



## SECOND PARTY OPINION

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**KOMATSU LTD.**

**GREEN FINANCE FRAMEWORK**

**(MARCH 2026)**

Prepared by: DNV Business Assurance Japan K.K.

Location: Kobe, Japan

Date: 10 June 2026

Ref. Nr.: PRJN-269261-2021-AST-JPN-01\_Rev1

This report, issued as Revision 1, constitutes an additional assessment conducted in March 2026 with respect to the revised "Komatsu Ltd. Green Finance Framework," which has been updated to reflect the addition of new projects, the inclusion of loans, and updates to the GBP/GBGL.



## Executive Summary

Komatsu Ltd. (hereinafter, "Komatsu"), founded in Komatsu City, Ishikawa Prefecture in May 1921, engages in an extensive range of operations from research and development, production, marketing, sales and service to retail financing in three business segments of Construction, Mining and Utility Equipment, Retail Finance, and Industrial Machinery and Others in Japan and abroad. Komatsu pursues "Quality and Reliability" as the basis of its management principle, and maximizing the total sum of trust from the general society and its stakeholders is placed as its "Corporate Value." Komatsu aims to become a "collaborative partner committed to optimizing safe, productive and clean workplaces."

The Komatsu Group (Komatsu and its consolidated subsidiaries) established new ESG management targets in its medium-term management plan for the fiscal year ending March 2022 announced in April 2019, and set targets to reduce CO<sub>2</sub> emissions by 50% by 2030 (compared to 2010) and renewable energy use by 50% by 2030 as targets for reducing environmental impact. After that, in April 2025, they launched a three-year medium-term Strategic Growth Plan "Driving value with ambition" with the goal of the fiscal year ending March 2028. They raise three Growth Strategy Pillars: (1) create customer value through innovation; (2) drive growth and profitability; and (3) transform business foundation, that they are driving ongoing efforts toward the further evolution of their solutions and product values through refining their vision of becoming a collaborative partner committed to optimizing safe, productive, and clean workplaces.

In the course of these efforts, Komatsu formulated the Komatsu Green Bond Framework in June 2020 and issued Komatsu's first Green Bond (unsecured straight bonds) in July of the same year. In September 2022, they formulated the Komatsu Sustainability-Linked Bond Framework, and in October of the same year, Komatsu issued its first Sustainability-Linked Bond (U.S. dollar-denominated unsecured straight bonds).

Komatsu has developed the Komatsu Green Finance Framework (hereinafter, the "Framework") by revising its Green Bond Framework created in June 2020 — with the aim of fulfilling its role as a supplier of technologies and services that contribute to reducing environmental impact, achieving business goals aligned with Komatsu Earth and Environment Policy in a consistent manner from the stage of fundraising through to the supply of technologies and services, and realising its Group Vision — through engaging in dialogue with investors and a broad range of market participants, and raising the necessary funds as Green Finance in a form that conforms to internationally established frameworks. DNV Business Assurance Japan K.K. (hereinafter, "DNV"), as an independent external reviewer, has evaluated the eligibility of the Framework.

Specifically, DNV provided the eligibility assessment for the Framework mainly against the following frameworks:

- Green Bond Principles (International Capital Market Association, 2025; hereinafter, "GBP")
- Green Bond Guidelines (Ministry of the Environment, 2024; hereinafter, "GBGL")
- Green Loan Principles (Loan Market Association (LMA) et al., 2025; hereinafter, "GLP")
- Green Loan Guidelines (Ministry of the Environment, 2024; hereinafter, "GLGL")

The summary of the eligibility assessment results for the core elements defined by the above frameworks is as follows:



## <GBP/GLP Eligibility Assessment Results>

### GBP/GLP-1. Use of Proceeds:

DNV has confirmed that the proceeds through Komatsu Green Finance plan to be allocated for new or existing projects (Eligible Projects) that meet the representative green categories in Table-1 of GBP/GBGL and GLP/GLGL (New Additional Business Categories/ Projects are highlighted in **Bold**). For an overview of the project, please refer to Table-1. These processes are in line with GBP/GLP-1.

### GBP/GLP-2. Process for Project Evaluation and Selection:

DNV has confirmed that the Eligible Green Finance Nominated Projects (Eligible Projects) set out in Table-1 and Schedule-1 are to be identified from an eligibility perspective by the respective responsible divisions of Komatsu that implement each Eligible Project, and that nominated projects so identified are to be evaluated and selected for eligibility by the Environmental Affairs Department and Finance & Treasury Department of Komatsu, taking into account its alignment with Komatsu's Group Philosophy and Group Vision, with final decisions made by the Board of Directors. In determining the eligibility of projects, Komatsu confirms that the projects in question address the following matters in order to mitigate environmental and social risks.

- Complying with environment-related laws and regulations required by the national or local government where the business is located, and conduct environmental impact surveys as needed.
- Implementing environmental activities from a supply chain perspective.

These processes are in line with GBP/GLP-2.

### GBP/GLP-3. Management of Proceeds:

DNV has confirmed that Finance & Treasury Department of Komatsu will allocate the same amount of proceeds through Green Bonds or Green Loans to Eligible Projects in accordance with its management protocol. Finance & Treasury Department of Komatsu tracks and manages the amount actually spent on Eligible Projects every quarter through its internal management system. The proceeds will be managed in cash or cash equivalents until the allocation is completed, and the allocation is basically scheduled to be completed within three years from issuance. These processes are in line with GBP/GLP-3.


### GBP/GLP-4. Reporting:

DNV has confirmed that Komatsu plans to report annually on the status of proceeds and environmental benefits until the full amount of proceeds is allocated to the Eligible Projects either through Komatsu website, the Komatsu Report (Integrated Report), or the ESG Databook. Regarding the status of proceeds, to the extent that it is practically feasible, allocated amount of proceeds, unallocated amount of proceeds, the project summary, new allocations, and the refinancing allocation ratio are planned to be published. In addition, regarding the environmental benefits, they plan to publish the indicators shown in Table-2 to the extent that it is practically feasible. Moreover, both the allocation of proceeds and the environmental benefits can be

reported directly to the subject lender only in the case of loans. These processes are in line with GBP/GLP-4.

Based on an assessment of the relevant documents and information as well as the Framework provided by Komatsu, DNV has confirmed that the Framework meets the criteria required by relevant frameworks and is eligible as Green Finance. DNV has also confirmed that Komatsu's green finance that to be executed from now on will be properly planned and implemented in accordance with the revised Framework.

Table-1 Komatsu Green Finance Nominated Projects (New Additional Business Categories/ Projects are highlighted in **Bold**)

Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
<p>Project A:</p> <p>Expenditures related to responding to environmental problems resulting from the use of products</p>	<ul style="list-style-type: none"> <li>Energy Efficiency</li> <li>Clean Transportation</li> <li>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products</li> </ul>	<p>Expenditures related to research and development, as well as the provision and dissemination of the following products, services and solutions, will be applicable to Komatsu’s contributing efforts to reduce CO<sub>2</sub> emissions from products in use to 50% from 2010’s level by 2030.</p> <ol style="list-style-type: none"> <li>① Products: Hybrid hydraulic excavators, electric construction equipment models that use <b>hydrogen engines, fuel cells</b> etc.</li> <li>② Service: Support for fuel-efficient operation of machine through the use of IoT.</li> <li>③ Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment and the provision of applications that optimize overall construction processes.</li> </ol>	






Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
<p>Project B:</p> <p>Expenditures related to responding to environmental problems resulting from production</p>	<ul style="list-style-type: none"> <li>Renewable Energy</li> <li>Energy Efficiency</li> </ul>	<p>Capital investment and/or expenditures related to the following efforts will be applicable, as they are expected to contribute to reducing CO<sub>2</sub> emissions in production and increasing the ratio of using renewable energy to 50% of total energy use by 2030 from 2010.</p> <ul style="list-style-type: none"> <li>① Energy-savings of factories and equipment in plants.</li> <li>② Power generation by using solar panels and biomass as well as purchase of renewable energies.</li> </ul>	   
<p>Project C:</p> <p>Expenditures related to responding to environmental problems resulting from corporate activities</p>	<ul style="list-style-type: none"> <li><b>Green Buildings</b></li> </ul>	<p><b>A building that has obtained or renewed any of the following building certifications within the past 36 months retroactively from the financing by bonds or loans, or a building that is scheduled to obtain or renew such certification in the future (including associated land, facilities, and renovation costs).</b></p> <p><b>Green Buildings</b></p> <ul style="list-style-type: none"> <li>➤ <b>ZEB Certification : ZEB, Nearly ZEB, ZEB Ready</b></li> <li>➤ <b>CASBEE for Buildings (New Construction) : "S" or "A"</b></li> <li>➤ <b>LEED BD+C (Building Design and Construction, version 4 or later) or LEED O+M (Building Operations and Maintenance, version 4 or later) : Platinum, Gold</b></li> <li>➤ <b>BELS : 2016 version : "5" or "4", or 2024 version : "6" or "5"</b></li> </ul> <p><b>DBJ Green Building Certification : "5", "4" or "3"</b></p>	

Table-2 Indicators on Impact Reporting (Examples)

Eligible Projects		GBP Category	Environmental Benefits Indicators (Example)
A	Expenditures related to responding to environmental problems resulting from the use of products	Energy Efficiency Clean Transportation Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products	<ul style="list-style-type: none"> <li>➤ CO<sub>2</sub> emission reduction by products use (amount or ratio) in comparison with 2010</li> <li>➤ CO<sub>2</sub> emission reduction by production process (amount or ratio) in comparison with 2010</li> </ul>
B	Expenditures related to responding to environmental problems resulting from production	Renewable Energy Energy Efficiency	<ul style="list-style-type: none"> <li>➤ Ratio (%) of using renewable energy and annual use (MWh/GWh or GJ/TJ/PJ)</li> </ul>
C	Expenditures related to responding to environmental problems resulting from corporate activities	Green Buildings	<ul style="list-style-type: none"> <li>➤ Overview of properties that meet green eligibility criteria, valid environmental certifications and ranks, annual CO<sub>2</sub> emission reductions, and annual energy consumption reductions</li> </ul>

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### Revision History

Revision Number	Publication Date	Key Changes
0	15 June 2020	First Edition Published
1	10 June 2026	- Additional eligibility assessment for the revised Framework which was upgraded based on the updates made to GBP, GBGL, GLP, GLGL etc. - Eligibility assessment for green projects added to the revised Framework.

