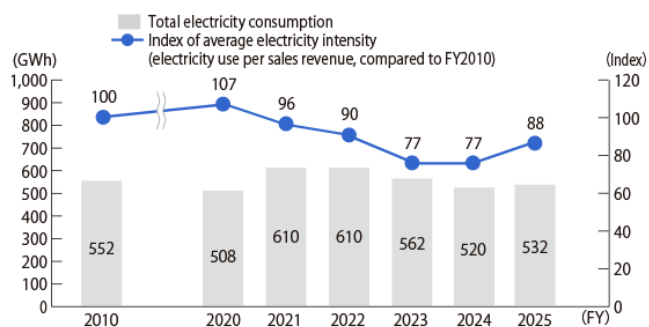
2. Responding to climate change: reducing greenhouse gas emissions in the supply chain

Komatsu has set a management target for FY2030 of reducing CO₂ emissions from production (Scope 1 and 2) by 50% compared with 2010 and is promoting improvement activities toward this target. Meanwhile, as reducing CO₂ emissions across the entire supply chain associated with Komatsu's business has become increasingly important in recent years, Komatsu has also been working to reduce CO₂ emissions generated by business partners, which account for approximately 10% of indirect CO₂ emissions other than Scope 1 and 2 (Scope 3). From 2012 to 2016, in response to tight electricity supply and demand and the sharp rise in electricity costs following the Great East Japan Earthquake, Komatsu targeted 96 major Midori-kai outsourcing companies in Japan and set a goal of reducing electricity consumption by at least 15% compared with 2010. Through Midori-kai subcommittee activities, Komatsu shared improvement examples from its own operations across these companies. Although comparisons were complicated by major fluctuations in production volumes and new capital investments, the target was largely achieved by the end of FY2016. These activities prompted the companies to thoroughly roll out their own initiatives company-wide, resulting in some business partners receiving the ECCJ Energy Conservation Grand Prize. Since 2017, each company has independently worked to maintain and improve its electricity consumption intensity.

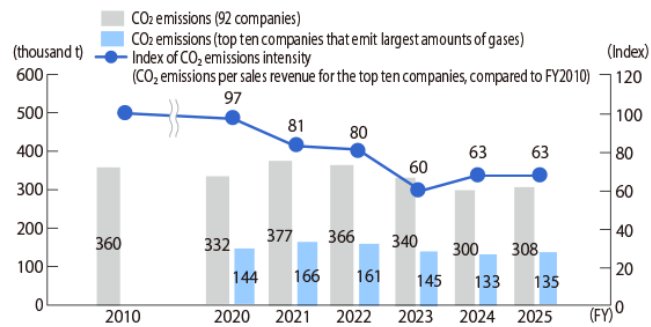
In addition to electricity, Komatsu has been providing concrete support since 2019 for reducing CO₂ emissions from all forms of energy use, including heavy oil and gas, initially targeting the top 10 high-emitting companies engaged in casting, forging, and heat treatment. Since FY2023, Komatsu has also requested all 156 Midori-kai member companies in Japan to set medium- and long-term reduction targets in line with SBT criteria and undertake concrete improvement activities.

At the same time, 92 Midori-kai outsourcing companies have set a common target of reducing CO₂ emissions by 20% on an intensity basis by FY2030 compared with FY2022 and have begun CO₂ emissions reduction activities. With the launch of these activities, Komatsu distributed its latest collection of improvement case studies in FY2022. Komatsu is also promoting CO₂ reductions through technical exchange meetings and other initiatives conducted in collaboration between its improvement promotion division and Midori-kai subcommittees. Since FY2023, Komatsu has actively promoted improvement activities at forging and casting manufacturers with particularly high CO₂ emissions by sharing the details of each company's improvements through on-site visits and holding case-sharing meetings. Komatsu will continue to follow up on the progress of these activities through periodic CO₂ emissions surveys, SAQ questionnaires, and other means.

Changes in electricity consumption (Midori-kai 92 companies)



Change in CO₂ emissions (Midori-kai 92 companies)



Status of setting of targets for the reduction of GHG emissions (155 companies in the Midori-kai)

	Already set	Not set/not answered yet
Short-term target	142	13
Medium- and long-term target	61	74



Case study sharing session

3. Addressing water risks

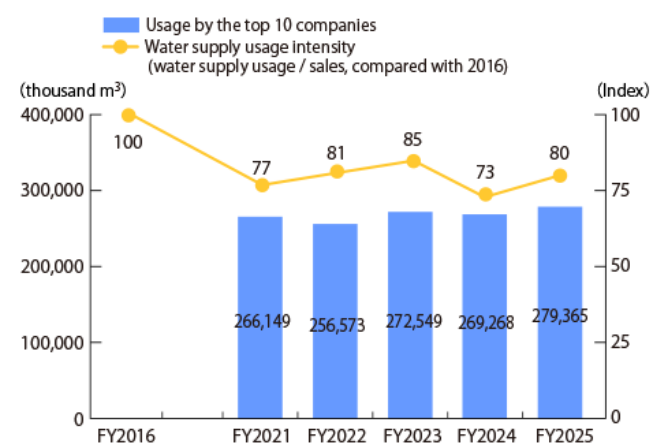
We are inspecting 135 business sites of 96 Midori-kai member companies in Japan to understand their overall water risks, including the above-mentioned flood and tsunami risks, site conditions, water intake and discharge capacities and actual volumes, water quality, and the status of their responses to these risks. We also conduct assessments using Aqueduct, a third-party platform.

In response to these investigations, we have been conducting activities to reduce water consumption since FY2017. In these activities, the top ten companies in the consumption of clean water are considered to be model companies and we present Komatsu improvement examples and provide guidance on improvement through on-site visits, with a target of 15% reduction of water consumption by FY2021. In FY2018, the target was achieved. Since then, we have voluntarily stayed aware of the amount of water used and have extended the activities to other Midori-kai companies through the distribution of improvement examples from Komatsu and ten other companies. We have also conducted environmental audits and confirmed compliance with the Water Pollution Control Act and other water-related laws and regulations since FY2020.



On-site investigation of water risks

Trends in water supply usage among the top 10 Midori-kai water users



4. Responding to environmental regulations in China

Environmental regulations in China primarily cover the “three wastes”: exhaust gas, wastewater and solid waste. In implementing these regulations, however, regulations and standards independently established by local governments take precedence. Regarding wastewater discharged from factories, in response to the worsening pollution of rivers and lakes, China has established extremely stringent standards for BOD/ COD (biochemical oxygen demand/chemical oxygen demand), which are indicators of the amount of organic matter in wastewater, compared with the uniform national standards applied in Japan. As a result, an increasing number of companies are required to install centralized wastewater treatment facilities and other equipment.

Komatsu regularly checks the regulatory compliance status of Midori-kai member companies in China.

In addition, with the aim of fundamentally improving air pollution, including PM2.5 pollution, extremely stringent environmental regulations have been applied since 2015, primarily in coastal regions. Companies engaged in operations such as painting, welding, casting and plating are required to implement comprehensive exhaust gas and wastewater control measures, including VOC controls.

Komatsu works with the relevant Midori-kai member companies in China to support their compliance with these regulations, including the installation of necessary equipment. As a result of the measures implemented by each company, 18 companies had obtained certification for exemption from the application of the regulations, known as green company certification, as of the end of March 2022. Komatsu will continue to work with these companies to reduce risks to the continuation of their operations.



Example of measures taken to comply with regulations in China (Daikyo Machinery Shandong Co., Ltd.: Installation of a dust collector and exhaust ducts for welding fumes)

Corporate governance

Basic approach to corporate governance

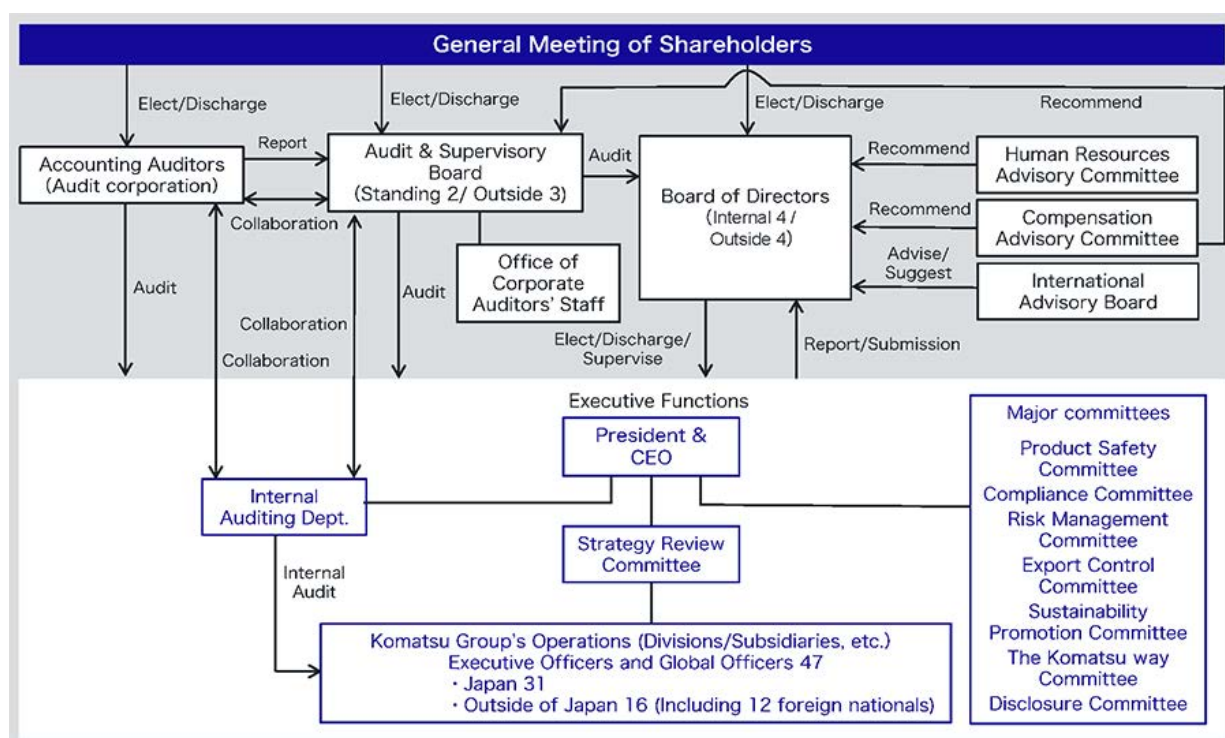
Our management principle is to maximize the total sum of trust given to us by society and all our stakeholders through our commitment to quality and reliability. To become a company which enjoys more trust from all the stakeholders, the Company is working to strengthen corporate governance, improve management efficiency, advocate corporate ethics and ensure sound management on a group-wide basis. To further improve the transparency of management for its shareholders and investors, the Company discloses information in a fair and timely manner and actively engages in investor relations' activities by holding meetings with shareholders and investors.

[Corporate Governance Guidelines \(212KB\)](#)

Corporate governance framework

The Company positions the Board of Directors as the core of corporate governance. To enhance the effectiveness of discussions at meetings of the Board of Directors, the Company has worked to put in place a system to ensure thorough discussions of important management matters and prompt decision making, and reform their operational aspect. Having introduced the Executive Officer System in 1999, the Company has separated management decision making and supervisory functions from executive functions to the extent permitted by laws and regulations, and limiting the Board of Directors to a small number of members while appointing both Outside Directors and Outside Audit & Supervisory Board Members to ensure objectivity and the soundness of management.

Corporate governance of the company (As of June 30, 2026)



For further information, please refer to the following links.

[> Corporate Governance Report \(593KB\)](#) 

Disclosure based on each principle of the Corporate Governance Code, status of corporate governance (directors, auditors, independent directors, incentives, directors' remuneration), etc.

[> Komatsu Report](#) 

Message from outside directors, activities of the board of directors, summary of results of the board of the directors effectiveness assessment, corporate governance reform, activities of outside directors, advisory committee activities, succession plan, executive compensation system, etc.

Corporate governance indicators

* As of March 31, Fiscal-Year end

Corporate Governance												
			Unit	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	
Number of Directors * Figures are as of the conclusion of the annual general meeting of shareholders	Internal Directors	Women	Members	1	1	1	0	0	1	1	1	
		Men		4	4	4	5	5	4	4	4	
		Total		5	5	5	5	5	5	5	5	
	Independent Outside Directors	Women		0	0	0	1	1	1	1	1	
		Men		3	3	3	3	3	3	3	3	
		Total		3	3	3	4	4	4	4	4	
	Total			8	8	8	9	9	9	9	9	
	Number of Executive Officers concurrently serving as Directors			Members	4	4	4	4	4	4	4	4
% of Executive Officers concurrently serving as Directors		%	50	50	50	44	44	44	44	44		
% of Independent Outside Directors			38	38	38	44	44	44	44	44		
% of Female Directors			13	13	13	11	11	22	22	22		
Audit & Supervisory Board Members	Internal Audit & Supervisory Board Members	Women	Members	0	0	0	0	0	0	0	1	
		Men		2	2	2	2	2	2	2	1	
		Total		2	2	2	2	2	2	2	2	
	Independent Outside Audit & Supervisory Board Members	Women		1	1	1	1	1	1	1	1	
		Men		2	2	2	2	2	2	2	2	
		Total		3	3	3	3	3	3	3	3	
	Total			5	5	5	5	5	5	5	5	
% of Independent Outside Audit & Supervisory Board Members		%	60	60	60	60	60	60	60	60		
% of Female Audit & Supervisory Board Members			20	20	20	20	20	20	20	40		
Average Age of Board Members		Age	63.2	60.6	61.6	61.6	62.6	63.0	61.8	62.5		
Term of Office of Directors		Years	1	1	1	1	1	1	1	1		
Number of Board Meetings		Times	15	15	15	15	15	16	15	15		
Board Meeting Attendance Rate		%	100	99	100	100	100	99	100	99		
Attendance Rate of Independent Outside Directors at Board Meetings		%	100	100	100	100	100	98	100	98		
Number of Directors Attending Less Than 75% of Board Meetings		Members	0	0	0	0	0	0	0	0		
Number of Audit & Supervisory Board Meetings		Times	15	15	15	15	15	15	15	15		
Audit & Supervisory Board Meeting Attendance Rate		%	99	100	100	100	100	100	100	100		
Attendance Rate of Independent Outside Audit & Supervisory Board Members		%	98	100	100	100	100	100	100	100		



Corporate Governance												
			Unit	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	
Number of Audit & Supervisory Board Members with Less Than 75% Attendance at Audit & Supervisory Board Meetings			Members	0	0	0	0	0	0	0	0	
Number of Executive Officers in Japan * Excludes those concurrently serving as Directors	Women		Members	1	2	2	2	2	2	2	1	
	Men			29	31	26	25	28	29	28	25	
	Total			30	33	28	27	30	31	30	26	
Ratio of Female Executive Officers			%	3	6	7	7	7	6	7	4	
Number of Executive Officers overseas and Global Officers	Women		Members	0	0	0	0	0	0	0	0	
	Men			29	26	28	27	27	22	21	18	
	Total			29	26	28	27	27	22	21	18	
Number of Nomination Advisory Committee Members	Internal Members	Women	Members	0	0	0	0	0	0	0	0	
		Men		2	2	2	2	2	2	2	2	
		Total		2	2	2	2	2	2	2	2	
	Independent Outside Members	Women		0	0	0	1	1	1	1	1	
		Men		3	3	3	3	3	3	3	3	
		Total		3	3	3	4	4	4	4	4	
	Total			5	5	5	6	6	6	6	6	
Number of Nomination Advisory Committee Meetings			Times	2	3	2	5	3	3	3	4	
Nomination Advisory Committee Meeting Attendance Rate			%	100	100	100	100	100	100	100	100	
Number of Compensation Advisory Committee Members	Internal Members	Women	Members	0	0	0	0	0	0	0	0	
		Men		1	1	1	1	1	1	1	1	
		Total		1	1	1	1	1	1	1	1	
	Independent Outside Members	Women		1	1	1	2	2	1	1	1	
		Men		3	3	6	6	6	4	4	4	
		Total		4	4	7	8	8	5	5	5	
	Total			5	5	8	9	9	6	6	6	
Number of Compensation Advisory Committee Meetings			Times	1	1	1	1	4	4	3	4	
Compensation Advisory Committee Meeting Attendance Rate			%	100	100	100	100	100	100	100	100	

Compensation										
		Unit	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
CEO Compensation	Base Compensation	Millions of Yen	102	103	103	103	116	120	125	126
	Performance-Based Bonus		93	41	28	65	120	120	126	105
	Performance-Based Stock Compensation		99	46	35	57	87	99	147	153
	Total		294	190	166	224	323	339	398	383
Director Compensation * Excluding Outside Directors * Including those who retired during the fiscal year	Base Compensation		357	345	331	331	359	372	384	396
	Stock Options		0	0	0	0	0	0	0	0
	Performance-Based Bonus		310	130	88	207	369	369	389	314
	Performance-Based Stock Compensation		300	147	108	182	249	278	454	458
	Total		967	622	527	720	977	1019	1227	1168
Audit & Supervisory Board Member Compensation * Excluding Outside Directors * Including those who retired during the fiscal year	Base Compensation		87	87	87	87	90	90	95	97
	Stock Options		0	0	0	0	0	0	0	0
	Performance-Based Bonus		0	0	0	0	0	0	0	0
	Performance-Based Stock Compensation		0	0	0	0	0	0	0	0
	Total		87	87	87	87	90	90	95	97
Compensation of Outside Directors and Outside Audit & Supervisory Board Members	Base Compensation		103	108	109	122	146	151	158	160
	Stock Options		0	0	0	0	0	0	0	0
	Performance-Based Bonus		0	0	0	0	0	0	0	0
	Performance-Based Stock Compensation		0	0	0	0	0	0	0	0
	Total		103	108	109	122	146	151	158	160

Shareholder Rights

Anti-Takeover Measures

* Excludes subsidiaries

None

Compliance

Clawback provision	Yes	In the event of a significant revision of financial statements or an event that has a significant impact on the reputation of the Company due to the execution of business by Directors, the performance-based remuneration paid to the Internal Directors could be required to be reduced, confiscated or refunded. In principle, the content of the refund request, etc. will be decided by the Board of Directors after the deliberation by the Compensation Advisory Committee according to each event.
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	Unit	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Political Contributions	Millions of Yen		8	8	8	8	8	8	

Compliance

While Komatsu is expected to achieve its own sound and sustainable growth as a global corporation, a growing number of stakeholders also expect Komatsu to give due consideration to the environmental and social impacts of its business activities, products and services, and to make positive contributions to the sustainable development of society. Komatsu believes that meeting these expectations is our social responsibility as a good corporate citizen.

For Komatsu to continue to earn the trust of society, each and every employee of Komatsu is required to act in good faith, ethically and in compliance with laws, regulations and other rules generally recognized and respected by society (the "Rules").

To make certain that the entire Komatsu Group complies with the rules of the business community, Komatsu has appointed an executive officer at the head office in charge of compliance, and has established the Compliance Department to handle this issue exclusively. Additionally, the company has set up a Compliance Committee chaired by the president and CEO, which deliberates and decides on policies and important measures related to compliance for Komatsu and the entire Komatsu Group. This committee also promotes the implementation of these measures and regularly reports the progress of compliance activities to the board of directors.

Komatsu is proceeding with compliance activities as follows.

1. Formulate the Code

Komatsu's Worldwide Code of Business Conduct

The company has formulated Komatsu's Worldwide Code of Business Conduct (established in 1998 and revised 11 times to date) as a compilation of best business practices to be observed by officers and employees of Komatsu Group companies around the globe. Revisions to the Code are deliberated by the Compliance Committee and finalized with approval by the Representative Director and President through the company's formal decision-making process.

Part 1 of "Komatsu's Worldwide Code of Business Conduct" (the "Code") provides principles and standards for responsible business conduct that Komatsu follows to fulfill its social responsibilities.

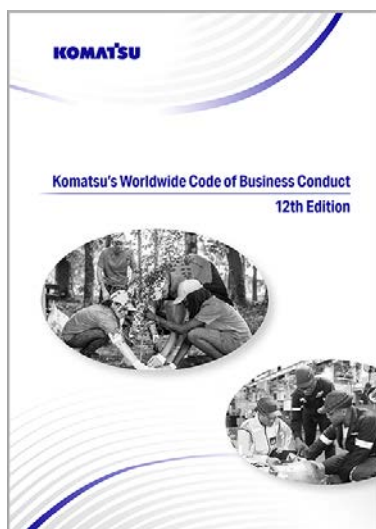
Part 2 of the Code lists the basic rules that should be followed anywhere in the world among the wide range of rules in the business community, along with examples, and provides a code of conduct that all Komatsu Group employees should follow.

If any actions are discovered to be in violation of "Komatsu's Worldwide Code of Business Conduct," disciplinary measures such as salary reduction and suspension of pay raises will be taken according to the employment regulations. Such actions will also be taken into consideration in performance evaluations.

Komatsu considers CSR as a key responsibility, which is shown by Komatsu's Worldwide Code of Business Conduct clearly focusing on the importance of CSR.

The compliance system for the Code of Conduct is regularly audited by an auditing company.

Cover of the 12th Edition (Latest Version)



Contents

Part I Guidance for Business Conduct

1. Stakeholder Relations
 - (1) Customers
 - (2) Shareholders and Investors
 - (3) Distributors and Supply Partners
 - (4) Local Communities
2. Business Operations with Integrity and Fairness
 - (1) Fair and Free Competition
 - (2) Anti-Bribery: Relationship with Governmental Agencies and Officials
 - (3) Proper Export Control
 - (4) Firm Approach Against Anti-Social Groups
 - (5) Protection and Management of Information
 - (6) Customary Practices
3. Respect for Human Rights
4. Employment
 - (1) Human Resources Management Policy
 - (2) Occupational Safety and Health Policy
5. Environmental Protection
6. Disclosure of Information
 - (1) Disclosure of Information
 - (2) Appropriate Financial Reporting
 - (3) Prevention of Insider Trading
7. Internal Control Systems and Compliance Framework
 - (1) Internal Control Systems
 - (2) Compliance Framework

Part II Rules to be Observed by Employees

1. Ethical and Proper Business Conduct
 - (1) Fraud (Behavior detrimental to company assets and value, and behavior for improperly pursuing company profits/interests)
 - (2) Bribes and Kickbacks (vis-à-vis customers, suppliers, distributors, etc.)
2. Conflicts of Interest
3. Antitrust Compliance and Fair Competition
4. Anti-Bribery: Relationship with Governmental Agencies and Officials
5. Export Control
6. Trade Secrets and Proprietary Information
7. Non-Discrimination/ Harassment
8. Employee Privacy
9. Safety and Health
10. Safety and Reliability of Products and Services
11. Environment
12. Disclosure
13. Internal Control Systems
 - (1) System of Internal Control
 - (2) Internal/External Auditor Cooperation
 - (3) Records Retention
14. Financial Controls and Records
15. Prohibition of Insider Trading

Komatsu's Worldwide Code of Business Conduct is available at:

[> Komatsu's Worldwide Code of Business Conduct](#)

Established	January 1, 1998
Last revised	April 1, 2024 (12th edition)
Languages	18 languages Japanese, English, Chinese, Spanish, Portuguese, German, Dutch, Italian, Polish, French, Swedish, Finnish, Indonesian, Thai, Russian, Tamil, Taiwanese, Korean

Five Principles of Compliance

The "Five Principles of Compliance" (the "Five Principles") are the fundamental compliance actions that must be adhered to by all companies and employees within the Komatsu Group. These principles, summarized in short phrases, were established in 2006 and have been revised once since then.

To ensure employees are reminded of and follow the "Five Principles" daily, posters are displayed in the workplace.

Five Principles of Compliance

Trust



1. To fulfill the trust of society, we must always follow the "Rules."

Check



2. Check or ask if you are uncertain about the "Rules."
Lack of awareness of the "Rules" is not an excuse for not following them.

Report



3. Never cover up or disregard any wrongdoings or mistakes that violate the "Rules."
Report any issue immediately to the appropriate person(s) or department(s).

Correct



4. Promptly correct any wrongdoings or mistakes and take effective measures to prevent recurrence.

Non-retaliation



5. Never obstruct anyone from reporting or using the compliance hotline (whistleblowing); never retaliate against the reporter/whistleblower for reporting a concern in good faith.
(Komatsu is committed to ensuring that no unfavorable action will be taken by any Komatsu Group entity against any person for providing such reporting or whistleblowing.)

Every Komatsu employee must follow the above principles and the priorities of SLQDC (Safety, Law, Quality, Delivery, Cost) to earn and maintain trust with each other and society. We should also visit the actual workplace (Gemba), examine the real thing (Gembutsu), and understand the real situation (Genjitsu) to find solutions, and anticipate issues and proactively address compliance and ethics concerns.

2. Implement the Code

Various training programs

Komatsu provides education and training as needed, including systematically implemented level-specific training programs, at domestic affiliated companies, overseas subsidiaries, construction equipment dealers, forklift dealers, partner companies, and other organizations.



Scenes from training sessions (left: training for executive officers; right: training for employees of overseas subsidiaries in Brazil)

	Educational targets
Komatsu group (Overseas and Japan)	All employees
Komatsu and domestic affiliated companies	Executive officers
	Employees at all hierarchical levels
	Employees scheduled for overseas assignments
	Factories and business headquarters
Overseas subsidiaries	Managerial level
Construction equipment dealers and forklift dealers (Japan)	For managers / all employees
Partner companies	For managers / leaders

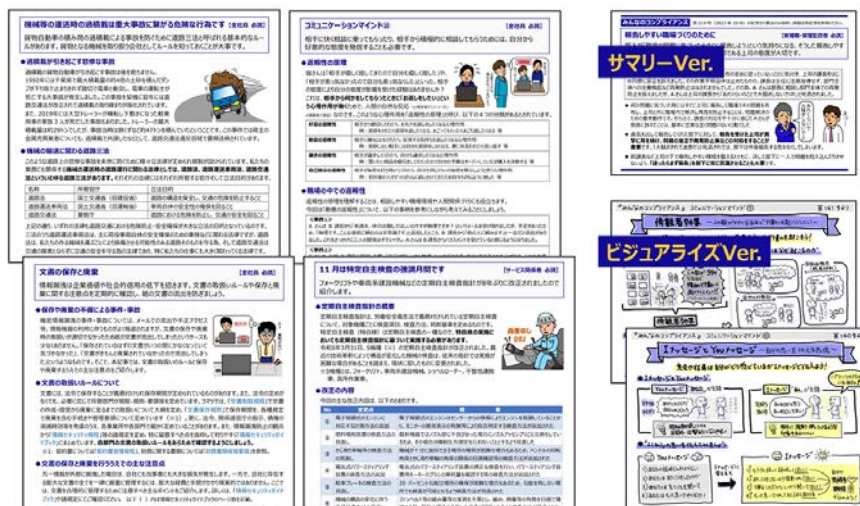
	Number of participants
Global training on the code of conduct (e-learning and group training)	Approx. 42,180 people
<Group training (overseas)> Individual training by request	Approx. 90 people (with instructors dispatched from Japan)
<Group training (in Japan)> • Level-based training • Individual training by request	1,500 people 2,960 people

Compliance for Everyone

"Compliance for Everyone" is a monthly information magazine on compliance. Since it was first published in 2006, this magazine has kept being distributed to all Komatsu Group employees on the first working day of each month.

