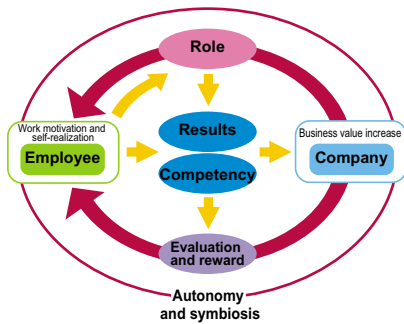


The YKK Group espouses a personnel affairs philosophy of autonomy and symbiosis. We seek to be a company where employees work autonomously, but share mutual respect and help each other, forming a strong organization that continuously provides new value to customers and contributes to society.

Personnel affairs system overview



**Personnel system:** Based on the philosophy of autonomy and symbiosis, we have created our personnel system to provide tools so that each individual can respond appropriately to strategies and directives in the constantly changing business environment and, by planning to achieve increased results, create even greater value.

In fiscal 2000, we introduced a merit-based system for all employees with measurable goals for results and competency. Achievement of these goals can be measured through communication between superiors and their staff. A highly transparent structure is used in order to make evaluations fair and acceptable. Evaluation results also allow some degree of variation from a standard according to position in order to base rewards fairly on the work. We are trying to run our personnel system as a tool that brings out the best in every employee.

**•Personal business plan (management evaluation system)**

Goal-setting and evaluations for managers are conducted in open business presentations.

Managers develop their annual business plans in accordance with the roles that they are expected to fill, establishing achievement goals and their strategies and techniques for achieving them. They then give a presentation of their plans to their superiors and officers in related divisions for evaluation. The evaluators consider whether each plan is suitable for the division's strategies and directives. They also evaluate the suitability of the level of difficulty and provide advice on how to achieve the goals. Evaluation presentations are also conducted in an open manner with input from multiple perspectives for fair evaluation.

Since colleagues also attend these business presentations, each employee is able to evaluate their own level and gain confidence in the fairness of their own evaluations.



Leadership training in Europe

**Development as a global company:** Until now, as we expanded our business overseas, the YKK Group has built personnel systems to suit each country, region and business environment. In recent years, as globalism has progressed, our belief in planting local roots and returning profits to the region of business has not changed, but we have been examining how personnel affairs can better correspond to global management.

We are planning to implement worldwide standards and systems for management staff at our overseas companies in order to hire the best people around the globe and support their career development through promotion and flexibility on an international level.

Challenge training	<ul style="list-style-type: none"> <li>• Logical thinking</li> <li>• Creativity development</li> <li>• Business coaching</li> <li>• Strategic conceptualization</li> </ul>
E-learning courses	<ul style="list-style-type: none"> <li>• Environmental management</li> <li>• Information security</li> <li>• Personal information protection laws</li> </ul>

**Employee education:** Since our foundation, we have respected each employee's personal drive and spurred employee maturation by actively entrusting responsible work to younger employees. As the YKK Group expands its business on a global level, the places where we are active, and the places where we cultivate our employees, are expanding. In order to support and promote employee growth through work in all of these places, we conduct education for a variety of knowledge and skills. In addition, we are promoting the localization of management at our overseas companies and putting energy into educating local staff.



President Yoshida speaking at a training session for newly assigned section heads

**Diversity and equal opportunity:** We are promoting the realization of fair evaluations and work opportunities that correspond to each individual's will and ability, regardless of nationality, age or gender. In particular, we are actively working to promote the activity of women who were limited by past practices and other work conditions. Based on proposals made by a committee comprised primarily of women, we are undertaking reforms to promotion programs and workplace environments. In recent years, women have become much more active, including increased promotions to workplace leadership positions and overseas assignments. We are also working on strengthening systems that support both work and family life as a means to create conditions that encourage this activity. Furthermore, the YKK Group as a whole is actively promoting the hiring of the disabled, and in 1999 we established YKK Rokko Corporation, a special case subsidiary company of printing business, as a symbol of our commitment.

System	Details
Parenting work system	<ol style="list-style-type: none"> <li>1) Short-term employment</li> <li>2) Flexible working hours</li> <li>3) Combination of above</li> </ol> <small>One period until the end of April after a child has reached the age of 3</small>
Childcare absences	Up to 10 days per year
Use of maiden name	Acceptable except for legal documents
Caregiver leave	<ol style="list-style-type: none"> <li>1) Up to 1 year for 1 period</li> <li>2) Up to 180 days in increments</li> </ol>

**Creating an environment where it is easy to work:** In order to create an environment where it is easy to work, we have established a Secretariat for Comfortable Work Promotion that monitors labor conditions, listens to employee concerns, and plans workplace reforms. We also have counseling services handled by outside specialists to deal with issues such as health, personal concerns and sexual harassment.



