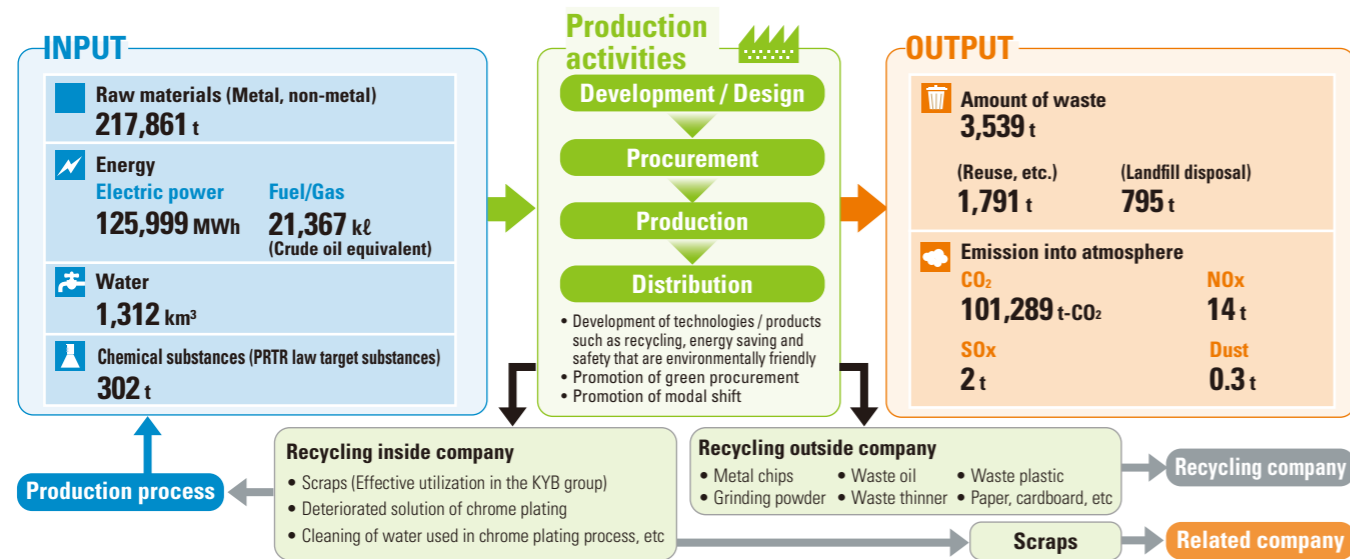


Environmental data compilation

Influence on environment associated with business activities

KYB uses energy, water, chemicals, and other such diverse resources. In order to make efficient use of limited resources in production, we take steps to reduce waste, CO₂, and other emissions.

INPUT / OUTPUT



State of ISO14001 certification acquisition

In order to develop our actions for environment preservation systematically, we are carrying out the introduction and the promotion of ISO14001 environmental management system. We will shift to the 2015 edition sequentially in the renewal examination.

● Japan

KYB	Certification registered year
Gifu South Plant (Including Gifu East plant, Production Technology R&D Center, Machining Tool Center, KMS)	2000.2
Sagami plant (Including the Basic Technology R&D Center, the Electronic Engineering Center)	2000.12
Kumagaya Plant	2000.12
Gifu North Plant (Including KYB Kanayama)	2001.12
Affiliated companies in Japan	Certification registered year
KSM Mie Plant	2000.12
Takako Industries, Inc. (Shiga Plant)	2003.2
KYB-YS	2004.4
KYB Trondole Co., Ltd.	2008.11

● Overseas

Company name	Certification registered year	Company name	Certification registered year
KMT (Taiwan)	2001.6	TVC (Vietnam)	2007.1
KSS (Spain)	2001.6	KMB (Brazil)	2007.3
KYBSE (Spain)	2001.12	KIMZ (China)	2009.4
KAC (United States)	2002.5	KMCZ (Czech Republic)	2009.8
KYBT (Thailand)	2003.7	KLRC (China)	2010.1
KST (Thailand)	2003.8	KWT (China)	2013.11
PT.KYBI (Indonesia)	2004.11	TAC (United States)	2013.2
KMSB (Malaysia)	2005.5	KMV (Vietnam)	2013.5
KSMSB (Malaysia)	2005.5	KAMS (Spain)	2015.6

Editorial Policy

We compile this report with reference to environmental reporting guidelines so that information regarding our business operations as relating to the environment and society can be conveyed to our stakeholders in readily understandable form.