### Disclaimer

Our assessment relies on the premise that the data and information provided by Issuer to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per Scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

### Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct<sup>1</sup> during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

<sup>1</sup> DNV Code of Conduct is available from DNV website (www.DNV.com)

## I . Introduction

### i. About the Fundraiser

Komatsu Ltd. (hereinafter, “Komatsu”), founded in Komatsu City, Ishikawa Prefecture in May 1921, engages in an extensive range of operations from research and development, production, marketing, sales and service to retail financing in three business segments of Construction, Mining and Utility Equipment, Retail Finance, and Industrial Machinery and Others in Japan and abroad. Komatsu pursues "Quality and Reliability" as the basis of its management principle, and maximizing the total sum of trust from the general society and its stakeholders is placed as its “Corporate Value.” Komatsu aims to become a "collaborative partner committed to optimizing safe, productive and clean workplaces."

### ii. Fundraiser's ESG/Sustainability Initiatives

With the globalization of Komatsu’s business and the growing diversity of their stakeholders and employees, Komatsu will clearly articulate what Komatsu values and aspires to, ensuring consistent corporate activities across our global operations. (Figure-1).



Figure-1 Komatsu's Purpose, Values, and Promise

Komatsu’s 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 its “Sustainability policy” serving as a guideline for the achievement of a sustainable society and business growth, they are committed to meeting the challenge of climate change and other social issues, and they will fulfil their social and environmental responsibilities as a global company through their business activities.



Figure-2 Sustainability Policy

In April 2025, Komatsu launched a new three-year Strategic Growth Plan, Driving value with ambition (the "Strategic Growth Plan") , covering the period from April 2025 to March 2028. The plan is built on three growth strategy pillars: (1) Create customer value through innovation; (2) Drive growth and profitability; and (3) Transform our business foundation. With a redefined vision of becoming a collaborative partner committed to optimizing safe, productive, and clean workplaces, they pursue their business to accelerate the evolution of our product value and solution value.



\* SDV: Abbreviation for Software Defined Vehicle

Figure-3 Roadmap to our vision within the Strategic Growth Plan

### iii. Fundraiser's Commitment to the Environment

#### Komatsu's Basic Approach to Global Environmental Issues

Komatsu established the Komatsu earth environment charter (currently known as the Komatsu earth and environment policy) in 1992 , and has been rigorously engaged in environmental conservation activities as an issue of utmost priority in management, proactively addressing climate change and other environmental issues a step ahead of our peers.

## **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 CO<sub>2</sub> emissions by 2050, and contribute to sustainable development through efforts to reduce CO<sub>2</sub> 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 fulfil 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 analyse 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.

In 2011, Komatsu established the "Komatsu Declaration on Biodiversity" and "Biodiversity Guideline" to consider biodiversity in land use such as factory construction, develop "one-site, one-theme activities" that takes into account the unique ecosystems of the region, and contribute to the restoration of mine sites. They are developing activities to conserve biodiversity globally.

In addition, they have established the "CSR Procurement Guidelines" and "Komatsu Green Procurement Guidelines" to reduce the environmental impact of our supply chains, and are promoting global initiatives.

### Komatsu's Climate Change Initiatives

**Management Goals for Reducing Environmental Impact:** Komatsu has established the following targets for reducing environmental impact.

CO<sub>2</sub> emissions

- Decrease CO<sub>2</sub> emissions from Komatsu (total): 50% reduction by FY2030 (compared to FY2010)
- Decrease CO<sub>2</sub> emissions from product use (intensity): 50% reduction by FY2030 (compared to FY2010)
- <Stretch goal> Become carbon neutral by FY2050
- Renewable energy use : 50% of total energy use by FY2030

**Reducing CO<sub>2</sub> emissions from construction equipment:** The main bulk of CO<sub>2</sub> emissions produced throughout the lifecycle of their construction equipment is centered on product operation, during which approximately 80-90% of emissions are produced. They have acknowledged this fact, and are working to reduce these operational emissions through three different initiatives: "DANTOTSU Products", "DANTOTSU Service", and "DANTOTSU Solutions".

**Reducing CO<sub>2</sub> emissions from product operation:** Komatsu has set the target of reducing the CO<sub>2</sub> emissions from the operation of products (such as construction, mine, and forestry equipment) by 50% by FY2030 (compared to FY2010). To evaluate progress toward this goal, they compared the performance of the current year's products to the products of the base year (FY2010) and estimated CO<sub>2</sub> reductions through the improvement of fuel consumption and work efficiency. The products of FY2024 achieved a CO<sub>2</sub> reduction of 23%, compared to the base year.

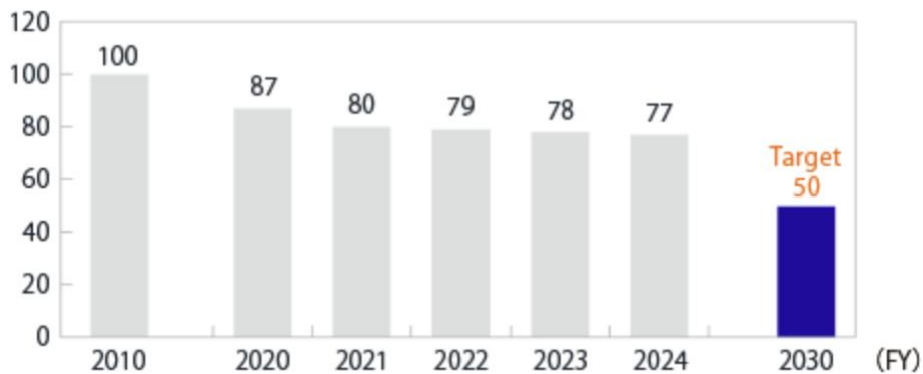
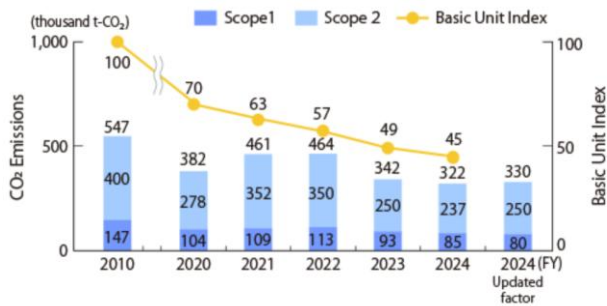


Figure-4 CO<sub>2</sub> Emission Index for Product Operations

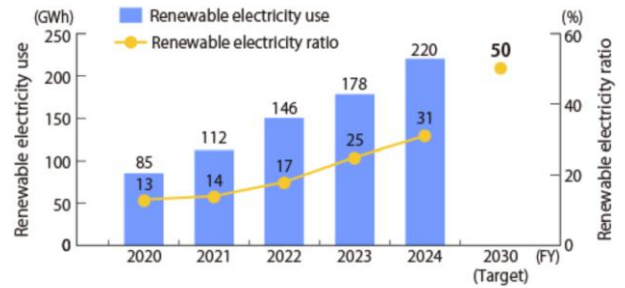
**Reducing CO<sub>2</sub> emissions in manufacturing operations:** As part of our efforts to address climate change, Komatsu promotes activities to reduce CO<sub>2</sub> emissions per unit of internal manufacturing value, using this as a key indicator, for all energy used in research, development, and production at our global locations, including electricity, gas, and oil.

In FY2024, energy-saving improvements focused on high-load plants in Japan and overseas (such as those for casting, forging, heat treatment, and machining), the expansion of solar and biomass power facilities, and increased purchases of green electricity overseas have significantly reduced Komatsu’s CO<sub>2</sub> emissions per unit. Additionally, the proportion of renewable energy used in their electricity increased to 31%.

