

Environmental Management

Basic Environmental Policy

Slogan

Protect the Green Earth and Create Products Gentle to the Environment

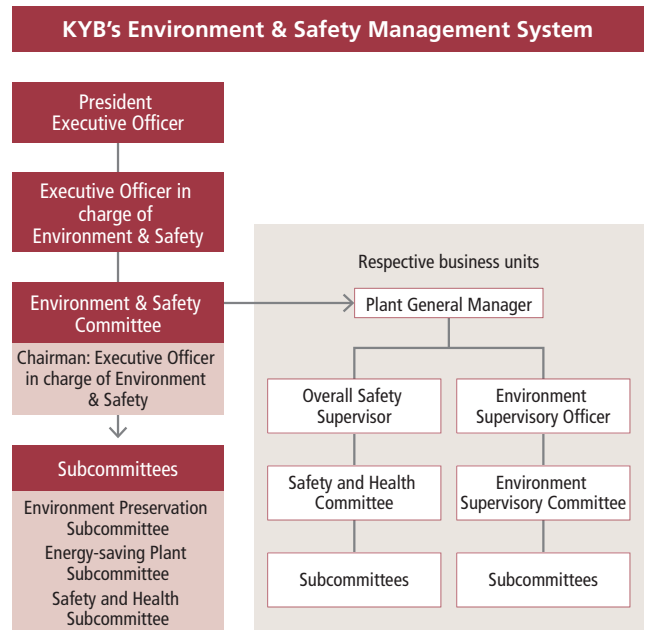
Basic Environmental Policies

The KYB Group creates products gentle to both people and the earth. We are dedicated to the promotion of environmental activities as an important tool for evaluating management.

1. Coordinate and build up production and corporate activities based on recycling to reduce impacts on the environment.
2. Strive to ensure long-term and sustainable operations throughout the entire KYB Group.
3. Work to promote harmony with society and contribute to the global community as a good corporate citizen.
4. Clarify every employee's role so that all employees can participate fully.

Environment & Safety Management System

The Environment & Safety Committee was organized with directors responsible for environment and safety as leaders to harmonize KYB's intentions regarding environment- and safety-related issues. KYB has implemented the system shown below.



Environmental/Safety Mid-Term Policy

Phase 1 (2011-2013)

1. Creation of energy-saving plants

- Reduce CO₂ basic unit by 1% each year and reduce CO₂ emissions by 25% compared to FY1990 by 2020

2. Creation of waste-free plants

- Reduce final disposal amount of industrial waste by 65% compared to FY2000 by 2015

3. Creation of accident-free plants

- Prevent industrial accidents through risk assessment
- Develop safety awareness training facilities, etc.

Phase 2 (2014-2016)

1. Creation of plants that minimize energy consumption and waste

- Reduce energy consumption per basic unit by 1% per year relative to FY2013 levels
- Reduce amount of industrial waste per basic unit by 3% per year relative to FY2013 levels

2. Creation and expansion of industrial accident-free production bases

- Improve employees' awareness of safety and eliminate critical hazards

Phase 3 (2017-2019)

1. Creation of plants that minimize energy consumption and waste

- Develop environment for partial supply of energy
- Promote measures through energy visualization
- Promote waste volume reduction and recycling

2. Creation and expansion of industrial and fire accident-free production bases

- Promote risk assessment and countermeasures for industrial accidents
- Promote fire accident-free measures

Environmental Conservation Goals, Results and Future Initiatives

We developed the Environmental Management Activity Plan based on the Company's environmental policy and implemented a variety of activities for each production base to achieve our goals. However, compared with FY2016, which was the benchmark, we did not achieve our goals for CO₂ emissions, due in part to an increase in production. For industrial waste, until

FY2018 we only calculated emissions as a whole, but from FY2019 we will clarify the definition of recycling in order to calculate actual waste emissions. In addition, we will work to improve the efficiency of production facilities, further reduce energy consumption, improve productivity and promote recycling.

Activity Results for FY2018

○: Goal attained ×: Goal not attained

Theme	Goal	FY2018 Result	Evaluation
Prevention of global warming	CO ₂ emission volume	94,615 t-CO ₂ or less	97,419 t-CO ₂ ×
Energy saving	Energy consumption per basic unit	0.70 kℓ/million yen or less	0.68 kℓ/million yen ○
Improvement of resource recovery and recycling rate	Recycling rate	91.9% or higher	92.1% ○
	Zero emission	4.6% or less	4.5% ○
Reduction of waste	General waste	474 t or less	597 t ×
	General waste per basic unit	1.96 kg/million yen or less	2.09 kg/million yen ×
	Metal scrap	16,855 t or less	20,364 t ×
	Metal scrap per basic unit	237 kg/million yen or less	251.8 kg/million yen ×
	Industrial waste	3,261 t or less	3,827 t ×
	Industrial waste per basic unit	26.79 kg/million yen or less	28.5 kg/million yen ×