The magazine covers a wide range of topics beneficial to all employees, from legal matters to communication, manners, morals, and ways of thinking.

In addition to the regular edition, a summary edition highlighting key points for use in morning assemblies and meetings, and a visualized edition visualizing the content are published as well.



Compliance for Everyone

Compliance portal

The "Compliance Portal" is an intranet platform where Komatsu Group employees can access essential information about compliance. It includes details on the "Compliance Hotline" and the "Komatsu's Worldwide Code of Business Conduct," as well as educational materials and relevant regulations. This portal is used to share information and ensure that all Komatsu Group employees are well-informed about compliance matters.



Compliance portal top page

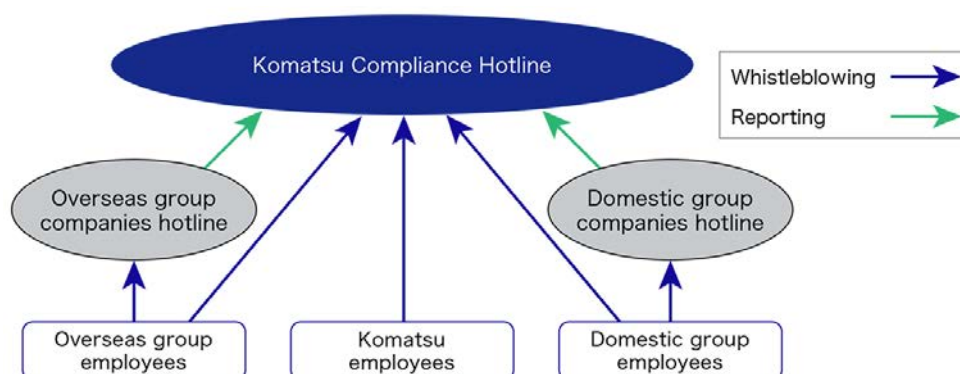
Compliance hotline (Internal whistleblowing system)

To address inquiries and reports from group employees regarding rules of business conduct, we have established a Global Compliance Hotline at our headquarters as a point of contact. This aims to detect and correct issues at an early stage. The hotline includes both an internal contact managed by the Compliance Department and an external contact operated by an independent specialist organization. The Compliance Department investigates all reports, regardless of the contact point used, in cooperation with relevant departments. For particularly serious cases, investigations may be outsourced to external lawyers. Additionally, Komatsu Group companies have set up and operate regional compliance hotlines to ensure that all employees in each region can make inquiries or reports. The availability of the hotline is communicated through global training on "Komatsu's Worldwide Code of Business Conduct."

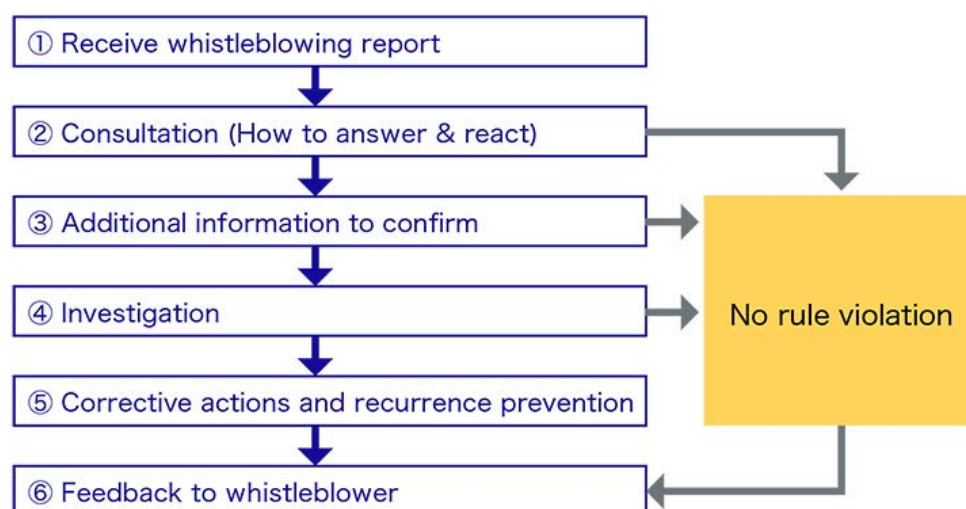
It is clearly stated in "Komatsu's Worldwide Code of Business Conduct," the "Five Principles of Compliance," and each company's employment regulations that employees who make legitimate reports will not suffer any disadvantage as a result of such reporting. This encourages active use of the system. Measures are also taken to protect the confidentiality of information related to reports by giving careful consideration to investigation procedures.

The system is available to all individuals regardless of employment type (full-time, temporary, dispatched, part-time, etc.). It is also accessible to business partners and to former employees within one year of leaving the company, if the report concerns Komatsu. Anonymous reports are also accepted.

Internal whistleblowing hotline



Whistleblowing process



Compliance risk audit

As part of our risk management activities, Komatsu has been conducting compliance risk audits (CR Audits) since FY 2008.

› For details, please refer to the link provided.

Whistleblowing hotlines for external stakeholders

To maintain appropriate procurement practices throughout the Komatsu Group, we have established various whistleblowing hotlines for external stakeholders. These include the Supplier Whistleblowing Hotline, through which suppliers can seek advice or report issues requiring corrective action by the Komatsu Group, particularly potential violations of Japan's Subcontract Act, and the Driver Whistleblowing Hotline, through which drivers can raise concerns regarding transportation operations in response to the "2024 logistics issue." Through these hotlines, we identify and address individual issues.

4. Reacting to contingencies

If any issues arise, we take prompt corrective actions, investigate the root cause, and strive to prevent recurrence.

1. Number of compliance violations in FY 2025

Item		Scope	FY2025	Unit
Number of violations of Komatsu's Code of Business Conduct*1	Corruption or Briber	Global	0	case(s)
	Discrimination and Harassment	Global	0	
	Customer privacy data	Global	0	
	Conflict of interest	Global	0	
	Money laundering and Insider trading	Global	0	

*1 Compliance violations that involve legal violations, fines, or settlements.

2. Regarding anti-corruption

Number of employees who were dismissed because of conflict with Komatsu's anti-corruption policy (global)	FY 2025: Zero
Fines imposed on Komatsu related to corruption / amount of penalties (global)	FY 2025: Zero
Number of employee training sessions on anti-corruption prevention (in Japan)	FY 2025: 12 times Approx. 120 people (planned overseas assignment)
Establishment of internal whistleblowing system related to corruption (global)	Prevention of corruption is specified in "Komatsu's Worldwide Code of Business Conduct" as a key priority issue. If there is any suspicion or concern involving corruption or the violation of business society rules, concerned parties are invited to use the Global Compliance Hotlines established at the Komatsu Head Office or within each region to report the problem.

Information security

Komatsu recognizes that threats to information security are becoming increasingly sophisticated and complex each year. To enhance the overall information security level of the Group, we have clarified our policies regarding the establishment of management frameworks, protection of information assets, strengthening of system security, monitoring of networks and systems, and training and education for employees, and we are implementing corresponding activities.

In FY2025, there were no incidents that had a significant impact on our business.

[Information Security Policy \(192KB\)](#)

1. Management and promotion system

Komatsu has established and operates a CSIRT (Computer Security Incident Response Team) covering its sites worldwide as an organizational structure for information security, including the capability to respond to cyberattacks. During normal operations, the CSIRT works to prevent information security incidents through activities such as information gathering, various system countermeasures, and employee education. In the event of an incident, the CSIRT aims to respond quickly, minimize damage, and restore systems as early as possible. Komatsu has also established SOC (Security Operation Centers) in each global region to monitor systems and networks.

Because an initial response is extremely important in responding to cyberattacks, Komatsu has established employee reporting channels and a system for detecting signs of abnormal activity through SOC monitoring. Based on reports through these channels or signs of abnormal activity detected by SOC, the CSIRT and SOC promptly take initial response actions according to their respective roles, and consistently handle the process through root cause investigation and the formulation of measures to prevent recurrence. In the event of a major incident, Komatsu promptly reports it to the Risk Management Committee, which includes the President, directors, and the executive officer in charge of information security, and has established a structure to take appropriate actions based on management decisions.

In addition, to prepare for business continuity risks caused by cyberattacks, Komatsu is working to strengthen its emergency response capabilities by developing response manuals and conducting regular cyber-BCP drills.

At its production plants, Komatsu has established FSIRTs (Factory Security Incident Response Teams) and has built response structures to prepare for cyberattacks on plant networks and production equipment. In the event of an incident, FSIRTs and the CSIRT work together to minimize damage and enable an early resumption of production.

In addition, to continue providing customers with safe products and solutions, Komatsu works to ensure security from the planning and development stages, properly manages vulnerability information, and maintains response processes for cases where vulnerabilities are identified.

These initiatives are reported regularly to the Risk Management Committee, and important matters are also reported to the Board of Directors. Under the oversight of management, Komatsu appropriately manages information security across the Komatsu Group.

2. Protection of information assets

To appropriately protect the company's information assets, including personal and confidential information, Komatsu classifies and ranks information based on its importance, implements security measures such as access restrictions for storage locations and data encryption, and manages this information appropriately.

Komatsu recognizes that the proper protection of personal information—including that of customers, business partners, and employees—is essential for conducting business. We have established and comply with our "Global Privacy Policy" and ensure proper handling through e-learning programs and internal audits. We also work to protect personal information overseas in line with legal and societal requirements in each country and region, such as compliance with the General Data Protection Regulation (GDPR) in Europe.

3. System countermeasures

To prevent information leaks caused by cyber threats such as external unauthorized access and computer virus infections, Komatsu implements system countermeasures based on a Zero Trust approach, in addition to multilayered defense, or Defense in Depth. Under Zero Trust, Komatsu does not unconditionally trust any access, whether from inside or outside the company. Instead, it verifies users, devices, access destinations, and usage status each time access is made, thereby reducing security risks.

In particular, for access from outside the company, including telework, as well as the use of business systems and cloud services as they increasingly move to cloud environments, Komatsu has introduced access management that combines multi-factor authentication (MFA) and device authentication. This ensures not only user authentication but also allows connections only from devices authorized for business use, thereby reducing the risk of information leaks caused by unauthorized access or spoofing. In cloud environments, Komatsu also promotes secure cloud use by appropriately managing access privileges, thoroughly applying the principle of least privilege, and monitoring usage logs.

Komatsu also implements continuous security measures to enable the early detection of cyber risks and strengthen response capabilities.

For vulnerability assessments, Komatsu conducts continuous monitoring and assessments as necessary for internet-facing servers, critical internal systems, and systems running in cloud environments. In addition, by monitoring and analyzing security logs and communication status, Komatsu has established a structure capable of detecting signs of cyberattacks, such as unauthorized access, malware infections, and abnormal communications, in real time.

Detected vulnerabilities and suspicious behavior are visualized and centrally managed using a control ledger, and the responsible system-owning departments respond promptly according to the level of risk and priority.

Penetration testing is outsourced to external specialized vendors and conducted once or twice a year. The testing specifications and scope are also reviewed as necessary, taking into account the progress of cloud adoption and trends in new cyber threats, to support continuous improvement.

Through these initiatives, Komatsu is strengthening its structure to detect signs of cyberattacks in real time across both on-premises and cloud environments, and to analyze and respond to them appropriately.

4. Education and training

At Komatsu, appropriate handling of information is clearly defined as a standard of conduct to be followed by all employees, who are expected to actively engage in the proper protection and management of information. Recognizing that information security requires not only organizational and system-level measures but also individual responsibility, Komatsu promotes adherence to fundamental practices and continuous improvement of employee knowledge. In the event of a security incident, employees are required to promptly report to the CSIRT. To ensure that these principles and behaviors are well understood and practiced, Komatsu provides regular e-learning programs for all employees. In addition, targeted email attack simulations are conducted several times a year to strengthen awareness and preparedness.

These e-learning programs and training exercises are conducted not only in Japan but also at overseas subsidiaries, as part of Komatsu's efforts to strengthen information security across its global operations.

5. Information security audits

By conducting audits related to information security, Komatsu is working to enhance the overall information security level across the Komatsu Group. These audits are conducted by Komatsu employees with specialized expertise, who also provide advice to increase their effectiveness. By conducting audits from an independent and impartial standpoint as parties with no direct interest, Komatsu ensures independence and fairness.

6. Efforts to improve information security across the supply chain

Komatsu requests that not only Komatsu and Group companies, but also dealers and partner companies that share Komatsu's confidential business information, manage information security in line with Komatsu's information security policies. Komatsu also provides ongoing and effective support. For dealers and partner companies, Komatsu recommends periodic checks and interviews using checklists regarding system measures for information devices and other equipment, as well as proper information management methods. Komatsu also recommends the use of its designated information security training materials. Through these activities, Komatsu shares with all relevant parties the need for appropriate information system management in handling confidential business information and ensuring stable business continuity, thereby reducing risks.

With the planet

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Our concept of environmental activities and promotion system

We, at the Komatsu Group clearly defines the basic policies of environmental conservation, which will be the guidelines of business activities, when engaging in business activities while working to realize a sustainable society, and promotes environmental conservation activities.

Komatsu Earth and Environment Policy (June 2022 revision)

Corporate Principles

■ 1. Contributions to Realization of a Sustainable Society

Humankind must not only promote the further development of a prosperous and comfortable society but also pass down our planet earth and its indispensable environment to future generations in a sound and healthy condition.

We at the Komatsu Group define environmental conservation efforts as one of the highest priority management tasks, and endeavor to contribute to the sustainable growth of society by integrating advanced technologies into environmental conservation efforts in all our business activities. We also aim to achieve carbon neutrality with net zero CO₂ emissions by 2050, and contribute to sustainable development through efforts to reduce CO₂ emissions from products and in our manufacturing, and to establish a recycling-oriented society.

■ 2. Simultaneous Realization of Environmental and Economic Performance

As a group of companies working to improve our manufacturing for the satisfaction of our customers, we at the Komatsu Group are committed to improving both our environmental performance and economic efficiency. To this end, we are constantly engaged in technology innovation to provide economical products, services and solutions through improving fuel efficiency at our customers' workplaces and strengthening their cyclical businesses, while striving to minimize the environmental impacts related to the entire lifecycle of products from production to disposal.

■ 3. Observance of Corporate Social Responsibility

We at the Komatsu Group promote environmental conservation by not only complying with the applicable laws and regulations of our host communities, regions and countries but also by establishing our own voluntary standards addressing global and local environmental concerns. Each company of the Group also strives to fulfill our collective corporate social responsibility and create value toward a sustainable planet and future through participating in environmental conservation activities in each region, disclosing environment-related information to society, and maintaining close communications with our stakeholders.

Guidelines for Corporate Activity

■ 1. Initiatives for the Earth and Environment

We at the Komatsu Group contribute to sustainable development and climate change mitigation and adaptation through the following initiatives.

– 1) Response to Climate Change

We will reduce the amount of energy used and greenhouse gas emissions generated across the entire lifecycle of our business. We do not limit ourselves to cutting emissions from our bases and from the use of our products. Rather, we broaden the target to include customer workplaces in their entirety.

– 2) Establishment of a Recycling-oriented Society

Through our business processes, we work to minimize the use of natural resources such as materials and water, promote their reuse, or recycle them as much as possible. At the same time, we ensure the comprehensive reduction of waste in all business areas. We also contribute to the establishment of a recycling-oriented society by strengthening our forestry machinery business, which supports a sustainable forest management cycle of planting, cultivating and harvesting, as well as our remanufacturing (Reman) operations, which involve the refurbishment and reuse of components.

– 3) Conservation of Air, Water and Other Natural Systems as well as Management of Chemical Substances

We comply with not only local laws and regulations but also with our own established standards concerning the conservation of water quality and the prevention of air pollution, noise and vibrations.

As much as possible, we also ensure the comprehensive management of chemical substances used in our business activities, while continuously working to reduce the use of potentially harmful chemical substances or replace them with alternatives for the discontinuation of their use.

– 4) Response to Biodiversity

We recognize biodiversity as an important environmental issue, evaluate, understand and analyze impacts on it in all our business areas, and work on our tasks according to the criteria of highest impact and/or most effective actions.

■ 2. Framework of Global, Group-wide Environmental Management System

Komatsu and major companies of the Komatsu Group will establish an Environmental Management System, and will work to maintain and improve environmental activities. Other group companies and suppliers will also work to establish environmental management systems that help to maintain and improve environmental activities. Each company or business unit of the Komatsu Group will set its own mid- and long-term targets in accordance with the mid- and long-term targets set based on the Komatsu strategic growth plan, and will develop and implement specific activity plans. Top management will regularly review targets, activity plans and status, and work on continuous improvement.

■ 3. Environmental Education and Communication

We at the Komatsu Group believe that it is important to enhance the environmental awareness of each employee. To this end, we will actively promote environmental awareness and education programs among all employees.

We will gather environment-related information from each company or business unit of the Komatsu Group, and strive to disclose information concerning all business activities. We will also facilitate proactive dialogues with all our stakeholders, such as customers, employees, local communities and suppliers, thereby further improving the content of our environmental communication.

* This policy has been approved by the Sustainability Promotion Committee, chaired by the president.

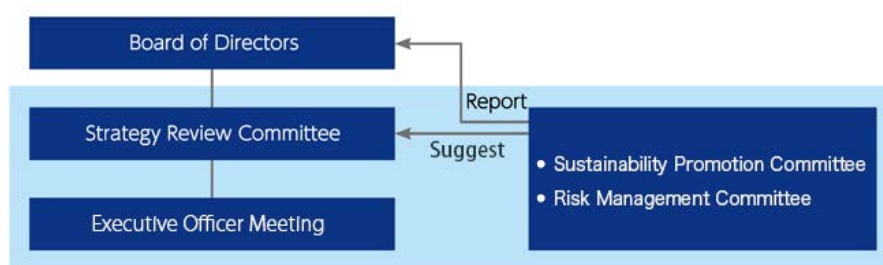
Organizational chart of the environmental management structure

Among our important business challenges, the Komatsu Group includes climate change in the objectives of our business strategies.

The Sustainability Promotion Committee and the Risk Management Committee all discuss climate change and provide advice to the Strategy Review Committee and reports to the Board of Directors, who establish a system that realizes appropriate supervision.

In addition, the Executive Officer Meeting controls progress in the achievement of the objectives.

System for reporting and reviewing environment-related issues, including climate change



Main themes regarding the environment, including climate change

Body	Chairperson	Major discussion items related to climate change
Board of Directors	Chairman of the Board	- Discussions regarding goal of achieving carbon neutrality by 2050 - Establishment of Sustainability Policy - Formulation of new strategic growth plan - Report from the Sustainability Promotion Committee - Reports from research, development, and product planning divisions and the Chief Technology Officer - Reports from production and procurement divisions - Strategic Growth plan progress report
Strategy Review Committee	Representative Director and President	- Low-carbon product development strategies - Mining business growth strategies - Forestry machinery business growth strategies - Smart Construction growth strategies - Growth strategies for major production bases - Report from the Sustainability Promotion Committee - Reports from the Risk Management Committee
Executive Officer Meeting	Representative Director and President	Progress in product development (including climate change-related KPIs)

Body	Chairperson	Major discussion items related to climate change
Sustainability Promotion Committee	Representative Director and President	- Initiatives for addressing ESG issues - CSR activity reports - Deliberations and reports regarding important environmental matters and key performance indicators (KPIs) - Revision of environmental policies
Risk Management Committee	Executive officer supervising general affairs	Report on responses to natural disaster risks

Mid- to long-term targets and progress

Komatsu has launched its new medium-term management plan starting in FY2025. Under this plan, the company has set KPIs for addressing social challenges and indicated its aim to achieve sustainable growth through a positive cycle of solving social issues and enhancing profitability through growth strategies.

By 2030, Komatsu aims to reduce CO₂ emissions from product use and production activities by 50%.

The 2030 targets, including other indicators, are as follows:

Mid- and long-term targets

Area	Application	Object	Index	Base Year	2030 Targets	FY2025 Achievements and Progress
Products	Construction Equipment Mining Equipment Forest machines etc.	CO ₂	Fuel consumption reduction	2010	50% reduction ^{*1}	23% reduction
Production	Domestic and overseas production bases	CO ₂	Total volume	2010	50% reduction (Index 50)	48% reduction (Index 52)
		Electricity	Ratio of renewable energy in total electricity usage	-	50%	36%
		Water	Intensity	2010	2030 target: 70% reduction (Index 30)	71% reduction (Index 29)
		Waste	Intensity	2010	62% reduction (Index 38)	60% reduction (Index 40)
Logistics	Japan	CO ₂	Intensity	2006	23% reduction (Index 77)	17% reduction (Index 83) ^{*2}
External evaluation	-	-	External evaluation	-	CDP A List (Climate, Water) DJBICI World	CDP Climate : A Water : A DJBICI World: Selected

^{*1} : The CO₂ target has been changed to an emissions target. This target does not directly use CO₂ emissions themselves as a management indicator; rather, it is intended to contribute to reducing CO₂ emissions by reducing energy consumption through lower fuel consumption.

^{*2} : Progress (results) is calculated using conventional emission factors.

Acquiring ISO14001

Komatsu has implemented a Group-wide initiative to acquire ISO14001 certification, an international standard for environmental management systems. The objective is to enhance management quality by strengthening systematic steps towards environmental conservation.

《Komatsu ISO Certification Status》

*Except KMC

From 1997	Production sites in Japan and other countries began to acquire certifications individually.
2008	The Komatsu Group in Japan acquires integrated certification.
2015	Main production sites in overseas countries achieve 100% certification.
From 2018	Sales and service divisions are added to integrated certification in Japan. 2018: Komatsu Customer Support Japan Ltd. 2019: Four bases (Nagoya, Osaka, Hiroshima, Fukuoka) of Komatsu Industries Corp. 2022: One base (Kantou) of Komatsu Industries Corp.

* The ISO 14001 certification coverage rate across our production sites is 93%, with the remaining 7% covered by internal audits conducted by specialists. This figure was derived by calculating the ratio of certified employees to our total headcount.

ISO14001:2015 Domestic Integrated Certification



Scope of the integrated certification in Japan

› Scope of the Integrated Certification in Japan (276KB) 

Global operations list of certified sites

› Global Operations List of certified sites (388KB) 

Environmental policies of plants in Japan

› Awazu Plant (444KB) 

› Kanazawa Plant (404KB) 

› Osaka Plant (260KB) 

› Oyama Plant (980KB) 

› Ibaraki Plant (288KB) 

› Koriyama Plant (260KB) 

› Himi Plant (212KB) 

› Shiga Plant (216KB) 

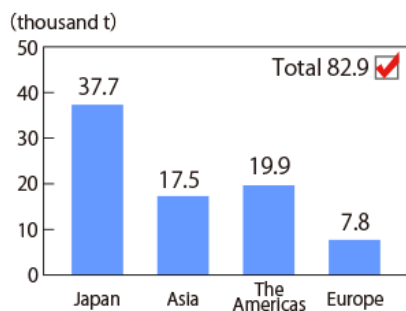
› Hiratsuka district (188KB) 

› Techno Center (516KB) 

› Test Engineering Center (2.17MB) 

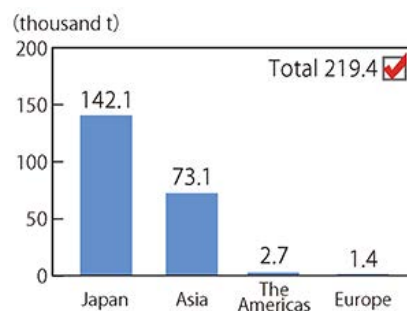
Environmental impact indicators by region

Scope1 : Direct CO₂ emissions from manufacturing facilities



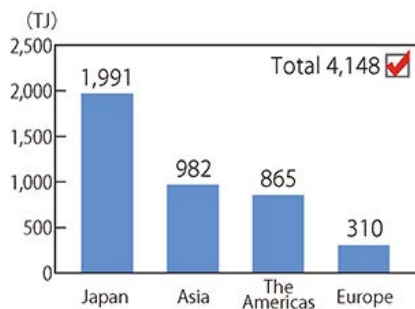
(from the use of generators, boilers, etc.)

Scope2: Indirect CO₂ emissions from manufacturing facilities

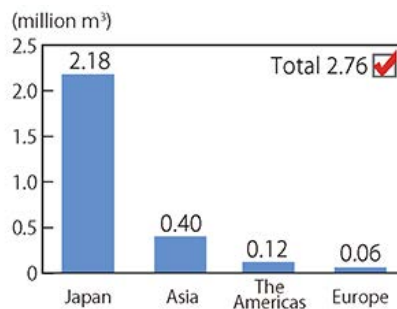


(from purchased electricity, steam and hot water)

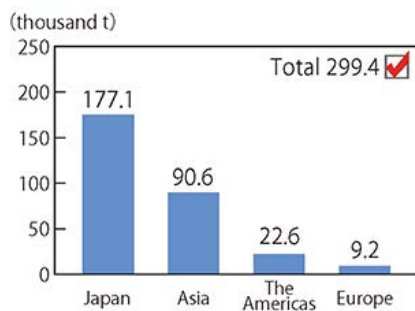
Energy



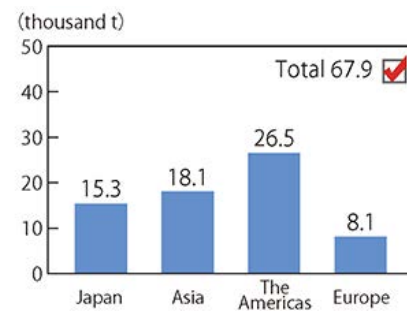
Water Input



Energy related CO₂ (Scope1 and Scope2)



Waste generation



Climate change

Mitigating climate change through products and services

1. Reducing CO₂ emissions during construction equipment operation

Approximately 80–90% of CO₂ emissions over the life cycle of construction equipment occur during product operation. Against this background, Komatsu has worked to reduce CO₂ emissions during product operation through three approaches: “DANTOTSU Products,” “DANTOTSU Service” and “DANTOTSU Solutions.”

Step1: Reducing CO₂ emissions through products

Komatsu reduces CO₂ emissions from its products by providing products that incorporate electrification and deliver superior fuel efficiency.

Under the “GX Construction Machinery Certification System,” established by Japan’s Ministry of Land, Infrastructure, Transport and Tourism to promote decarbonization at construction jobsites through the wider adoption of electric construction equipment, a total of nine models of battery-powered and cable-powered electric hydraulic excavators have been certified as of April 2026. Based on this system, Komatsu classifies the certified products as its sustainable products.



PC30MRE-6

Step2: Reducing CO₂ emissions from products through services (Komtrax)

Komtrax, a machine operation management system, automatically collects operating data and machine health data from construction equipment operating around the world and enables the equipment to be remotely monitored, managed and analyzed. It visualizes machine operating hours, working hours, usage patterns and fuel consumption and provides this information to customers via the internet, helping them reduce fuel consumption and, consequently, CO₂ emissions.

Step3: Reducing CO₂ emissions across the entire construction process through solutions (Using ICT construction equipment and providing solutions through Smart Construction)

In 2013, Komatsu introduced the D61PXi-23, the world's first ICT bulldozer equipped with automatic blade control, in North America, Europe and Japan. In 2014, Komatsu introduced the world's first hydraulic excavators equipped with semi-automatic control: the PC210LCi-10 in North America and Europe and the PC200i-10 in Japan. Calculations based on data from in-house test construction using an ICT hydraulic excavator showed that the PC200i-10 reduced fuel consumption by approximately 30% in embankment slope shaping work. Similarly, calculations based on data from in-house test construction using an ICT bulldozer showed that the D61PXi-23 reduced fuel consumption by approximately 25% in spreading and leveling work, demonstrating that ICT bulldozers, like ICT hydraulic excavators, can reduce CO₂ emissions.