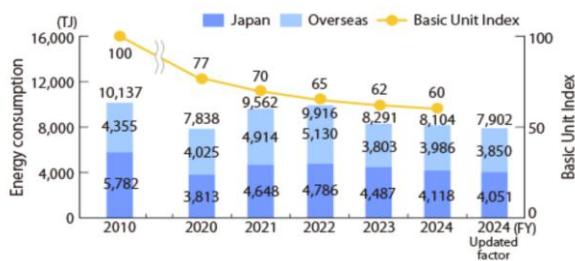
Since FY2021, Komatsu has set an internal carbon pricing (ICP)\* of USD 300 per ton of CO<sub>2</sub> and has applied it to decision-making for energy-saving and renewable energy investments related to Scope 1 and Scope 2, thereby promoting environmental improvement investments.



(a) Energy-Derived CO<sub>2</sub> Emissions



(b) Renewable Energy Electricity Volume and Ratio



(c) Energy Consumption

Figure-5 (a) Energy-Derived CO<sub>2</sub> Emissions in Komatsu Production Activities, (b) Renewable Energy Electricity Volume and Ratio, (c) Energy Consumption

**Reduction CO<sub>2</sub> emissions in logistics:** 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, they actively use Kanazawa and Hitachinaka ports, which are located near our manufacturing sites.

#### iv. Fundraiser's Initiatives for the SDGs

Komatsu positions the resolution of social issues through business activities as our fundamental stance under the Sustainability Policy. In 2025, when Komatsu reviewed the Strategic Growth Plan, Komatsu have reviewed the material issues our company should address as follows and identified 18 items across six areas, as shown in Figure-6.



Figure-6 Materiality at Komatsu

In addition, the relationship between the SDGs and 18 materiality in six areas identified by Komatsu is shown in Table-3. The contribution to the SDGs in this Framework is as shown in Schedule-1.

Table-3 Komatsu's Materiality and SDGs




	Relationship with the SDGs	Materiality	Activity Theme
<b>With People</b>		<p>[Employees]</p> <p>[Human Rights]</p>	<ul style="list-style-type: none"> <li>➤ Create safe and secure work environments; support employee health</li> <li>➤ Create workplaces where all individuals can shine as their authentic selves, wherever they are</li> <li>➤ Create environments and develop human resources to foster innovation</li> <li>➤ Respect human rights across all business activities</li> </ul>
<b>With Business</b>		<p>[Customer]</p> <p>[Ethics and Governance]</p> <p>[Community]</p>	<ul style="list-style-type: none"> <li>➤ Enhance product safety</li> <li>➤ Expand Industrial Komtrax* contents *Equipment operation management system</li> <li>➤ Improve jobsite productivity through Smart Construction®</li> <li>➤ Provide solutions for sustainable resource development (mining)</li> <li>➤ Provide solutions for better jobsite safety and productivity (automation, autonomous operation, remote operation)</li> <li>➤ Build value chains adaptable to changes in the environment and demand</li> <li>➤ Enhance governance and ensure thorough compliance</li> <li>➤ Continue social contribution activities</li> </ul>
<b>With the Planet</b>		<p>[Environment]</p>	<ul style="list-style-type: none"> <li>➤ Implement efforts to achieve carbon neutrality</li> <li>➤ Reduce environmental impact through business activities (industrial machinery business)</li> <li>➤ Drive circular economies</li> <li>➤ Provide solutions that support sustainable, circular forestry businesses</li> <li>➤ Nature-positive activities</li> <li>➤ Contribute to solving global food challenges</li> </ul>

※ The relevance to the SDGs is complementary to the implementation of Green Finance and is not directly related to the purpose of financing.

**v. External Initiatives**

Komatsu participates in external initiatives such as Table-4 to strengthen its ESG initiatives.

Table-4 Komatsu Participation and Initiatives in External Initiatives

External initiatives		Komatsu's Initiatives
United Nations 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 contributes to the implementation of the 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.

**vi. About the Green Finance Framework**

In pursuit of achieving business goals aligned with Komatsu Earth and Environment Policy in a consistent manner from the stage of fundraising through to the supply of technologies and services, realizing its Group Vision, and fulfilling its role as a supplier of technologies and services that contribute to reducing environmental impact — Komatsu has established the Komatsu Green Finance Framework (hereinafter, the "Framework") through engaging in dialogue with investors and a broad range of market participants, and with the aim of raising the necessary proceeds as Green Finance in a form that conforms to internationally established frameworks.

The frameworks to which this Framework is specifically applied or referenced is described in Paragraph II (3) below.



**Name of Issuer :** Komatsu Ltd.

**Name of Framework :** Komatsu Green Finance Framework

**Name of External Reviewer :** DNV Business Assurance Japan K.K.

**Date of Report :** 10 June 2026

## II. Scope and Objectives

Komatsu has commissioned DNV to conduct an eligibility assessment of the Framework. The objective of the eligibility assessment of DNV is to conduct an assessment to confirm that the Framework meets GBP/GBGL and GLP/GLGL, which will be described later, and to provide a second party opinion on its eligibility.

DNV, as an independent external reviewer, has identified no real or perceived conflict of interest associated with the delivery of this second party opinion for Komatsu.

In this paper, no assurance is provided regarding the financial performance of bonds or loans to be executed under the Framework, the value of any investment, or the long-term environmental benefits of the transaction.

### (1) Scope of the Review\*

The review assessed the following elements and confirmed their alignment with four core elements in GBP/GLP.

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Use of Proceeds        | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting                                    |

### (2) Role(s) of Review Provider

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Second Party Opinion  | <input type="checkbox"/> Certifications |
| <input type="checkbox"/> Verification                     | <input type="checkbox"/> Rating         |
| <input type="checkbox"/> Other ( <i>please specify</i> ): |   |

### (3) Standards/Guidelines to be Applied

No.	Standards/Guidelines	Scheme Owner	Applied Level <sup>*1*2</sup>
1.	Green Bond Principles (GBP) <sup>*3</sup>	International Capital Market Association (ICMA), 2025	Apply
2.	Green Bond Guidelines (GBGL) <sup>*3</sup>	Ministry of the Environment, 2024	Apply
3.	Green Loan Principles (GLP) <sup>*3</sup>	Loan Market Association (LMA) et al., 2025	Apply
4.	Green Loan Guidelines (GLGL) <sup>*3</sup>	Ministry of the Environment, 2024	Apply
5.	Climate Bonds Standards Version 4.2 (Sector Technical Standards)	Climate Bonds Initiative	Refer (Applicable Technical Standards)

\*1 Apply: Eligibility for all four core elements to each principle or guideline was assessed.

\*2 Refer: Based on the green project and execution plans, relevant contents were partially considered.

\*3 The Green Project conducted an eligibility assessment using technical criteria that can be referenced from the Climate Bond Criteria of the Climate Bond Initiative.



### **III. Responsibilities of Komatsu and DNV**

Komatsu has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform Komatsu and other interested stakeholders in the Green Finance as to whether the established criteria have been met, based on the information provided to us.

In our work, we have relied on the information and the facts presented to us by Komatsu. DNV is not responsible for any aspect of the assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by Komatsu and used as a basis for this assessment were not correct or complete.



## IV. Basis of DNV's Opinion

To provide as much flexibility as possible for Komatsu, DNV has adapted our Green Finance assessment methodology, which incorporates the requirements of GBP/GBGL and GLP/GLGL to create Komatsu-specific Green Finance Eligibility Assessment Protocol (hereinafter, "DNV's Protocol"). Please refer to Schedule-2. The Protocol is applicable to Green Finance under GBP/GBGL and GLP/GLGL.

DNV, as an independent external reviewer, provides a second party opinion based on the Protocol.

DNV's Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion. The overarching principle behind the Green Finance with use of proceeds as the criteria for opinion statement is as follows:

"Enable capital-raising and investment for new and existing projects with environmental benefits."

As per the Protocol, the criteria against which the Komatsu Green Finance has been reviewed are grouped under the four Principles:

### (1) Four common elements of GBP and GBGL and GLP and GLGL

#### **Principle 1: Use of Proceeds**

The Use of Proceeds criteria are guided by the requirement that the fundraiser of Green Finance with use of proceeds must use the proceeds to eligible projects. The eligible projects should produce clear environmental benefits.

#### **Principle 2: Process for Project Evaluation and Selection**

The Process for Project Evaluation and Selection criteria are guided by the requirements that the fundraiser of Green Finance should outline the process it follows when determining eligibility of an investment using Green Finance proceeds and outline any impact objectives it will consider.

#### **Principle 3: Management of Proceeds**

The Management of Proceeds criteria are guided by the requirements that Green Finance should be tracked by the fundraiser, that separate portfolios should be created when necessary and that a declaration of how unallocated proceeds will be handled should be made.

#### **Principle 4: Reporting**

The Reporting criteria are guided by the recommendation that at least sustainability reporting to the investors and lenders of bonds and loans should be made of the allocation status of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

\* The GLGL sets out requirements specific to loans (internal review). These are confirmed in the course of checking the requirements for green loans.



## V. Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Komatsu in good faith. We have not performed an audit or other tests at the time of the pre-fundraising assessment to check the veracity of the information provided to us.

The work undertaken to form our opinion included:

### i. Pre-fundraising assessment (Green Finance Framework)

- Creation of a fundraiser-specific Protocol, adapted to the purpose of the Komatsu Green Finance, as described above and in Schedule-2 to this Assessment.
- Assessment of documentary evidence provided by the fundraiser on the Komatsu Green Finance and supplemented by high-level desktop research. These checks refer to current assessment best practices and standards methodology.
- Discussions with the fundraiser, and review of relevant documentation and evidence related to the criteria of the Protocol.
- Documentation of findings against each element of the criteria.

