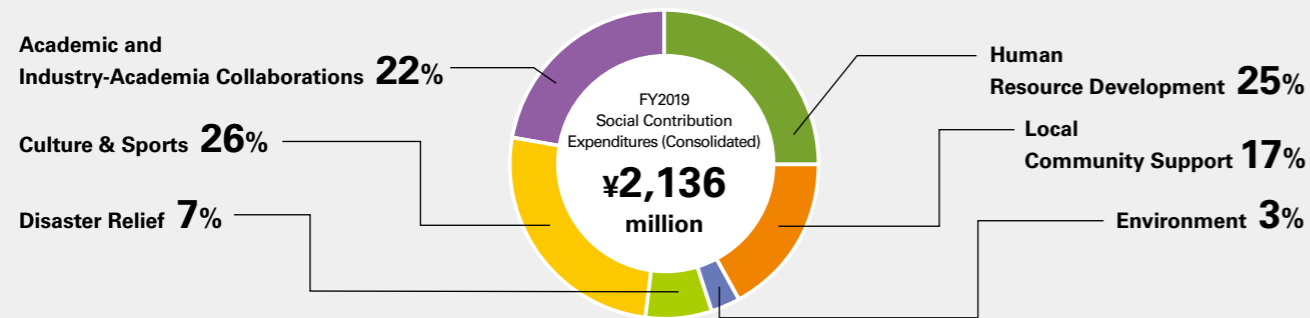


Growing with Society – Social Contribution Activities

Komatsu recognizes that social contributions to the communities in which it conducts its business activities are an important corporate responsibility. Komatsu defines the social contribution activities as activities related to its three CSR themes that are not directly aimed at generating earnings. Based on this definition, we seek to contribute to society in a manner that leverages the strengths of our core business.

Social Contribution Activities in FY2019

The following chart shows expenditures for social contribution activities by Komatsu Group aggregated based on six general categories.



Type of Social Contribution Expenditure

Cash contributions	Employee dispatchment and time contributions	Expense related to providing own facilities for public use	Expense related to events for the community	Total
¥707 million	¥316 million	¥314 million	¥797 million	¥2,136 million

Commencement of Agricultural Support Project Following Demining Project

Since 2008, Komatsu has been engaging in collaborative efforts with the Japan Mine Action Service (JMAS) to support the demining of anti-personnel landmines in Cambodia and other areas threatened by these weapons. In addition to removing mines, we also provide reconstruction work, building roads and schools in demined areas, as part of a community development project. In January 2020, we embarked on a new project with JMAS. Through this project, Komatsu ICT-intensive bulldozers, wheel loaders, and hydraulic excavators will be deployed to Cambodia to provide agricultural support. This project represents a new step in our community development

efforts, which are shaped by local needs, in which we will use construction equipment to contribute to agriculture. For example, it is possible to increase rice yield by flattening out rough areas to make a smooth and level surface prior to planting. We therefore see the potential for ICT-intensive agricultural bulldozers equipped with automatic blade control functions to be used to increase rice production volumes by flattening direct-planting rice paddies to the greatest degree possible. We also anticipate that agricultural wheel loaders can be utilized in the production and harvesting of crops such as cassava, which has been the target of growing demand in recent years.



Social Support Activities in Response to the COVID-19 Pandemic

Producing and Donating Medical Supplies in Collaboration with Business Partners, The Komatsu Midori-kai

The COVID-19 pandemic has directly damaged our lives and health, but has also significantly impacted the economy, finance, medical infrastructure, and other aspects of society.

In Japan, as the number of people infected by COVID-19 increased, the shortages of medical devices became a critical issue. Though we do not have the equipment or skills to produce medical devices, Komatsu has some assets, like long-time collaborative relationships with our business partners and our production and sales networks. By utilizing these assets, we have procured and donated isolation gowns and face shields, which are personal protective equipment (PPE) for medical workers for which there is particularly urgent need.

To procure them, we asked a Midori-kai member company to begin PPE production. At Komatsu, the staff of our production technology also participated in the activity to improve the strength of the parts, productivity, and the comfort of the PPE during the prototyping phase of the face shield.

After medical experts inspected the protective ability and comfort of the prototypes, 10,100 gowns and 8,000 face shields were produced. We distributed them to medical institutions around the nation for free through the NPO Peace Winds Japan and the government, of which part was funded by donations from our employees. In addition to the isolation gowns and face shields, Komatsu and our employees are carrying out the following support activities:



Members of donation recipient National Hospital Organization Osaka National Hospital



Through the personal network of our supplier, we also received support from a garment making vocational school in Nagano Prefecture. The teachers and students made 100 pieces of PPE from materials donated by a filter maker, one of Midori-kai member companies and donated them to the medical institutions in the region.

Country/Region	Major Activities
USA	<ul style="list-style-type: none"> Donations equivalent to 350,000 dollars in total Breakdown: <ul style="list-style-type: none"> A 250,000-dollar joint donation with our employees to the hunger relief organization, Feeding America 100,000 dollars donated to local communities
Chile	<ul style="list-style-type: none"> Support for sanitation of streets using cistern trucks (in collaboration with the government)
India	<ul style="list-style-type: none"> Donations equivalent to 10 million rupees (national or state welfare funds and technical training support for construction equipment operators)
Europe	<ul style="list-style-type: none"> Donations equivalent to 100,000 euros from our group companies in Europe (for medical and food-related purposes depending on local needs, and support for multiple organizations)
Japan	<ul style="list-style-type: none"> Donation of 100,000 N95 medical masks from our stock to the Red Cross, the government, medical institutions, etc.

Business Partners—They are Invaluable to Komatsu

For manufacturers, business partners (the suppliers of materials, parts, and components) are important partners that support product quality and reliability. Komatsu especially places great value on relationships with business partners and has grown together with them throughout our long history. We have been thinking together with them and supporting each other, not only in terms of the procurement of goods but also from the perspective of management and human resource development.

The Komatsu Midori-kai comprises 156 member companies that are the main suppliers in Japan. They supply approximately 80% of the items we procure in Japan. Representatives of Midori-kai member companies and top Komatsu management participate in general conferences and roundtable discussions for managers, etc. to share policies and issues with each other. We also established regional Midori-kai member companies for China, North America and Europe. With the addition of the member companies of the Joint Associations of Business Partners in Asia, the total number of overseas member companies exceeds 140.

