

## Sixth Mid-Term Business Policy and Business Strategy

# Sustainable growth under the new normal

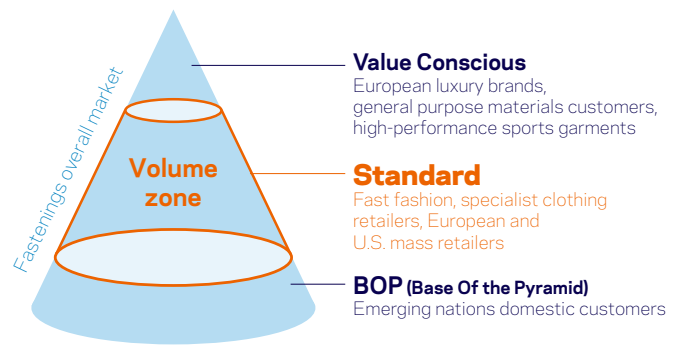
### - Responding to diverse customer needs and acquiring customers -

Under the Sixth Mid-term Management Plan (FY2021 to FY2024) we continue the “Technology Oriented Value Creation” of our Fifth Mid-term Management Vision. YKK has formulated a Sixth Mid-term Business Policy and Business Plan based on three primary points identified as necessary for achieving “Creativity to Realize a Sustainable Society,” which are “product appeal & proposal capability,” “technology & manufacturing capability” and “diverse human assets.”

In order to continue to serve the social good, which is even more sought after by society in the wake of the coronavirus pandemic, we have added “more sustainably” to the slogan “Better products at a lower cost and greater speed” from the Fifth Mid-term. As well, in the post-coronavirus new normal, we believe that the demand for the “right time,” “right material,” and “right amount” will grow. In this context, we are working even harder to make sustainability the basis of our management, enhance the cost-competitiveness of our core products, and pursue the digitalization that supports these efforts.

Continuing on from the Fifth Mid-term, we are positioning “Standard” as the most important of the “Value Conscious,” “Standard,” and “BOP” categories, and engaging in various measures aimed at further business growth.

#### Fastening Business market categories



### Business Environment

#### Society

- COVID-19 impact
  - Limits on economic activity
  - Logistics disruption, rise in transport costs
- Vaccine rollout, national economic stimuluses, etc. led to consumption recovery in Europe and the U.S.
- Surging raw material costs (non-ferrous metals/crude oil)
- Growing geopolitical risks

#### Markets

- Expanding demand for sustainability in the apparel industry

#### Technology Innovation

- Changes in the customer value chain due to advances in information technology

### YKK Philosophy, Cycle of Goodness® / “YKK seeks corporate value

#### YKK Group

#### <Sixth Mid-term Business Policy>

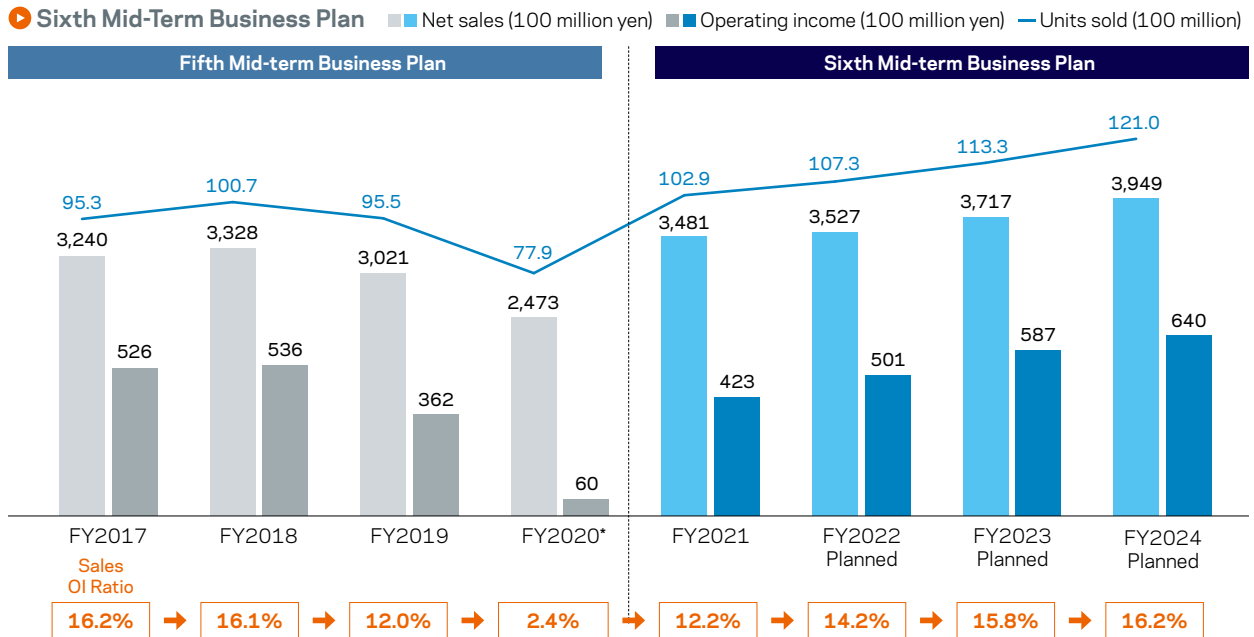
## Sustainable Growth

### - Responding to diverse customer

“Turn change into opportunity”  
 “Contribution to Society” - Continue  
 “Better products at a lower cost and

#### Medium-term Directions

- Flat organizational structure ▶ P.29
- Enhancing sustainability ▶ P.31
- Strengthen product planning and development ▶ P.37
- Thorough pursuit of cost competitiveness ▶ P.39
- Strengthening the use of digital technologies ▶ P.40



For FY2022, we are planning for zipper sales of 10.73 billion units, overall fastener sales, including snaps and buttons, of 352.7 billion yen, operating income of 50.1 billion yen, and an operating income ratio of 14.2%. For FY2024, the final year of the Sixth Mid-term, we are additionally planning for zipper sales of 12.1 billion units, overall fastener sales, including snaps and buttons, of 394.9 billion yen, operating income of 64.0 billion yen, and an operating income ratio of 16.2%. (FY2022 to 2024 business plan exchange rates: 110.00 yen to USD, 130.00 yen to EUR, 16.60 yen to RMB)

\*Figures are converted to reflect the organizational restructuring of FY2021. Figures from FY2019 and earlier are for pre-restructuring organization.

Management Principle  
of higher significance"

Code of Conduct

Under the New Normal  
needs and acquiring customers -

to be a company for the social good -  
greater speed, **more sustainably**"



Vision for the Medium- to Long-term