### ii. Post-fundraising assessment (*\*not included in this report*)

- Interview with the fundraiser, and review of the relevant documentation.
- Field research and inspection (if necessary).
- Document creation of post-fundraising assessment result.



## VI. Findings and DNV's Opinion

DNV's findings and opinions are as follows:

As for (1), GBP/GLP-1 to 4 presents findings and DNV's opinions on the four core elements of GBP/GBGL and GLP/GLGL.

Please refer to Schedule-2 for details.

### (1) Findings and DNV's opinions on the four core elements of GBP/GBGL and GLP/GLGL.

#### GBP/GLP-1. Use of Proceeds

DNV has confirmed that Komatsu plans to allocate all of the net proceeds from the Green Finance, excluding expenses, to eligible projects falling within the categories below indicated in GBP/GBGL and GLP/GLGL, as new investments or refinancing.

For an overview of the Green Finance Nominated projects, please refer to Table-1 and Schedule-1.

Specifically, these are six activities classified into the following three Green Nominated projects.

#### **Project A: "Expenditures related to responding to environmental problems resulting from the use of products"**

- ① Products: Hybrid hydraulic excavators, electric construction equipment models that use hydrogen engines, fuel cells, hydrogen engine vehicles, fuel cell vehicles etc.
- ② Service: Support for fuel-efficient operation of machine through the use of IoT.
- ③ Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment and the provision of applications that optimize overall construction processes.






#### **Project B: "Expenditures related to responding to environmental problems resulting from production"**

- ① Energy-savings of factories and equipment in plants.
- ② Power generation by using solar panels and biomass as well as purchase of renewable energies.

#### **Project C: "Expenditures related to responding to environmental problems resulting from corporate activities"**

A building that has obtained or renewed any of the following building certifications within the past 36 months retroactively from the financing by bonds or loans, or a building that is scheduled to obtain or renew such certification in the future (including associated land, facilities, and renovation costs).

Table-1 (Reiterated) Komatsu Green Finance Nominated Project

Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
<p>Project A:</p> <p>Expenditures related to responding to environmental problems resulting from the use of products</p>	<ul style="list-style-type: none"> <li>Energy Efficiency</li> <li>Clean Transportation</li> <li>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products</li> </ul>	<p>Expenditures related to research and development, as well as the provision and dissemination of the following products, services and solutions, will be applicable to Komatsu’s contributing efforts to reduce CO<sub>2</sub> emissions from products in use to 50% from 2010’s level by 2030.</p> <ol style="list-style-type: none"> <li>Products: Hybrid hydraulic excavators, electric construction equipment models that use hydrogen engines, fuel cells, hydrogen engine vehicles, fuel cell vehicles etc.</li> <li>Service: Support for fuel-efficient operation of machine through the use of IoT.</li> <li>Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment and the provision of applications that optimize overall construction processes.</li> </ol>	   
<p>Project B:</p> <p>Expenditures related to responding to environmental problems resulting from production</p>	<ul style="list-style-type: none"> <li>Renewable Energy</li> <li>Energy Efficiency</li> </ul>	<p>Capital investment and/or expenditures related to the following efforts will be applicable, as they are expected to contribute to reducing CO<sub>2</sub> emissions in production and increasing the ratio of using renewable energy to 50% of total energy use by 2030 from 2010.</p> <ol style="list-style-type: none"> <li>Energy-savings of factories and equipment in plants.</li> <li>Power generation by using solar panels and biomass as well as purchase of renewable energies.</li> </ol>	   
<p>Project C:</p> <p>Expenditures related to responding to environmental problems resulting from</p>	<ul style="list-style-type: none"> <li><b>Green Buildings</b></li> </ul>	<p><b>A building that has obtained or renewed any of the following building certifications within the past 36 months retroactively from the financing by bonds or loans, or a building that is scheduled to obtain or renew such certification in the future (including associated</b></p>	

Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
corporate activities		<p>land, facilities, and renovation costs).</p> <p><b>Green Buildings</b></p> <ul style="list-style-type: none"> <li>➤ ZEB Certification : ZEB, Nearly ZEB, ZEB Ready</li> <li>➤ CASBEE for Buildings (New Construction) : "S" or "A"</li> <li>➤ LEED BD+C (Building Design and Construction, version 4 or later) or LEED O+M (Building Operations and Maintenance, version 4 or later) : Platinum, Gold</li> <li>➤ BELS : 2016 version : "5" or "4", or 2024 version : "6" or "5"</li> <li>➤ DBJ Green Building Certification : "5", "4" or "3"</li> </ul>	

This Green Finance excludes products and services that are solely intended for use in fossil fuel mining.

**Project A: " Expenditures related to responding to environmental problems resulting from the use of products "**

Approximately 80 to 90% of CO<sub>2</sub> emissions over the lifecycle of construction equipment are generated by machines in use. Accordingly, Komatsu is of course working to not only make its products fuel efficient by developing high-efficiency engines, hybrid systems and electric models, but also reduce total CO<sub>2</sub> emissions from construction sites by automating construction or promoting autonomous operation of construction equipment to make the entire process of construction efficient. In other words, Komatsu works to reduce CO<sub>2</sub> emissions from construction equipment in use by not only improving hardware but also innovating processes.

Project A plans to cover expenditures related to initiatives that contribute to a 50% reduction in CO<sub>2</sub> emissions from products (compared to 2010) by 2030 (including research and development of products, services, and solutions, as well as the provision and dissemination of such products, services, and solutions). Nominated projects include:

- ① **Products: Hybrid hydraulic excavators, electric construction equipment models that use hydrogen engines, fuel cells, hydrogen engine vehicles, fuel cell vehicles etc.**

In 2008, Komatsu introduced the PC200-8 Hybrid hydraulic excavator to the market — the world's first construction machine equipped with a hybrid system — contributing to energy



efficiency improvements in construction equipment. As of April 2025, 25 models have been certified under the Ministry of Land, Infrastructure, Transport and Tourism (MLIT) 'Fuel Efficiency Standard-Compliant Construction Machinery' designation<sup>\*1</sup> as construction machines with superior fuel economy performance, including the bulldozer 'D71PX-24', hydraulic excavator 'PC200i-12', and wheel loader 'WA150-8', among others. Furthermore, under the MLIT's 'GX Construction Machinery Certification Program'<sup>\*2</sup> — established to promote decarbonization through the adoption of electric construction machinery on construction sites — a total of 8 models has been certified, including battery-powered and cable-powered electric hydraulic excavators such as the electric hydraulic excavator 'PC200LCE-11' and the electric micro excavator 'PC01E-2'. In addition, Komatsu is advancing environmental technology development on all fronts toward the Realization of carbon neutrality, including demonstration testing of large dump trucks equipped with hydrogen engines and excavators equipped with hydrogen fuel cells. It is an energy-saving construction machine equipped with advanced technology that the Ministry of Land, Infrastructure, Transport and Tourism is working on as a countermeasure against global warming. A certification system for construction machinery that achieves fuel efficiency standards (H25) that sets fuel efficiency standards (implemented from FY2025).

Komatsu's hybrid hydraulic excavators currently target large-scale machines in Japan for which electrification is difficult (machine weight of 30 tons or more, standard heaped capacity of 1.4 m<sup>3</sup> or more), and DNV has confirmed that the hybrid technology constitutes BAT (Best Available Technology).

Under the green finance framework, proceeds will be allocated to expenditures related to the research and development, as well as the provision and dissemination, of the following: hybrid hydraulic excavators (Photo-1); fully electrified construction machinery powered entirely by batteries or cable supply (Photos-2, 3); hydrogen engine-equipped construction machinery (Photo-4); and hydrogen fuel cell-equipped construction machinery (Photo-5).

\*1 A fuel-efficient construction machinery certification program implemented by the MLIT as part of its efforts to address global warming, covering construction machines equipped with advanced technologies. The program establishes fuel efficiency benchmark values (top-runner values) and certifies construction machines that achieve those benchmark values. (In operation since FY2013)

\*2 A certification program implemented by the MLIT with the aim of promoting the adoption of GX construction machinery that contributes to carbon neutrality, covering only battery-powered and cable-powered electric construction machines. (In operation since FY2023)



Photo-1 Project A-(1) Hybrid Excavator HB335-3 (example)



Photo-2 Project A-(1) Battery-powered excavator PC200LCE-11 (example)



PC01E-2 Front view



PC01E-2 Rear view

Photo-3 Project A-(1) Battery-powered electric micro excavator PC01E-2 (example)



Photo-4 Project A-(1) Concept machine for a large dump truck equipped with a hydrogen engine (example)



Photo-5 Project A-(1) Excavator FC Excavator Demonstrator equipped with Hydrogen Fuel Cell (example)

② **Service: Support for fuel-efficient operation of machine through the use of IoT.**

Through KOMTRAX (Figure-8) — a system that provides information such as vehicle location, operating hours, and operational status via devices installed on construction machinery — Komatsu visualizes the operating hours, working hours, usage patterns, and fuel consumption of construction machines. This data is made available to customers via the internet, along with proposals for improving low-fuel-consumption operation, thereby helping to reduce fuel consumption on the customer's end and supporting CO<sub>2</sub> reduction.