Overview of Major Initiatives in FY2019

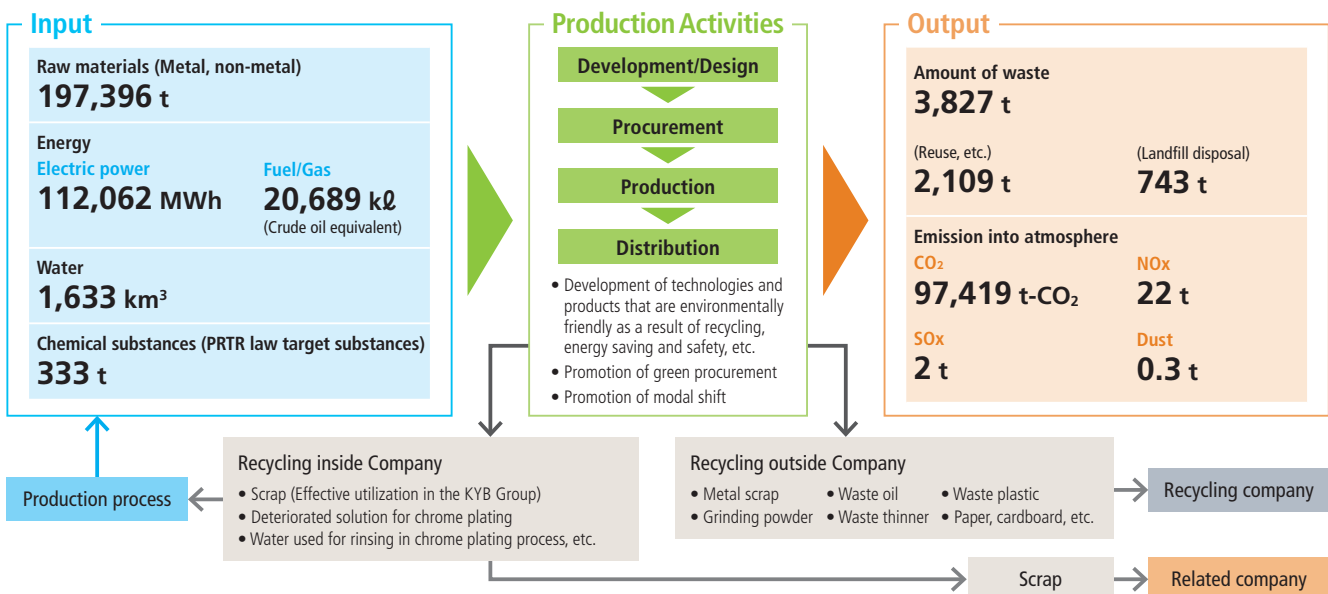
Global Warming Prevention
Measures include replacing lighting with LEDs, LVDs, and other highly efficient devices, adopting inverter control for hydraulic units, reducing air consumption in plants, and reducing the air-conditioning load.

Waste Material Reduction
Measures include reducing paint gas volume through biological treatment, introducing waste treatment systems and turning sludge and white gasoline into valuable products.

Notes: Basic units are calculated using marginal profit.
For energy, crude oil equivalent is calculated for electricity and fuel and the total value is displayed as total energy consumption.
CO₂ emissions and energy consumption are calculated using methods determined by KYB.

Environmental Load of Business Activities

KYB uses energy, water, chemicals, and a variety of other resources. We make efficient use of limited resources in production by taking steps to reduce waste, CO₂, and other emissions.



Chemical Substance Management

Response to Environmental Controls on Products

For protection of the environment, the REACH Regulations,¹ other ELV² and RoHS directives,³ and various laws and regulations have been established, under which increasingly stringent provisions are being implemented. In order to address stricter REACH and other regulations, we have built a database of chemical substances subject to the regulations applicable to each of our products, conduct investigations of such substances, and collect relevant data. We can use this database to rapidly respond to requests from customers about whether or not prohibited and restricted substances are used and to respond to inquiries about substances of high concern that are additionally registered as prohibited and restricted substances from time to time following the implementation of the REACH Regulations.

We will continue with activities that enable us to provide products that conform to the needs of our customers and of the market.

Risk Assessment of Chemical Substances

In FY2015, we assessed the health risks related to chemical substances at all of our production bases in Japan. In FY2016, we assessed risk of explosion and fire from chemical substances at the Gifu South Plant and Gifu East Plant. For the assessment, we submitted an explanation to all departments that handle

chemical substances about the three elements for combustion (i.e., combustibles, oxygen, and ignition sources), flashpoint and ignition temperature, which are the basic factors in explosions and fires. Chemical substances handled by the plants include invisible gaseous substances and those with flashpoints below room temperature. Through risk assessments, we strive to provide useful information to those who handle chemical substances so that they understand the importance of eliminating ignition sources to prevent explosions and fires caused by chemical substances.

Response to PCB Disposal

Transformers and other electrical equipment containing PCBs are stored securely at each of our business establishments. We concluded a disposal contract with a company specializing in detoxification processes and started disposal in FY2012.