In the 2018 edition of the report, we introduce numerous specific cases of new environment-friendly technologies and energy-saving programs, utilization

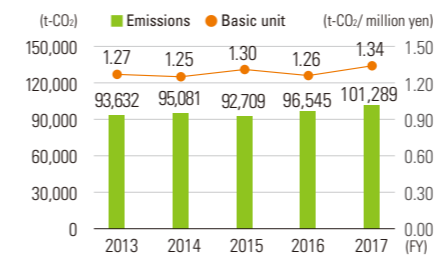
of human resources, and collaboration with local communities.

We will try to edit our reports to make them easier to understand. Therefore, our stakeholders' candid opinions will be much appreciated. The content of this report has been posted on our website, so please take a look.

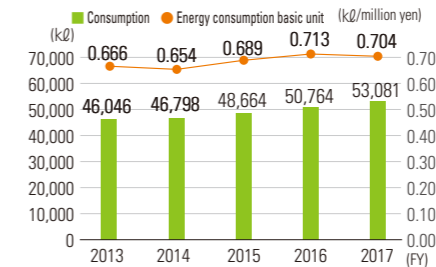
<http://www.kyb.co.jp/company/csr.html>

Environment-related Data

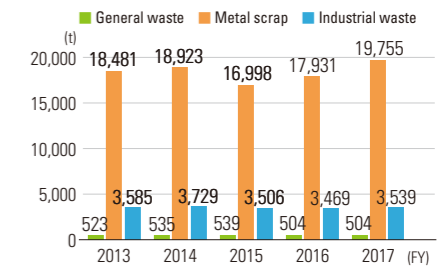
● CO₂ emissions



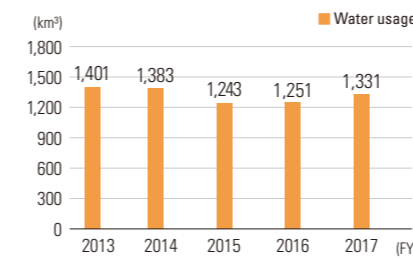
● Energy consumption



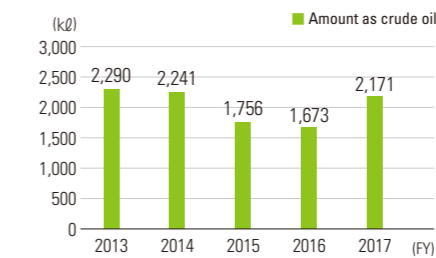
● Waste emissions volume



● Water usage/Wastewater



● Energy consumption for transportation



Environmental preservation cost

The amounts of investment and cost were separately calculated with reference to the Environmental Accounting Guidelines, 2005, presented by the Ministry of Environment.

Cost type		Major contents	Invested amount	Cost
(1) Cost within business area	(1)-1 Pollution prevention cost	• Atmospheric pollution and water pollution prevention activities • Maintenance and inspection of pollution prevention facilities • Analysis and measurement of atmosphere and water quality	9.2	121.7
	(1)-2 Earth's environment preservation cost	• Energy conversion • Energy saving activities	0.0	16.8
	(1)-3 Resource circulation cost	• Recycling of plant wastes • Reduction of industrial wastes	162.4	239.4
(2) Upstream/downstream cost			0.0	0.0
(3) Management activity cost			22.8	47.3
(4) R&D cost			0.0	54.4
(5) Social activity cost			0.0	13.3
(6) Environmental remediation cost			0.0	0.0
(7) Other cost			0.0	76.3
Total			194.4	569.3
Grand total			763.7	

Categories and definitions of environmental preservation costs

[Invested amount] Expense for the purpose of environmental preservation during the target period with effect that continues for a number of terms and cost running for those periods. (Amount acquired during the current term of the depreciable asset)

[Cost] Cost or loss generated from expenditure of finance/service for the purpose of environmental preservation.

● Period covered

From April 2017 to March 2018

(A part of our activities and reports outside of the period are also posted.)

● Scope

KYB Corporation and the affiliated companies inside and outside of Japan are included. Regarding environmental data, that of KYB Corporation (Sagami plant, Kumagaya Plant, Gifu North plant, Gifu South plant and Gifu East plant) is shown unless otherwise annotated.

● Time of publication

June 2018 (The next report is scheduled to be published in June 2019, with the previous one published in June 2017.)

● Referenced guidelines

■ This report was drafted and edited using the Ministry of the Environment "Environmental Reporting Guidelines 2012"

● Notes related to future prospects

This report includes our plans and prospects as of the issued date, and future prospects based on our business plans and business policies. We evaluate these future prospects based on information obtained when the report is drafted and thus the prospects may differ depending on changes in various conditions. We appreciate your understanding of the statement above.