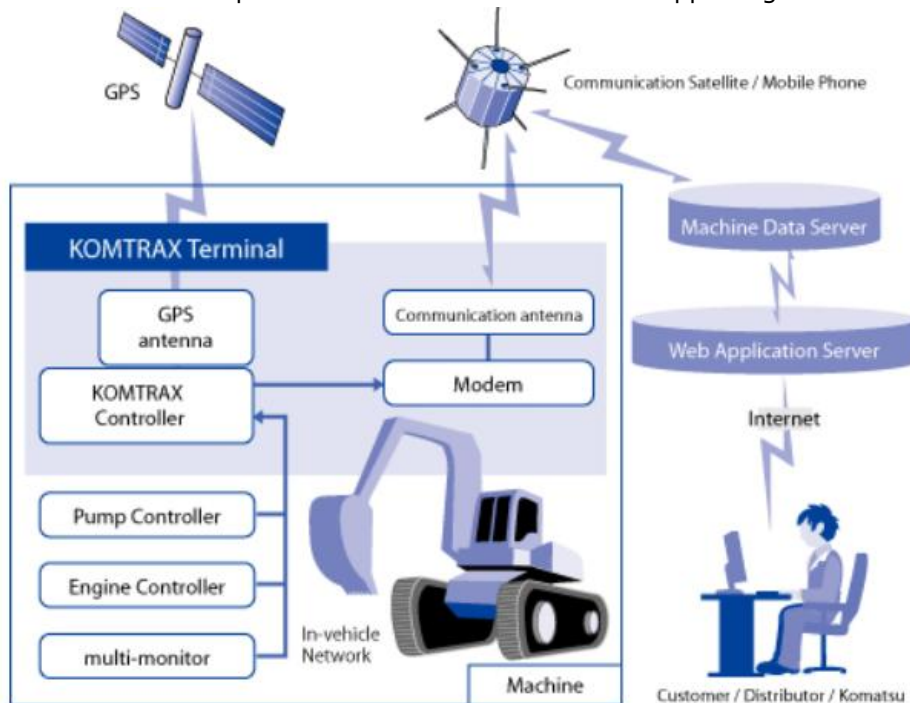


Figure-8 Project A-(2) Configuration of KOMTRAX (Komatsu Machine Tracking System)

③ **Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment\*<sup>3</sup> and the provision of applications that optimize overall construction processes**

\*<sup>3</sup> ICT-intensive construction equipment: Construction machinery defined as ICT construction equipment under the ICT-utilized construction works of 'i-Construction' promoted by the MLIT, equipped with 3D Machine Guidance (3D-MG) and 3D Machine Control (3D-MC) functions.

Komatsu contributes to CO<sub>2</sub> reduction across the entire construction process through the provision and dissemination of applications that shorten customers' site construction planning and execution through digitalization, as well as the ICT construction machinery required to utilize those applications (Figure-9). Based on calculations derived from data obtained through in-house test construction using ICT construction machinery, Komatsu has confirmed that the following fuel consumption reduction effects can be achieved.

- The ICT hydraulic excavator "PC200i-10" reduces fuel consumption by approximately 30% in embankment slope shaping work.
- Levelling work with the ICT bulldozer "D61PXi-23" reduces fuel consumption by approximately 25%.

Komatsu is rolling out Smart Construction — an initiative that advances work efficiency and 'visualization' of processes at construction sites through the use of ICT construction machinery, as well as current topography surveying using drones and 3D scanners, among other technologies.

This project encompasses expenditures related to the research and development of applications, as well as the provision and dissemination of ICT construction machinery.

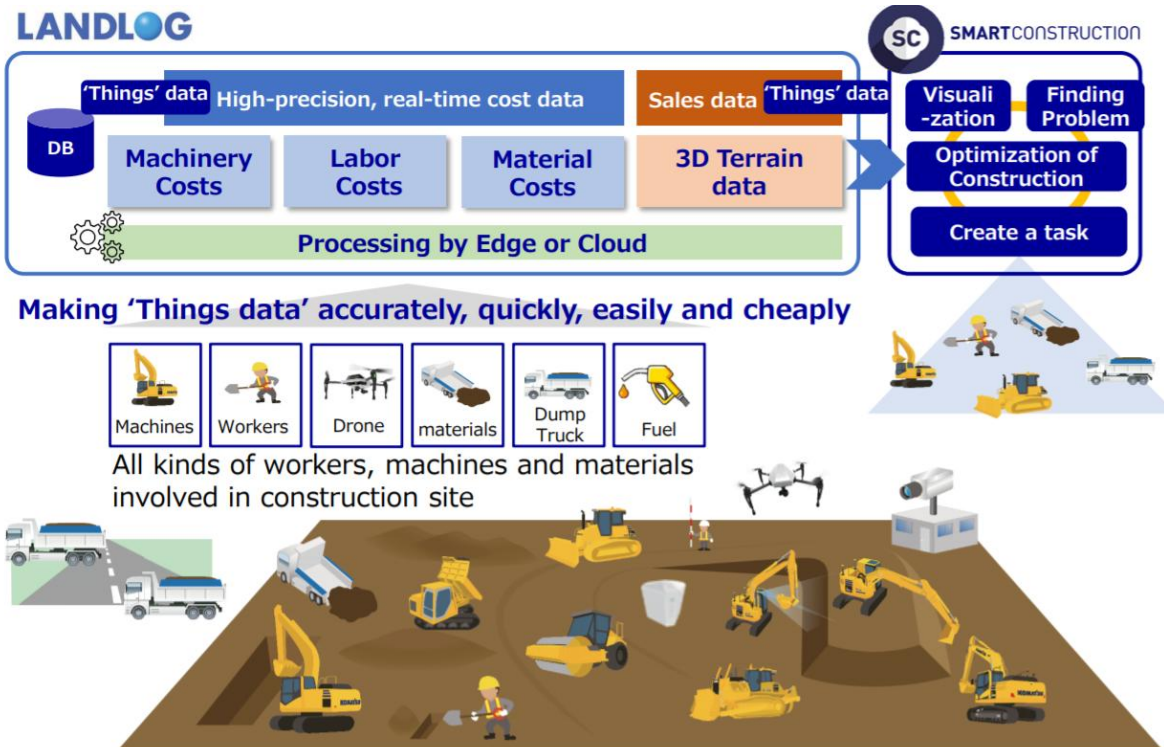


Figure-9 Project A-(3) Overview of Digital Transformation and Smart Construction

**Project B: "Expenditures related to responding to environmental problems resulting from production"**

The plan is to cover expenditures related to initiatives to reduce CO<sub>2</sub> emissions from production to 50% (compared to 2010) and 50% of the use of renewable energy by 2030 (capital investment, etc.).

Nominated projects for Project B include:

**Energy-savings of factories and equipment in plants.**

Komatsu will contribute to energy conservation (reduction of CO<sub>2</sub> emissions through electricity reduction) at existing factories by introducing energy-saving equipment (electrical, air conditioning, control equipment), high insulation materials, natural lighting, and low-emissivity glass at Komatsu's production plants.



Photo-6 Project B-(1) Example of energy-saving implementation of factory buildings and equipment (Komatsu Oyama Plant Smart Line)

① **Power generation by using solar panels and biomass as well as purchase of renewable energies.**

**(1) Introduction of solar power generation through solar panel installation, etc.**

By introducing solar power generation through the installation of solar panels, etc., Komatsu will contribute to the reduction of CO<sub>2</sub> emissions by expanding the introduction of electricity derived from renewable energy in the use of electricity in factories.



Photo-7 Project B-(2)



Examples of solar power generation  
(Awazu Plant Solar Panel)

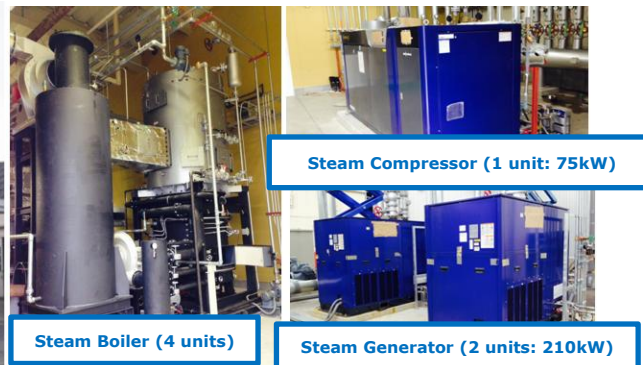
## (2) Introduction of biomass power generation

By introducing biomass power generation, Komatsu will contribute to reducing CO<sub>2</sub> emissions by expanding the introduction of electricity derived from renewable energy to the use of electricity in factories.

### Wood Biomass Steam Boiler (overall view)



Photo-8 Project B-(2)



Examples of biomass power generation  
(Komatsu Awazu Plant Biomass Steam Boiler System (introduced in 2015))

## (3) Purchasing renewable energy

On the premise of directly and actively introducing renewable energy to factories, etc., Komatsu will contribute to the reduction of CO<sub>2</sub> emissions by purchasing renewable energy such as with green power certificates, etc., for the difference (shortfall) necessary to achieve the target.