So far, we have completed the disposal of transformers stored at KYB-YS Co., Ltd., its Casting Center, the Mie Plant of Kayaba System Machinery Co., Ltd., and our Gifu South Plant and Kumagaya Plant. We will proceed with disposal under the plan for each fiscal year.

Notes: 1. Regulations that came into effect in the EU in June 2007 with regard to registration, evaluation, authorization and restrictions on chemicals

2. A directive that came into effect in the EU in January 2000 to reduce the environmental impact of end-of-life vehicles

3. A directive that came into effect in the EU in July 2006 that restricts the use of specific hazardous substances found in electrical and electronic products.

ISO 14001 Certification Acquisition

In order to systematically develop initiatives for environment conservation, we are introducing and promoting an ISO 14001 environmental management system. We will shift to the 2015 edition sequentially in renewal examinations.

Japan

KYB	Year of Certification Registration
Gifu South Plant (Including Gifu East Plant, Production Technology R&D Center, Machine Tools Center, KYB Motorcycle Suspension Co., Ltd.)	Feb. 2000
Sagami Plant (Including the Basic Technology R&D Center and the Electronics Technology Center)	Dec. 2000
Kumagaya Plant	Dec. 2000
Gifu North Plant (Including KYB Kanayama Co., Ltd.)	Dec. 2001
Group Companies in Japan	Year of Certification Registration
Kayaba System Machinery Co., Ltd. (Mie Plant)	Dec. 2000
Takako Industries, Inc. (Shiga Plant)	Feb. 2003
KYB-YS Co., Ltd.	Apr. 2004
KYB Trondule Co., Ltd.	Nov. 2008

Overseas

Group Companies Overseas	Year of Certification Registration
KYB Manufacturing Taiwan Co., Ltd. (Taiwan)	Jun. 2001
KYB Steering Spain, S.A.U. (Spain)	Jun. 2001
KYB Suspensions Europe, S.A.U. (Spain)	Dec. 2001
KYB Americas Corporation (United States)	May 2002
KYB (Thailand) Co., Ltd. (Thailand)	Jul. 2003
KYB Steering (Thailand) Co., Ltd. (Thailand)	Aug. 2003
PT. Kayaba Indonesia (Indonesia)	Nov. 2004
KYB-UMW Malaysia Sdn. Bhd. (Malaysia)	May 2005
KYB-UMW Steering Malaysia Sdn. Bhd. (Malaysia)	May 2005
Takako Vietnam Co., Ltd. (Vietnam)	Jan. 2007
KYB Manufacturing do Brasil Fabricante de Autopeças S.A. (Brazil)	Mar. 2007
KYB Industrial Machinery (Zhenjiang) Ltd. (China)	Apr. 2009
KYB Manufacturing Czech, s.r.o. (Czech Republic)	Aug. 2009
Changzhou KYB Leadrun Vibration Reduction Technology Co., Ltd. (China)	Jan. 2010
Wuxi KYB Top Absorber Co., Ltd. (China)	Nov. 2013
Takako America Co., Inc. (United States)	Feb. 2013
KYB Manufacturing Vietnam Co., Ltd. (Vietnam)	May 2013
KYB Advanced Manufacturing Spain, S.A.U. (Spain)	Jun. 2015

Environmental Accounting

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

(Millions of yen)

Cost Type	Major Contents	Invested Amount/Cost
(1) Business area cost	(1)-1 Pollution prevention cost <ul style="list-style-type: none"> Air pollution and water pollution prevention activities Maintenance and inspection of pollution prevention facilities Analysis and measurement of atmosphere and water quality 	204.3
	(1)-2 Global environmental conservation-cost <ul style="list-style-type: none"> Energy conversion Energy-saving activities 	21.1
	(1)-3 Resource circulation cost <ul style="list-style-type: none"> Recycling of plant waste Reduction of industrial waste 	216.7
(2) Upstream/downstream cost	Not available	0.0
(3) Management activity cost	<ul style="list-style-type: none"> Maintenance and periodic renewal screening of ISO14001 Monitoring of environmental impact 	97.0
(4) R&D cost	<ul style="list-style-type: none"> Environmentally friendly product development Lightweight products and products containing less hazardous chemical substances 	89.8
(5) Social activity cost	<ul style="list-style-type: none"> Support of non-profit environmental protection Afforestation and maintenance of scenery around plants 	12.8
(6) Environmental remediation cost	Not available	0.0
(7) Other cost	<ul style="list-style-type: none"> Internal environmental conservation Welfare conservation 	22.7
Grand total	Not available	664.4

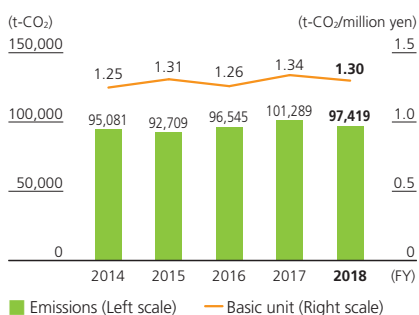
Note: Classification and Definition of Environmental Conservation Costs

Invested amount: Expenditure for the purpose of environmental conservation 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)

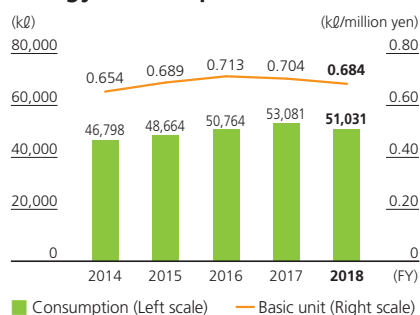
Cost: Cost or loss generated from expenditure of finances/services for the purpose of environmental conservation.

