

Modern Slavery Act Transparency Statement for Fiscal Year 2023

This statement is to set out the steps taken to prevent slavery and human trafficking in the business and supply chains of KYB Corporation (hereinafter the "Company") together with its subsidiaries (hereinafter the "KYB Group," which includes the Company) for the fiscal year 2023 under Article 54, Part 6 of the Modern Slavery Act 2015 enforced in the U.K.

1. Summary of Our Business, Structure and Supply Chains

1) Summary of Our Business

The KYB Group's core business is built around the manufacture and sale of automobile parts (including shock absorbers for automobiles and motorcycles) and hydraulic equipment (including for industrial use, automobiles and aircraft, special-purpose vehicles and others).

2) Structure of the Company

The KYB Group engages in business in Japan as well as in 23 overseas countries (with 10 companies incorporated in Japan and 31 companies incorporated overseas). The Company has a sales office in the U.K. (KYBUK), which sells the products of the KYB Group.

3) Supply Chains

The KYB Group procure raw materials and parts from various suppliers from Japan and overseas.

2. Relevant Corporate Policies of KYB Group

The KYB Group is opposed to slavery and human trafficking in its own business and its supply chains as a whole. The KYB Group fulfills its social responsibility by promoting CSR activities such as the establishment of comprehensive corporate ethics including legal compliance as well as setting up Corporate Guiding Principles and Supply Basic Policy with specific contents aimed at forbidding child and forced labor and the use of conflict minerals.

For more information on these policies see:

(Corporate Guiding Principles) <https://www.kyb.co.jp/english/company/csr.html>

(Supply Basic Policy) https://www.kyb.co.jp/english/company/supply_information.html

3. Efforts of KYB Group in FY 2023

The Company established the CSR Division (current CSR & Safety Control Division) in FY 2017 and has been working to promote CSR in an extensive and specialist manner. Aware of its social responsibility in respect of the supply chain, the KYB Group clearly stipulates in its Corporate Guiding Principles in addition to prohibiting human rights violations and forced and child labor that the Group opposes forced and child labor in the supply chain, thereby strictly enforcing their prohibition.

In April 2023, as a way of further spreading awareness of the Corporate Guiding Principles, we partially revised the principles, alongside creating a handbook with explanations and specific examples of behaviors and distributing these among our employees to help them visualize those specific behaviors. By doing so, we are promoting an improved level of awareness among each and every employee in the KYB Group.

1) Implementation of Awareness Raising Activities

KYB Group activities have included updating the educational materials for Compliance Enhancement Month held every October, and carrying out training for all employees on the Corporate Guiding Principles, which outline respect for human rights and fulfilling our social responsibility in respect to the supply chain, using materials with illustrations and similar to aid understanding.

Moreover, we have also provided educational materials for suppliers' employees to 708 of our tier 1 suppliers in Japan, and request that those suppliers use these materials to raise awareness among their employees. Through this, we aim to educate suppliers and their employees on the Company's efforts in respect of corporate social responsibility, including environmental and human rights issues in the supply chain and responsible mineral procurement, as well as ensuring that this awareness is instilled in each and every one of our suppliers' employees.

We will continue to promote awareness raising activities in future.

2) Efforts to Our Supply Chains

Regarding prohibiting the use of conflict minerals, every year we ask our suppliers for their cooperation with taking a survey on the purchase of 3TG (tantalum, tungsten, tin and gold) from smelters in the Democratic Republic of the Congo (DRC) and nine surrounding countries, using a questionnaire published by the Responsible Minerals Initiative (RMI).

3) Contact Point for Whistle-blowing

In order to prevent, swiftly detect, and correct any wrongdoing, all employees, directors and officers in Japan and overseas can use our established internal and external whistle-blowing systems. Furthermore, the internal whistle-blowing system is open to employees etc. of our trading partners (including contractors and subcontractors) for reporting on organizational or personal violations of laws and regulations.

4. Our Future Steps

We will carry on with our awareness-raising activities for group companies and their suppliers on prohibiting human rights violations and slavery. We believe that respecting the fundamental human rights of all people is an important element for our business and will strive to prevent slavery and human trafficking.

This Statement has been approved by the Board of Directors as of July 5th 2024.

July 5th. 2024



Masahiro Kawase
Representative Director, and President, CEO