## Project C: "Expenditures related to responding to environmental problems resulting from corporate activities"

Komatsu is also promoting environment-friendly initiatives in its corporate activities. The Komatsu headquarters building, which is currently being renovated, has also adopted a design that reduces environmental impact and is scheduled to obtain green building certification.

### Komatsu New Headquarters

Komatsu is pursuing "transforming our business foundation," as set out in the growth strategy of its mid-term Management Plan. As part of this initiative, they are rebuilding its headquarters (Akasaka, Minato City, Tokyo). Komatsu started temporary relocation and demolition of the current building in January 2024 with completion of the new building scheduled for November 2026. The new headquarters will adopt a low-carbon design, improve environmental performance, and actively utilize wood, with the aim of meeting the ZEB Ready standard.

The new facility is intended to further enhance its function as an innovation center by enabling workspaces that support diverse work styles and by expanding industry-academia collaboration, private-sector collaborations as well as open innovation. In addition, a rooftop garden—long enjoyed by employees and the local community since the former headquarters was completed in 1966 and regarded as a pioneer of rooftop gardens in Japan—will also be recreated. In addition to contributing to employee well-being, the rooftop garden will be opened to the public as a lush green space, strengthening ties with the local community. Planting a wide variety of species will also support biodiversity and help alleviate the urban heat island effect.

The environmental benefits (annual energy consumption reduction and annual CO<sub>2</sub> emission reduction) of the rebuilding of Komatsu's new headquarters will be calculated based on the following:

$$\text{Annual energy consumption reduction} = \alpha \cdot (E_{\text{old}}/A_{\text{old}}) \cdot A_{\text{new}} - E_{\text{new}}$$

$$\text{Annual CO}_2 \text{ emission reduction} = k \cdot [\alpha \cdot (E_{\text{old}}/A_{\text{old}}) \cdot A_{\text{new}} - E_{\text{new}}]$$

- $A_{\text{old}}$ : Total floor area of the former headquarters [ $\text{m}^2$ ]
- $A_{\text{new}}$ : Total floor area of the new headquarters [ $\text{m}^2$ ]
- $E_{\text{old}}$ : Annual energy use of the former headquarters [kWh/year (or GJ/year)]
- $E_{\text{new}}$ : Annual Energy Consumption of the New Headquarters [kWh/year (or GJ/year)]
- $\alpha$ : Correction factor for operating conditions (difference in conditions other than area ratio (operating time, etc.))
- $k$ : CO<sub>2</sub> emission factor [t-CO<sub>2</sub>/kWh (or t-CO<sub>2</sub>/GJ)]



Figure-10 Image of Komatsu's new headquarters

Items	Contents
Location	2-3-6 Akasaka, Minato-ku, Tokyo
Total Floor Area	Approx. 20,000 m <sup>2</sup>
Structure	Steel structure, 12 floors and 2 basement floors
Construction Started	January 2024
Completion	Scheduled for November 2026
Green Building Certification	ZEB Ready ZEB is an abbreviation for Net Zero Energy Building. ZEB Ready refers to a building that aims for a net-zero annual primary energy balance while maintaining a comfortable indoor environment and is equipped with highly insulating building envelopes and high-efficiency energy-saving facilities, and meets the standard of reducing primary energy consumption by 50% or more from the baseline primary energy consumption, excluding renewable energy.

#### Use of proceeds categories as per GBP/GLP

- Renewable energy
- Energy efficiency energy saving
- Pollution prevention and control
- Sustainable management of living natural resources
- Terrestrial and aquatic biodiversity conservation
- Clean transportation
- Sustainable water management
- Climate change adaptation
- Eco-efficient products, production technologies and processes
- Green buildings with regional, national or internationally recognized standards and certifications
- Other (*please specify*):
- It is undecided at the time of bond issuance, but is expected to be in line with the GBP classification or other eligible areas not listed in the GBP at this time.



## GBP/GLP-2. Process for Project Evaluation and Selection

DNV has confirmed that the eligible green finance nominated projects (Eligible Projects) set out in Schedule-1 are to be identified from an eligibility perspective by the respective responsible divisions of Komatsu that implement each Eligible Project, and that nominated projects so identified are to be evaluated and selected for eligibility by the Environmental Affairs Department and Finance & Treasury Department of Komatsu, taking into account its alignment with Komatsu's Group Philosophy and Group Vision, with final decisions made by the Board of Directors.

In determining the eligibility of projects, Komatsu confirms that the projects in question address the following matters in order to mitigate environmental and social risks.

- Complying with environment-related laws and regulations required by the national or local government where the business is located, and conduct environmental impact surveys as needed.

【Items to be Confirmed】

- Soil and groundwater contamination
- PCB waste management
- Chemical substance management and pollution prevention
- Reduction of environmentally hazardous substances
- Water risk response

- Implementing environmental activities from a supply chain perspective.

【Items to be Confirmed】

- Compliance with Komatsu Green Procurement Guidelines
- Assisting suppliers in obtaining and maintaining ISO14001

### Evaluation and Selection

- |                                     |   |                                     |   |
|-------------------------------------|---|-------------------------------------|---|
| <input checked="" type="checkbox"/> | Conforms to the issuer's achievement of environmental contribution goals  | <input checked="" type="checkbox"/> | Documented process to determine that projects fit within defined categories               |
| <input checked="" type="checkbox"/> | Eligible for use of proceeds by green finance and transparency is ensured | <input checked="" type="checkbox"/> | Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> | Evaluated and selected based on the published standard summary            | <input type="checkbox"/>            | Other ( <i>please specify</i> ):  |

### Information on Responsibilities and Accountabilities

- |                                     |  |                                     |                     |
|-------------------------------------|--|-------------------------------------|---------------------|
| <input checked="" type="checkbox"/> | Evaluation / Selection criteria subject to external advice or verification | <input checked="" type="checkbox"/> | In-house assessment |
| <input type="checkbox"/>            | Other ( <i>please specify</i> ):   |                                     |                     |

## GBP/GLP-3. Management of Proceeds

DNV has confirmed that Finance & Treasury Department of Komatsu will allocate the same amount of proceeds through green bonds or green loans to eligible projects in accordance with



its management protocol. Finance & Treasury Department of Komatsu tracks and manages the amount actually spent on eligible projects every quarter through its internal management system. The proceeds will be managed in cash or cash equivalents until the allocation is completed, and the allocation is basically scheduled to be completed within three years from issuance.

**Tracking of proceeds:**

- Some or all of the proceeds from green finance that are planned to be allocated are systematically distinguished or tracked by the fundraiser.
- Intended types and plans of temporary investments for unallocated proceeds are disclosed.
- Other (*please specify*): Unallocated proceeds are managed in cash or cash equivalents

**Additional Disclosure:**

- |  |   |
|--|---|
| <input type="checkbox"/> Allocations to new investments only                     | <input checked="" type="checkbox"/> Allocations to both existing and future investments   |
| <input type="checkbox"/> Allocate to individual (project) expenditures           | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements  |
| <input type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input checked="" type="checkbox"/> Other ( <i>please specify</i> ): The ratio and amount of existing and new investments in Nominated projects eligible for green finance allocation will be disclosed in periodic reporting |

**GBP/GLP-4. Reporting**

DNV has confirmed that Komatsu will report on the allocation and environmental and social impacts of the proceeds on its website, and in either the Komatsu Report or the ESG Data Book on an annual basis. Details are as follows.

**<Proceeds Allocation Reporting>**

Until the proceeds are fully allocated to eligible projects, Komatsu will, to the extent practicable, disclose the following information on an annual basis. In the case of loans, Komatsu may alternatively choose to report directly to the lenders.

- Funds amount of the capital investment to eligible projects (amount/ percentage)
- Outline of the allocated eligible projects
- Ratio of finance and refinance
- The amount of unallocated proceeds

Komatsu will timely disclose information on the allocation of proceeds in the event that material changes to the allocation occur.

**<Environmental Benefits>**

Table-2 shows the indicators on impact reporting (examples). At least until proceeds of the green bond or green loan have been fully allocated, Komatsu will, to the extent practicable,



annually disclose the following indexes related to the eligible projects. The indicators for Eligible Projects A and B are intended to assess and disclose Komatsu Group’s global initiatives for the relevant business activities as a whole, including those financed by the green bonds or green loans. In the case of loans, Komatsu may alternatively choose to report directly to the lenders.