Environment-related Data

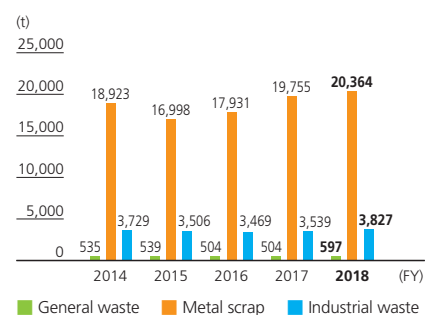
CO₂ Emissions



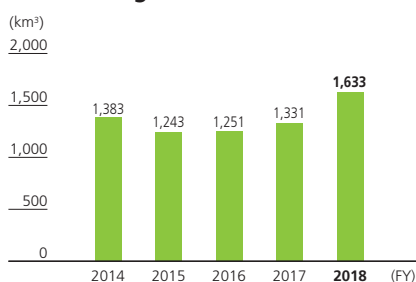
Energy Consumption



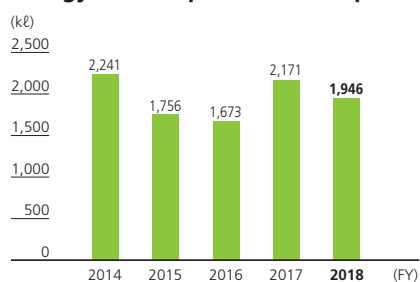
Waste Emissions



Water Usage



Energy Consumption for Transportation*



* Amount as crude oil

Activities at Production Bases

Energy Savings from Introducing Ultra-High-Efficiency Amorphous Transformers

The Sagami Plant has 50 transformers at each of its substations. Four of them had deteriorated over time and were at high risk of failure. We therefore replaced two of the transformers in 2017 and two more in 2018 with Super Amorphous Zero S ultra-high-efficiency amorphous transformers that greatly reduce power loss. The annual energy saved is equivalent to approximately 26 kℓ of crude oil.



Turbo Compressor Upgrade

Since FY2016, the Gifu North Plant has been upgrading to turbo compressors. Turbo compressors with three-stage compression are more efficient than screw compressors with two-stage compression, thus reducing annual electric power cost. In addition, turbo compressors are expected to lower maintenance costs because they have fewer parts. In FY2018, the Gifu North Plant installed its second turbo compressor, and will successively upgrade from screw compressors to turbo compressors to reduce energy costs.



Reducing Compressor Power Consumption

The power consumed by compressors accounts for about 27% of the total energy consumed at the Nakanojo No. 2 Plant of KYB-YS Co., Ltd. The company therefore introduced a control system that can shut down compressors in conjunction with production line operation using the touch panel for automatic compressor operation and shutdown shown in the photo. The result was exceptionally energy-efficient operation, with compressor power consumption reduced 13%, a 3.5% saving for the plant as a whole.



Upgrade of Oil and Water Wastewater Treatment Facilities

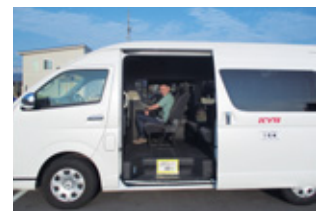
The oil and wastewater treatment equipment at the Gifu North Plant treats wastewater that contains oil from the entire plant and

is within the wastewater standard set under the Water Pollution Control Law. We installed the oil and water treatment equipment about 40 years ago and it had deteriorated over time, lowering treatment capacity, raising the possibility that it would no longer comply with water quality standards going forward. At the same time, the eighth round of standards for effluents (total nitrogen and total phosphorus in water) became more stringent with revision of the Water Pollution Control Law. Given this situation, the plant has upgraded the existing facilities to maintain the quality of treated water with even greater accuracy, thus fulfilling its social responsibility to prevent pollution.



Reducing Environmental Load with Bus Service

The bus used by employees of the Gifu North Plant to commute between the plant and the nearest train station stopped operating over 30 years ago, so the plant has provided taxi service from the station for such people ever since. Given the cost and environmental considerations, we established a bus service synchronized with train arrival times. There are four trips daily. The route includes the Gifu North, Gifu South and Gifu East plants, eliminating an average of 11 taxi trips per day. Although not a major initiative, the bus service has reduced CO₂ emissions and costs. We will continue to implement environmentally friendly initiatives.

