



YANMAR

News Release

December 18, 2025

Yanmar Holdings Co., Ltd.

Yanmar Signs Contract for the Sale and Purchase of JCM Credits Generated in the Philippines



Mariko Shirafuji (left), Director and Chief Sustainability Officer (CSuO) of Yanmar Holdings Co., Ltd. and Takahiro Ishizaki (right), CEO of Faeger Co. Ltd.,

Osaka, Japan (December 18, 2025) – Yanmar Holdings Co., Ltd. signed a contract with Faeger Co. Ltd. on December 17, 2025, for the sale and purchase of JCM (Joint Crediting Mechanism) credits to be generated in the Philippines. Under this agreement, Yanmar Holdings will purchase credits created through the reduction of greenhouse gas emissions achieved by introducing the water management technique Alternate Wetting and Drying (AWD) to rice farmers in the Philippines. Faeger, as a co-developer of the JCM project, is working in collaboration with the National Irrigation Administration (NIA), the Philippine Rice Research Institute (PhilRice), and others, leading the design, monitoring, and credit issuance for the project.

A New Framework Aiming to Support Agriculture and Achieve Decarbonization

This contract goes beyond a simple credit transaction—it also includes a comprehensive initiative that balances agricultural support with environmental contribution. Moving forward, Yanmar Holdings and Faeger will use the spread of AWD as a foundation while gradually incorporating livelihood support elements that provide *co-benefits*: agricultural solutions that balance productivity with reduced environmental impact, agricultural insurance, agricultural financing, and support for introducing agricultural machinery. Through these efforts, the partners aim to simultaneously strengthen local farmers' resilience to climate change and improve their productivity.

Use of Credits and Future Development

The JCM credits generated will be used by the Yanmar Group to offset residual greenhouse gas emissions from its business activities worldwide—emissions that remain even after energy-saving measures and energy transition efforts. Additionally, the credits will help support customers in their own carbon neutrality efforts by providing environmental value.

Going forward, both companies will contribute to the sustainability of agriculture and the development of local communities by expanding the project within the Philippines and accelerating decarbonization in the agricultural sector.

About the Joint Crediting Mechanism (JCM)

The JCM is a system under which Japan and developing countries jointly implement greenhouse gas reduction projects, with the resulting reductions being applied to both countries' NDCs* under the Paris Agreement.

Reference (Japanese):

https://www.meti.go.jp/policy/energy_environment/global_warming/jcm/index.html

** NDC stands for Nationally Determined Contribution: the greenhouse gas reduction targets and measures voluntarily set by each country under the Paris Agreement adopted in 2015.*

About Yanmar

With beginnings in Osaka, Japan, in 1912, Yanmar was the first ever to succeed in making a compact diesel engine of a practical size in 1933. A pioneer in diesel engine technology, Yanmar is a global innovator in a wide range of industrial equipment, from small and large engines, agricultural machinery and facilities, construction equipment, energy systems, marine, to machine tools and components — Yanmar's global business operations span seven domains. Guided by its Brand Statement, "A Sustainable Future – New Value Through Technology –," Yanmar provides advanced solutions to the challenges customers face on land, at sea, and in the city, working towards realizing a sustainable future. For more details, please visit the official website of Yanmar Holdings Co., Ltd.

<https://www.yanmar.com/global/about/>

About Faeger

Faeger works with farmers to generate and commercialize agricultural carbon credits, helping create new environmental value in agriculture. By returning the value of certified credits to producers, the company supports corporate decarbonization and encourages ongoing greenhouse gas–reduction practices in the farming sector. In 2024, Faeger implemented a nationwide mid-season drainage project covering 25,202 hectares, achieving certification for 135,944 t-CO₂e—one of the largest agriculture-based credit achievements in Japan.

<https://faeger.company/en/>

Note: Information contained in the news release is valid at the time of publication and may differ from the most recently available information.

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