Table-2 (Reiterated) Indicators on Impact Reporting (Example)

Eligible Projects		GBP Category	Environmental Benefits Indicators (Example)
A	Expenditures related to responding to environmental problems resulting from the use of products	Energy Efficiency Clean Transportation Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products	<ul style="list-style-type: none"> <li>➤ CO<sub>2</sub> emissions reduction or percentage from product use</li> <li>➤ Amount or percentage of CO<sub>2</sub> emissions reduced by production</li> </ul>
B	Expenditures related to responding to environmental problems resulting from production	Renewable Energy Energy Efficiency	<ul style="list-style-type: none"> <li>➤ Renewable energy usage rate (%) and annual usage (MWh/GWh or GJ/TJ/PJ)</li> </ul>
C	Expenditures related to responding to environmental problems resulting from corporate activities	Green Buildings	<ul style="list-style-type: none"> <li>➤ Overview of properties that meet green eligibility requirements</li> <li>➤ Valid environmental certifications and ranks</li> <li>➤ Annual CO<sub>2</sub> Emissions Reduction</li> <li>➤ Annual Energy Consumption Reduction</li> </ul>

**Use of proceeds reporting:**

- |  |  |
|--|--|
| <input type="checkbox"/> Project-by-project            | <input checked="" type="checkbox"/> On a project portfolio basis |
| <input type="checkbox"/> Linkage to individual bond(s) | <input type="checkbox"/> Other ( <i>please specify</i> ):        |

**Information reported:**

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Allocated amount | <input checked="" type="checkbox"/> Green finance share of total investment |
| <input type="checkbox"/> Other (specific):           |   |

**Frequency:**

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> Annual  | <input type="checkbox"/> Semi-annual |
| <input checked="" type="checkbox"/> Other ( <i>please specify</i> ): If there is a major change in the financial situation after the proceeds are allocated |                                      |

**Impact Reporting (Environmental Benefits):**

- |   |  |
|---|--|
| <input type="checkbox"/> Project-by-project | <input checked="" type="checkbox"/> On a project portfolio basis |
|---|--|



Linkage to individual finance

Other (*please specify*):

**Frequency:**

Annual

Semi-annual

Other (*please specify*):

**Information Reported (expected or ex-post):**

GHG emissions/savings

Energy savings

Other ESG indicators (*please specify*):

- Renewable energy usage rate and annual usage
- Overview of properties that meet green eligibility requirements
- Valid environmental certifications and ranks

**Means of Disclosure:**

Information published in financial report (Integrated Report)

Information published in sustainability report

Information published in ad hoc documents

Other (*please specify*): Disclose on website

Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):



## VII. Assessment Conclusion

On the basis of the information provided by Komatsu and the work undertaken, it is DNV's opinion that Komatsu Green Finance Framework meets the criteria established in the Protocol and is aligned with the following stated definition or purpose of GBP/GBGL, and GLP/GLGL.

"Enable capital-raising and investment for new and existing projects with environmental benefits."

DNV Business Assurance Japan K.K.

10 June 2026

**Masato Kanedome**

Technical Reviewer

DNV Business Assurance Japan K.K.

**Naoki Maeda**

Representative Director /

Senior Vice President

DNV Business Assurance Japan K.K.

**Akira Tsukasaki**

Project Leader/Assessor

DNV Business Assurance Japan K.K.

### About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight.

With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.


### Disclaimer






Responsibilities of the Management of the Issuer and the Second-Party Opinion Providers, DNV: The management of Issuer has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform the Issuer management and other interested stakeholders in the Bond as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by the Issuer. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by the Issuer's management and used as a basis for this assessment were not correct or complete



## Schedule-1 Komatsu Green Finance Nominated Projects

The projects listed in the table are nominated eligible projects that have been evaluated for eligibility at the time of the pre-implementation assessment (as of March 2026). In the future, bonds or loans implemented under the Komatsu Green Finance Framework, one or more of the nominated eligible projects will be selected and reported in pre- or post-implementation reporting.

Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
<p>Project A:</p> <p>Expenditures related to responding to environmental problems resulting from the use of products</p>	<ul style="list-style-type: none"> <li>Energy Efficiency</li> <li>Clean Transportation</li> <li>Circular Economy Adapted Products, Production Technologies and Processes and/or Certified Eco-Efficient Products</li> </ul>	<p>Expenditures related to research and development, as well as the provision and dissemination of the following products, services and solutions, will be applicable to Komatsu’s contributing efforts to reduce CO<sub>2</sub> emissions from products in use to 50% from 2010’s level by 2030.</p> <ol style="list-style-type: none"> <li>① Products: Hybrid hydraulic excavators, electric construction equipment models that use hydrogen engines, fuel cells, hydrogen engine vehicles, fuel cell vehicles etc.</li> <li>② Service: Support for fuel-efficient operation of machine through the use of IoT.</li> <li>③ Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment and the provision of applications that optimize overall construction processes.</li> </ol>	

Eligible Projects	GBP Category	Eligible Projects Overview	SDGs
<p>Project B:</p> <p>Expenditures related to responding to environmental problems resulting from production</p>	<ul style="list-style-type: none"> <li>Renewable Energy</li> <li>Energy Efficiency</li> </ul>	<p>Efforts designed to help reduce CO<sub>2</sub> emissions in Capital investment and/or expenditures related to the following efforts will be applicable, as they are expected to contribute to reducing CO<sub>2</sub> emissions in production and increasing the ratio of using renewable energy to 50% of total energy use by 2030 from 2010.</p> <ol style="list-style-type: none"> <li>Energy-savings of factories and equipment in plants.</li> <li>Power generation by using solar panels and biomass as well as purchase of renewable energies.</li> </ol>	   
<p>Project C:</p> <p>Expenditures related to responding to environmental problems resulting from corporate activities</p>	<ul style="list-style-type: none"> <li>Green Buildings</li> </ul>	<p>A building that has obtained or renewed any of the following building certifications within the past 36 months retroactively from the financing by bonds or loans, or a building that is scheduled to obtain or renew such certification in the future (including associated land, facilities, and renovation costs).</p> <p>Green buildings</p> <ul style="list-style-type: none"> <li>➤ ZEB Certification : ZEB, Nearly ZEB, ZEB Ready</li> <li>➤ CASBEE for Buildings (New Construction) : "S" or "A"</li> <li>➤ LEED BD+C (Building Design and Construction, version 4 or later) or LEED O+M (Building Operations and Maintenance, version 4 or later) : Platinum, Gold</li> <li>➤ BELS : 2016 version : "5" or "4", or 2024 version : "6" or "5"</li> <li>➤ DBJ Green Building Certification : "5", "4" or "3"</li> </ul>	



## Schedule-2 Green Finance Eligibility Assessment Protocol

The checklist below (GBP/GLP-1 to GBP/GLP-4) is DNV’s assessment protocol created for the eligibility assessment of the Komatsu Green Finance (bonds and loans) based on the requirements of GBP/GBGL and GLP/GLGL. The "confirmed documents" in the Work Undertaken include the issuer’s internal documents and are provided by Komatsu as evidence of eligibility judgment for DNV.

### GBP/GLP-1 Use of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Types of Green Finance	<p>The types of green finance are classified into one of the following types defined by GBP.</p> <ul style="list-style-type: none"> <li>• (Standard) Green Bond/Loan</li> <li>• Green Revenue Bond/Loan</li> <li>• Green Project Bond/Loan</li> <li>• Other</li> </ul>	<p>Confirmed documents:</p> <ul style="list-style-type: none"> <li>- Framework</li> </ul> <p>Interviews with stakeholders</p>	<p>DNV has confirmed through the assessment that the Green Finance (bonds and loans) falls into the following categories.</p> <ul style="list-style-type: none"> <li>• (Standard) Green Bond/Loan</li> </ul>
1b	Green Project Classification	<p>The key to a green finance is that the proceeds will be used for a green project, which should be properly stated in the legal documents relating to the security.</p>	<p>Confirmed documents:</p> <ul style="list-style-type: none"> <li>- Framework</li> <li>- Komatsu Report 2025</li> <li>- ESG Databook 2025</li> </ul> <p>Interviews with stakeholders</p>	<p>DNV has confirmed that all of Komatsu's total proceeds through green finance, excluding expenses, will be used for new investments and refinancing in three green finance nominated projects that meet the following eligible projects categories as indicated in GBL/GBGL and GLP/GLGL.</p> <p>"Renewable Energy"  "Energy Efficiency"  "Clean Transportation"  " Products for the circular economy, manufacturing technology and processes, and environment-friendly products "  "Green Building"</p> <p>Specifically, these are six activities classified into the following three green projects:</p> <p><b>Project A: "Environmental problems resulting from the use of products"</b></p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
				<p>① Products: Hybrid hydraulic excavators, electric construction equipment models that use hydrogen engines, fuel cells, hydrogen engine vehicles, fuel cell vehicles etc.</p> <p>② Service: Support for fuel-efficient operation of machine through the use of IoT.</p> <p>③ Solutions: Reduction of CO<sub>2</sub> emissions through the promotion of ICT-intensive construction equipment and the provision of applications that optimize overall construction processes.</p> <p><b>Project B: "Expenditures related to responding to environmental problems resulting from production"</b></p> <p>① Energy-savings of factories and equipment in plants.</p> <p>② Power generation by using solar panels and biomass as well as purchase of renewable energies.</p> <p><b>Project C: "Expenditures related to responding to environmental problems resulting from corporate activities"</b></p> <p>A building that has obtained or renewed any of the following building certifications within the past 36 months retroactively from the financing by bonds or loans, or a building that is scheduled to obtain or renew such certification in the future (including associated land, facilities, and renovation costs). Through its assessment, DNV concludes that nominated green projects provide concrete and genuine environmental benefits.</p>
1c	Environmental Benefits	All green projects to which the proceeds are used should have clear environmental benefits, the effects of which should be assessed by the issuer and, where possible, quantitatively demonstrated.	Confirmed Documents: <ul style="list-style-type: none"> <li>- Framework</li> <li>- Komatsu Report 2025</li> <li>- ESG Databook 2025</li> </ul>	Green projects are projects that contribute to low-carbon and decarbonization through projects indicated in 1b, which contribute to Komatsu Earth and Environment Policy and targets based on the medium- to long-term vision. The reduction of CO <sub>2</sub> emissions is an environmental benefit, which is quantitatively evaluated by Komatsu.



Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
			Interviews with stakeholders	<p>DNV has confirmed that the risks associated with project execution, including the GHG emission risks related to solar power generation and biomass power generation, were relatively small from the following perspectives, and that there was no impact on the eligibility assessment of GBP/GBGL and GLP/GLGL.</p> <ul style="list-style-type: none"> <li>• Solar power: roof-mounted and does not include new land development</li> <li>• Biomass generator: Biomass fuel is made from unused thinned wood from nearby areas, and the risk of incidental GHG emissions is negligible (GHG emissions related to fuel transportation, etc. are negligible).</li> </ul>
1d	Refinancing Rate	If all or part of the proceeds are used or may be used for refinancing, the issuer will indicate the estimated ratio of the initial investment to the refinancing and, if necessary, it is recommended to clarify which investment or project portfolio is subject to refinancing.	<p>Confirmed Documents:</p> <ul style="list-style-type: none"> <li>- Framework</li> </ul> <p>Interviews with stakeholders</p>	<p>DNV has confirmed that Komatsu plans to use all of the proceeds raised toward new investment, refinancing, or both, in relation to one or more of the nominated eligible projects set out in Schedule-1. Where the distinction between new investment and refinancing is known in advance prior to the execution of financing, such information is scheduled to be disclosed in legal documentation or similar instruments. Furthermore, where such distinction has not yet been determined, Komatsu intends to disclose, through periodic reporting (annual reports), the approximate amount (or percentage) of the proceeds allocated to refinancing.</p>



## GBP/GLP-2 Process for Project Evaluation and Selection

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Project selection process	<p>The fundraiser of green finance should provide an overview of the process of judging eligibility of projects for which green finance proceeds will be used. This includes (but not limited to):</p> <ul style="list-style-type: none"> <li>• The process by which the issuer determines that the target project complies with the evaluation criteria.</li> <li>• Creation of criteria for eligibility of projects for which green finance proceeds will be used</li> <li>• Environmental sustainability goals</li> </ul>	<p>Confirmed Document:</p> <ul style="list-style-type: none"> <li>- Framework</li> <li>- Komatsu Report 2025</li> <li>- ESG Databook 2025</li> </ul> <p>Interviews with stakeholders</p>	<p>DNV has confirmed that Komatsu plans to select projects based on the Framework according to the following criteria:</p> <p>Nominated Eligible Projects:</p> <ul style="list-style-type: none"> <li>- The three eligible green Nominated projects listed in Schedule-1 are projects that aim to solve ESG issues and contribute to the SDGs based on Komatsu's medium-term management plan "Driving value with ambition" and Komatsu Earth and Environment Policy, and meet the eligible criteria classified in the GBP category. It was confirmed that the issuer's relevant departments (Environmental Affairs Department and Finance &amp; Treasury Department of Komatsu) would evaluate and select the issuer through a prescribed process.</li> <li>- When selecting a project, it was confirmed that it meets the eligibility criteria indicated in "Paragraph II: Scope and Objectives (3)Standards/guidelines to be applied," and if it is determined that it is necessary to consider the negative impacts associated with the implementation of the project, the following environmental and social risk reduction measures are being implemented.</li> </ul> <p>(1) Complying with environment-related laws and regulations required by the national or local government where the business is located, and conduct environmental impact surveys as needed.</p> <p><b>【Items to be Confirmed】</b></p> <ul style="list-style-type: none"> <li>• Soil and groundwater contamination</li> <li>• PCB waste management</li> <li>• Chemical substance management and pollution prevention</li> <li>• Reduction of environmentally hazardous substances</li> <li>• Water risk response</li> </ul> <p>(2) Implementing environmental activities from a supply chain perspective.</p> <p><b>【Items to be Confirmed】</b></p> <ul style="list-style-type: none"> <li>• Compliance with Komatsu Green Procurement Guidelines</li> <li>• Assisting suppliers in obtaining and maintaining ISO14001</li> </ul>



Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2b	Issuer's environmental and social governance framework	In addition to criteria and certifications, the information published by the fundraiser regarding the green finance process also considers the quality of performance of the fundraiser's framework and environmental sustainability.	Confirmed Documents: <ul style="list-style-type: none"> <li>- Framework</li> <li>- Komatsu Report 2025 / Komatsu ESG Databook 2025</li> <li>- Website</li> </ul> Interviews with stakeholders	DNV has confirmed through checking the Framework, other documents, and interviews with relevant parties that Komatsu is working to preserve the surrounding environment in the operation and implementation of the project by conducting or plans to conduct regular monitoring throughout the PDCA cycle. DNV has also confirmed that the green projects implemented by Komatsu based on the Framework are effective projects for the Realization of a sustainable society.



### GBP/GLP-3 Management of Proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure-1	The net proceeds from green finance should be managed in sub-accounts, included in sub-portfolio, or otherwise tracked by an appropriate method. It should also be certified by the business operator in a formal internal process related to the issuer's investment and financing operations for the green project.	Confirmed Documents: <ul style="list-style-type: none"> <li>- Framework</li> <li>- Financing Management Table</li> </ul> Interviews with stakeholders	DNV has confirmed the proceeds will be deposited into an account managed by Komatsu, and the balance of proceeds for green projects will be managed separately in an electronic file. In addition, Finance & Treasury and Corporate Accounting Department of Komatsu has established traceable fund management administrative rules, proceeds management flows, and green bond Financing Management Table, and having these schemes meet the requirements. DNV has confirmed that Komatsu can track and manage through internal controls based on the above process.
3b	Tracking procedure-2	During the green finance redemption/repayment period, the balance of proceeds that is being tracked should be adjusted at regular intervals to match the amount allocated to eligible projects undertaken during that period.	Confirmed Documents: <ul style="list-style-type: none"> <li>- Framework</li> <li>- Financing Management Table</li> </ul> Interviews with stakeholders	DNV has confirmed that Komatsu has a Financing Management Table in place to check that the allocated amount and the unallocated balance are consistent with the proceeds on a regular basis (every quarter); thus, DNV has confirmed that Komatsu has a system to manage the proceeds separately from other balances.
3c	Temporary holding	If no investment or payment has been made in eligible green projects, the issuer should also inform the investor of the possible temporary investment method for the balance of unallocated proceeds.	Confirmed Documents: <ul style="list-style-type: none"> <li>- Framework</li> <li>- Financing Management Table</li> </ul> Interviews with stakeholders	DNV has confirmed that the confirmation process through Komatsu's internal management system and other systems is a mechanism that can sequentially recognise the balance of unallocated amounts.  The balance of unallocated proceeds can be easily grasped through the Green Finance Financing Management Table. In addition, unallocated proceeds will be managed in cash or cash equivalents. DNV has confirmed that these will be revealed through a report on the allocation status.



GBP/GLP-4 Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical Reporting	<p>In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, the issuer should provide a list of each project including the following at least once a year for projects to which the green finance proceeds have been allocated:</p> <ul style="list-style-type: none"> <li>- Confidentiality and competitive considerations</li> <li>- Overview, expected sustainable environmental and social benefits of each project</li> </ul>	<p>Confirmed Documents:</p> <ul style="list-style-type: none"> <li>- Framework</li> <li>- Komatsu Report 2025 / Komatsu ESG Databook 2025</li> <li>- Website</li> </ul> <p>Interviews with stakeholders</p>	<p>DNV has confirmed that Komatsu will conduct its annual green finance report through Komatsu's website, the Komatsu Report (Integrated Report) or ESG Databook until the proceeds are disbursed, and disclose information on the status of proceeds allocation and environmental benefits. It was confirmed that the status of proceeds allocation and environmental benefits will be disclosed in one or more of the following tables to the extent that it is practically feasible.</p> <p>&lt;Proceeds Allocation Reporting&gt;</p> <ul style="list-style-type: none"> <li>• Funds amount of the capital investment to eligible projects (amount/percentage)</li> <li>• Outline of the allocated eligible projects</li> <li>• Ratio of finance and refinance</li> <li>• The amount of unallocated proceeds</li> </ul> <p>&lt;Environmental Benefits&gt;</p> <p><b>Eligible Projects A and B</b></p> <ul style="list-style-type: none"> <li>♦ CO<sub>2</sub> emission reduction by products use (amount or ratio) in comparison with 2010</li> <li>♦ CO<sub>2</sub> emission reduction by production process (amount or ratio) in comparison with 2010</li> <li>♦ Ratio (%) of using renewable energy and annual use (MWh/GWh or GJ/TJ/PJ)</li> </ul> <p><b>Eligible Projects C</b></p> <ul style="list-style-type: none"> <li>♦ Overview of properties that meet green eligibility criteria, valid environmental certifications and ranks, annual CO<sub>2</sub> emission reductions, and annual energy consumption reductions</li> </ul>