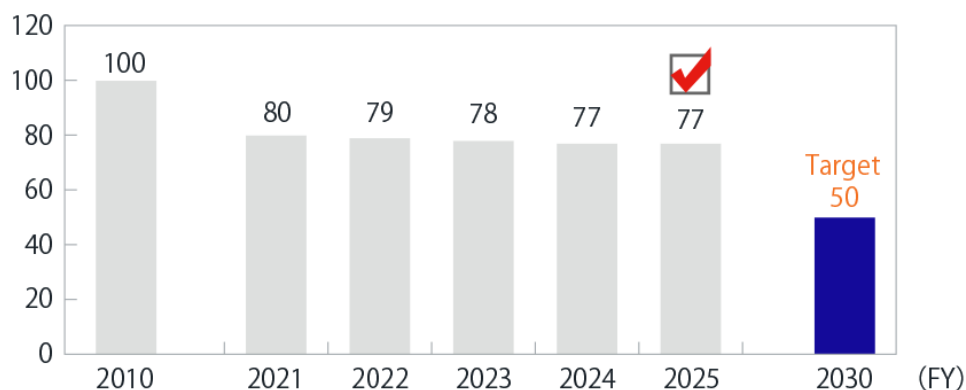
Komatsu deploys Smart Construction, which combines this ICT construction equipment with solutions such as surveying current terrain conditions using drones and 3D scanners to improve work efficiency and visualize processes at construction jobsites.

2. Reducing CO₂ emissions during product operation

Komatsu has set a target of reducing CO₂ emissions per unit of work from the operation of its products—including construction equipment, mining equipment and forestry machinery—by 50% by FY2030 compared with FY2010.

To assess progress toward this target, Komatsu compares the performance of products in each fiscal year with that of products in the base year, FY2010, and estimates the contribution to CO₂ reductions from improvements in fuel efficiency and work efficiency. The assessment showed that products in FY2025 achieved a 23% reduction in CO₂ emissions per unit of work compared with the base year.

CO₂ emission index during product operation



Accelerating the electrification of on-site operations towards achieving carbon neutrality

Tight tail swing electric mini excavator “PC30MRE-6”

This product maintains the same working range as the PC30E-6, launched in October 2023, while achieving a more compact rear body and reduced machine weight through the use of a smaller battery. These improvements enhance operability in confined spaces and ease of transportation. Its JIS-compliant tight tail swing design enables safe operation during piping and indoor construction work at confined urban jobsites, as well as at larger jobsites where obstacles are located behind the machine. In addition, the reduced machine weight makes the machine easier to load onto transport vehicles than the PC30E-6.



PC30MRE-6

Reducing CO₂ emissions in manufacturing operations

As part of its efforts to address climate change, Komatsu promotes activities to reduce CO₂ emissions, using CO₂ emissions per unit of internal manufacturing value as a key indicator. These activities cover all energy used in research, development, and production at its global locations, including electricity, fuel gas, and fuel oil.

In FY2025, energy-saving improvements focused on energy-intensive plants in Japan and overseas (such as those for casting, forging, heat treatment, and machining), the expansion of solar and biomass power generation facilities, and increased purchases of green electricity overseas resulted in a significant reduction in our CO₂ emissions. Additionally, the share of renewable energy in electricity use increased to 36%.

Since FY2021, Komatsu has adopted internal carbon pricing (ICP), set at USD 300 per ton of CO₂,* and has used it in making investment decisions on energy-saving measures for Scope 1 and 2 emissions and renewable energy facilities. This promotes environmental investments based on cost-effectiveness analysis and supports the identification and capture of opportunities to decarbonize production activities.

* In setting the price, the basis for the price and the calculation method were considered in accordance with the “Guidelines for Utilizing Internal Carbon Pricing” (Ministry of the Environment, March 2020). Among the four pricing approaches described in the guidelines, the price was determined based on “internal discussions aimed at setting a price that promotes decarbonization investments (implicit price).”

Item	FY2025	Target of FY2030
CO ₂ emissions index (compared to FY2010)	52	50
The rate of renewable energy use	36%	50%



Major achievements in FY2025

■ Japan

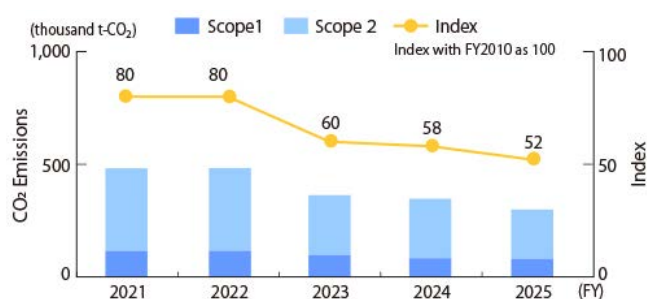
- Improved productivity and energy efficiency of utility facilities
- Expansion of photovoltaic facilities and biomass power generation

■ Overseas

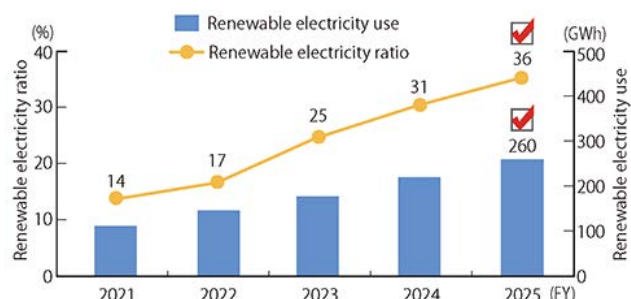
- Improved power factor of electric power facilities and forging methods
- Expansion of photovoltaic facilities and green electricity purchases

CO₂ emissions, energy indicators in production activities

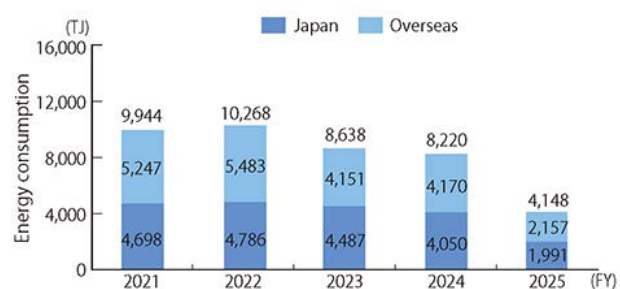
Energy related CO₂ emissions



The amount and ratio of renewable electricity



Energy consumption



* The conversion value used for electricity energy consumption was changed from the primary energy conversion value prescribed under Japan's Act on the Rational Use of Energy to a conversion value based on the amount of energy consumed.

Initiatives to reduce CO₂ emissions

1. New energy-efficient office building supporting a sustainable future

At Komatsu America Corp.'s Peoria Plant in Illinois, a new energy-efficient office building was constructed to support Komatsu's long-term net-zero strategy through improved energy efficiency, the use of renewable energy, and responsible resource management. The facility has obtained LEED Silver certification*1 through measures such as the adoption of water-saving equipment and the installation of a rainwater storage system. In terms of energy efficiency, the building uses high-performance LED lighting, a daylight harvesting control system that maximizes the use of natural light, and a high-performance building envelope that reduces heating and cooling loads. In addition, solar power generation equipment has been installed on the rooftop to cover part of the building's electricity demand with clean renewable energy. To achieve its sustainability goals, the facility also offsets the remaining energy consumption through the purchase of renewable energy certificates, aiming to achieve effectively net-zero energy in facility operations.



*1 Certification under LEED, an international certification system that evaluates the environmental performance of buildings, indicating that the building has been recognized for its high environmental performance.

2. Taking the next step in energy conservation: starting on-site power generation at the UK plant

Komatsu UK Ltd. has also taken the next step in energy conservation at its plant by introducing on-site power generation. The newly installed solar panels have a generation capacity of more than 1,700 kW, most of which is consumed within the plant, with part of the surplus electricity supplied externally. This project is designed not only to further promote energy conservation but also to reduce costs and improve resilience to future fluctuations in energy prices. The Komatsu Group will continue to actively pursue energy conservation at its plants, as well as energy efficiency improvements and power generation at office buildings, and will promote measures to address global warming by reducing greenhouse gas emissions.



3. Promoting new energy use that integrates power generation, charging, and energy storage

Komatsu (Changzhou) Construction Machinery Corp. (KCCM) is actively transitioning the forklifts used on its premises to battery-powered models. While vehicle electrification has been progressing, the existing charging area became insufficient in terms of space, resulting in situations where charging work had to be carried out in cramped areas. As this raised safety concerns, including an increased fire risk, KCCM expanded the charging area to create an environment where charging can be conducted safely.

Solar panels were installed in the newly developed charging area so that renewable energy can be used to charge forklifts. In addition, a small-scale energy storage system was installed so that electricity generated by solar power can also be used at night. During the daytime, forklifts are charged with electricity generated by solar power, and surplus electricity is stored in the energy storage system. At night, the stored electricity is used for charging. This has enabled KCCM to establish a low-environmental-impact operating system that does not generate CO₂ emissions from the charging process. In addition, the energy storage system is designed to be used not only for charging forklifts but also for supplying electricity to the plant. By using stored electricity during periods when electricity rates are high, it also contributes to reducing electricity costs.

Through the introduction of equipment that integrates power generation, charging, and energy storage, KCCM has achieved multifaceted improvements, including reduced environmental impact, improved safety, and lower electricity costs.

KCCM will continue initiatives that combine the use of renewable energy with improved safety, and will promote environmental improvement activities toward sustainable business operations.



Reduction of CO₂ emissions in logistics

Status of CO₂ emissions reductions in global transportation

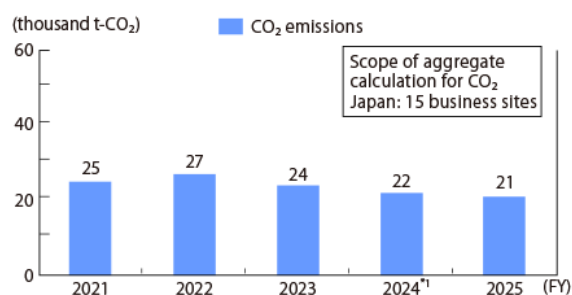
(CO₂ emissions intensity per unit of cargo weight)

Komatsu is promoting modal shift to use coastal vessels and railways in domestic transportation while enhancing transportation efficiency by improving the loading ratio. Additionally, to shorten transportation distances to ports for export products, we actively use Kanazawa and Hitachinaka ports, which are located near our manufacturing sites.

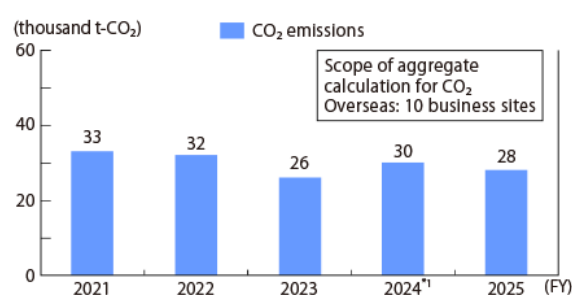
In FY2025, global CO₂ emissions from transportation, combining domestic and overseas operations, totaled 49.5 thousand t-CO₂, representing a decrease of approximately 3% from the previous fiscal year.

Komatsu will continue to improve transportation efficiency in Japan and overseas and work to reduce CO₂ emissions associated with transportation.

CO₂ emissions in transport Japan



CO₂ emissions in transport Overseas



Sustainability in Motion: Advancing Toward Low-Emission Transport

In Chile, road freight transport accounts for approximately 32.2%* of total national energy consumption and is responsible for about 28.7%* of greenhouse gas (GHG) emissions. This positions the sector as a key lever for achieving the country's climate change mitigation commitments.

In this context, Komatsu Cummins Chile, aligned with corporate policies and global guidelines, has implemented a range of initiatives aimed not only at reducing its GHG emissions to meet 2030 targets for scope 1 and 2, but also at addressing its scope 3 emissions. Among these, particular emphasis has been placed on emissions associated with road freight transport.

To this end, the company operates a backbone logistics network consisting of 26 trucks dedicated exclusively to the transportation of Komatsu spare parts and machinery. This network connects, with high frequency, 18 logistics centers, airports, and customers between the cities of Iquique and Santiago, covering approximately 3,091,176 km per year.

As part of its roadmap toward cleaner transportation, Komatsu Cummins Chile has implemented initiatives focused on the gradual integration of electromobility and low-emission technologies. Currently, 13 out of the 26 trucks in the main fleet (50%) are electric vehicles, which are used for urban distribution over shorter distances. These vehicles were gradually incorporated during FY25, achieving a reduction of 81 tons of CO₂e. It is estimated that during FY26, once fully operational, electric vehicles will enable a reduction of 273 tons of CO₂e.

Additionally, 11 out of the 26 vehicles in the main fleet (42%) are equipped with Euro VI technology and are used for long-distance intercity transport across the country. This technology enables significant reductions of up to 50% in nitrogen oxides (NOx) and up to 90% in particulate matter, contributing substantially to improved air quality and public health.

The implementation of these initiatives is carried out through strategic partnerships and close collaboration with dedicated transport service providers. Within this framework, clean technology requirements are incorporated at early stages of procurement processes, based on previously defined technical assessments. Service deployment—encompassing the integration of new vehicles, the development of enabling infrastructure, and the adaptation of operational processes—is jointly managed with providers, ensuring a controlled transition and adherence to agreed service levels.

Looking ahead, Komatsu Cummins Chile plans to progressively scale the deployment of low-emission technologies across its logistics operations, extending this model to transport routes serving mining sites, located in different regions of the country. These initiatives not only contribute tangibly to emissions reduction but also reinforce the company's commitment to sustainable development, creating long-term value for its stakeholders and strengthening a resilient and responsible operation over time.

* Source: National Energy Balance 2023 (Ministry of Energy) and National GHG Inventory 2024 (Ministry of Environment).



For the creation of a recycling-based society

Development of our "Reman" remanufacturing business

Global Reman business operating at 45 sites in 16 countries

"Reman" is short for "Remanufacturing," meaning regeneration.

This business involves collecting components from construction and mining equipment that has been in operation for extended periods. These components are then remanufactured at Reman plants to restore them to a like-new condition and provided to customers in line with their overhaul timing, including disassembly, inspection, and repair. Mining equipment, which is the primary focus of the Reman business, is typically used for approximately 10 to 25 years after purchase. Over its lifecycle in terms of total operating hours, repairs of parts and overhauls involving two to five component replacements are essential.

Reman products offer the same level of quality as new components, but at a lower cost. Komatsu's Reman business continues to grow as a resource-circulating business that contributes to environmental conservation while also helping customers reduce their lifecycle costs.

The Reman business model leverages Komatsu's strength in developing and manufacturing key components such as engines, transmissions, and motors in-house. This enables components to be remanufactured according to the original design and production specifications, resulting in Reman products that are competitive in terms of quality, lead time, and cost. In addition, information such as component durability obtained during disassembly is fed back to the development division to support product development, quality improvement, and enhanced serviceability.

A 4-win business for customers, the global environment, distributors, and Komatsu

The Reman business creates value not only for customers, but also for the global environment, distributors, and Komatsu.

1. **Customers:** By choosing Reman products, customers can reduce the lifecycle costs of the machines they own. In addition, minimizing machine downtime helps improve customer productivity.
2. **The Global Environment:** By reusing collected components instead of discarding them, it is estimated that approximately 23,700 tons of CO₂ emissions were avoided in FY2025 compared with producing new components.
3. **Distributors:** Promoting Reman as a key feature can help expand new machine sales, improve profitability, and strengthen customer relationships.
4. **Komatsu:** Supporting customer problem-solving and maximizing customer value leads to continued customer choice of Komatsu. In addition to being highly profitable, the Reman business also contributes to product quality improvement through data obtained from collected components, which is used in new product development.

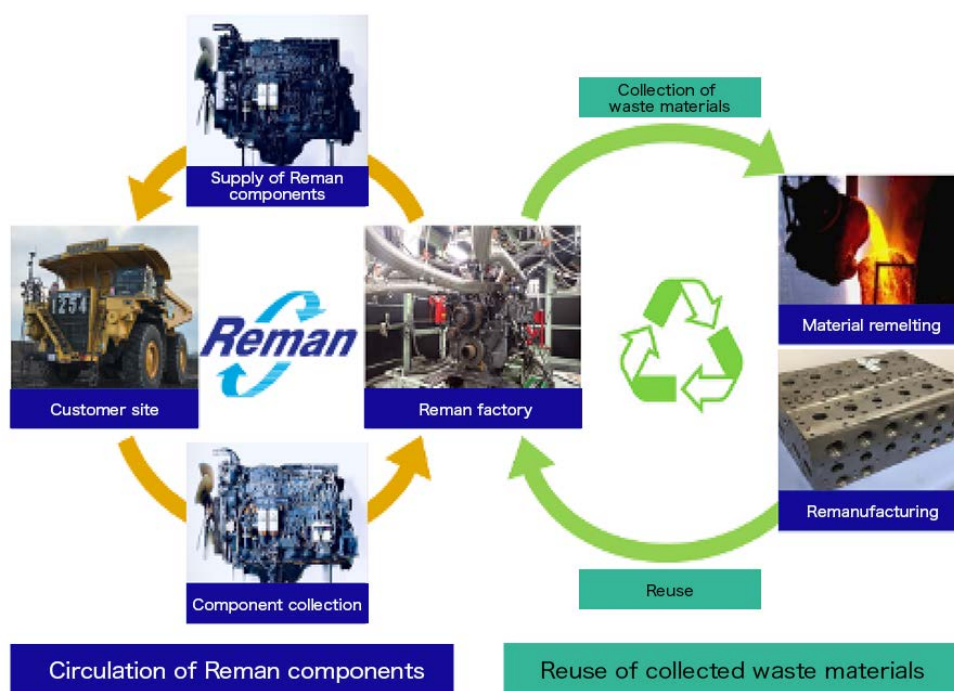
Changes in Reman sales (base FY 2010 = 100)



Reman factories and centers map



CO₂ reduction through Reman processes and business operations



Acquisition of Remanufacturing Business of SRC of Lexington, Inc. in the United States

Komatsu, through its wholly owned subsidiary Komatsu America Corp. (Headquarters: United States; President and CEO: Kozo Okuda), acquired the remanufacturing business assets for components and parts for construction and mining equipment from SRC of Lexington, Inc. (Headquarters: Lexington, Kentucky, U.S.A.; President & General Manager: Rob Shear; hereinafter "SRC of Lexington") in February 2025.

SRC of Lexington was established when Komatsu transferred its Reman business in North America in 2009, and has continued to do business with Komatsu as one of the most important suppliers for its North America Reman business. This acquisition was made to respond to growing demand for Reman products, driven by the increase in the installed base of quarry and mining equipment sold in North America since 2010, and to strengthen Komatsu's global supply capacity for Reman products.

By newly securing its own dedicated Reman facility in North America, one of the world's largest markets for construction and mining equipment, Komatsu will further strengthen its Reman business in North America, enhance its supply capacity to meet growing global demand for Reman products, and further expand the business.



Effective use of critical materials in products

Komatsu is working on the conservation and effective use of limited resources by reusing critical materials used in products, etc.

An increasing number of diesel engines, which are used in construction machines, are now equipped with exhaust gas processing devices to reduce the density of NOx (nitrogen oxide) and PM (particulate matter) in exhaust gases. The exhaust gas processing devices use noble metals as a catalyst to reduce the density of NOx and PM. To effectively use these resources, for example, Oyama Plant in Japan collects exhaust gas processing devices that have been replaced to maintain their performance on construction machinery in operation, and either recycles the noble metals contained in them or reconditions the devices so that they can be reused. In this way, Komatsu promotes the effective use of critical materials and reduces the consumption of new critical materials.

Activities to effectively utilize resources (waste)

Komatsu promotes “zero-emission” initiatives to reduce waste generation and effectively utilize the waste generated through recycling.

At its production sites in Japan, Komatsu works to convert waste plastics into valuable materials, reduce wood waste by improving transport packaging configurations, and reuse packaging materials. At its overseas sites, Komatsu also actively promotes the reuse of waste through proper segregation. In FY2025, Komatsu promoted the effective use of sand used in casting processes and reduced plastic waste, including packaging materials, resulting in a significant reduction in waste generated. As a result, waste generation intensity decreased by 60% compared with FY2010.

Item	FY2025	Target of FY2030
Index of waste generated per unit (Reference year: 2010)	40	38

Major activities in the previous fiscal year

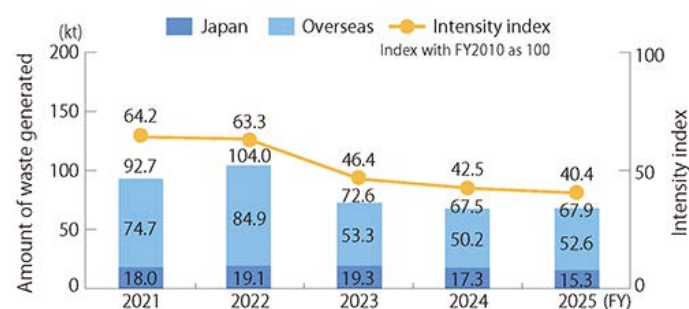
■ Japan

- Reduction of wood chips through packing mode improvements for items procured overseas
- Promotion of waste sorting by plastic type to turn waste plastics into valuable commodities

■ Overseas

- Effective use of sand in the casting process

Amount of waste generated



Promoting waste reduction by reusing circulating water in paint booths

At the foundry of Komatsu (Changzhou) Construction Machinery Corp. (KCCM) in China, large volumes of water-based paint are used for painting parts. Paint mist collected by the exhaust gas cleaning equipment in the paint booths dissolves into the circulating water and becomes viscous over time. As the concentration of paint components in the circulating water increases, it interferes with the operation of the treatment system. For this reason, the circulating water was previously replaced approximately once every two weeks. This wastewater had to be treated as hazardous waste, resulting in increased waste volume. In addition, because new water had to be supplied to replace the discharged wastewater, water consumption also increased, creating a situation with a high environmental impact.

To address this issue, KCCM introduced circulating water treatment equipment for wet paint booths and established a system to filter, separate, and collect paint sludge from contaminated water, allowing the clean filtered water to be reused. The collected paint sludge is dewatered through a two-stage compression process using compression equipment, making it possible to significantly reduce the amount of waste generated.

Based on the Chinese cultural concept of “開源節流” (kaiyuan jieliu),” meaning securing and conserving resources, KCCM will continue to actively promote initiatives to reduce environmental impact and make effective use of resources.



Activities to effectively utilize resources (water resources)

Recognizing that Komatsu’s plants in the Hokuriku area of Japan use particularly large amounts of water, Komatsu continues to optimize water use for snow melting purposes during winter, while improving water efficiency in production processes—such as recycling cooling water and converting water-cooled systems to air-cooled ones—in order to reduce the volume of newly introduced water.

In FY2025, Komatsu significantly reduced the total water input compared to the previous year, achieving a 71% reduction in water input intensity compared to FY2010.

Item	FY2025	Target of FY2030
Water Input Intensity Index (Base year: 2010)	29	30

Major activities in the previous fiscal year

■ Japan

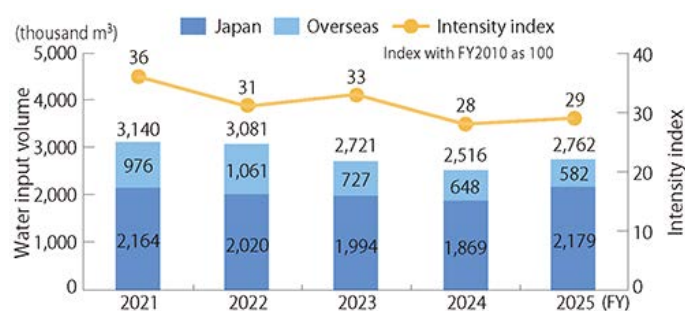
- Recycling cooling water for heat treatment facilities and air-cooling compressors
- Optimization of water use for snow melting; installation of water-saving nozzles in welfare buildings

■ Overseas

- Use of rainwater and recycled water for sprinklers

Water input in production activities

Water input volume



Effective use of water resources through rainwater collection and reuse

To reduce the amount of newly introduced water used in production processes, Komatsu Italia Manufacturing S.p.A. (KIM) promoted a project to collect and reuse rainwater at its plant. KIM installed rainwater collection and storage equipment with a capacity of 130 m³ on the plant premises. The collected rainwater is properly treated using water treatment equipment and then used in processes such as painting and machine washing.

Water used in these processes can be reused multiple times through repeated treatment and filtration. It is ultimately discharged as plant wastewater, but is properly managed in accordance with relevant laws and regulations and permit conditions. This helps reduce the use of new water resources and promotes the sustainable use of limited water resources.

Although the amount of rainwater collected depends on precipitation, rainwater use has maintained stable and favorable results since the start of operation. This project embodies KIM's initiatives to reduce environmental impact and improve resource efficiency, and represents an important step toward building a sustainable production system.

Amid concerns that extreme weather is becoming increasingly common, Komatsu will continue to promote initiatives to reduce environmental impact and make effective use of resources. Komatsu will also continue to actively pursue activities that create opportunities for environmental improvement, with the aim of realizing a sustainable society.



Environmental initiatives at sales and service companies

Support for environmental activities at sales and rental companies

Komatsu also continues to be committed to safety and environmental improvement activities in the operations of Komatsu Group sales companies for construction equipment and forklifts. In FY2025, to further raise awareness of environmental management, we supported the development of environmental management systems and provided assistance in improving workplace practices. Additionally, we conducted on-site checks for compliance with laws and regulations and held follow-up study sessions to support further improvement.

Furthermore, to enhance information sharing, we are enriching the intranet—established for Komatsu Group sales companies—with essential content such as legal revision updates, guidelines, and training materials. We also provided e-learning programs on industrial waste management.

Item	FY2024	FY2025
CO ₂ (kt-CO ₂)	7.5	6.8

Acquisition of ISO14001 certification

Komatsu Customer Support Japan Ltd (KCSJ) continued its efforts in FY2025 to renew certification for ISO 14001, the international standard. We promoted environmental improvement activities mainly at our certified sites, including at the Head Office of each company, implemented standardized environmental improvement initiatives at other sites, and successively renewed the certification of all companies, including Head Offices, as planned.

Environmental activities based on the environmental guidelines

At Komatsu Group sales company workplaces, we distribute our “Environmental Guidelines” to all sites and promote environmental activities in accordance with these guidelines. The guidelines summarize matters and standards that should be observed in relation to laws and regulations and neighboring communities concerning waste disposal, wastewater management, noise and vibration, and other issues closely related to the environment. In addition, to ensure that the Environmental Guidelines are steadily complied with at workplaces, representatives of Komatsu and each company jointly provide on-site guidance, improvement proposals, and education at each site.



New employee training at a sales company site

Proper discharge of waste

The waste discharge compliance management system (which centralizes the management of electronic manifests, consignment contracts, permits, and more) has been introduced and has implemented unified operations in all KCSJ companies and some Komatsu Group sales companies. This has enabled all divisions to visualize the management control status of the waste generated at each site and to manage the system properly.