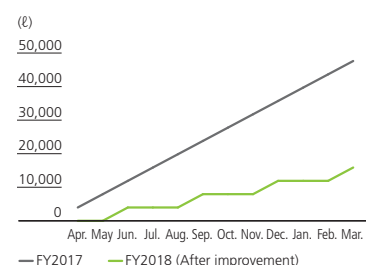


Reducing Industrial Waste by Extending the Cleaning Liquid Replacement Cycle

KYB Kanayama Co., Ltd. is reducing industrial waste as part of its environmental activities. Plant No. 1 made cleaning liquid replacement quantitative rather than periodic, which changed replacement frequency from once a month to once every three months. As a result, the plant was able to reduce the amount of effluent from 47,520 ℓ/year to 15,840 ℓ/year and reduce the cost of purchasing ancillary materials by two-thirds.

The change has no impact on quality, and KYB Kanayama will deploy this system at Plant No. 2 as well.

Effluent Volume



Quality Management

KYB Group Basic Policy for Quality

KYB Group shall:

address quality improvement with honesty driven by the belief that quality is the basis for business.

deliver safe and secure products in compliance with promises to customers as well as with laws and regulations.

KYB and Group companies shall comply with the Bad News First policy,* promptly report any abnormalities they uncover, and work earnestly to resolve problems quickly in order to provide *monozukuri* and services with a level of quality that satisfies our customers and society.

* A system for promptly reporting abnormalities when they are uncovered. It promotes early detection and response to issues that could lead to a serious crisis.



Quality Assurance System

We have built and operate an ISO 9001-compliant quality assurance system that emphasizes the quality of work processes as well as the quality of products and services. We strive each day to make improvements in all aspects of quality.

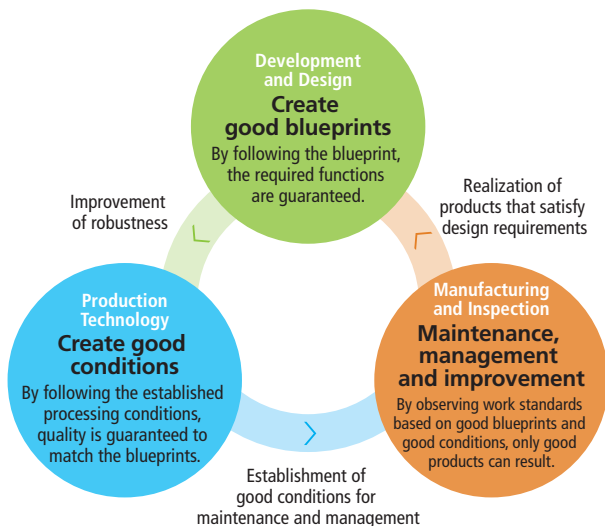
Quality at the development design stage, which includes the development of manufacturing methods and processes, is a determining factor in the market quality of our products.

Furthermore, the adequacy and thorough implementation of shop floor work procedures and rules will contribute to a reduction in process defects and other quality losses that occur in *monozukuri*.

At KYB, we implement what is called a three-step evaluation system for the development and mass production of products,

and the development of technologies, manufacturing methods, and so on. We make every effort to achieve high quality throughout the product life cycle, from the product planning stage, to defect reduction and change management after mass production and shipment. At our production bases, we take a variety of quality improvement measures under the leadership of base managers and plant managers, and we are working to promote the unerring operation of our three-step evaluation system. Furthermore, to ensure the quality of mass-produced products, we also follow this system for single, small-lot orders and when production is moved to another production base.

What KYB Aims to Be: Quality Problem Prevention Cycle



Development of Products and Technologies through a Three-Step Evaluation System and the Declaration of Quality and Safety

Step	Goal of the three steps	Quality assurance step
Prior and model development — DR0 evaluation meeting	Proof of possibility (Description and evaluation of development quality)	Development quality
Order development — DR1 evaluation meeting	Proof of mass production (Description and evaluation of development quality)	Start quality
Mass-production development and production preparations — Declaration of Quality and Safety	Proof of applicability and serialization (Demonstration and evaluation of start quality)	Mass-production quality
— DR2 evaluation meeting		
Mass production Initial flow management	Bad News First Execute (until the reporter receives feedback) When abnormalities arise: Stop, Summon, Wait	

Declaration of Quality and Safety
Evaluate manufacturing site, manufactured products and data to confirm that mass-production quality is problem-free and that reliable production and shipment are possible.

Supplier Award List (FY2018)

Base	Award	Description	Customer
KIMZ (China)	Supplier Commendation	Received all three commendations: QCDS, Quality, Special Award	Jatco Guanzhou Ltd.
KYBT/KST (Thailand)	Regional Quality Award	Received commendation for contributing to quality	Nissan Motor Co., Ltd.
KYB Kanayama	Supplier Commendation	Received commendation in recognition of excellent quality	General Motors Japan Limited
KYBT (Thailand)	Quality Excellence Award	Received commendation in recognition of excellent quality	General Motors (Thailand) Co., Ltd.