YKK Business Support Inc.  
Ayumi Takahashi

**Comments from an employee who is using our parenting work system**

I returned to the workplace in February 2005 and am using the parenting work system. I am very thankful for these conditions because they allow me to work with both a stable mind and body. I know that I can maintain the time I need for childcare and that this will not affect my work duties.

Since I have a limited amount of office time to do my work, I have really become aware of the importance of time. This has been a good chance to rethink how I can complete my work efficiently.

Respect for individuals is one YKK Group management principle. We believe that elimination of labor accidents and prevention of health impairment are important roles of our company. Managers and other employees work together actively on efforts to fulfill these, deliberating safety and hygiene issues, providing suitable guidance and other follow-up after health examinations, assuring workplace safety and promoting staff health.

**Safety and hygiene slogan for fiscal 2004**

Don't depend on others for safety. Don't leave it to them.  
Your concern for safety makes the difference.  
Assure safety with accurate knowledge.

**Efforts to eliminate labor accidents:** After continuing to reduce labor accidents for many years, in the last few the YKK Group has held the rate steady (reference, p. 32).

We are now encouraging our employees to shift their basic attitude toward labor accident prevention from "no accidents" to "no danger" by implementing potential risk assessments and labor safety and hygiene management systems. The YKK Group sustains the reduction of labor accidents through people (safety and hygiene education), objects (fundamentally safer machinery) and management (labor safety management systems).



**• Promotion of potential danger assessments**

Considering the fact that all sources of danger have latent energy that could cause harm, the YKK Group risk assessment methods include the planning and implementation of potential danger assessments.

We make the evaluation standards clear and work to prevent low evaluations and oversights for every task, even those that may only occur once per year.

**• Safety and hygiene education**

The reduction of labor accidents and the use of fundamentally safer machinery have caused dangers to become less visible. As sources of danger are forgotten, the ability to recognize potential dangers for what they are declines. In other words, sensitivity to danger becomes weaker.

We are implementing experiential, hands-on education to raise the level of employee awareness about safety by letting them directly feel and understand the great potential harm that sources of danger hold.



Experiential, hands-on education – vapor explosion

**• Work safety and hygiene management system receives certification (YKK Taiwan Co., Ltd.)**

In August 2004, as a result of pursuing the goals of promoting employee health and making the workplace easier to work in, YKK Taiwan received Occupational Safety & Health Management System (OSHMS) certification, which is Japan Industrial Safety and Health Association (JISHA) compliant.

Following a declaration of our intention to achieve this certification in January 2004, we began the process to acquire it, including goal setting, explanatory meetings for all employees, requests for labor union support, preparation of documents and records and education activities. In addition, we have included close-call reporting, danger anticipation actions, risk assessments and other efforts that are groundbreaking by Taiwanese standards. As a result of our efforts, in July the certification inspection occurred, and in August, we became the first overseas business site to receive JISHA-compliant OSHMS certification.



Inspection in plant

**Efforts to maintain and promote health:** Since good health is indispensable for employees to live full social and work lives, health promotion is an important aspect of our business. As one means of promoting health, we are making it possible for all our employees to receive medical checkups (reference, p. 32).

Furthermore, based on employee checkup results, we provide follow-up medical exams and suitable health education to prevent lifestyle, mental and other illnesses.



Mental health care booklet

### • Mental health care

This age has been called the era of stress. To combat stress, the YKK Group promotes the maintenance of the mental health of our employees.

In order to protect employee mental health, we believe that appropriate measures are necessary not only in the workplace, but that support for families is also important. In order to provide accurate understanding of mental illnesses to employees and their families, we distribute to every employee a booklet about mental health that was written to be read with the family. Furthermore, in order to realize line-care, which is advocated by the Japanese Ministry of Health, Labor and Welfare, we are also implementing mental health care education for managers.

### • Health creation classes

The YKK Group actively promotes health maintenance and improvement activities to help every employee have a happy and healthy working lifestyle. In particular, we are making efforts to prevent and manage lifestyle diseases by implementing classes for weight loss, quitting smoking and other health issues.



Weight loss class

### Words from weight loss class participants

I learned a great deal about calories and exercise from participating in this class. Now, I check my weight every single day to see if I have gained any and if I have, I rethink my eating habits and make an effort to burn more calories. The class gave me more self-control. (Male employee, 50s)

By myself, even when I tried to lose weight, sooner or later, I lost my will, so it was hard to continue. This time, though, knowing that I will have a consultation, I have been able to continue. In June, I lost 6 kg, but I am still far from normal weight, so I hope that I will be able to continue participating in this class. (Female employee, 30s)

I have been thinking that I needed to do something for a while, so this was good chance. The key points were explained very clearly, so it was easy for me to put them into practice. (Male employee, 20s)