Reduction of environmental impact in our regular operations

Supporting the sale of environmentally friendly products

Komatsu has focused on promoting the sales of eco-friendly machines, such as those equipped with Tier 4 Final-compliant engines, ICT construction equipment, and battery-powered forklifts, aiming to reduce environmental impact through our sales and service operations. Moreover, since FY2021, we have introduced electric hydraulic excavators to the market and have been making proposals to environmentally conscious customers.

Additionally, Komatsu Group sales companies are promoting the Smart Construction Retrofit Kit, which retrofits conventional construction machinery with ICT functions, are actively promoting Smart Construction methods, and are working to reduce their environmental impact by improving on-site work efficiency. KCSJ has established IoT Centers throughout Japan where users can explore the functions of ICT construction machines and experience the Smart Construction method and is striving to increase awareness of construction methods with a reduced environmental impact.



PR activities for electric mini excavators at an exhibition

Environmental risk management

Promoting legal compliance, and pollution mitigation and prevention

Komatsu complies with national and local laws and regulations and ensures that it periodically reports and maintains measurement results.

In FY2025, there were five minor violations of environmental regulations in Japan and one overseas. No fines were imposed, and all issues have been resolved.

Addressing soil and groundwater contamination

Komatsu has established guidelines for testing soil and groundwater, inspects any business unit that is scheduled to be sold, closed, or removed pursuant to laws and regulations, and takes purification measures upon confirmation by local authorities if contamination is discovered.

We voluntarily investigate business units in operation in order to test for contamination stemming from VOCs in cleaning solvents, etc. used in the past.

We have been surveying soil and groundwater for VOC contamination at domestic business units since 2005, and have implemented countermeasures at any sites that have been found to be contaminated. We use methods that facilitate the cleaning process in the shortest period of time possible.

We will continue to thoroughly clean-up and regularly monitor groundwater at site boundaries to ensure that there is no outflow of groundwater that has exceeded the standard outside the premises.

Managing PCB (Polychlorinated Biphenyl) waste

At our sites in Japan, PCB-containing waste—such as transformers and fluorescent lamp ballasts—is properly stored and disposed of in accordance with the “Act on Special Measures concerning Promotion of Proper Treatment of PCB Wastes” and the “Waste Management and Public Cleansing Law.”

While Komatsu completed the disposal of high-concentration PCB waste by the legal deadline at the end of March 2023, some fluorescent lamp ballasts containing high-concentration PCB were discovered in older buildings at some sites in April 2025. These were promptly reported to the relevant authorities and disposed of. We also shared this case internally and completed checks and disposal of similar equipment at other sites.

Regarding low-concentration PCB waste, for which the disposal deadline is the end of March 2027, we will continue to proceed with its disposal in a planned manner.

Management of chemical substances and pollution prevention

Reducing the amount of PRTR-related substances

In FY2025, the number of PRTR* substances with a handling volume of 1 ton or more, or 0.5 tons or more for Specified Class I Designated Chemical Substances, was 29, unchanged from the previous fiscal year. The three PRTR-related substances xylene, ethylbenzene, and toluene account for approximately 76% of emissions from Komatsu and Komatsu Group production sites, and most of these emissions are released into the atmosphere.

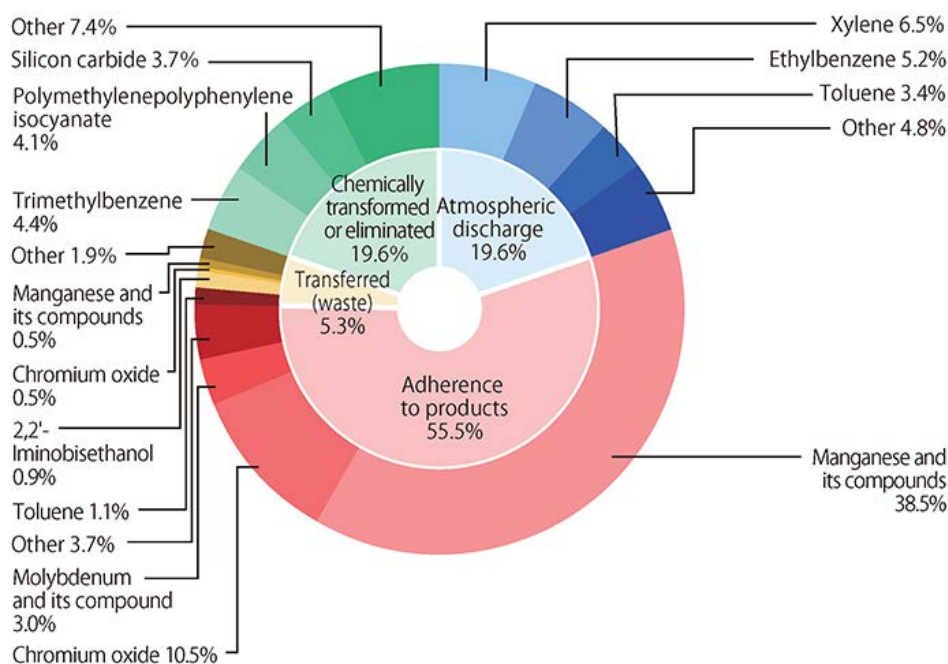
In FY2025, each business site promoted the switch to paints and thinners with lower Class I PRTR substance content, resulting in a reduction in the handling volume.

In FY2026, we will continue working to make improvements by switching to auxiliary materials with lower Class I PRTR substance content, improving coating efficiency, reducing coating film thickness, and recycling paint thinner.

* PRTR: Notification system based on the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Law).

Breakdown of the amount of PRTR-related substances released and transferred from Komatsu group manufacturing facilities in Japan

Komatsu Group manufacturing facilities in Japan

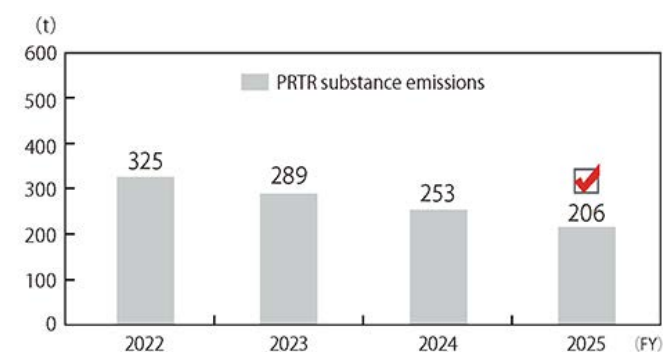


NOTE: Substances handled in quantities of 1 t or more (0.5 t or more for Specific Class I Designated Chemical Substances)

* Totals may not match exactly due to rounded decimals in individual categories.

Amount of PRTR-related substances released into the atmosphere

Komatsu Group manufacturing facilities in Japan



NOTE: Substances handled in quantities 1 ton or more (0.5 tons or more for Class 1 specified)

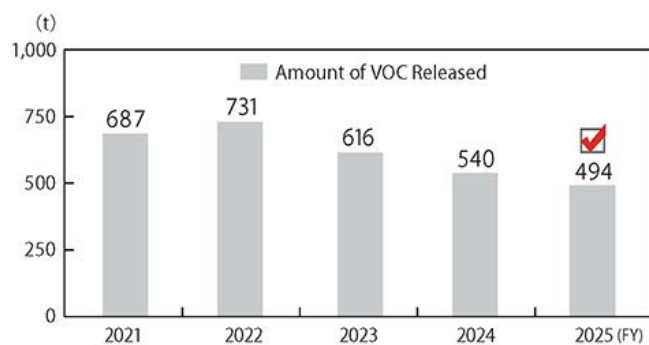
Reducing VOC Emissions

The majority of VOC emissions are from VOCs contained in paints and thinners, such as xylene and ethylbenzene.

In FY2025, VOC emissions decreased by approximately 9% compared to FY2024. We will continue our efforts to reduce VOC emissions in the future.

VOC Emissions

Komatsu Group manufacturing facilities in Japan



Reducing substances of environmental concern and complying with European regulations (REACH and SCIP)

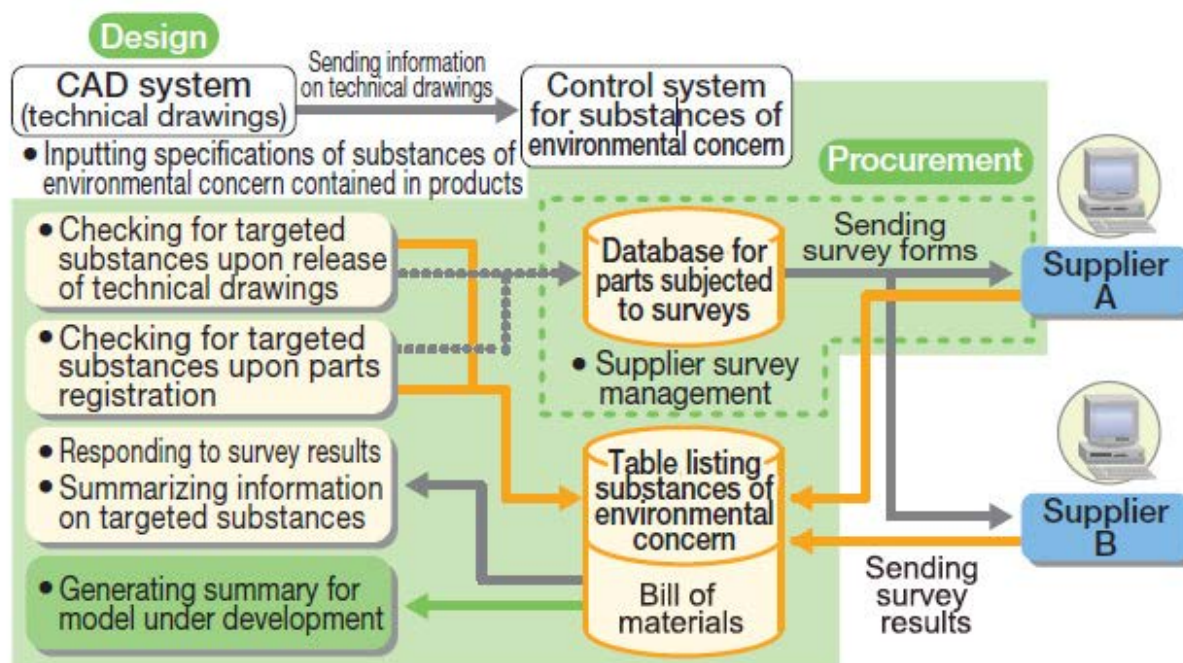
In response to growing environmental awareness overseas, Komatsu has made efforts from an early stage to reduce substances of environmental concern, such as asbestos and lead. In FY1999, based on substances banned under Japan's Chemical Substances Control Law and substances banned under regulations in other countries, we established lists of banned substances and restricted-use substances, and began comprehensive management of substances of environmental concern. ([Please refer to "Substances of Environmental Concern Banned or to Be Reduced for Use in Products"](#))

Recently, based on compliance with REACH*¹ and SCIP*², we have been reviewing restricted-use substances and promoting their reduction or prohibition. With the cooperation of suppliers, we have introduced a management system to strengthen the management of substances of concern contained in products. This system has begun operation in Japan and at our European subsidiaries, and we are also promoting its use at other overseas subsidiaries.

Using this system, we conduct checks not only on machines exported to the EU and machines produced by our local subsidiaries in the EU, but also on newly developed models. In addition, we recheck substances whenever additional SVHCs are registered.

As of May 2026, there are 253 SVHCs. Since substances are added every six months and the number is said to potentially increase to 1,500 in the future, we have established a routine workflow to ensure comprehensive management.

Control system for substances of environmental concern



Substances of environmental concern banned or to be reduced in products

Rank	Number	Substance name		
Banned	27	- Hexavalent Chromium - PBB/PBDE/DBDE^{*4}/HBCDD - PCBs - Trichloroethylene - PFOS (Perfluorooctane sulfonate) - Pentachlorothiophenol^{*4} - UV-328^{*4} - PFOA^{*4}	- Cadmium - Tri-substituted Organostannic Compounds - Asbestos - Triethanolamine - RCF (Fire-Resistant Ceramic Fibers) (Alumina and Silica Types) - Hexachlorobutadiene^{*4} - PCNs^{*4} - PFHxS^{*4}	- Mercury - Sulfur Hexafluoride^{*4} - Specified CFCs/Alternative CFCs (HCFC) - Hexachlorobenzene 2,4,6-Tri-tert-butylphenol^{*4} - Dechlorane Plus^{*4} - SCCPs^{*4}
To be reduced (Subject to limited use)	15	- Lead - Alternative CFCs (HFC) - Polycyclic Aromatic Hydrocarbons (PAH) - BNST	- Arsenic - Specified phthalate ester (DEHP/DBP/BBP/DIBP)^{*3} - Methanol - DOTe	- Selenium - Specified Chlorinated Flame Retardants (TCEP) - DZ - UV327
Substances of Very High Concern (SVHC) under EU REACH Regulations	(253) ^{*5}	Komatsu controls the use of the following substances, which might be used in Komatsu products. - DEHP/DBP/BBP/DIBP etc (5 substances) - Specified Lead Compounds (4 substances) - HBCDD/DBDE/tris (2-chloroethyl) phosphate (TCEP) - DOTe - RCF - UV327		

*1 REACH: EU regulations for the Registration, Evaluation, Authorization and Restriction of Chemicals

*2 SCIP (Substances of Concern in articles as such or in complex objects (Products))

*3 Diethylhexyl phthalate, dibutyl phthalate, benzyl butyl phthalate, diisobutyl phthalate

*4 Review for stricter limits due to regulatory trends.

*5 The number of substances registered up until May, 2026. Includes materials that are not contained in Komatsu construction equipment

We are working to phase out or reduce the use of substances of environmental concern.

NOx and PM emitted from products

Emission regulations have been established to reduce NOx (nitrogen oxides) and PM (particulate matter) contained in the exhaust gases from diesel engines used in construction equipment and other machinery. Komatsu has been developing products with cleaner exhaust emissions in response to these regulations. In FY2025, approximately 78% of the construction equipment produced complied with U.S. Tier 3, EU Stage IIIA, or more stringent regulations. As a result, the average NOx and PM emissions from construction equipment products produced by Komatsu are shown below:

Average NOx and PM emissions

	FY2023	FY2024	FY2025
NOx(g/kWh)	3.7	3.9	3.5
PM(g/kWh)	0.19	0.19	0.17

Komatsu's efforts regarding water

Due to climate change, population growth and other phenomena brought by global warming, risks of river flooding, droughts, water shortages and other water-related problems have surfaced all over the world and are becoming more serious every year.

The Komatsu Group believes that everyone has the right to access safe and sanitary water, and we respect it as one of the most important rights. We also fully understand that we depend on that water and our business operations are influenced by and exert influence on the quantity and quality of that water.

Therefore, we engage in production activities that minimize environmental impact, provide good products and services and take appropriate actions to mitigate water-related risks in an effort to conserve local water resources and ensure that the water stays safe. It is our goal to promote these activities at All Komatsu and lead to the conservation of the global environment.

Basic initiatives

1. In our production activities, to reduce water consumption in cleaning and other processes, we set objectives and are continually carrying out water reduction activities. In addition, we promote the introduction of water circulation systems that collect used water for recycling at selected bases to increase the efficiency of water use. When returning the water discharged from production and sales bases to nature, we dispose of it in compliance with national and regional laws and regulations and also the management standards we have established.
2. Using construction machines equipped with ICT and other advanced technologies, we contribute to measures mitigating water-related risks such as safe and efficient shore protection work and disaster-relief work.
3. We regularly carry out water-related risk surveys at our production bases, sales bases, and suppliers and take appropriate measures to mitigate risk.
4. We provide safe, quality drinking water and sanitary services to those involved in our business, including the local community.
5. We learn about water together with stakeholders to raise our awareness of water and our responsibilities and aim to realize a better planet and future.
6. We carry out water-related initiatives and proactively disclose achievements.

Through these initiatives, we contribute to the SDGs, a set of common goals for the world.

Response to water-related risks

Based on the Komatsu Earth Environment Charter, the Komatsu Group has promoted initiatives focused on reducing water usage, promoting recycling, and protecting water quality. In 2023, we conducted a "Water Risk Survey" at 58 key business sites, both domestic and international, regardless of production status. This survey included: (1) the identification of general and objective water risks using the WRI Aqueduct, and (2) a subjective awareness survey of water risks deemed important by Komatsu. By combining these two approaches, we achieved a more comprehensive "Water Risk Survey."

The results of this "Water Risk Survey" revealed that some areas within the Komatsu Group face significant risks, such as water scarcity (water stress) and disaster risks from river flooding. Moving forward, we will continue to conduct regular "Water Risk Surveys" to update and address water-related issues within the Komatsu Group.

Water stress risk survey

Using WRI Aqueduct, we assessed water stress risks at the Komatsu Group's 30 major production sites in Japan and overseas with regard to the use of water resources necessary for production activities, including municipal water (tap water/city water), industrial water, and well water.

As of 2023, water usage at sites assessed as having "high" or "medium-high" water stress risk accounted for approximately 6% of total water usage. While well water accounts for about 68% of Komatsu's overall water usage, all water used at sites with "high" water stress risk is municipal water. This confirmed the importance of reducing water usage and promoting water recycling, also from the perspective of securing water resources in those regions.

We will use the results of this survey in our existing initiatives, such as reducing water usage (input volume), promoting water recycling, and adapting to physical risks such as heavy rain and flooding, in order to reduce water risks across the Komatsu Group. In addition, when planning the construction of new business sites or the relocation of existing sites, we will conduct water stress assessments in those regions and confirm the level of risk.

Domestic case studies (Oyama and Tochigi plants)

As measures against heavy rain, we have installed three reservoirs capable of storing one hour's worth of on-site rainfall at 100 mm/h, heavy-rainwater drainage pipes, and underground storage tanks, while also expanding rainwater drainage channels. We have also installed water-stop walls and water-stop plates to prevent rainwater from flowing off the premises.

* As a result, our reservoirs also help address the insufficient drainage capacity of the surrounding area.

Current Status of Reservoirs:

1. Oyama Plant 20,000 ton 10,000 ton and 4,000 ton reservoirs
2. Tochigi Plant 12,000 ton reservoir

International case studies (KIPL: Komatsu India Pvt. Ltd.; and KRA: Komatsu Remanufacturing Asia)

KIPL: Since river floodwater may enter the parts warehouse and remanufacturing shop during heavy rainfall, the following measures have been taken:

1. Installation of rainwater drainage ditches outside the parts warehouse and remanufacturing shop;
2. Installation of rainwater drainage ditches around the test track and water treatment facility through 2024.

KRA: This area receives heavy rainfall and is located in a valley, which may allow water to enter the premises. The following measures have been taken to prevent water intrusion:

1. Installation of a protective wall to prevent water from entering through the plant entrance;
2. Installation of concrete walls and drainage ditches.

We have also conducted a water risk survey of our major supply chain partners, Midori-kai, and have received their cooperation in water risk reduction activities since FY2017.

Compliance and risk audits at overseas group companies

Komatsu began conducting environmental audits in FY2007 to prevent risks at overseas subsidiaries. Since then, these audits have been carried out systematically as compliance and risk audits (CR audits).

In FY2025, we conducted audits in Chile, Europe, and China. The audits were carried out with the support of environmental managers at mother plants in Japan. Prior to the audits, audit check sheets prepared by Komatsu were sent to the local subsidiaries, and the audits were conducted based on the results of each company's self-check. The audit results showed that none of the companies had any major issues that could lead to environmental risks, and that they were all actively engaged in activities to reduce their environmental impact.

We will continue to conduct follow-up activities for these audits and carry out environmental audits at local subsidiaries in other regions.

■ Past Environment Audits

Year	Area	Year	Area
2007	China	2017	Russia and China
2008	—	2018	Indonesia and Brazil
2009	Thailand and Indonesia	2019	China and the United States
2010	India	2020	Europe
2011	Brazil	2021	China and Europe
2012	Russia and Czech Republic	2022	Southeast Asia and the United States
2013	the United State	2023	Europe, China, and the United States
2014	the United States and Brazil	2024	Indonesia
2015	Thailand	2025	Chile, Europe, and China
2016	India and Indonesia		

Holding environmental regional meetings

At Komatsu, we hold a global environmental meeting in Japan once every three years. In the remaining two years, we organize environmental regional meetings in each area. These meetings provide opportunities to exchange information and discuss region-specific challenges, with the aim of reducing compliance risks and improving the level of environmental activities at each site.

In FY2025, environmental regional meetings were held in North America, Central and South America, Europe, Southeast Asia, China, Oceania, and South Africa. Through these activities, we aim to further promote environmental initiatives across the Komatsu Group.

Climate change initiatives (Disclosure based on TCFD recommendations)

In April 2019, Komatsu announced its endorsement of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We address climate change by assessing the risks and opportunities that climate change poses to the Komatsu Group, conducting scenario analyses, and engaging in healthy dialogue with stakeholders.

At the 26th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP26), held in November 2021, the parties adopted an agreement to pursue efforts to limit the increase in the global average temperature to 1.5°C above pre-industrial levels. Furthermore, at COP28, held in November and December 2023, it was agreed to accelerate reductions in greenhouse gas emissions, including CO₂ emissions, to achieve the 1.5°C target.

In light of these global trends, Komatsu began including a 1.5°C scenario in its analyses in FY2022, in addition to the 2°C and 4°C scenarios used previously. We disclose the results of these analyses annually.

In addition, as part of its framework for addressing climate change-related issues, Komatsu convenes the Sustainability Promotion Committee, chaired by the President, once a year and additionally as necessary. The committee deliberates on and determines sustainability measures across the Group, their progress, policies related to the environment and CSR—including climate change-related issues—and other important measures and activities, while promoting their implementation.

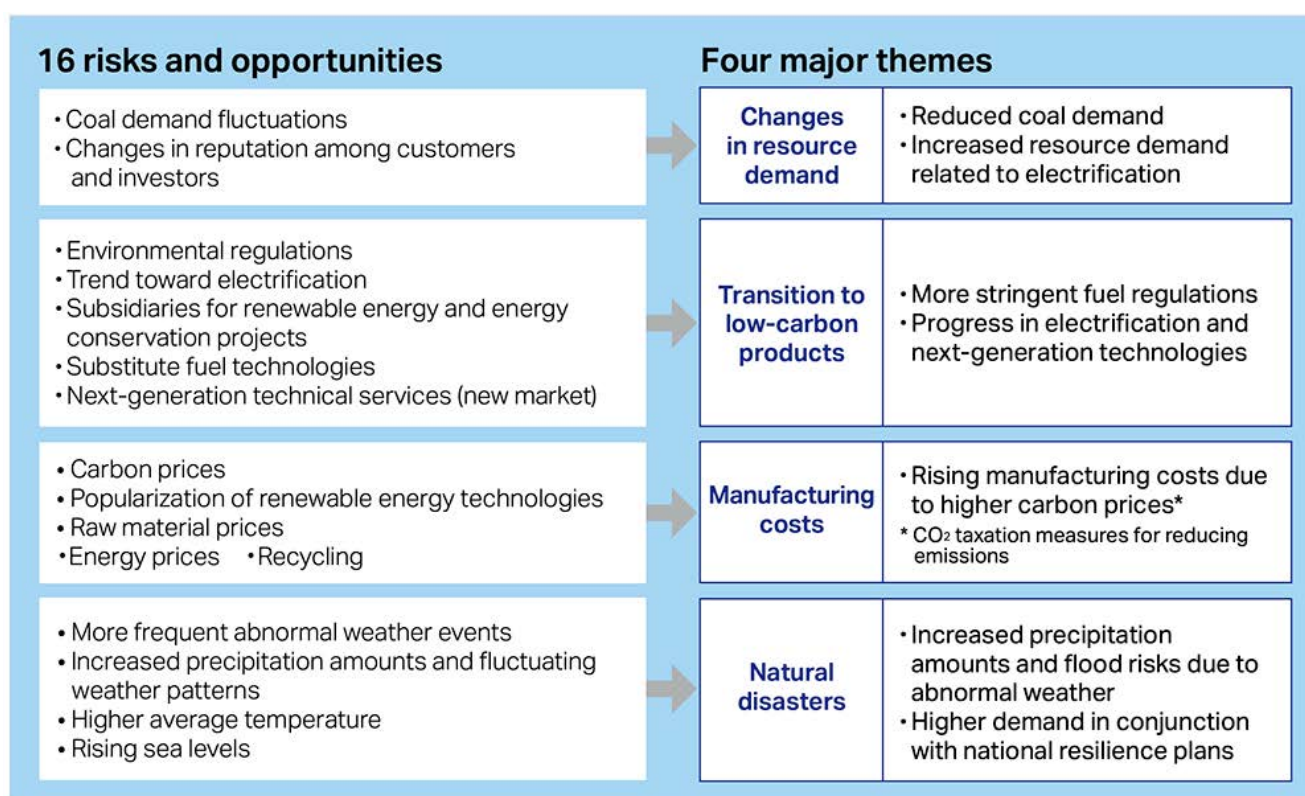
The Sustainability Promotion Committee is responsible at the management level for assessing and managing climate change-related issues, including risks and opportunities. Matters discussed by the committee are reported regularly to the Board of Directors at least once a year. Through oversight and deliberation by the Board of Directors, Komatsu has established a framework to promote the implementation of necessary measures at the management level.

Risk and opportunity identification

In identifying climate change-related risks and opportunities pertaining to the Komatsu Group's business, we referenced the risk and opportunity examples described in Final Report: Recommendations of the Task Force on Climate-related Financial Disclosures. The scope encompassed all Komatsu Group businesses, and we identified 16 risks and opportunities, with a particular focus on the construction and mining equipment business, where the impacts are especially significant. We then assessed the internal factors, which impact sales and earnings, and external factors, which are projected by the selected scenarios, and grouped the identified risks and opportunities into the four themes of changes in resource demand, transition to low-carbon products, manufacturing costs, and natural disasters.

Since our first TCFD disclosure in 2020, we have focused on these four themes and updated them annually.

Identified risks and opportunities in climate change



Assumptions for scenario analysis

To gauge the potential impacts of climate change-related risks and opportunities on the Komatsu Group's business, we performed scenario analyses of the aforementioned four major risk and opportunity themes. For these scenario analyses, we selected the 1.5°C scenario, the 2°C scenario, and the 4°C scenario based on the Fifth Assessment Report (Representative Concentration Pathways 2.6 and 8.5) and the Sixth Assessment Report (Shared Socioeconomic Pathways 5-8.5) of the Intergovernmental Panel on Climate Change (IPCC), and the Sustainable Development Scenario, the Stated Policies Scenario^{*1}, and the Net Zero Emissions by 2050 scenario^{*2} of the International Energy Agency (IEA).

*1 STEPS (The Stated Policies Scenario): One of the outlook scenarios published by the IEA; it assumes that policies and regulations currently announced by national governments will remain in effect.

*2 NZE (Net Zero Emissions by 2050 Scenario): One of the outlook scenarios published by the IEA; it assumes that global CO₂ emissions will reach net zero by 2050.