Human Resources Management

Human Resources Development

We nurture people with a high awareness of compliance – people who can compete internationally. We use a broad spectrum of education and training to enable them to enhance their expertise, operate independently across borders and regions, and perform their duties competently. Programs include class-specific education, compliance education, specialized technical education, production

system improvement, *monozukuri* (Japanese manufacturing expertise), globalization, and health and safety.

In addition, employees of Group companies in Japan have access to the same education system so that the entire KYB Group can develop people as valuable human assets.

The KYB Education System

Class-specific education	New employee training New manager training Approx. 20 other courses	High awareness of compliance and quality An open workplace environment
Compliance education		
Compliance awareness education		
Quality education		
Safety education		Employee health and safety
Mental health education		

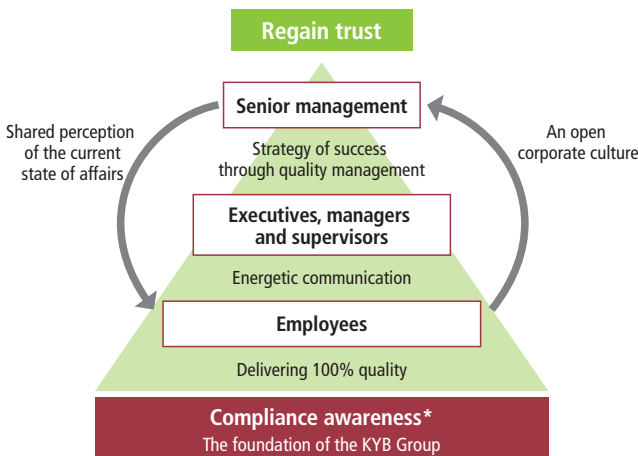
Engineer education	Specialized technical education in fields including mechanics, electricity, electronics, control and materials Approx. 50 other courses	Enhancement of techniques, skills and ability to make improvements
KPS training and study abroad		
Monozukuri education		
Language training	Short-term language training assignments Overseas trainee system and others	Global operations
Training prior to overseas assignments		
Global engineer education		
Distance learning (approx. 270 courses)		Support for self-development

Specific Initiatives

Compliance Awareness Education

The KYB Group is committed to an open corporate culture in which management and employee communication is energized by sharing perceptions of the current state of affairs.

We promote quality management, which is fundamental to management, by positioning compliance awareness as the foundation of the KYB Group. We are working to foster a mindset of abiding with moral, ethical, legal and societal rules at every level of the organization from senior management to rank and file employees.



* Mindset of abiding by moral, ethical, legal and social rules

Taking on the Challenge of the National Skills Competition

The Ministry of Health, Labour and Welfare and the Japan Vocational Ability Development Association organize the National Skills Competition as a technical skill-based competition for young people. People throughout Japan in 42 occupations in fields that include machinery are selected to participate.



KYB participates in the Lathe Operation category as part of its activities to develop young, highly skilled technicians who possess processing skills, judgment, insight, and patience. In FY2019, two young employees will participate in this competition.

Global Engineer Training

We provide global engineer training on an ongoing basis for employees of overseas Group companies.

We currently offer nine courses: plating, welding, painting, centerless grinding, equipment maintenance, measurement and material inspection, KYB Production System (KPS), casting, and heat treatment.



