

What We Expect of the YKK Group as a Community Member



In 2010, the YKK Group began holding an annual stakeholder dialogue to provide a forum for the exchange of opinions. The sixth such dialogue was held on May 8, 2015. Following up on the previous session, Professor Noriyasu Kunori, Ph.D. acted as facilitator. We invited representatives from diverse stakeholder groups, including suppliers, consumers, students, local associations, and nature conservation groups to participate.

Participants:

- **Naturalist:** Kikuyo Matsuki (Vice Chairperson, Kurobe Gorge Naturalist Society)
- **Consumer:** Rika Inagaki (Promoter of global warming prevention activities in Toyama)
- **Local spokesperson:** Michiko Takamoto (Assistant Manager in charge of Environmental Affairs, Living Environment Section, Citizen Affairs Department, Kurobe City)
- **Nature conservation group representative:** Kazuo Man-o (Manager of Interaction & Cooperation Promotion Department, Toyama Environment Foundation)
- **Resident:** Hisao Daijogo (Chairman, Muratsubaki Promotion Society)
- **Supplier representative:** Takumi Satobou (Assistant Manager, Toyama Branch, Kansai Paint Sales Co., Ltd.)
- **Student:** Naoto Oishi (First-year student, Environmental Engineering, Graduate School of Engineering, Toyama Prefectural University)
- **International student:** Song Xiaojing (Special research student, Department of Environmental Engineering, Faculty of Engineering, Toyama Prefectural University)
- **Facilitator:** Noriyasu Kunori, Ph.D. (Professor, Faculty of Arts and Sciences, Sagami Women's University; Lecturer, Graduate School of Engineering, Toyama Prefectural University)

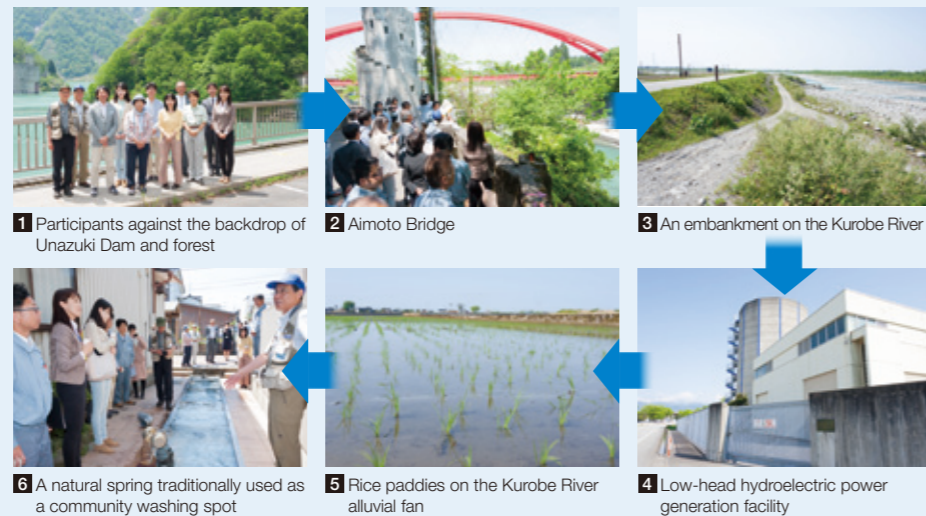
Session 1

Tour of the Kurobe River Alluvial Fan

The day began with a tour of the Kurobe River alluvial fan surrounding the Kurobe Manufacturing Center. In line with the theme “the water cycle,” the tour was guided by Messrs. Kenji Hasegawa and Yasuichi Inaba, representatives from the Field Museum of Water, Toyama Museum Association, and the organizers of tours exploring the Kurobe River area.

Discovering the Big Picture: The Role of the Forest in the Water Cycle

A half-day excursion familiarized participants with the geological history of the Kurobe River alluvial fan and the region's water and other natural heritage. The group began with a visit to the Unazuki Dam and observed the nearby forest covering the upper stretches of the Kurobe River. They then toured the area along the river, observing Aimoto Bridge, embankments, and low-head hydroelectric power generation facilities that utilize the abundant local water resources as well as rice paddies dependent on the river.



Session 2

Stakeholders' Expectations for the YKK Group

In the afternoon, the participants separated into three groups for workshop-format discussions with YKK Group employees centering on what they observed on the tour.

Become an Open Company Remove Boundaries and Be More Visible



This tour taught us the deep connection between forests and water. We would like YKK to publicize its initiatives aimed at protecting this connection, including the development of Furusato-no-Mori forest.

For YKK to become an open company, it has to start with encouraging employees to learn about what the Company is doing. They will then be more effective spokespersons.

We would like to suggest making Furusato-no-Mori forest even more open to outsiders. The cooperation of other community members is crucial to this kind of project. We therefore recommend that YKK remove nonessential physical barriers around its facilities and make its initiatives more visible to communities.

Protect Forests Knowing Is the First Step



We think that understanding the relationship between forests and water is an important first step. Once people understand this connection, we think they will naturally

want to collaborate across industries. YKK must not be a “one-man band.” We hope that it strives to involve as many people as possible from diverse fields.