Scenario analysis of the four themes

① Changes in resource demand (Source: Komatsu Report 2024, p. 56)

Revision of mining equipment business portfolio in response to shifts in resource demand

Under the IEA's Net Zero by 2050 Emissions scenario (1.5°C scenario), demand for coal (soft rock) is projected to decline further as the shift away from coal continues. Conversely, demand is expected to grow for the critical minerals that are imperative to clean energy technologies. Accordingly, the global transition to electrified equipment is anticipated to drive a strong shift in demand toward hard rock minerals like iron, copper, and gold. It is possible that changes in global trends could result in temporary shifts in demand. However, the overall trends in demand are expected to advance in this direction. In response to this shift in demand, the Komatsu Group is revising its mining equipment business portfolio by reorganizing underground soft rock mining equipment production and support systems, while expanding the lineup of underground hard rock mining equipment through M&A activities. As a result of these activities, the portion of net sales associated with thermal coal has gradually decreased and the portion related to copper has increased over the last few years.

Figure: Resource demand projections of IEA's 1.5°C scenario (Monetary value basis)

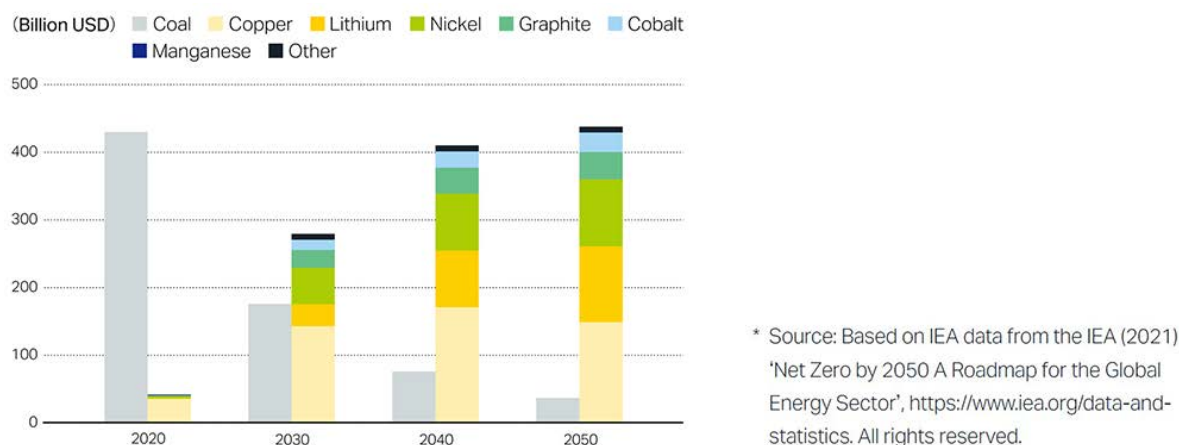


Figure: Ratio of sales of Komatsu mining equipment business by target mineral



② Transition to low-carbon products (Source: Komatsu Report 2025, p. 60)

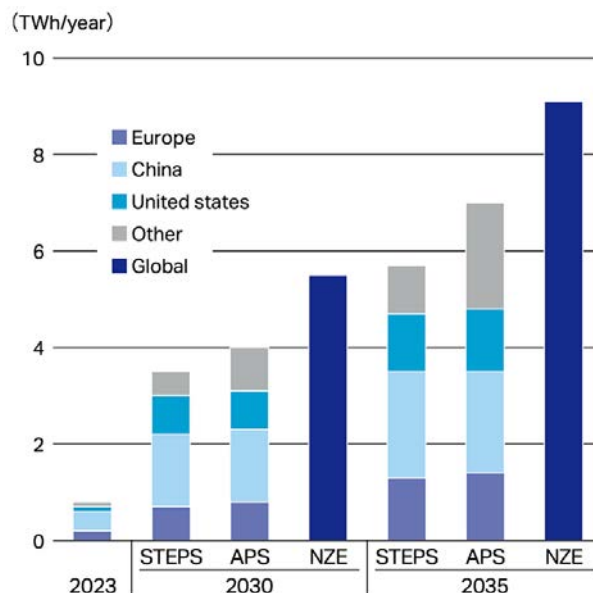
Battery strategy for stable development of electric construction equipment

1. Scenario analysis

Sales of electric vehicles (EVs), including commercial vehicles, cars, and motorcycles, are expected to expand mainly in the United States, Europe, and China. Consequently, demand for EV batteries is also expected to grow rapidly.

(In the STEPS, EV battery demand is projected to increase to 4.5 times the 2023 level by 2030 by 2030 and to nearly 7 times the 2023 level by 2035.)

Demand forecast for EV batteries



Source: Based on IEA data from the IEA (2024); Global EV Outlook 2024, www.iea.org/reports/global-ev-outlook-2024/outlook-for-battery-and-energy-demand. All rights reserved.

2. Risks

- Rising global demand for batteries will make it difficult to procure batteries for construction equipment
- Rising costs due to higher battery prices

3. Opportunities

- Providing stable supply of reliable batteries through in-house development

4. Strategy

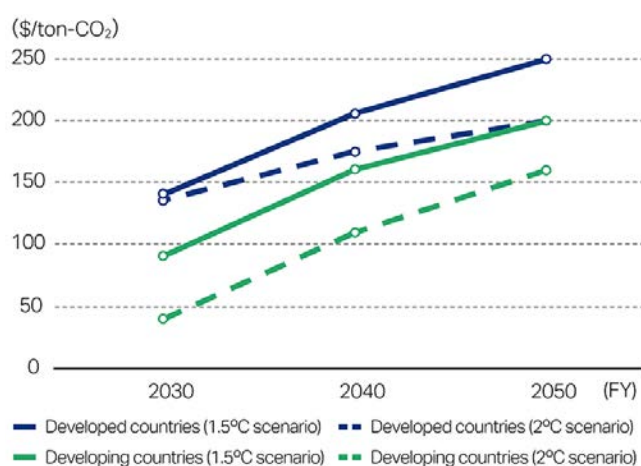
To develop batteries for construction and mining equipment, Komatsu acquired U.S. battery manufacturer American Battery Solutions, Inc. (ABS) in fiscal 2023, accumulating expertise and insights ranging from battery development to production technology. We are also working with various partners to develop optimal power sources for Komatsu's diverse product lineup of models and sizes. Going forward, we intend to expand the number of models equipped with ABS batteries and also accelerate in-house production of key components related to electric construction equipment, thereby establishing a value chain business that covers the entire lifecycle of electric construction equipment

③ Manufacturing costs (Source: Komatsu Report 2024, p. 58)

Scenario analysis: Impact of carbon taxes under the 1.5°C scenario

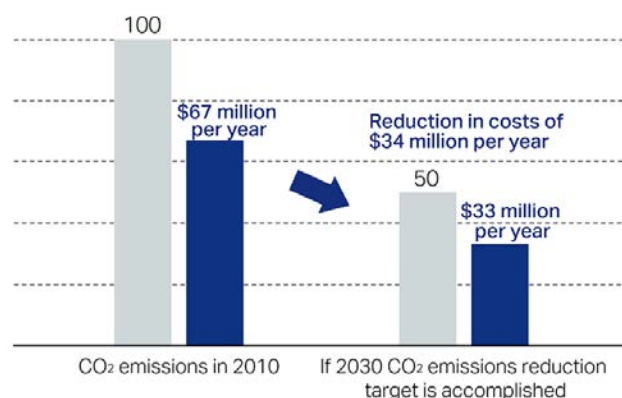
The 1.5°C scenario projects carbon tax rates that are higher than those predicted by the 2°C scenarios, reflecting high tax rates in both developed and emerging countries in 2030 and ongoing increases thereafter. Higher carbon prices as a result of carbon taxes and other government policies present the risk of future increases to manufacturing costs. Conversely, if Komatsu takes action to achieve CO₂ emissions reduction targets, these efforts will help lower the costs associated with carbon taxes. Moreover, carbon taxes also influence the prices of fuel used by equipment. Accordingly, Komatsu's initiatives for developing low-carbon products and otherwise reducing CO₂ emissions from product use will contribute to a lower cost burden for customers.

Figure: Projected carbon taxes (\$/ton- CO₂)



Sources:
2°C scenario: Announced Pledges Scenario, International Energy Agency
1.5°C scenario: World Energy Outlook 2022, International Energy Agency

Figure: Carbon tax payments if Komatsu accomplishes CO₂ emissions reduction targets for 2030



Note: Figures are based on a trial calculation assuming that CO₂ emissions in 2030 are half the level of 2010. Carbon tax payments are calculated by applying the IEA's projected 2030 carbon tax rate under the 1.5°C scenario to the respective amounts of CO₂ emissions.

④ Natural disasters (Source: Komatsu Report 2024, p. 59)

Predicted increase in frequency and intensity of heavy rainfall by scenario

The Komatsu Group reviews its flood risk surveys every three years and continuously manages risks in light of the progress of climate change. The Group has experienced frequent flood damage at sites in Japan, Indonesia, and elsewhere over the years. Therefore, we conduct regular flood risk surveys to identify high-risk bases and take necessary measures. The IPCC's Sixth Assessment Report predicts that the frequency and intensity of heavy rainfall will increase dramatically in the future as a result of global warming. In response, Komatsu conducted a flood risk study in 2023 to identify high-risk sites and evaluate the financial impact.

1. Scenario analysis: frequency and intensity of 1-in-10-year heavy rainfall events*1

	[Past] 1850-1900	[Present] 1°C	[Future] Level of global warming		
			1.5°C	2°C	4°C
Frequency of occurrence per decade (Median)	1 time	1.3 times	1.5 times	1.7 times	2.7 times
Intensity (atmospheric moistening*2)		+6.7%	+10.5%	+14.0%	+30.2%

Global warming 1.5°C projection

- At 1.5°C of global warming, heavy rains and associated flooding are expected to increase in intensity and become more frequent in most parts of Africa and Asia, North America, and Europe.

Global warming 4°C projection

- The magnitude of drought and heavy rainfall and changes in mean precipitation will increase compared with 1.5°C of global warming.
- Heavy rains and associated flooding are expected to intensify and become more frequent in the Pacific Islands and in many parts of North America and Europe.

*1 Based on the IPCC Sixth Assessment Report, Working Group I Summary for Policymakers, Tentative Translation SPM.6 (MEXT and JMA)

*2 Atmospheric moistening: An increase in the percentage of water vapor in the atmosphere.

2. Risks

We used hazard maps and other information to estimate the financial impact of shutdowns at domestic and overseas sites.

Assumed Damage and Impact	Financial Impact (single year) Current damage estimates	Initiatives
Decrease in sales due to shutdown of production facilities caused by flooding	20.4 billion yen - 55.3 billion yen*3	- To date, we have implemented heavy rainfall countermeasures at domestic and overseas plants at high risk of flooding (e.g., measures for 100 mm/h rainfall in Japan). - Assuming a 4°C scenario, the damage from flooding could be severe, so we will evaluate current measures periodically and implement new measures as necessary.

*3 Estimates for overseas bases: We assume inundation depths based on hazard maps for domestic bases. We also incorporated damage coefficients for inundation zones in Japan into the calculations.

3. Opportunities

If global warming progresses and flood damage becomes more severe in the future, responses to national land resilience and other measures may become more active, leading to an increase in demand for construction equipment.

Biodiversity initiatives

Recognizing the potential impact of our business activities on our ecosystem, we have taken steps to maintaining our commitment to protect biodiversity in our areas of operation.

Initiatives that deal with biodiversity

With the establishment of Komatsu's "Declaration of Biodiversity" and "Biodiversity Guideline" in January 2011, Komatsu has been actively engaged in biodiversity conservation and restoration activities across all of its global business sites. These efforts are promoted both by Komatsu and in cooperation with suppliers, customers, and partners who support the Declaration.

Recognizing that its business activities both depend on and impact biodiversity, Komatsu promotes conservation and restoration initiatives from two main perspectives.

First, the company continues to steadily advance its long-standing efforts to reduce the environmental impact of its operations. In addition, Komatsu has made it mandatory to consider biodiversity in land use decisions, such as during the construction of factories.

Second, Komatsu directly engages in biodiversity conservation and restoration through its "One Site, One Theme" initiative, which also aims to raise employee awareness by encouraging site-specific consideration of local ecosystems.

In response to evolving societal expectations, Komatsu refers to the framework of the Taskforce on Nature-related Financial Disclosures (TNFD) and applies the LEAP approach to identify and assess nature-related dependencies, impacts, and risks across its overall business activities. Based on these assessments, Komatsu is further strengthening its efforts to conserve and restore biodiversity.

Komatsu Declaration on Biodiversity (Revised June 2023)

Komatsu recognizes that its business activities are dependent on and influence the biodiversity of ecosystems.

Based on this understanding, Komatsu strives to take actions in accordance with the guiding principles described below, as it shares a sense of responsibility regarding the biodiversity crisis, and strives to conserve diverse resources and promote their sustainable use.

I(Recognition by Management)

Komatsu recognizes that the conservation and maintenance of biodiversity are important management tasks.

II(Initiatives)

Komatsu shall promote its biodiversity activities integrally with those to address climate change issues from the following two perspectives.

1. Komatsu shall reduce the environmental impact of its business activities which are affecting biodiversity.
 - (1) Reduction of environmental impact of products
 - (2) Reduction of direct environmental impact from products throughout their lifecycle.
 - (3) Contribution to sustainable forestry management by promoting mechanization of all processes from planting, cultivating, and harvesting trees.
 - (4) Consideration for biodiversity in land use
In particular, avoid operational activities in areas and near sites of containing globally or nationally important biodiversity.
2. Komatsu shall work for the conservation and maintenance of biodiversity through its social contribution activities.

III(Operation)

Komatsu shall promote activities by means of a step-by-step approach, taking feasibility into consideration.

IV(Working with the external partners)

In order to protect biodiversity in the regions in which we operate, Komatsu will undertake activities together with administrative agencies, local citizens, NGOs and other entities; by doing so we aim to become a corporation local communities can be proud of.

V(Full participation activities)

Komatsu will promulgate the importance of biodiversity to all employees and undertake activities with their full participation. We will involve our suppliers and dealers as well as customers related to the lifecycle of Komatsu products in these activities and promote our initiatives on a global group-wide scale.

VI(Communication)

Komatsu will educate and disclose related information to employees. In addition, Komatsu will actively disclose information on activities being undertaken and work to contribute to heightening the level of societal awareness of the importance of biodiversity.

*Sites containing globally or nationally important biodiversity:

- Species classified as Critically Endangered, Endangered, or Vulnerable on the IUCN Red List, endemic species
- Internationally recognized areas: World Heritage sites, Ramsar Wetlands, UNESCO MAB
- Nationally important biodiversity can include legally protected areas, habitats, and species.

* This declaration has been approved by the Sustainability Promotion Committee, chaired by the president.

* The scope of this declaration applies to the Komatsu Group, suppliers, customers, and partners.

Biodiversity activities

Komatsu established its “Declaration of Biodiversity” and “Biodiversity Guideline” in January 2011. Over the past decade, under the banner of “One Site, One Theme,” Komatsu’s domestic and overseas sites—including plants and offices—have consistently engaged in biodiversity-related activities.

In alignment with international frameworks such as the Convention on Biological Diversity, Komatsu complies with relevant laws and regulations of each country in which it operates, including those prohibiting illegal logging, and actively works to conserve and restore biodiversity in its operational regions. From 1992 to 2006, Komatsu carried out a reforestation project in Indonesia. Since then, we have continued our collaboration with local communities through initiatives such as transferring seedling cultivation technologies, distributing cuttings, managing experimental forests, and hosting local students and international researchers.

In addition, through Komatsu’s resource-circulating business Reman (remanufacturing), we are steadily promoting the reuse of recovered materials and the restoration of former mining sites, thereby contributing to environmental impact reduction through our business activities.

The year 2020 marked a decade since the Convention on Biological Diversity’s COP10 and the adoption of the Aichi Targets. Similarly, 2021 marked the 10th anniversary of Komatsu’s Declaration of Biodiversity. To mark these milestones, we conducted a biodiversity survey across the Komatsu Group by distributing a questionnaire. The objective was to assess current biodiversity initiatives, identify future challenges, and reaffirm our direction for the years ahead.

The results of the survey, showing the status of each site’s activities, are provided below.

- The management at each site recognizes and understands biodiversity conservation and restoration activities as one of its key management issues, and all employees are actively involved in related activities.
- These activities also serve as environmental education for the next generation, including employees, local children, and others. By promoting them in collaboration with local governments and communities, the initiatives not only gain understanding from local communities but also foster a sense of pride within the community.
- Recognizing that these efforts are closely linked to the realization of a society in harmony with nature, Komatsu sets and implements improvement targets not only for biodiversity conservation and restoration in the narrow sense, but also for reducing CO₂ emissions, water usage, and waste throughout the entire life cycle of our operations.

Looking ahead, Komatsu will continue working to expand biodiversity conservation and restoration efforts throughout the entire life cycle. To this end, Komatsu will explain these activities to members of its supply chain and encourage their proactive participation in these initiatives.

[Examples in Japan and other countries]

■ 1. Land use consideration



Koriyama Plant: Biotope on the premises



Hensley's Dallas facility : Bioswale and Pollinator Garden

■ 2. Community contribution



Oyama site: Tide prevention forest restoration volunteer project in Iwaki



Planting a tree in Inner Mongolia (China)

■ 3. Ecosystem conservation



Rare vegetation preserve on the plant's premises (Indonesia)

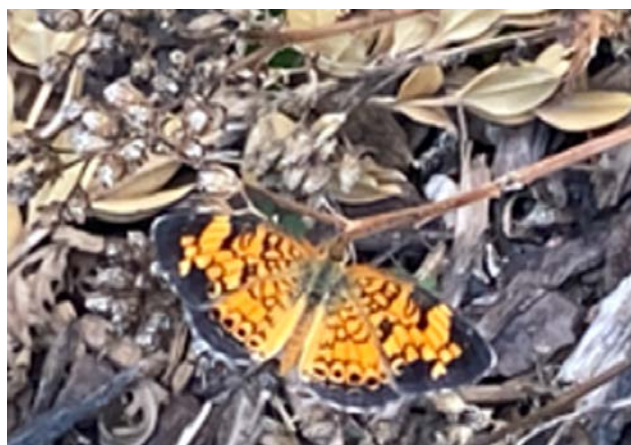
■ 4. Bioswale (vegetated rainwater infiltration strip) and Pollinator Garden (garden that supports pollination)

[United States] Hensley Industries, Inc. (Activity location: Dallas, Texas)

In 2019, as part of the effort to obtain LEED Silver certification* for an office building, Hensley Industries installed a bioswale, a vegetated rainwater infiltration strip. Initially, drought-resistant native grasses suited to the local environment were planted, and the area was operated as an initiative for stormwater management and greening.

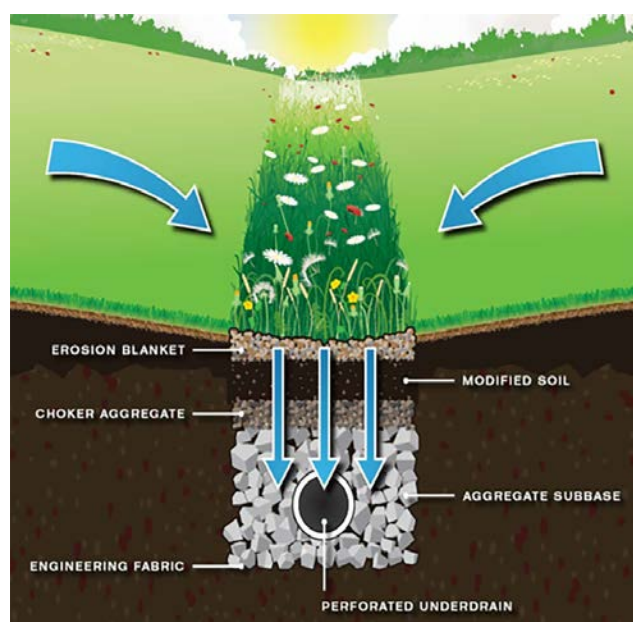
Later, to further address local nature-related challenges, part of this area was converted in 2025 into a pollinator garden, a garden that supports insect pollination. In Texas, bee populations are facing a serious decline due to factors such as drought, extreme weather, pesticide use, and habitat loss, and a decline of approximately 61% was reported in 2025.

Against this backdrop, Texas native wildflowers suitable not only for drought tolerance but also for insect pollination were planted in this area. This helped address the decline in bee populations. In addition, bare ground and dead wood were provided to create nesting habitats. Because many bees in Texas are solitary and nest underground, creating such habitats is important to the effectiveness of the initiative. The pollinator garden also contributes by providing nectar sources for migrating monarch butterflies.



Butterfly (Pearl Crescent Butterfly)

* An international certification system operated by a U.S. organization to evaluate the environmental performance of buildings. Environmentally conscious design, such as energy conservation and effective use of resources, is evaluated based on international standards.



Bioswale

A shallow landscaped channel with perforated pipes installed at the bottom and covered with rocks and vegetation. Rainwater is filtered through soil and gravel layers, and plants slowly absorb moisture, thereby reducing total runoff while replenishing groundwater resources.



Data

Environmental data		201
Amount of CO ₂ emissions by Scope3		206
SBT (Science-Based Targets) approved		207
Environmental education		208
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Environmental data

1. Changes in major environmental data

Item	FY2021	FY2022	FY2023	FY2024	FY2025	Unit
Scope1 CO ₂ emissions	109	113	93	80	83	thousand t
Scope2 CO ₂ emissions	352	350	250	250	219	thousand t
Scope1+2 emissions	461	464	342	330	302	thousand t
Scope3 CO ₂ emissions	30,893	34,271	30,425	28,509	28,241	thousand t
Energy consumption	9,612	9,916	8,291	7,902	4,148	TJ
Renewable electricity use	111.8	145.7	177.5	219.6	259.8	GWh
Renewable electricity ratio	14	17	25	31	36	%
Waste generated	92.7	104.0	72.6	67.5	67.9	thousand t
(Included) Hazardous waste generated	-	11.0	8.7	8.3	8.5	thousand t
Water input	3,140	3,081	2,721	2,516	2,762	thousand m ³

* The above figures represent totals for manufacturing sites.

* From FY2025, the conversion value used to calculate energy consumption from electricity has been changed from the primary energy equivalent value under the Energy Conservation Act to a value based on energy consumed.

* From FY2025, Scope 1 emissions include GHG emissions other than energy-related CO₂ emissions.

* From FY2025, energy consumption has decreased due to the change in the calorific value used for electricity from 9.304 GJ/MWh to 3.6 GJ/MWh.

* For the calculation methodology, please refer to "> [Calculation Methodology for Key Environmental Data.](#)"

2. Manufacturing sites

Total manufacturing sites (Japan and overseas)

Item		Actual value	Unit
Energy consumption	Purchased electricity	694	GWh
	Light oil, gasoline, et al.	6,296	kℓ
	Gas	26,261	thousand m ³
	LPG	3,571	t
	District heating	7	GWh
	Steam	2,467	t
	Total energy consumption	4,148	TJ
	CO ₂	299	thousand t-CO ₂
	In-house power generation	32	GWh
Water input		2,762	thousand m ³
Total waste generated		67,913	t



Japan

Item		Actual value	Unit
Environmental impact	Total CO ₂ emissions	177	thousand t-CO ₂
	Total NOx emissions	32	t
	Total SOx emissions	1	t
	Total waste generated	15,271	t
	BOD emissions	4	t
	COD emissions	7	t
	Wastewater discharge	1,941	thousand m ³
	In-house power generation	17	GWh

Item		Actual consumption		Converted to calorie equivalents	
		Value	Unit	Value	Unit
Energy consumption	Purchased electricity	357	GWh	1,286	TJ
	Heavy oil A	721	kℓ	28	TJ
	Kerosene	866	kℓ	32	TJ
	Light oil	2,882	kℓ	109	TJ
	City gas	6,966	thousand m ³	290	TJ
	LPG	2,734	t	137	TJ
	Gasoline	136	kℓ	5	TJ
	Biomass, solar power	-		104	TJ
	Total			1,991	TJ
Water input	Groundwater	1,981	thousand m ³		TJ
	Rainwater, etc.	3	thousand m ³		TJ
	Municipal water	198	thousand m ³		TJ
	Total	2,182	thousand m ³		TJ

*1 Total waste generated is the sum of the amount recycled and the amount disposed of.

*2 In-house power generation includes electricity sold.



Overseas

Item		The Americas actual value	Europe actual value	Asia actual value	Unit
Energy consumption	Purchased electricity	133	35	168	GWh
	Light oil, gasoline, et al.	583	261	847	kl
	Gas	8,693	3,715	6,885	thousand m ³
	LPG	324	0	513	t
	District heating	-	5	2	GWh
	Steam	-	-	2,467	t
	Total energy consumption	865	310	982	TJ
	CO ₂	23	9	91	thousand t-CO ₂
	In-house power generation	2	3	10	GWh
Water input		123	57	402	thousand m ³
Total waste generated		26,514	8,070	18,057	t

*1 Total waste generated is the sum of the amount recycled and the amount disposed of.

*2 In-house power generation includes electricity sold.

Scope 2 CO₂ emissions (Total manufacturing sites: Japan and overseas)

Standard	CO ₂ (thousand t)
Location-based	297
Market-based	219



3. Sales and after-sales sites

Komatsu Customer Support Japan Ltd.

Location	Shirokane, Minato-ku, Tokyo
Activities	Sale, service and rental of construction equipment and forklift trucks
Number of bases	135
Number of employees	4,027
Data of ISO14001 certification acquisition	May 2018

Item		Actual value	Unit
Environmental impact	Total CO ₂ emissions	6.8	thousand t-CO ₂
	Total waste generated	10,780	t
	Amount recycled	9,619	t
	Recycling rate	85.7	%

Item		Actual consumption		Converted energy value	
		Value	Unit	Value	Unit
Energy consumption	Electricity	11.5	GWh	41.5	TJ
	Heavy oil A	130	kℓ	5.0	TJ
	Kerosene	343	kℓ	12.6	TJ
	Light oil	52	kℓ	2.0	TJ
	Gasoline	5	kℓ	0.2	TJ
	LPG	11	t	0.6	TJ
	City gas	52	thousand m ³	2.1	TJ
	Total			63.8	TJ



4. Other sites

Non-Production Site Data

Sites included	Head Office, Manda area, Field Testing Department, Techno Center, General Training Center, and six recreation facilities
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Item		Actual value	Unit
Environmental impact	Total CO ₂ emissions	3.1	thousand t-CO ₂

Item		Actual consumption		Converted to calorie equivalents	
		Value	Unit	Value	Unit
Energy consumption	Purchased electricity	4.7	GWh	16.9	TJ
	Kerosene	20	kℓ	0.7	TJ
	Light oil	274	kℓ	10.4	TJ
	LPG	79	t	4.0	TJ
	Gasoline	1	kℓ	0.0	TJ
	Total			32.0	TJ

Amount of CO₂ emissions by Scope3

Category	Rate (%)	Summary Data thousand t-CO ₂
Scope3 (1)Purchased Goods and Services	9.6	2,699
Scope3 (2)Capital Goods	2.0	564
Scope3 (3)Fuel Procurement	0.3	90
Scope3 (4)Upstream Transportation disposal	0.2	60
Scope3 (5)Waste Transportation	0.0	10
Scope3 (6)Business Trips	0.6	157
Scope3 (7)Commuting	0.1	18
Scope3 (8)Upstream Leased Assets Operation	-	-
Scope3 (9)Downstream Transportation	-	-
Scope3 (10)Processing Sold Products	-	-
Scope3 (11)Customer Use	87.2	24,626
Scope3 (12)Product disposal	0.1	15
Scope3 (13)Downstream Leased Assets Operation	-	-
Scope3 (14)Franchise Member Companies	-	-
Scope3 (15)Investment Management	-	-
Total CO₂Emission Amount (thousand t-CO₂/year)	100.0	28,241

* The above data show total data for manufacturing sites.