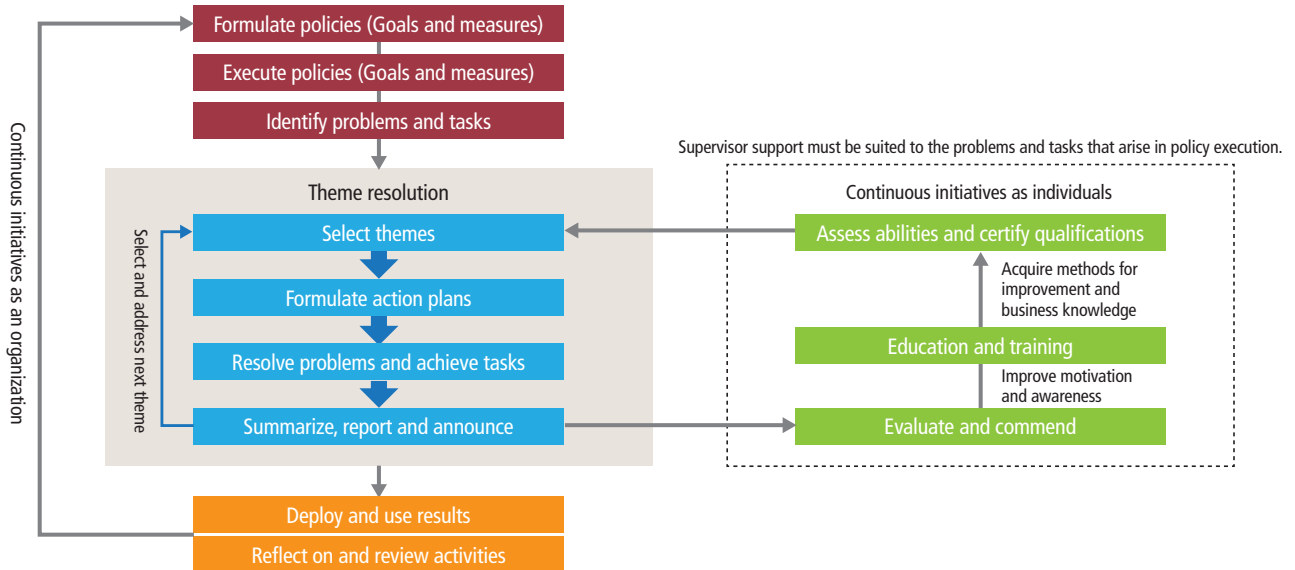
Small Group Activities

What Are Small Group Activities?

In each workplace, we form small teams that have been optimized for specific objectives. Guided by a supervisor, they work to establish compliance awareness and improve safety, quality and productivity. The goal of these Companywide activities is to help

prevent improprieties, enhance corporate performance, energize the workplace and improve communication, and to develop our people by enhancing their ability to make improvements.

Basic Approach for Small Group Activities



Specific Initiatives

Development of Trainers for Overseas Bases

Overseas Group companies are developing trainers for key onsite people who will be responsible for running small group activities. In March 2019, 18 trainees from nine countries participated in the first trainer development program, where they learned about the role of the Small Group Activity Office, approaches, and quality control methods. We will continue to conduct trainer development to increase the number of key onsite people who can run small group activities.



These events help create an open workplace environment and develop our people in ways such as promoting the use of small group activities for preventing improprieties.

Training in Quality Control Methods

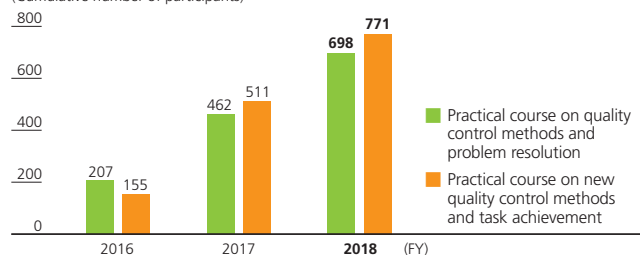
We promote small group activities through two-day courses that teach the methods used by these groups and how to implement them.

1. Practical course on quality control methods and problem resolution
2. Practical course on new quality control methods and task achievement

We have steadily increased the number of participants by making the courses a prerequisite for promotion.

Increase in the Number of Participants in Practical Courses on Quality Control Methods

(Cumulative number of participants)



Presentation of Outstanding Small Group Activities

We share small group success stories at two Companywide events – one for manufacturing departments and one for management, administrative and sales departments – that showcase the results of outstanding teams selected through tournaments at each location, and at tournaments at Group companies in Japan.



Promoting Health Management

KYB Health Declaration

KYB sees the health of employees and their families as an important management resource and source of corporate vitality, and is working to achieve sustainable growth through the creation of an environment in which all employees can work in good health both physically and mentally.

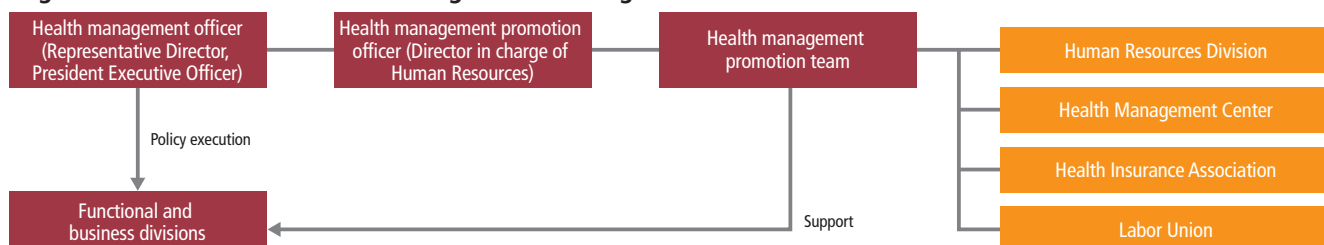
We are committed to actively supporting employees who are engaged in health promotion activities and to promoting organizational measures for health promotion in order to live up to our Corporate Spirit by "building a corporate culture full of vitality and holding high goals."

November 1, 2019

Representative Director and President Executive Officer



Organizational Structure for Promoting Health Management



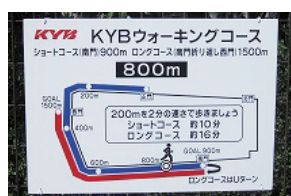
Key Initiatives

1. Measures for Lifestyle-Related Diseases

(Collaboration with Health Insurance Association)

- Creating an environment that facilitates exercise

We have installed walking courses and hold Companywide walking events.