Collaboration Communicate through Interactions



In addition to disclosing numerical data, we think that YKK should make its initiatives more visible to stakeholders in every age group. The element of play helps,

too. Therefore, we suggest planning more events and setting up playground equipment and benches. We also believe that joint initiatives with municipal governments will facilitate collaboration between YKK and stakeholders.

Stakeholders' Requests and Suggestions

1 Increase YKK Fans and Regular Visitors

- Set up a billboard along the road to advertise the YKK Center Park
- Let visitors to Center Park enjoy seasonal changes
- Increase events that provide hands-on experience
- Publicize both YKK's eco-friendly products and its manufacturing approach

2 Help Revitalize Kurobe's Communities

- Step up collaboration with external entities, such as local governments and businesses
- Facilitate dialogues with communities; reflect their voices in product development, etc.
- Continue to be an employer of choice, especially for local children



Report on Fiscal 2014 Activities

Every year, stakeholder suggestions voiced at the dialogues are put into practice in the YKK Group's business activities, with the status of each suggestion being disclosed in the *YKK Group Social & Environmental Report*. Opinions voiced by stakeholders in the previous dialogue were reflected mainly in the fiscal 2014 renovation project for the Center Park.

How Stakeholders' Voices Have Been Reflected (Suggestions and Results)	
Comments	YKK Group's Responses
① "The entrance seems unwelcoming. Why not make it friendlier-looking?"	Removed front gate and guard station
② "It would be a waste not to publicize the park and make it more known."	Increased the frequency of media exposure through TV, newspapers, and magazines
③ "It would be nicer if greenery covered the whole premises."	Incorporated more green spaces in factory renovation plans
④ "Holding events for employees and their families could be a good idea."	Began planning a special tour event at the Center Park for employees and their families
⑤ "Let all kinds of stakeholders participate in forest development activities."	Began planting black pine tree windbreaks with local residents
⑥ "How about collaborating with the neighboring Kurobe Yoshida Science Museum and extending opening hours during the firefly season?"	Collaborated with the museum in sponsoring the Toyama Eco-Kids Tanken-tai educational events; Extended opening hours during the summer-autumn period (by the end of November) to 7 p.m. on Tuesdays and Thursdays

Building on Stakeholder Dialogue



Noriyasu Kunori, Ph.D.
(Professor, Faculty of Arts and Sciences, Sagami Women's University; Lecturer, Graduate School of Engineering, Toyama Prefectural University)

This stakeholder dialogue was the sixth since the YKK Group began the series in 2010. Its major objective was to discuss YKK's missions and ideals as a corporation with its stakeholders. I offer high praise to the YKK Group for its continued efforts to reflect stakeholders' opinions in its business activities.

This year's session began with a tour of the area around the Kurobe Manufacturing Center focusing on the local water cycle. This was followed by a workshop-style discussion with YKK employees about the roles the YKK Group plays in local communities. Discussions were lively, leading to suggestions that the Company "become more open" and "make its initiatives easy to understand." The YKK Group has already initiated various initiatives for protecting the forest and water environment. Some stakeholders suggested welcoming more outside people to participate in these projects with the aim of enhancing recognition of YKK's initiatives among the general public. I expect the Company to put this suggestion into practice as well. Also, I encourage Group members overseas to sponsor similar dialogues so that they can make a significant step forward in its Groupwide initiatives.

Topic

Abundant Water Resources Nurtured by the Forest

A vast forest covers the upper reaches of the Kurobe River. About half the rainfall is absorbed by the forest and becomes groundwater, slowly seeping into rivers and eventually returning to the sea. Thanks to its botanical diversity, this upstream forest boasts rich soil and passes essential nutrients to the farmland and fishing grounds downstream. Forests thus play a key role within the local water cycle and in supporting the regional economy.



A view of the Kurobe River alluvial fan

YKK Philosophy

"Cycle of Goodness"

No one prospers without rendering benefit to others.

An enterprise is an important member of society, and as such, it must coexist with other elements of society. Its value will be recognized by the benefits it shares with society.

Tadao Yoshida, YKK's founder, carefully considered this need for mutual prosperity as he planned his business endeavors. He determined that contributions to society could best be achieved by the continual creation of value through innovative ideas and inventions. The resulting business expansion would bring prosperity to consumers and trading partners, thus benefiting all society. Tadao Yoshida called this the "Cycle of Goodness," and he made this idea his fundamental philosophy of business.

We retain this concept as the ongoing business philosophy of YKK.

YKK Management Principle

YKK Seeks Corporate Value of Higher Significance



Seeking **corporate value** of higher significance, YKK will pursue innovative **quality** in the seven key areas shown above.

Please Visit Our Corporate Social Responsibility Website

The YKK Group Corporate Social Responsibility website explains our commitment to helping build a more sustainable society through our main businesses. Please refer to this website for details on our corporate governance structure and compliance status.

Website Content:

- CEO's Message "Corporate Social Responsibility Based on the YKK Philosophy"
- YKK Group Activities
 - Organizational Governance
 - Human Rights and Labor Practices
 - The Environment
 - Fair Operating Practices
 - Consumer Issues
 - Community Involvement



<http://www.ykk.com/english/corporate/csr/index.html>

Note: Please see YKK Profile website for financial data.
<http://www.ykk.com/english/corporate/financial/index.html>