* Due to the decimal values in each category, the total may not match.

* In accordance with the GHG Protocol, transmission and distribution losses have been accounted for under Scope 3 (Category 3) since FY2025.

* Category 8 is included in the calculation for Scope 1 and 2.

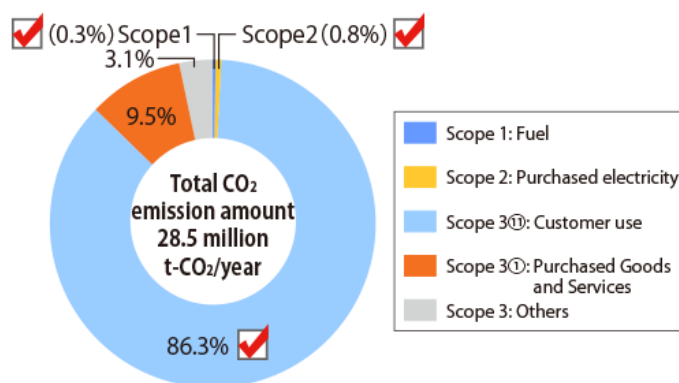
* Category 9 is included in the calculation for Category 4.

* Category 13 is included in the calculation for Category 11.

* Category 14 has no applicable activities to be calculated.

* Category 15 has no material activities to be calculated.

Reference: Pie chart for Scope 1, 2, and 3



* The Scope 1 and 2 data in the graph above cover manufacturing sites.

SBT (Science-Based Targets) approved

SBT (Science-Based Targets) approved

Komatsu's CO₂ reduction objectives have renewed certification by SBT as of March, 2025.

Science-Based Targets (SBTs) are greenhouse gas emission reduction targets consistent with the requirement of COP21 (Paris Agreement).



Komatsu's SBT are as follows

1. Scope1+2: Total -59% (Target Year 2034; Base Year 2022)
2. Scope3: Total -35% (Target Year 2034; Base Year 2022)

* The boundary of the target includes land-related emissions and removals from bioenergy feedstocks.

Progress of SBT

		Base year (2022)	FY2025	
			Emission amount	Rate of change (from base year)
Scope1+2		524 (thousand t-CO ₂)	352 (thousand t-CO ₂)	-33%
Breakdown	Scope1	128 (thousand t-CO ₂)	96 (thousand t-CO ₂)	-25%
	Scope2	396 (thousand t-CO ₂)	256 (thousand t-CO ₂)	-35%
Scope3		30,361 (thousand t-CO ₂)	24,626 (thousand t-CO ₂)	-19%

* Scope1+2 includes production sites and major sales sites etc.

* Scope 3 refers to Category 11, Customer Use.

* Scope 1 and 2 emission amounts may not match exactly due to the use of decimal points.

Environmental education

Komatsu follows a basic educational framework in which general knowledge education is overseen by the Head Office, while specific training that reflects the unique characteristics of each division is conducted by the respective business units. In particular, the Newly appointed manager training (by function), New employee training, and Development and manufacturing (introductory) courses include content related to energy efficiency, waste reduction, and water use reduction.

In FY2025, we focused on online training programs to develop and enhance the skills of internal auditors in environmental and safety practices, as well as regulatory education.

Environmental education for newly appointed managerial employees, which has been conducted since FY2014, is also provided through online training.

While we already meet the legally required number of personnel with environment-related certifications, we are actively promoting planned acquisition to further increase this number.

Courses in environmental education and training in Japan (excluding general environmental courses) *

Hosted by	No.	Course name	Target	Participants			
				FY2022	FY2023	FY2024	FY2025
Head office	1	Newly appointed manager training	Komatsu Group newly appointed managers	213	230	245	243
	2	Training new employees	New Employees (Komatsu and affiliates)	288	321	349	349
	3	Advanced environmental education (held every two years)	Environmental specialists (Komatsu and affiliates)	-	11	-	-
	4	Overview of the ISO14000 series	Managers (Komatsu, affiliates, and business associates)	259	352	365	424
	5	Training of internal auditors / Refresher courses	Environmental auditors (Komatsu, affiliates, and business associates)	190	163	155	98
	6	Explanation of Environmental Regulations and Risks	Managers and employees	-	-	-	98
	7	Development and manufacturing (introductory)	Development and manufacturing staff (for second-year employees)	140	167	176	172
	8	Environmental training for manufacturing engineers	Assistant foremen/ foremen/ manufacturing engineers/ students of Komatsu Institute of Technology	129	145	133	116
	9	Lectures on the environment, experience-oriented education	Komatsu Group employees	411	1,023	782	660

Hosted by	No.	Course name	Target	Participants			
				FY2022	FY2023	FY2024	FY2025
Divisions overseeing environmental management at plants	1	Education in the basics of auditing	Managers and employees	35	78	69	63
	2	Overview of the ISO14000 series	Managers and employees	175	598	519	272
	3	Training of internal auditors	Environmental auditors	5	0	0	68
	4	Training new employees	New Employees	1,605	1,833	1,291	1,256
	5	Regulatory education and personnel exchange	Employees (and other participants)	247	272	294	405
	6	Specialist training	Environmental conservation practitioners (persons involved in regulatory affairs, etc.)	581	720	808	652

* In addition to the education and training courses listed above, Komatsu also held courses dealing with environmental issues intended for sales agents.

Number of persons having environment-related certificate

Komatsu and Komatsu Group manufacturing facilities in Japan
(including Head office, Advanced and Core Technology Center, Field Testing Department)

Certificate name	Number of persons with certificate*			
	FY2022	FY2023	FY2024	FY2025
Pollution control administrators	202 (35)	190 (35)	196 (32)	183 (32)
Energy administrators	34 (9)	31 (9)	33 (11)	31 (11)

* Figures in parentheses indicate the number of officers required.

Environmental accounting

Komatsu discloses environmental accounting information to enable an objective evaluation of its environmental conservation activities.

Environmental conservation costs (investments and expenses)

Scope: Komatsu and Komatsu Group production sites in Japan (excluding Group companies located within those sites) and the Field Testing Department

Category		Investment			Expenses		
		FY2024	FY2025		FY2024	FY2025	
		Investment*1 (millions of yen)	Investment*1 (millions of yen)	Major activities	Expenses*1 (millions of yen)	2 a>Expenses*1 (millions of yen)	Major activities
1.Environmental impact reduction costs within business areas		2,534	1,373		2,108	2,027	
Breakdown	(1). Pollution prevention cost	561	370	■ Renewal of wastewater treatment equipment, etc.	321	352	■ Environmental measurement and sludge/soil treatment costs
	(2). Global environmental conservation cost	1,860	974	■ Introduction of solar power generation systems, etc.	796	783	■ Biomass boiler fuel and other facilities maintenance costs, etc.
	(3). Resource circulation cost	112	55	■ Renewal of waste liquid concentration equipment, etc.	990	892	■ Waste material processing cost
2.Upstream and downstream environmental impact reduction costs		1	15	■ Introduction of transport equipment, etc.	764	673	■ Reduction of the environmental impact of mass-production units
3.Environmental conservation costs in administrative activities		28	45	■ Development of green spaces, etc.	1,292	1,247	■ Costs for promoting green spaces and beautifying manufacturing sites ■ Biodiversity survey expenses
4.Environmental conservation costs in R&D activities		7,971	10,113	■ Introduction of testing and research jig equipment, etc.	26,981	25,165	■ Development, design, and testing for environmental compliance ■ Depreciation of investment in development facilities
5.Environmental conservation costs in social activities		0	14	■ Installation of soundproof fences, etc.	11	13	■ Expenses for local beautification activities ■ Membership fees for local environmental organizations
6.Environmental damage response costs		1	170	■ Renewal of wastewater treatment facilities, etc.	261	132	■ Soil contamination remediation costs
Total		10,534	11,730		31,416	29,257	

*1 All figures are rounded off to the nearest million yen.

Environmental effects

Environmental impact reduction effects

Scope: Komatsu and Komatsu Group production sites in Japan (excluding Group companies located within those sites) and the Field Testing Department

Items of environmental impact	Change in amount (t/year)	Year-on-year change rate (%)
CO ₂ emissions	-15,038	-8
Water input	311	14
Waste generation	-2,071	-14

Economic benefits

Scope: Komatsu and Komatsu Group production sites in Japan (excluding Group companies located within those sites) and the Field Testing Department

Tangible benefits			Environmental risk avoidance benefits* ²	Profit contribution effects* ²
Type	Monetary benefit* ¹ (millions of yen)	Major activities		
Energy conservation	393	Expansion of solar power generation facilities, etc.	* There were no major accidents or legal infractions that would contaminate the environment. * No litigation costs were required in Japan.	- Revenue from the environmental conservation construction equipment business - Business revenue from enhanced added value due to reduced environmental impact of products, etc.
Resource conservation	95	Reduction of heavy oil used for heating and cooling through biomass utilization		
Waste materials reduction	109	Introduction of concentration equipment for waste liquid and dehydrators for sludge, etc.		
Sale of valuable materials	415	Sale of scrap, used paper, waste oil, etc.		
Other	0	-		
Total	1,082			

*1 Figures are rounded off to the nearest million yen.

*2 Komatsu used statements instead of numerical figures to describe the "Environmental risk avoidance benefits" and the "Profit contribution effects". We will give further consideration to the interpretation and the understanding of efficiency.

Social effects *¹

Environmental impact reduction effects

- Environmental impact reduction resulting from on-site recycling methods
- Environmental impact reduction resulting from product operation
- Waste components reduction resulting from "Reman" business

Tangible benefits

- Reduction of waste processing costs
- Savings in operating and maintenance costs
- Reduction of repair costs

*1 We are aware of the potential impacts on society that could arise from the use of our products. Qualitative information regarding the most significant effects are referenced here.

Major environmental achievements in FY2025

Environmental management

Theme	Index	Reference year	FY2025 Goal	FY2025 Achievement	Remarks
Public relations of environmental activities	CDP evaluation	-	Climate : A Water : A	Climate : A Water : A	
Public relations of environmental activities	Publication of ESG Data Book	-	Publishing	Published	

Research & Development

Theme	Index	Reference year	FY2025 Goal	FY2025 Achievement	Remarks
Development of low-emission construction machinery and industrial vehicles (Compliance with emission control regulations)			- Development of Tier 4 regulation-compliant vehicles - Development of Stage V regulation-compliant vehicles	- Continued development - Continued development	
Reduction of CO ₂ emissions from products (Promotion of fuel efficiency improvement during product operation)	CO ₂ emissions reduction (unit: %)	2010	- Reduction of CO ₂ emissions from use of products (construction machinery) Goal: 30.7% reduction	- Continued development Achievement: 30.1% reduction	Goal for 2030: 50% reduction
Improvement of recycling percentage of construction machinery and industrial vehicles			- Achieve 99% or more in the next developed vehicle	- Achieved in developed vehicles (for production and sales in Japan)	
Thorough management and reduction of materials with environmental burdens in construction machinery and industrial vehicles			- Reduction of the volume of hazardous substances in the next vehicle to be developed (Maintaining a 90% reduction compared to 1998) - Operating a system that manages hazardous substances per part (REACH Compliant)	- Maintained 90% reduction of lead usage compared to 1998 - Added new SVHC, which are specified in REACH and managed use statuses of SVHC. Used the system to record data of the models for the EU and the models mass-produced or developed in the EU (Investigated substances contained in each part)	



Production

Theme	Index	Reference year	FY2025 Goal	FY2025 Achievement	Remarks
CO ₂ emissions	Total volume	FY2010	31% reduction (Index 69)	48% reduction (Index 52)	Goal for 2030: 50% reduction
Renewable energy usage	Percentage of electricity consumed		33%	36%	Goal for 2030: 50%
Water input volume	Intensity	FY2010	70% reduction (Index 30)	71% reduction (Index 29)	Goal for 2030: 70% reduction
Waste generated	Intensity	FY2010	62% reduction (Index 38)	60% reduction (Index 40)	Goal for 2030: 62% reduction

Logistics

Theme	Index	Reference year	FY2025 Goal	FY2025 Achievement	Remarks
Improvement of CO ₂ emissions per cargo weight (index) from domestic transportation of products and parts	Intensity	FY2006	19% reduction (Index: 81)	17% reduction (Index: 83)*	Goal for 2030: 23% reduction (Index: 77)

* Index based on the conventional coefficient

Procurement

Theme	Index	Reference year	FY2025 Goal	FY2025 Achievement	Remarks
Activities to reduce CO ₂ emissions	-	-	Expand to 92 Midori-kai member companies	Continued to expand to all 92 member companies	
Activities to reduce water consumption (10 companies)	-	-	Reduce municipal water use by 15% or more	20% reduction	

Sales & Services

Theme	Index	Referen ce year	FY2025 Goal	FY2025 Achievement	Remarks
Implementation of measures to prevent oil leakage	-	-	All KCSJ bases	All KCSJ bases	Installation of sandbags, drainage route maps, and emergency contact networks; implementation of emergency drills.
Introduction of waste management systems	-	-	All KCSJ companies Komatsu Group sales companies (11 companies)	Implemented at 12 companies	
Provision of environmental education	Number of bases where on-site instruction workshops were held	-	46 bases	46 bases	
Sales expansion of environmental products	-Sales expansion activities for Tier4 models -Sales expansion activities for FE	-	-Sales plan criteria for FY 2025 -Sales plan criteria for FY 2025	-108% of the criteria -104% of the criteria	
Promotion of Smart Construction work	Number of Smart Construction sites	-	BP for FY 2025	84% of the criteria	

Scope of environmental data/calculation standards

Manufacturing sites in Japan

- **Komatsu Group manufacturing sites in Japan:** The following 11 sites are included.
Awazu Plant, Kanazawa Plant [including Kanazawa-Daiichi Plant and Kanazawa-Daini Plant], Osaka Plant [including Rokko Plant], Ibaraki Plant, Oyama Plant [including Komatsu Cummins Engine Co., Ltd., Industrial Power Alliance Ltd. and GIGAPHOTON, Inc.], Koriyama Plant, Shonan Plant [including KELK Ltd.], Tochigi Plant, Himi Plant, Shiga Plant [including Shiga-daiichi plant and Shiga-Daini Plant], Komatsu NTC Ltd.
- **Logistics sites in Japan:** The following 16 sites are included.
Awazu Plant, Osaka Plant, Rokko Plant, Ibaraki Plant, Tochigi Plant, Kanazawa Plant, Shonan Plant, Oyama Plant, Koriyama Plant, Himi Plant, Shiga Plant, Komatsu Logistics Corp. (Kanto Hokyū Center, Kansai Hokyū Center, Awazu Hokyū Center, Hokkaido Center and Kyushu Center)

Overseas manufacturing sites

- **Overseas manufacturing sites:** The 24 sites are shown on the world map below.



- **Overseas logistics sites:** The following 10 sites are included.
Komatsu Americas Corp. [Chattanooga][Peoria], Komatsu do Brasil Ltda., Komatsu UK Ltd., Komatsu Germany GmbH [Düsseldorf], Komatsu (Changzhou) Construction Machinery Co., Ltd., Komatsu Machinery Manufacturing (Shandong) Co., Ltd., PT Komatsu Indonesia, Bangkok Komatsu Co., Ltd. and Komatsu India Pvt. Ltd.
- **Komatsu Group manufacturing sites in Japan and overseas:** The 35 locations listed above (11 in Japan and 24 overseas)

Guidelines

- “Environmental Report Guidelines 2018” (Ministry of the Environment of Japan)
- Basic Guidelines on Accounting for Greenhouse Gas Emissions Throughout the Supply Chain Ver 2.5 (Ministry of the Environment and Ministry of the Economy, Trade and Industry of Japan)
- Database on Emissions Intensities for Calculating Greenhouse Gas Emissions, etc. through a Supply Chain Ver 3.6 (Ministry of the Environment and Ministry of the Economy, Trade and Industry of Japan)

GRI Standards

See the GRI content index

[› GRI Standards INDEX](#)

Period covered

Primarily, this report covers data acquired from April 2025 to the end of March 2026, with a portion of information that involves data acquired after April 2026.

Calculation methodology for key environmental data

Classification	Item	Calculation method
Energy / GHG	Energy	Energy = (fuel, electricity, etc.) × energy conversion factor ■ Conversion factors for fuel and electricity: Standard heating value of the Agency for Natural Resources and Energy (2023 values in the March 2025 revised edition) ■ Scope of calculation: Manufacturing sites in Japan and overseas
	GHG	Energy-related CO ₂ emissions = (fuel quantity, electricity consumption) × CO ₂ emission factor Non-energy-related GHG (Japan only) = Gas emissions × Global warming potential (GWP) ■ CO₂ emission factor Electricity: Japan; List of Emission Factors by Electricity Provider, published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, for FY2026 Reporting Overseas; 2023 value from IEA EMISSION FACTORS 2025 Fuel: Japan, Overseas; Ministry of the Environment, Ministry of Economy, Trade and Industry, Greenhouse Gas Emissions Calculation and Reporting Manual Ver 6.1 ■ GWP: Values under the Greenhouse Gas Emissions Accounting, Reporting, and Disclosure System ■ Scope of calculation : Manufacturing sites in Japan and overseas
	CO ₂	Overall index = Emissions / Base year emissions (Base year=100)
	Location-based Scope 2	CO ₂ emission = purchased electricity quantity × CO ₂ emission factor ■ CO₂ emission factor: Japan; National Average Emission Factor by Electricity Provider, published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, from FY2025 Overseas; 2023 value from IEA Emissions Factors 2025 ■ Scope of calculation: Manufacturing sites in Japan and overseas

Classification	Item		Calculation method
Energy / GHG	Market-based Scope 2		CO₂ emission = purchased electricity quantity × CO₂ emission factor - CO₂ emission factor: - Japan; Actual emission factor values of purchased electricity providers - Overseas; 2023 value from IEA Emissions Factors 2025 - However, electricity generated from renewable energy source has an emission factor of zero - Scope of calculation: Manufacturing sites in Japan and overseas
	Scope3	C1	Purchased product service: Product production weight × emission factor + CO₂ emissions from business partners + emissions from packaging material production Emissions derived from product weight are calculated assuming that crawler models are composed only of steel, and tire models are composed of steel and rubber. Scope of calculation: major products in Japan and overseas (construction equipment, mining equipment, forestry machinery, and presses)
		C2	Capital goods: capital investment amount × emission factor Scope of calculation: Komatsu Group (Komatsu and its consolidated subsidiaries)
		C3	Fuel- and energy-related activities not included in Scope 1 or 2: amount of purchased fuel × upstream emission factor + amount of purchased electricity × upstream emission factor Scope of calculation: Manufacturing sites in Japan and overseas
		C4	Transportation, Delivery (upstream): Fuel consumption for procurement logistics × emission factor + fuel consumption for product transportation × emission factor (Domestic logistics from business partners to Komatsu plants, and domestic and overseas product transportation from Komatsu plants to customers) Scope of calculation: logistics sites in Japan and overseas
		C5	Waste from operations: Waste volume × emission factor + emissions from waste transportation Scope of calculation: Manufacturing sites in Japan and overseas
		C6	Business trip: travel expenses × emission factor Scope of calculation: Komatsu Group (Komatsu and its consolidated subsidiaries)
		C7	Employee commuting: commuting expenses × emission factor Scope of calculation: Komatsu Group (Komatsu and its consolidated subsidiaries)
		C11	Use of products sold: Σ (Production volume per product model × Fuel consumption(L/h) × Product life(h) × Emission factor) Scope of calculation: major products in Japan and overseas (construction equipment, mining equipment, and forestry machinery)
		C12	Disposal of products sold: Product weight × Emission factor Emissions derived from product weight are calculated assuming that crawler models are composed only of steel, and tire models are composed of steel and rubber. Scope of calculation: major products in Japan and overseas (construction equipment, mining equipment, forestry machinery, and presses)
			Emission factor C1, C2, C3, C4, C6, C7, C11, C12: Emission intensity database for calculating greenhouse gas emissions of organizations through the supply chain, Ministry of the Environment, Ver. 3.6 C3 fuel and electricity: AIST-IDEA Ver. 3.5.1 Standard Edition (May 30, 2025), IDEA Lab, National Institute of Advanced Industrial Science and Technology (AIST)
	CO ₂ emissions index during product operation		CO₂ emissions index calculated by using 2010 as the base year, keeping product composition, sales volume, and CO₂ emission factors fixed, and reflecting changes due to improvements in product fuel efficiency. For product groups acquired in or after 2010, the sales volume in the year of acquisition is used as the base.

Classification	Item	Calculation method
Exhaust	SOx emissions	Total for heavy oil, kerosene, light oil and coke: Calculated from fuel quantity × sulfur content in fuel
	NOx emissions	Total for heavy oil, kerosene, light oil, city gas, and LPG: Calculated from Exhaust gas quantity × NOx concentration
Wastewater	BOD emissions	Calculated from wastewater volume × average measured BOD concentration
	COD emissions	Calculated from wastewater volume × average measured COD concentration
Water	Water input	Total water input, including municipal water, industrial water and groundwater
	Water input intensity	Intensity at each plant = (amount of water used) / (internal manufacturing value); the base year of the index is set at 100. Base year: 2010(KMC base year : 2018) Overall intensity index = weighted average of the improvement rate in intensity at each plant from the base year, weighted by the water input ratio in the base year.
Waste	Waste amount	Total waste excluding valuable materials
	Waste intensity	Intensity at each plant = (amount of waste) / (internal manufacturing value); the base year of the index is set at 100. Base year: 2010(KMC base year : 2018) Overall intensity index = weighted average of the improvement rate in intensity at each plant from the base year, weighted by the waste amount ratio in the base year.
PRTR-designated substances	Amounts released and transferred	Calculated by multiplying the amount of auxiliary materials used, etc. by the content rate of designated chemical substances and the emission and transfer rates, in accordance with the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (PRTR Act).

* The calculation of greenhouse gas emissions includes uncertainties associated with activity data and estimates of emission factors. In addition, global warming potentials (GWPs) may be revised due to advances in scientific knowledge and other factors.

Coverage of key data

The coverage rate of key data was calculated using headcount as an indicator.

Data coverage at manufacturing sites: 97%

Independent practitioner's assurance

Komatsu considers it important to incorporate an independent practitioner's assurance process to enhance the reliability of the quantitative environmental information and occupational safety and health information for fiscal 2025 presented on its Sustainability website. Accordingly, the information presented therein has been subject to a limited assurance engagement performed by KPMG AZSA Sustainability Co., Ltd., as described below.

› KPMG AZSA Sustainability Co., Ltd.

Independent Practitioner's Limited Assurance Report

To the President and Representative Director of Komatsu Ltd.

Conclusion

We have performed a limited assurance engagement on whether selected environmental and social performance indicators (the "subject matter information" or the "SMI") presented in Komatsu Ltd.'s (the "Company") Komatsu ESG Databook 2026 (the "Report") for the fiscal year ended March 31, 2026 have been prepared in accordance with the criteria (the "Criteria"), which are established by the Company and are explained on the Report. The SMI subject to the assurance engagement is indicated in the Report with the symbol "☑".

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's SMI for the fiscal year ended March 31, 2026 is not prepared, in all material respects, in accordance with the Criteria.

Basis for Conclusion

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and International Standard on Assurance Engagements (ISAE) 3410, *Assurance Engagements on Greenhouse Gas Statements*, issued by the International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the "Our responsibilities" section of our report.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA).

Our firm applies International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information

Our conclusion on the SMI does not extend to any other information that accompanies or contains the SMI (hereafter referred to as "other information"). We have read the other information but have not performed any procedures with respect to the other information. We do not express any form of conclusions thereon.

Responsibilities for the SMI

Management of the Company are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation of the SMI that is free from material misstatement, whether due to fraud or error;
- selecting or developing suitable criteria for preparing the SMI and appropriately referring to or describing the criteria used; and
- preparing the SMI in accordance with the Criteria.

Inherent limitations in preparing the SMI

As described in the “Scope of environmental data/calculation standards” of the Report, GHG emissions quantification is subject to uncertainty when measuring activity data, determining emission factors, and considering scientific uncertainty inherent in the Global Warming Potentials. Hence, the selection by management of a different but acceptable measurement method, activity data, emission factors, and relevant assumptions or parameters could have resulted in materially different amounts being reported.

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the SMI is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Company’s management.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the SMI that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the SMI and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, the procedures we performed primarily consisted of:

- assessing the suitability of the criteria applied to prepare the SMI;
- conducting interviews with the relevant personnel of the Company to obtain an understanding of the key processes, relevant systems and controls in place over the preparation of the SMI;
- performing analytical procedures including trend analysis;
- identifying and assessing the risks of material misstatements;
- performing a site visit at one of the Company’s sites in Japan which was determined through our risk assessment procedures;
- performing, on a sample basis, recalculation of amounts presented as part of the SMI;
- performing other evidence gathering procedures for selected samples; and
- evaluating whether the SMI was presented in accordance with the Criteria.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

/s/ *Takeru Yamada*

Takeru Yamada, Engagement Partner

KPMG AZSA Sustainability Co., Ltd.

Tokyo Office, Japan

August 21, 2026

Notes to the Reader of Independent Assurance Report:

This is a copy of the Assurance Report and the original copies are kept separately by the Company and KPMG AZSA Sustainability Co., Ltd.

› Independent Assurance Report (PDF : 3.19MB)

Information covered by independent practitioner’s assurance

Komatsu has received an independent practitioner's assurance from KPMG AZSA Sustainability Co., Ltd. for this data, which is marked by the Independent Practitioner's Assurance where appropriate.

Other CSR data

Political contributions

Our political contributions in FY2024 totalled 8 million yen.*

* Described in the Income and Expenditure Reports on Political Funds released on November 28, 2025 (on the website of the Ministry of Internal Affairs and Communications)

We have confirmed that this contribution does not conflict with the provisions of Komatsu's Code of Conduct, including the provisions regarding honest and fair business activities and honest and appropriate business operations.

Collaboration with external organizations

Komatsu is a member of the Japan Construction Equipment Manufacturers Association (CEMA), and the President of Komatsu serves as Vice Chairman of CEMA. CEMA provides opinions to, and cooperates with, the government when policies and regulations related to construction equipment are formulated. For example, when the Ministry of Land, Infrastructure, Transport and Tourism established its Certification System for Construction Machinery Meeting Fuel Efficiency Standards, CEMA cooperated by providing various data related to construction equipment.

Komatsu is also a member of the Japan Business Council in Europe (JBCE), which aims to contribute to the development of European policies aligned with the Paris Agreement and other relevant frameworks.

Komatsu's Environmental Management Department collects global information on changes in environmental regulations, including those related to climate change and water, in various countries, as well as trends in related markets, through environmental compliance audits, risk audits, and global environmental meetings. This information is monitored together with public policy trends to confirm that Komatsu's engagement with public policy is aligned with its strategies and commitments related to environmental matters, including climate change and water. The results of this information collection and analysis are reported to the Sustainability Promotion Committee, which is Komatsu's decision-making body for environmental measures and meets twice a year. The committee deliberates on various measures, and the results of these deliberations are reflected in Komatsu's environmental strategies, including those related to climate change and water. If any inconsistency is identified between public policy and Komatsu's policies or strategies, the committee reviews Komatsu's policies and strategies. In addition, the matters deliberated and decided by the committee are reported to the Board of Directors.