- Initiatives to keep the percentage of employees undergoing scheduled health checkups at 100% and to improve the percentage of employees undergoing specified health checkups

Percentage of Employees Undergoing Health Checkups

	Regular health checkups	Specified health checkups
FY2017	100%	73.5%
FY2018	100%	77.4%

- Health seminars

Visiting lecturers give annual health seminars at all of our business locations in order to raise health consciousness among employees.



2. Mental Health Measures

- Promoting mental health education

We promote class-specific education for primary prevention of mental health issues in the workplace.

Class-Specific Education in FY2018

	Seminars held	Attendance rate
Supervisors	5 per year	92.5%
Managers	3 per year	96.0%

- Activities for freedom from harassment in cooperation with functional and business divisions

Based on the belief that freedom from harassment is essential for creating a vibrant and rewarding workplace, we have made freedom from harassment a corporate priority and are executing policies for all functional and business divisions.

3. Passive Smoking Countermeasures

- Smoking environment countermeasures

87.7% of smoking areas are outside and 66.7% of business locations have introduced fixed smoking times.



- Support for smoking cessation

We provide support for employees who want to quit smoking.

Promoting Work Style Reform

Basic Approach

We are focusing on building and enhancing systems using the themes shown on the right to achieve a rewarding workplace in which diverse individuals can contribute over the long term.

In addition, in FY2018 we began conducting an Employee Awareness Survey for all KYB employees regarding workplace climate, working conditions, management policy and other matters. Answers are anonymous, and an external organization compiles and analyzes the results. Consequently, response rates have been high (95.6% for the first survey in 2018, 97.1% for the second survey in 2019) and we have learned the true opinions of employees.

We will continue to conduct this survey regularly and use the data to promote Companywide initiatives for employee work style reform.

1. **Support for work-life balance**
Flextime system, hour-based annual leave system, etc.
2. **Consideration of diverse work styles**
Promotion of telecommuting, shortened working hours to accommodate childcare, etc.
3. **Promotion of employee health**
See “Promoting Health Management” on page 30 for details.
4. **Improvement of work process efficiency**
Includes productivity improvement projects for administrative operations

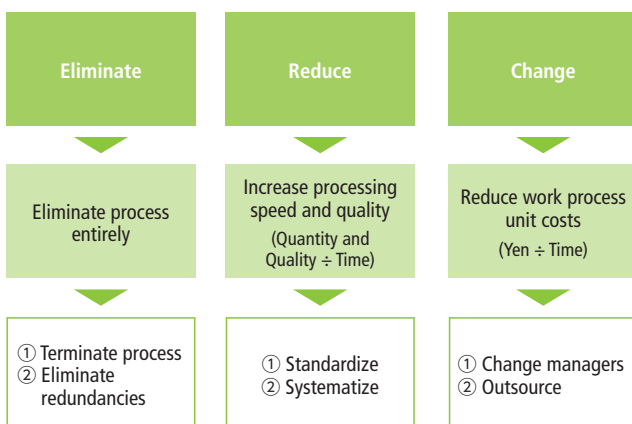
Specific Initiatives

Enhancing the Productivity of Administrative Operations

In FY2017, we launched the Administrative Operations Productivity Improvement Project and are working to improve efficiency and added value in administrative operations, including general affairs, accounting, human resources and production management.

Each administrative department has formulated a Work Process Improvement Action Plan to review existing work from the perspectives of Eliminate, Reduce and Change, with the goal of improving work process efficiency by about 20% over three years through a transition to higher added value.

In addition, we have introduced robotic process automation (RPA) tools in some departments to automate routine work processes. We will continue to study and verify all measures to increase efficiency in order to improve the productivity of administrative operations.



Support for Work-Life Balance

KYB supports work-life balance for its employees as a means to create an environment in which employees can participate with enthusiasm. In April 2018, we extended the childcare leave period to the end of April after the child turns three in order to support

employees raising children. Employees had indicated that the childcare leave period stipulated by law made it difficult to place children in nursery school because the leave period ended in the middle of the fiscal year, before the start of the school year.

Furthermore, we revised the flextime system in April 2019 by extending the period of the workday available for flextime work and applying the system uniformly at all business locations. This enables flexible work styles that match employees' private lives and work schedules.

Promoting Telecommuting

One of our work style reform initiatives has been to promote telecommuting, with the goal of reducing time and energy spent in commuting, and using the time saved more effectively. In November 2017, we launched a trial program focused on supporting work-life balance for employees raising children or providing nursing care for family members. We then expanded the scope of the program to include all employees at the head office and branches, allowing them to telecommute up to twice a week.

In addition, we registered with the organization implementing Telework Days 2019, a program set up ahead of the 2020 Tokyo Olympics and Paralympics by the ministries involved and by the Tokyo Metropolitan Government, and encouraged employees to work from home.

Based on employee feedback, we plan to improve our telecommuting system by making it more user-friendly, and to broaden eligibility.