Social contribution activities

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Accomplishments and approaches for social contribution activities

Komatsu believes that contributing to the communities where it operates is one of its corporate responsibilities. Under our sustainability policy, we recognize “contributing to society through our business activities” as a part of our corporate social responsibility, and we actively engage in initiatives that leverage our business characteristics to benefit local communities.

Based on this approach, we have conducted discussions to determine what kinds of initiatives would provide value to both society and Komatsu, and have identified our material issues accordingly.

Materiality

● Employees	① Occupational safety and health, well-being ② Talent acquisition, skills development, retention ③ Fair labor practices ④ D&I
● Human rights	⑤ Respect for human rights
● Customers	⑥ Customer value creation through workplace optimization ⑦ Product safety and quality ⑧ Value chain continuity ⑨ AI and DX ⑩ Business strategy to ensure competitive edge and profitability
● Ethics and governance	⑪ Privacy and data protection, cybersecurity ⑫ Governance aligned with business changes ⑬ Compliance
● Communities	⑭ Contribution to local communities
● Environment	⑮ Climate change ⑯ Resource circulation ⑰ Nature positive ⑱ Preserving forests through business activities

Basic approaches to social contribution

CSR (Corporate Social Responsibility) is a multi-faceted topic, and the specific social responsibilities that companies bear differ by country, region, and company. However, the key to fulfilling those responsibilities remains the same: companies must co-exist in harmony with society by responding to its expectations and earning its trust. One of the principles that guides the Komatsu Group on a global scale is the understanding that the Komatsu Group should fulfill its corporate social responsibilities through its business operations. The Komatsu Group further recognizes that, in each region of the world, it is important to act as a good corporate citizen by promoting harmony with local communities and making contributions for the benefit of those communities. Accordingly, the Komatsu Group will continue to proactively engage in social contribution activities around the world.

Aims:

To clarify the responsibilities of Komatsu Group and its employees as members of the local community and guide their activities for social contribution accordingly.

Key points:

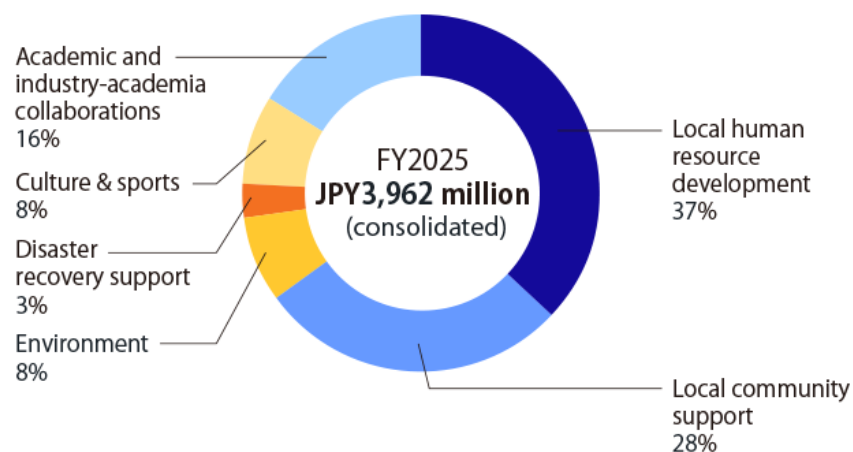
- have continuity
- contribute to the advancement of public welfare
- be voluntary (not forced)
- be reasonable to employees

Governance regarding donations

Whenever we start a new project, we evaluate its ability to benefit both Komatsu's business operations and its stakeholders. In our implementation of our CSR activities (including donations), we introduced a check sheet in FY2013 to be used by the Sustainability Promotion Division, functioning as an administrative office, to quantitatively evaluate the effects of the activities from both aspects, and involved officers review this evaluation to ensure the effective monitoring of our CSR activities.

Social contribution expenditures of the Komatsu group in FY2025

We have divided and summarized the results of our social contributions into 6 general categories. These can be found in the infographic below:



Type of social contribution expenditure

	(Millions of yen)
Cash contributions	1,577
Time contributions	1,244
In-kind donation	586
Management overheads	555
Total	3,962

Nurturing the next generation

The Komatsu Group acknowledges that a company, as a good corporate citizen, should live up to the expectations of the society by promoting harmonious relations with, and contributing to the benefit of, the community in which it operates. Accordingly, we shall be proactively and continuously engaged in regional activities for social contribution. Nurturing the next generation of children is one of these initiatives.

Efforts for nurturing children and environmental conservation at Komatsu no Mori

Komatsu no Mori was established on May 13, 2011, in Komatsu City, Ishikawa Prefecture, to commemorate Komatsu's 90th anniversary. It aims to foster the healthy development of children in local communities and preserve the natural environment through activities such as nature observation in the satoyama (undeveloped woodland near populated area), science and manufacturing classes at the Waku-Waku Komatsu Kan, and social studies field trips for elementary schools. The Waku-Waku Komatsu Kan and the NPO Midori-no-Komatsu Sukusuku-kai jointly operate Komatsu no Mori. At Komatsu no Mori, volunteers from the Komatsu Awazu Plant former employees' association provide support, and more than 300 people currently participate in volunteer activities.

■ Satoyama event subcommittee

This subcommittee plans and implements events that help children develop an interest in nature and experience the joy of playing in nature through activities such as observing plants and living creatures in the satoyama and food education activities, including rice cultivation in rice paddies.



Rice planting experience



Firefly larva observation session



Sweet potato seedling planting

■ Satoyama green subcommittee

This subcommittee helps maintain the satoyama by participating in maintenance and cleanup activities in the Satoyama, Plaza, and Stream Zone, such as collecting fallen leaves, as well as tending to flower beds and planting seasonal flowers. It also conducts floral education activities in collaboration with children from local preschools and daycare centers.



Flower education: Flower bed creation



Flower education: Seed sowing



Garden maintenance

■ Sukusuku classroom committee

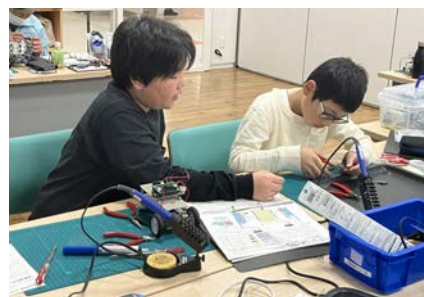
At the Waku-Waku Komatsu Future Pavilion, we organize and implement curriculums for elementary school children that inspire interest in science and manufacturing through learning, crafting, and experiments.



Crafting at science class



Science class in Cambodia



Class Lecture at Komatsu tutoring class

■ Support Subcommittee

This subcommittee supports the operation of Komatsu no Mori by handling visitors and managing events through activities such as rides on the ultra-large mining machines 930E and PC4000, hands-on operation of electric mini excavators, and the "Komatsu no Mori Guide," which introduces Komatsu's 100-year history.



Komatsu no Mori Guide



Hands-on mini excavator operation



Waku-Waku construction equipment festival

Komatsu Maquinarias México: Environmental education

Komatsu Maquinarias México, S.A. de C.V. (KMEX) has been continuously implementing environmental education for elementary school students since 2025. The program focuses on fostering respect for the natural environment and encouraging responsible behavior from an early age. Through interactive discussions, students are guided to recognize the impact of small daily actions and the importance of individual responsibility in protecting the planet. In April 2026, this session was held at Colegio Nicolás Bravo de Saltillo, A.C., reaching a total of 259 second- and third-grade students. Students eagerly asked questions, creating a lively and engaging atmosphere throughout the session.



Developing people needed by the community

When we asked ourselves: "What sort of social contribution activities would meet the needs of regional communities and make the best use of Komatsu's strengths?" We arrived at the answer: "developing people." We are working in cooperation with several entities such as national and local governments as well as schools, to carry out human resource development programs that are tailored to each region's needs and enable participants to acquire skills that will open up various employment opportunities.

Various areas and forms of support

Developing human resources tailored to regional needs worldwide

Using the skills and know-how cultivated through its business activities, Komatsu supports the development of human resources needed not only within the company but also in communities around the world.

The needs for human resource development differ significantly from region to region. As a company operating globally, Komatsu works to gain a thorough understanding of the support required in each region and provides assistance across a variety of fields and in various forms.

The pyramid diagram below shows the fields in which Komatsu supports human resource development. Programs closer to the top of the pyramid are more closely related to Komatsu's business activities. Initiatives at the base of the pyramid include science classes for elementary school students and are actively conducted mainly in Japan, North America, and Europe. The next level involves providing basic education to people who are unable, or were previously unable, to receive sufficient education required for employment due to various circumstances in their countries or regions. Komatsu has developed its own programs in South America, South Africa, and other regions. Komatsu also supports universities and vocational training schools across a wide range of regions by providing its curricula and equipment and dispatching instructors. At the top of the pyramid, Komatsu collaborates with national and local governments and customers to develop human resources in regions where human resource development is a social challenge.

Specific forms of support include dispatching instructors, providing educational materials, equipment, and facilities, and accepting trainees, making full use of the wide range of know-how Komatsu has developed through its day-to-day activities.

Support for developing human resources



Dispatching instructors**Providing educational materials and equipment****Providing facilities and supporting operations****Accepting apprentices**

Komatsu South Africa: Career Wise Bursary Programme

Komatsu Group companies operating in South Africa are committed to contributing to inclusive economic growth in alignment with the Broad-Based Black Economic Empowerment (B-BBEE) Act, by promoting the employment and development of local talent and enhancing diversity across the supply chain.

Komatsu South Africa (Pty) Ltd. implements the "Career Wise Bursary Programme" for students who face challenges in accessing higher education. The program provides comprehensive support, including tuition fees, study materials, and living expenses, as well as academic assistance and psychosocial support, enabling participants to overcome financial barriers while developing their capabilities. The program focuses on critical skill areas such as engineering and logistics, contributing to the development of a future talent pipeline. In 2025, 50 students benefited from the program, of which approximately 60% were women, contributing to improved gender diversity. Feedback from participants highlighted that the program expanded their career options and future opportunities.



Komatsu Mining: Training for engineering students

Komatsu Mining Corp. Franklin collaborated with local educational institutions and manufacturing companies to deliver a hands-on skills development program for technical high school students. The program provided opportunities for participants to take part in welding and machining challenges designed to reflect real-world scenarios, with the aim of helping students develop practical skills and knowledge aligned with industry needs.

In February 2026, a total of 13 students from 7 local schools participated in the program. By working under time constraints to complete assigned tasks, students enhanced not only their technical capabilities but also their problem-solving and practical skills. The program also included networking opportunities and career insights through engagement with local employers, enabling students to gain a deeper understanding of potential career paths.

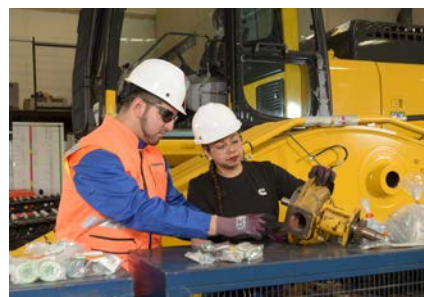
In addition, top-performing participants were offered scholarships for further education or tool packages to support their chosen career paths. Through these initiatives, the program contributes to expanding the pipeline of skilled trades talent and strengthening the long-term sustainability of the regional industrial base.



Collaboration with Cummins

In March 2026, Komatsu renewed the CSR collaboration agreement it entered into in 2016 with Cummins Inc. (headquartered in the United States; Chair and CEO: Jennifer Rumsey; hereinafter “Cummins”), a global leader in engine technologies. The agreement provides a comprehensive framework for jointly promoting human resource development and community contribution programs in the field of CSR. Building on their partnership in construction equipment and engine technologies, the two companies have supported the creation of employment opportunities for young people through practical technical and vocational education. The programs are currently being implemented at 30 locations in 14 countries and have produced more than 1,200 graduates to date. In April 2026, employees from both companies also participated as volunteers in a tree-planting activity in Australia organized by Landcare Australia, a nonprofit organization engaged in environmental conservation. Working together with the local community, they contributed to the restoration of the natural environment around rivers.

Through the renewal of the collaboration agreement, the two companies reaffirmed their shared commitment to long-term community contribution activities. They will further strengthen collaboration with educational institutions and related organizations, while creating social contribution activities in which employees from both companies can readily participate and expanding opportunities for human resource development initiatives linked to their respective businesses.



Cummins Profile

Corporate name	Cummins Inc.
Established	1919
Headquarters	Columbus, Indiana, U.S.
Business segments	Engine, Power systems, Components, Distribution
URL	https://www.cummins.com/en-na

Clearing anti-personnel landmines and community development support

Making places for life

Using construction equipment to transform land into hopeful living spaces.



In the areas afflicted by anti-personnel landmines, Komatsu has engaged in activities to support community development throughout the process from demining to reconstruction. Utilizing Komatsu's demining machines and construction equipment, developed by combining its technical expertise, knowledge and experience in manufacturing, Komatsu started its project in Cambodia in 2008 partnering with the authorized NPO "Japan Mine Action Service" (JMAS) and another project in Laos in 2016.

From a land contaminated with dangerous landmines to a land where people can live in safety and security, and further on to a land with added value through the construction of roads and elementary schools. Komatsu will continue to promote activities that contribute to the independent reconstruction of the entire community by providing support through construction equipment, which is our core business.

- Cambodia -



地雷除去プロジェクト活動実績
(累計・2026年3月末時点)

Demining and Reconstruction project
(Accumulative, as of end March 2026)

5,321 ha
地雷除去面積 Demined area

50 個
ため池 Ponds

270 ha
農地均平化 Leveled rice fields

112 km
道路建設/整備 Road construction / maintenance

12 校
小学校建設 Schools

1,000 名
生徒数 Students

Demining dozer

Clear landmines from the vast tracts of land. In the aftermath of war and civil war, landmines and unexploded ordinance remain in many areas in Cambodia. Still today citizens continue to suffer severe injuries and even death from landmines. Buried in the vast tracts of land near the Thai border in the northwestern part of the country are countless anti-personnel landmines, preventing restoration and development. In order for people to return to the abandoned farmlands and deserted villages, our clearing of the landmines and making the land safe to live and walk upon must be our first task.

Visit our specialised webpage to learn more at [Demining dozer](#) 



Farmland & Infrastructure-reconstruction

By restoring farmland and roads, people regain their livelihoods. The Project does not end with the clearing of landmines. That step only restores the land's ability to fulfill its role in the development of farmlands or construction of roads. The two main crops of Cambodia are rice and cassava. For efficient cultivation and harvesting, land intended for rice paddy-use needs to have the unevenness of the ground and other irregularities eliminated. The result of using bulldozers equipped with ICT to level the land and prepare it for rice paddy cultivation and harvesting is a nearly doubling of yield. In addition, irrigation canals and reservoirs have been created to alleviate water shortages. Previously farming in the dry season was not possible. Now more and more farmers are enjoying access to water from irrigation canals for their crops. Moreover, construction of a network of new and improved roads connects farmers not only with towns and the region but also with vital lifelines. The impact of all these improvements is large. People living in villages are choosing to stay. Those who left to find work in other countries are returning to build prosperous lives on the reborn land. Soon the newly constructed roads will be busy with people coming and going between home and villages alive with hope and vitality.

Visit our specialised webpage to learn more at [Farmland & Infrastructure-reconstruction](#)



School construction

"Learning is creating your future". That is what the principal of a local elementary school said to his students. There was a child who gave up going to school because the school in the minefield was far away. There were also schools where the school buildings were so dilapidated that it was difficult to study. It has been more than ten years since we started building elementary schools. Some children have graduated from the first and second schools and are now college students. A small bud seemed to open into a large flower. People gather in places that used to be minefields, schools are built, and students learn. Each person will find their own dream. That's why children's smiles shine so brightly.

Visit our specialised webpage to learn more at [School construction](#)



News: Scholarship program launched

As of the end of March 2026, Komatsu had been involved in the construction of a total of 12 elementary schools in Cambodia. All of these schools were built on former minefields, and many of their students come from economically disadvantaged families. Some students have gone on to attend university after graduating from elementary school. In response, Komatsu launched a new scholarship program in FY2022 for graduates of the elementary schools built by Komatsu. In FY2025, 21 students received scholarships through the program, and in FY2026, 28 students are receiving scholarships through it.



University students attending school on scholarships

News: Second study tour held



In May 2024, a study tour was conducted to visit demining sites and reconstruction areas, targeting Komatsu Group employees and their families. The tour, which focused mainly on employee-participation CSR activities, welcomed a total of 45 employees and their families. In addition to observing Komatsu construction equipment at work in minefields, agricultural lands, and infrastructure development sites, the group visited an elementary school built with Komatsu's support. At the schools, participants engaged in activities such as painting, repairing desks, and interacting with students through science experiments and a tug-of-war game.



- Laos -

地雷除去プロジェクト活動実績
(累計・2026年3月末時点)

**Demining and
Reconstruction project**
(Accumulative, as of end March 2026)

682 ha
不発弾処理面積 Demined area

6,091 発
不発弾除去数
Number of unexploded ordnance removed

1 校 **70 名**
小学校建設 Schools 生徒数 Students



We started support of unexploded ordnance disposal activities in 2016 in Xiangkhouang province, northern Laos.

In Laos, more than 30% of the land is contaminated with unexploded ordnances, mostly cluster munitions, which harm children and farmers every year. Komatsu plays its part by offering the necessary machines free of charge for the mechanized operations jointly conducted by UXO-LAO (a Lao unexploded ordnance disposal squad) and the Japan Mine Action Service (JMAS), alongside engineering support for the machines it provides.



-Senegal-

In July 2025, Komatsu provided two demining machines to the Government of Senegal through Japan's Official Development Assistance (ODA) program. In Senegal's Casamance region, although a ceasefire was declared in 2014 following a civil conflict that began in 1982, antipersonnel landmine-related accidents continue to occur. Several once-thriving villages in the region were abandoned as residents fled. The purpose of Komatsu's support is to help restore these villages, enable the return of displaced residents, and contribute to the rebuilding of new communities.



In addition, as part of its human resource development initiatives, Komatsu has been providing scholarships since October 2025 to students enrolled in the Heavy Machinery and Construction Equipment Maintenance course at the Centre de Formation Professionnelle et Technique SENEGAL-JAPON.



Information on visiting lectures

As part of its “Visiting Lecture” initiative, Komatsu employees visit schools in Japan to introduce the activities of the demining project to a wide range of young people, from elementary school students to university students. As of the end of March 2026, Komatsu had conducted 156 lectures for around 14,000 students, including lectures held online.

Feedback from high school students included the following comments:

“I learned that Komatsu, a construction equipment company, is expanding its support to regions such as Cambodia by collaborating with governments and JMAS. This made me realize that any field may hold many possibilities. I would like to keep in mind that working together with various people can broaden possibilities in many different directions.”

“Even when we talk about ‘social contribution’ or ‘international contribution,’ I realized that there are countless challenges, as well as many organizations and people working to address them. I have a major aspiration to contribute internationally in the future, and I now understand that there are many possible paths in addition to the one I am currently considering.”

Komatsu will continue to provide visiting lectures so that children, who will lead the future, have opportunities to think about world peace, their own futures, and how they wish to live their lives.



Visiting lectures at junior high schools in Japan



Application to attend a visiting lecture

[> Download the Komatsu Visiting Lecture/Online Class application form](#)

Please read before applying

- Reservations are accepted on a first-come, first-served basis. We recommend applying early.
- Please submit your application at least one month before the requested lecture date.
- In consideration of the content covered, the lectures are intended for students in the fifth grade of elementary school and above.
- Lectures are approximately 45 minutes long.
- We may be unable to accommodate your request if we receive a large number of applications or due to business circumstances. In such cases, we will contact you in advance.
- Please note that lectures may also be postponed or cancelled due to unforeseen circumstances.

History of demining activities (international treaties, Japanese government and Komatsu)

Year	Activity (international treaties and activities of the Japanese government are underlined>
1998	Komatsu develops a brush-clearing machine for minefields in Cambodia.
1999	Entry into force of the Ottawa Treaty (the Mine Ban Convention)
2002	The Japanese government has announced to exempt demining equipment for anti-personnel landmine from the Three Principles on Arms Exports.
2003	Development of demining equipment for anti-personnel landmine funded by the Ministry of Economy, Trade and Industry and NEDO* (Figure (1) below)
2004	With support from the Ministry of Foreign Affairs of Japan, Komatsu conducts on-site testing in Afghanistan
2006	With support from the Ministry of Foreign Affairs of Japan, Komatsu conducts on-site testing in Cambodia
2007	The first demining equipment for anti-personnel landmine introduced in Afghanistan (Japanese government ODA)
2008	Komatsu begins the Cambodia reconstruction project together with the JMAS, NPO
2009	Komatsu begins the Angola reconstruction project together with the JMAS, NPO
2010	Entry into force of the Oslo Treaty (the treaty banning Cluster Munitions)
2015	Komatsu develops demining equipment for unexploded ordnance disposal (Figure 2 below).
2016	Komatsu begins the Laos reconstruction project together with the JMAS, NPO
2017	Komatsu completes the Angola reconstruction project
2019	Komatsu constructs 9th elementary school in Cambodia, and the 1st in Laos.
2020	Komatsu begins the agriculture CSR project in Cambodia
2022	Komatsu constructs 10th elementary school in Cambodia
2022	Provide scholarships to graduates of the elementary school built in Cambodia to support their advancement to university.
2025	Provide scholarships to students enrolled in the Construction Equipment Maintenance Department at CFPT-SJ in Senegal.
2025	Demining equipment for anti-personnel landmine introduced in Senegal (Japanese government ODA)
2025	Constructed the 11th and 12th elementary schools in Cambodia.

* NEDO: New Energy and Industrial Technology Development Organization



(1) Demining equipment for anti-personnel landmine



(2) Demining equipment for unexploded ordnance disposal

Disaster relief

Many of Komatsu's products (especially construction equipment) are vital for recovery and reconstruction in the wake of a natural disaster.

In the event of an emergency, we promptly grasp the local situation and support disaster recovery in a substantial way, such as providing equipment needed by the disaster area. The latest activities are as follows:

Support for flood-affected areas on Sumatra, Indonesia

In late November 2025, severe weather disasters—including flash floods, river overflows, and landslides caused by heavy rainfall—struck northern and central regions of Sumatra Island, Indonesia, particularly Aceh and the provinces of North and West Sumatra. Komatsu Group Indonesia*1 provided 2 units of PC200 as part of its initial emergency response, supporting the removal of mud and debris accumulated in residential areas, public facilities, and transportation infrastructure. In addition, in collaboration with partner companies and organizations (including distributor United Tractors, Hinabi*2, and YKIP*3), the Group supplied essential goods and medical assistance to affected communities and schools. It also made donations exceeding USD 11,000.

*1 Komatsu Group Indonesia: PT Komatsu Marketing and Support Indonesia, PT Komatsu Indonesia, PT Komatsu Undercarriage Indonesia, PT Komatsu Remanufacturing Asia, PT Komatsu Astra Finance

*2 Hinabi: Himpunan Industri Alat Berat Indonesia (heavy equipment organization at Indonesia)

*3 YKIP: Yayasan Komatsu Indonesia Peduli (A Komatsu-established foundation for CSR activities)



Komatsu employees' relief efforts for Wildfires

In response to large-scale wildfires in Australia and Chile, Komatsu has implemented broad support initiatives not only at the corporate level but also through employee-led activities. In January 2026, major bushfires in Victoria, Australia burned more than 400,000 hectares and destroyed nearly 900 buildings. In the same month, wildfires in south-central Chile spread across multiple regions, burning approximately 40,000 to 50,000 hectares and causing extensive damage.

Against this backdrop, in Australia, employees contributed in diverse ways, including serving as firefighters on the front lines, supporting operations by servicing and repairing machinery used in affected areas, assisting with the transport of supplies, and participating in fundraising activities and donations of clothing and food. In Chile, employees have worked in collaboration with local communities and volunteers to provide ongoing support, including the delivery of food, drinking water, clothing and work tools, as well as the installation of portable toilets and shower facilities to support daily living and early recovery efforts.

These initiatives aim to provide practical, needs-based support tailored to on-the-ground conditions, from the immediate aftermath of the disaster through the recovery and rebuilding phases.



Donations for the Myanmar Earthquake

In response to the large-scale magnitude 7.7 earthquake that struck the area near Mandalay in central Myanmar in late March 2025, Komatsu contributed a donation of JPY 10 million through the Japanese Red Cross Society.

The donation is being used in the affected areas to support relief efforts, including healthcare services, livelihood assistance, and recovery and reconstruction support (such as the distribution and transportation of relief supplies). We sincerely hope for the earliest possible recovery and reconstruction of the affected communities.

Redirecting Congratulatory Messages to Donations (Noto Peninsula Disaster Relief)

In conjunction with the change in the President and Representative Director in 2025, Komatsu implemented an initiative to encourage our business partners to make donations through the Japan Platform (JPF) instead of sending congratulatory messages such as telegrams and congratulatory flowers. The support we received is being used to aid in the reconstruction of the Noto Peninsula region. We would like to express our sincere gratitude to everyone who has shown understanding and cooperation with this initiative.

Cooperation with pro bono workers*

* Pro bono: Initiatives and organizations to apply specialized job experiences and knowledge in volunteer activities.

In Japan, Komatsu has mainly assisted in areas affected by earthquakes. For wind and flood damage, which have increased in recent years, the damage is concentrated in limited areas or villages in many cases, and thus, we could not provide assistance in a more detailed manner in some cases.

Komatsu is providing the following support, including the provision of equipment and supplies.



Supporting Areas Stricken by Typhoon No. 19 in 2019: Donating a used PC30MR to OPENJAPAN

Support for OPENJAPAN, a construction skill NPO providing grassroots support in affected areas

OPENJAPAN (head office: Miyagi prefecture) is a group of volunteers who have expertise in construction and civil engineering. They quickly rush to affected areas around Japan to clean up affected houses as well as conduct recovery and reconstruction work. Though many of the volunteers possess a great deal of skill to operate construction vehicles, recovery from disasters also requires the relevant expertise. Through daily training, they aim to carry out safe and effective recovery and reconstruction operations.

In response to a request from the Marumori-machi government in Miyagi prefecture, which suffered extensive damage, and after hearing from the people on-site about their needs, Komatsu donated a used compact excavator PC30MR, as well as rental costs for heavy equipment, fuel, and materials (e.g. blue tarps and crane tools) that were necessary for the OPENJAPAN activities in Marumori-machi so that they can be used for not only the reconstruction support activities in Marumori-machi, but also future training.

Komatsu's initiatives for the social issues

There are various social issues in the world in each region.

As the Komatsu Group develops its business globally, we listen to the voices of people living in the various local communities in our areas of operation, and actively carry out support activities to improve the living standards. We consider conducting such social contribution activities as a responsibility of doing business around the world.

Komatsu Australia: "Live Your Dream" Program

Komatsu Australia Pty. Ltd. (KAL)'s "Live Your Dream" program is an employee-led, application-based initiative aimed at supporting community-based causes. The initiative was built on a simple but powerful belief: that we can achieve more by backing the causes our people genuinely care about. Since its launch in 2017, the program has been implemented annually, providing grants of AUD \$10,000 per project to non-profit organizations and community initiatives proposed by employees. Now in its 10th year, the program has become a cornerstone of KAL's CSR activities.

Live Your Dream gives our employees the opportunity to actively champion a charity, supported by the credibility and resources of Komatsu. This approach creates meaningful value across three key areas - our people, our business, and the charities we support.

This program supports a wide range of focus areas, including education and youth development, healthcare and support for people with disabilities, food security, mental health, and broader community initiatives. In some cases, projects combine corporate donations with fundraising efforts and volunteer activities, further amplifying their impact.

As a locally driven, employee-inspired initiative, the program contributes to addressing diverse social challenges by enabling community-focused initiatives that reach local needs beyond the scope of traditional corporate activities.

<Key initiatives in FY2025>

Support for the purchase of cardiac medical equipment to strengthen regional emergency medical care (particularly pediatric cardiac care)

Support for the homeless (provision of meals, daily necessities, and hygiene supplies)

Living support for women and girls in need (donations and provision of supplies)

**Live Your
Dream**

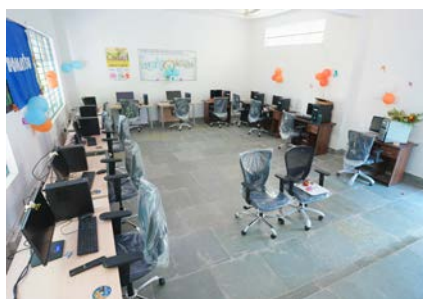


Komatsu India:

In February 2026, Komatsu India Pvt. Ltd. (KIPL) provided essential equipment and furniture, including desktops and an interactive panel, for a computer lab at the Government Pre-University College in Jakkur, Bengaluru, to enhance students' access to practical and online learning.

This initiative supports students' academic development by improving access to digital resources and helping bridge the digital divide, particularly for underprivileged students. It enables engagement in online learning, research, and skill development. In addition, advanced interactive panel boards create a modern, engaging, and collaborative learning environment, enhancing students' understanding of complex topics.

This initiative, led by the Women Sub-committee, reflects KIPL's commitment to empowering future talent and fostering social development in the region, and will continue to provide ongoing support to nearby educational institutions.



Komatsu Forest Brasil:

Komatsu Forest Indústria e Comércio de Máquinas Florestais Ltda. (KFB) implements the "Reverte Project" as an initiative that combines resource recycling with community support. This project involves repurposing used employee uniforms into blankets, which are then donated to organizations and social welfare programs that support local residents in need. It contributes not only to waste reduction and the promotion of a circular economy, but also to the creation of social value.

Since 2024, KFB has been carrying out this initiative in partnership with a recycling company, Uniformes do Bem. In fiscal year 2025, approximately 52 kg of uniforms were collected and provided, and in fiscal year 2026, 96.6 kg have already been collected. As approximately 1.5 kg of material is required to produce one blanket, this initiative contributes to improving the living conditions of many beneficiaries.

In addition, the initiative is widely communicated within the company as part of its ESG activities, helping to raise employee awareness.



Employee-participation social contribution program "One World One Komatsu"

Komatsu recognizes contributing to society through its business activities as part of its corporate social responsibility and undertakes initiatives that leverage the characteristics of its business to contribute to local communities. In 2021, the year of Komatsu's 100th anniversary, the company launched "One World One Komatsu," an employee-participation social contribution program, as the Komatsu Group's first global initiative open to all employees.

"One World One Komatsu" focuses on the theme of "environment and sustainability," which represents shared global challenges and is closely related to Komatsu's business. Each employee takes part in familiar activities in their daily lives, such as reducing water use and turning off lights in unoccupied rooms.

To promote these activities, Komatsu uses multiple internal communication channels to connect Group employees around the world. By fostering a sense of unity as employees work toward common goals, Komatsu will continue advancing activities for a sustainable planet.

Four priority themes of "One World One Komatsu"

Reduction of CO₂ emission

Water conservation

Renewable energy

Reduction of waste

June 2026: Global Watch Party

In celebration of Earth Day (April 22), designated by the United Nations, Komatsu held a "Global Watch Party" in June 2026. The event featured a video compilation showcasing employees around the world taking part in volunteer activities, which was viewed at locations across the Komatsu Group. The video is also available online with English audio, and Japanese or English subtitles can be selected on YouTube.

[> Earth Day 2026 \(English\)](#)



One World One Komatsu 2024 contest

The “One World One Komatsu 2024” contest, held during 2024, received entries from more than 120 employees around the world who submitted reports on their own volunteer activities. Winners were selected in each of 10 categories (9 individuals and 1 team).

Winners of the 2024 contest

* Winners' organizational affiliations are based on their positions as of 2024.

Laurie Naveaux, Komatsu Australia Pty. Ltd.

Award Category : Human Rights

Promoting human rights through safety, diversity and ethical consumption

A volunteer firefighter since 2008 across France, New Caledonia and Australia, Laurie organized Hazmat drills in Noumea to enhance emergency preparedness. In 2021, she co-led International Women's Day celebrations to promote gender equality in a male-dominated industry. As a female firefighter and LGBTQ+ advocate, Laurie challenges discrimination and fosters inclusivity. She launched Movember and Pink June campaigns for health awareness and led Earth Day activities linking environmental stewardship to human rights. She also increases her social equity impact through ethical consumption, supporting local producers and second-hand shopping.



Eliecer Jovani Sandoval Rodríguez, Komatsu Chile S.A.

Award Category : Diversity & Inclusion

Supporting special needs children through sport

Through his CLUB LKF, Eliecer offers boxing and kickboxing workshops for socially vulnerable children who are often denied access to sporting spaces because of their limited resources or perceived disabilities, including Down syndrome, autism spectrum diagnoses and mental illness. Through the power of sport and discipline it entails, Eliecer said, he has seen children emerge from depression and improve their daily lives, providing an outlet that has a great ripple effect for the community by creating true diversity, equality and inclusion.



Kathryn Kauffman, Komatsu North America Corp.

Award Category : Community Development

Science, art and technology kits support local students

This Covid era-inspired project started with 70 marshmallow launcher kits for local students. Today, Kathryn and her team have expanded their effort to include an estimated 100 fifth graders alone, using 100 percent recyclable kits focused on the One World One Komatsu mission of sustainability. Each STEAM kit (Science, Technology, Engineering, Art and Mathematics) includes supplies and instructions for a science experiment, as well as wildflower seeds to support local pollinators, a handout with information on sustainability and Komatsu stickers. The handout publisher also uses recycled materials and plants trees for each kit order.



Agustin Ramos Aguilar, Komatsu Forest AB, Brazil

Award Category : Sustainable Solutions

Family passion supports orchid conservation and research

A family passion spanning 40 years blossomed into this one-of-a-kind conservation project focused on mapping, studying and rescuing orchids, which are under threat of reforestation, excessive harvesting and climate change. Partnering with universities in Mexico and Brazil, Agustín's project grew from trips into forest into an academic effort to produce digital files to aide in species identification, reproduce seeds from vulnerable species, developing a smart greenhouse system — all while discovering new orchid species and building a nature preserve on the family ranch.



Sebastian Guevara Diaz, Komatsu Colombia S.A.S.

Award Category : Carbon Conscious

Contributing to CO₂ reduction through tree planting

Sebastian's submission underscores the "small actions, big impact" tenet of One World, One Komatsu in a project that generated a clear and profound impact. He planted 50 trees, helping remove more than 500 kilograms of carbon dioxide from the air while putting in many hours of volunteer work. As Sebastian said, "(This) is not just a number; it is a cleaner future, it is fresher air, better views, a feeling that you are contributing and connecting with life that cannot be described."



Olivia Ratner, Komatsu Europe International N.V.

Award Category : Water Wise

Saving water through timed showers, water re-use and habit tracking

Olivia took 110 five-minute showers over five months. But, more than that, she learned the source of her household water, calculated water tank capacity and the cost to generate that supply, and charted refill time to boost efficiency. Over five months, she took lessons from her data — and practice of using grey water for plants and mopping — and then shared with her husband and houseguests to amplify her impact.



Christina Milde, Komatsu Germany GmbH

Award Category : Energy Enthusiast

Renewable energy home renovation supports sustainability

Christina turned a home renovation project into a sustainability opportunity. Combining technology and energy management, including energy-efficient windows, home insulation, an earth-based heat pump power by solar panels, smart appliances and an energy monitoring system, the combined effect will result in energy savings for years to come, reduce their household environmental footprint and serve as an example for friends and family to do the same.



Piyush Paratkar, Komatsu India Pvt. Ltd.

Award Category : Waste Watcher

Trash pick-ups, recycling, litter prevention: Small actions, big impact

Through weekly trash pick-ups, Piyush and his Nagpur Ploggers volunteer team collected 780 kilograms of plastic waste, 1.8 kilograms of cigarette butts, 770 plastic bottles and 490 glass containers. They also worked with local schools to turn 600 kilograms of plastic waste into 2,400 eco-bricks and used funding from Komatsu to establish a JUMBO trash bin project, leading to 15 giant trash bins installed in public spaces in Nagpur. Finally, their Chalk of Shame initiative, which combined chalk circles to identify litter and messages for people who discarded trash, was an innovative, artistic and non-confrontational way to deter littering.





Mirco Battistella, Komatsu Italia Manufacturing S.p.A.

Award Category : Volunteer of the year

Community builds teamwork, pioneers new inclusive sport

As the organizer of Polisportiva Redentore Este, Mirco works with about 100 volunteers and 500 athletes, providing a powerful tool for inclusion and integration in the community of Este. The young athletes of Polisportiva can play a variety of games and athletics, including the newest sport, baskin. A combination of the words "basketball" and "integration," baskin brings disabled and able-bodied players together. The result goes beyond mere sport, creating a culture of social inclusion that ripples throughout the community.



Keith Seymour, Roger Caristo, Jaouen Le Touze and Jean Cote, Komatsu North America Corp., Canada

Award Category : Team Effort

Komatsu team, customers support horse rescue

Keith Seymour, Roger Caristo, Jaouen Le Touze and Jean Cote, all from Komatsu Canada, dedicated a full day to supporting A Horse Tale, a Quebec-based nonprofit that rescues retired and abandoned horses while also providing therapy and education programs for autistic and special needs children. Inspired by his wife's weekly volunteer work, Keith organized the effort as a team-building initiative. The group dismantled a one-acre wooden fence and coordinated support from Sable Chevrier, a Komatsu customers, who provided land work, donated equipment and sourced materials to improve the paddocks and stables. The effort strengthened community ties, benefited both people and animals and laid the foundation for another volunteer day in the spring.



Activities of the Komatsu women's judo team

Founded in 1991 as part of social contribution activities during the 70th anniversary of the company founding, the Komatsu Women's Judo Club is celebrating its 35th year. Over this period, including alumnae, about 100 athletes have competed in tournaments worldwide. The club has actively engaged in promoting and developing judo by welcoming foreign athletes and providing judo instruction both domestically and internationally.

Results for FY2025

The 2025 World Judo Championships were held in Budapest, Hungary, from June 13 to 19, 2025, with Komatsu athlete Kurena Ikeda competing in the women's 78 kg category. Making her World Championships debut, Ikeda won her opening bout by ippon with okuri-eri-jime. Building on this momentum, she scored with soto-makikomi to win her second-round bout. In the quarterfinal, she was unable to capitalize on an opportunity in ne-waza and failed to score before conceding a waza-ari late in the contest, resulting in a narrow defeat. Regaining her composure for the repechage, she scored a yuko with her signature tomoe-nage to secure victory. She then won the bronze medal contest by ippon with yoko-shiho-gatame, earning an impressive bronze medal in her first appearance at the World Championships. This marked the first medal won by a Japanese judoka in the women's 78 kg category at the World Championships in four editions, further establishing Ikeda as Japan's leading athlete in the category.

At the Tokyo Grand Slam held in December, Kurena Ikeda won the gold medal in the women's 78 kg category, successfully claiming her second consecutive title. Mao Izumi won bronze in the women's 78 kg category, while Wakaba Tomita earned bronze in the women's over-78 kg category.

In Japan, Mao Izumi won her first title in the women's 78 kg category at the All Japan Selected Judo Championships held in Fukuoka in April.



Kurena Ikeda, women's 78 kg category — Bronze medal at the World Championships



Kurena Ikeda on the podium, second from right



Kurena Ikeda, women's 78 kg category — Two consecutive Tokyo Grand Slam titles



Mao Izumi, women's 78 kg category — First title at the All Japan Selected Judo Championships

› [Komatsu women's judo team](#)

Contributing to society through judo

The Komatsu women's judo team continues to coach the local Komatsu Junior Judo Club while holding judo clinics in Japan and other parts of the world, helping to promote judo and support the development of the next generation of children.

In FY2025, Komatsu held the inaugural Komatsu JUDO CUP, a tournament for elementary school students, at the Komatsu Soshi Dojo. The event was filled with smiles from local children. A judo clinic was also held at the Koriyama Plant Fair in September, where team members enjoyed interacting with local children by teaching them judo techniques and giving them an opportunity to hold their medals. In December, the team participated in the Ishikawa Judo Federation's year-end practice session and trained together with elementary, junior high, and high school students from Ishikawa Prefecture. The Komatsu women's judo team will continue to support the recovery and reconstruction of Ishikawa Prefecture through judo. The team will also continue its activities to promote judo.



The inaugural Komatsu JUDO CUP



Children from the Komatsu Judo Club



Judo clinic in Ishikawa Prefecture



Construction equipment test ride during a visit to the Koriyama Plant



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GRI content index

Statement of use	Komatsu has reported the information cited in this GRI content index for the period April 1, 2025 to March 31, 2026 with reference to the GRI Standards.
GRI used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	› Company info › Global locations › Industries we support › Innovation
	2-2 Entities included in the organization's sustainability reporting	› Annual Securities Report Overview of Subsidiaries and Affiliates  › Global locations
	2-3 Reporting period, frequency and contact point	› ESG Databook: Editorial policy › Contact for inquiries
	2-4 Restatements of information	
	2-5 External assurance	› ESG Databook: Independent practitioner's assurance
	2-6 Activities, value chain and other business relationships	› Company info › Industries we support › Innovation › Global locations › Performance by business division / region (full year) › ESG Databook: Procurement promotion system and supply chain overview
	2-7 Employees	› Company info › ESG Databook: Key activities and various measures under the strategic growth plan
	2-8 Workers who are not employees	—
	2-9 Governance structure and composition	› Articles of incorporation  › Komatsu Report (Corporate governance) › Corporate Governance Report  › ESG Databook: Corporate governance › ESG Databook: Corporate governance indicators › ESG Databook: Structure for promoting sustainability › ESG Databook: Organizational chart of the environmental management structure
	2-10 Nomination and selection of the highest governance body	› Articles of incorporation  › Corporate Governance Report  › Notice of convocation  › Results of the Exercise of Voting Rights (Extraordinary Report) 



GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	› Management team › Komatsu Report (Corporate governance) › Corporate Governance Report › ESG Databook: Corporate governance
	2-12 Role of the highest governance body in overseeing the management of impacts	› ESG Databook: Dialogue with our stakeholders › ESG Databook: Materiality analysis › Komatsu Report (Corporate governance) › ESG Databook: Structure for promoting sustainability › ESG Databook: Organizational chart of the environmental management structure › Komatsu Report (TCFD)
	2-13 Delegation of responsibility for managing impacts	› ESG Databook: Structure for promoting sustainability › ESG Databook: Organizational chart of the environmental management structure
	2-14 Role of the highest governance body in sustainability reporting	› ESG Databook: Structure for promoting sustainability
	2-15 Conflicts of interest	› Komatsu's Worldwide Code of Business Conduct › Corporate Governance Report
	2-16 Communication of critical concerns	› ESG Databook: Risk management
	2-17 Collective knowledge of the highest governance body	› Notice of convocation › Komatsu Report (Corporate governance)
	2-18 Evaluation of the performance of the highest governance body	› Komatsu Report (Corporate governance) › Corporate Governance Report
	2-19 Remuneration policies	› Annual Securities Report : Compensation › Notice of Convocation Policy, etc. regarding the determination remuneration, etc. for individual Directors
	2-20 Process to determine remuneration	› Annual Securities Report : Compensation › Notice of Convocation Policy, etc. regarding the determination remuneration, etc. for individual Directors
	2-21 Annual total compensation ratio	—
	2-22 Statement on sustainable development strategy	› Komatsu Report(Message from the President) › Investor Relations: President interview
	2-23 Policy commitments	› Corporate Governance Report › ESG Databook: Risk management › ESG Databook: Compliance › ESG Databook: Promoting legal compliance, and pollution mitigation and prevention › ESG Databook: Management of chemical substances and pollution prevention › Komatsu's Worldwide Code of Business Conduct › ESG Databook: Komatsu's human capital initiatives
	2-24 Embedding policy commitments	› Komatsu's Worldwide Code of Business Conduct › CSR procurement guidelines



GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	› ESG Databook: Materiality analysis
	2-26 Mechanisms for seeking advice and raising concerns	› ESG Databook: Compliance
	2-27 Compliance with laws and regulations	› ESG Databook: Environmental risk management
	2-28 Membership associations	—
	2-29 Approach to stakeholder engagement	› ESG Databook: Dialogue with our stakeholders › Investor Relations: Shareholder events (Japanese)
	2-30 Collective bargaining agreements	› ESG Databook: Condition of labor unions
GRI 3: Material Topics 2021	3-1 Process to determine material topics	› ESG Databook: Materiality analysis
	3-2 List of material topics	› ESG Databook: Materiality analysis › Komatsu Report (TCFD)
	3-3 Management of material topics	› ESG Databook: Materiality analysis
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	› Komatsu Declaration on Biodiversity
	101-2 Management of biodiversity impacts	—
	101-3 Access and benefit-sharing	—
	101-4 Identification of biodiversity impacts	› Biodiversity initiatives
	101-5 Locations with biodiversity impacts	—
	101-6 Direct drivers of biodiversity loss	› Komatsu Declaration on Biodiversity
	101-7 Changes to the state of biodiversity	—
	101-8 Ecosystem services	—
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	› ESG Databook: Key activities and various measures under the strategic growth plan (remuneration data) › ESG Databook: Promoting diversity and inclusion (Work-life balance data) › Annual Securities Report: Income Taxes  › ESG Databook: Developing people needed by the community › ESG Databook: Komatsu's initiatives for social issues › ESG Databook: Disaster relief
	201-2 Financial implications and other risks and opportunities due to climate change	› Komatsu Report (TCFD) › ESG Databook: Mitigating climate change through products and services › ESG Databook: Reducing CO ₂ emissions in manufacturing operations
	201-3 Defined benefit plan obligations and other retirement plans	› Annual Securities Report: Pension and Retirement Benefits 
	201-4 Financial assistance received from government	—



GRI STANDARD	DISCLOSURE	LOCATION
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	—
	202-2 Proportion of senior management hired from the local community	ESG Databook: Establishing the foundation for promoting human resource measures
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	ESG Databook: Komatsu's initiatives for social issues ESG Databook: Disaster relief
	203-2 Significant indirect economic impacts	Smart construction (Japanese) Investor Relations: President interview ESG Databook: Developing people needed by the community ESG Databook: Komatsu's initiatives for social issues ESG Databook: Disaster relief
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	ESG Databook: Procurement promotion system and supply chain overview
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	—
	205-2 Communication and training about anti-corruption policies and procedures	ESG Databook: Compliance
	205-3 Confirmed incidents of corruption and actions taken	ESG Databook: Compliance
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	(None for FY2025)
GRI 207: Tax 2019	207-1 Approach to tax	Annual Securities Report: Financial Information
	207-2 Tax governance, control, and risk management	Annual Securities Report: Financial Information
	207-3 Stakeholder engagement and management of concerns related to tax	Annual Securities Report: Financial Information
	207-4 Country-by-country reporting	Annual Securities Report: Financial Information
GRI 301: Materials 2016	301-1 Materials used by weight or volume	ESG Databook: Inputs and outputs in the product life cycle
	301-2 Recycled input materials used	ESG Databook: Activities to effectively utilize resources in production
	301-3 Reclaimed products and their packaging materials	ESG Databook: Activities to effectively utilize resources in production
GRI 302: Energy 2016	302-1 Energy consumption within the organization	ESG Databook: Inputs and outputs in the product life cycle Scope of environmental data/calculation standards
	302-2 Energy consumption outside of the organization	—
	302-3 Energy intensity	ESG Databook, Environmental data ESG Databook: Inputs and outputs in the product life cycle
	302-4 Reduction of energy consumption	ESG Databook, Environmental data ESG Databook: Inputs and outputs in the product life cycle
	302-5 Reductions in energy requirements of products and services	ESG Databook: Mitigating climate change through products and services



GRI STANDARD	DISCLOSURE	LOCATION
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	› ESG Databook, Komatsu's efforts regarding water
	303-2 Management of water discharge-related impacts	› ESG Databook, Komatsu's efforts regarding water
	303-3 Water withdrawal	› ESG Databook, Environmental impact indicators › ESG Databook, Komatsu's efforts regarding water
	303-4 Water discharge	› ESG Databook, Komatsu's efforts regarding water
	303-5 Water consumption	› ESG Databook: Inputs and outputs in the product life cycle
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	› ESG Databook, Environmental impact indicators › ESG Databook, Calculation standards
	305-2 Energy indirect (Scope 2) GHG emissions	› ESG Databook, Environmental impact indicators › ESG Databook, Calculation standards
	305-3 Other indirect (Scope 3) GHG emissions	› Amount of CO ₂ emissions by scope3 › Scope of environmental data/calculation standards
	305-4 GHG emissions intensity	› ESG Databook: Reducing CO ₂ emissions in manufacturing operations
	305-5 Reduction of GHG emissions	—
	305-6 Emissions of ozone-depleting substances (ODS)	—
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	› ESG Databook: Inputs and outputs in the product life cycle › Scope of environmental data/calculation standards
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	› ESG Databook: Inputs and outputs in the product life cycle
	306-2 Management of significant waste-related impacts	› ESG Databook: Development of our "Reman" remanufacturing business › ESG Databook: Green procurement guidelines
	306-3 Waste generated	› ESG Databook: Activities to effectively utilize resources in production (waste) › ESG Databook: Inputs and outputs in the product life cycle
	306-4 Waste diverted from disposal	—
	306-5 Waste directed to disposal	› ESG Databook: Activities to effectively utilize resources in production (waste) › ESG Databook: Inputs and outputs in the product life cycle
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	—
	308-2 Negative environmental impacts in the supply chain and actions taken	—
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	› ESG Databook: Key activities and various measures under the strategic growth plan (Data on employment and turnover)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	—
	401-3 Parental leave	› ESG Databook: Establishing the foundation for promoting human resource measures (Data on pregnancy and childcare leaves)



GRI STANDARD	DISCLOSURE	LOCATION
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	› ESG Databook: Occupational safety and health
	403-2 Hazard identification, risk assessment, and incident investigation	› ESG Databook: Occupational safety and health
	403-3 Occupational health services	› ESG Databook: Occupational safety and health
	403-4 Worker participation, consultation, and communication on occupational health and safety	› ESG Databook: Occupational safety and health
	403-5 Worker training on occupational health and safety	› ESG Databook: Occupational safety and health
	403-6 Promotion of worker health	› ESG Databook: Occupational safety and health
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	› ESG Databook: Occupational safety and health
	403-8 Workers covered by an occupational health and safety management system	› ESG Databook: Occupational safety and health
	403-9 Work-related injuries	› ESG Databook: Occupational safety and health
	403-10 Work-related ill health	› ESG Databook: Occupational safety and health
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	› ESG Databook: Key activities and various measures under the strategic growth plan (Data on employee training)
	404-2 Programs for upgrading employee skills and transition assistance programs	› ESG Databook: Key activities and various measures under the strategic growth plan
	404-3 Percentage of employees receiving regular performance and career development reviews	› ESG Databook: Key activities and various measures under the strategic growth plan
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	› ESG Databook: Establishing the foundation for promoting human resource measures
	405-2 Ratio of basic salary and remuneration of women to men	› ESG Databook: Key activities and various measures under the strategic growth plan (Annual total remuneration)
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	(None for FY2025)
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	› ESG Databook: Human rights policy › ESG Databook: Business and human rights › ESG Databook: CSR procurement guidelines › Risk Assessment in the supply chain › ESG Databook: Establishing the foundation for promoting human resource measures (Condition of labor unions)



GRI STANDARD	DISCLOSURE	LOCATION
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	› ESG Databook: Human rights policy › ESG Databook: Business and human rights › ESG Databook: CSR procurement guidelines › Risk Assessment in the supply chain
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	› ESG Databook: Human rights policy › ESG Databook: Business and human rights › ESG Databook: CSR procurement guidelines › Risk Assessment in the supply chain
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	› ESG Databook: Human rights policy › ESG Databook: Business and human rights
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	(None for FY2025)
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	› ESG Databook: Business and human rights › ESG Databook: Developing people needed by the community › ESG Databook: Komatsu's initiatives for social issues › ESG Databook: Disaster relief
	413-2 Operations with significant actual and potential negative impacts on local communities	› ESG Databook: Developing people needed by the community
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	› ESG Databook: Human rights policy › ESG Databook: Business and human rights › ESG Databook: CSR procurement guidelines › ESG Databook: Outline of procurement policy and supply chain
	414-2 Negative social impacts in the supply chain and actions taken	› ESG Databook: Human rights policy › ESG Databook: Business and human rights › ESG Databook: CSR procurement guidelines › ESG Databook: Outline of procurement policy and supply chain
GRI 415: Public Policy 2016	415-1 Political contributions	› Political contributions
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	› ESG Databook: Improving safety of products and solutions
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	(None for FY2025)
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	—
	417-2 Incidents of non-compliance concerning product and service information and labeling	(None for FY2025)
	417-3 Incidents of non-compliance concerning marketing communications	(None for FY2025)
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	(None for FY2025)



SASB content index

Topic	Accounting metric	Reference	Code
Energy management	(1) Total energy consumed	Environmental impact of the Komatsu Group's business activities	RT-IG-130a.1
	(2) Percentage grid electricity	Environmental impact resulting from business activities	
	(3) Percentage renewable	Reducing CO ₂ emissions in manufacturing operations	
Employee health & safety	(1) Total recordable incident rate (TRIR)	Occupational safety and health	RT-IG-320a.1
	(2) Employee fatality rate	Occupational safety and health	
	(3) Near miss frequency rate (NMFR)	-	
Fuel economy & emissions in use-phase	(1) Sales-weighted fleet fuel efficiency for medium- and heavy-duty vehicles	N/A	RT-IG-410a.1
	(2) Sales-weighted fuel efficiency for non-road equipment	Reducing CO ₂ emissions during product operation	RT-IG-410a.2
	(3) Sales-weighted fuel efficiency for stationary generators	N/A	RT-IG-410a.3
	NO _x , PM Sales-weighted emissions of: (1) nitrogen oxides (NO _x) and (2) particulate matter (PM) for: (a) marine diesel engines, (b) locomotive diesel engines, (c) on-road medium- and heavy-duty engines, and (d) other non-road diesel engines	NO _x and PM emitted from products	RT-IG-410a.4
Materials sourcing	Description of the management of risks associated with the use of critical materials	Effective use of critical materials in products	RT-IG-440a.1
Remanufacturing design & services	Revenue from remanufactured products and remanufacturing services	Development of our "reman" remanufacturing business	RT-IG-440b.1

Topic	Accounting metric	Reference	Code
Activity metric	Number of units produced by product category	Environmental impact of the Komatsu Group's business activities	RT-IG-000.A
	Number of employees	Company info	RT-IG-000.B