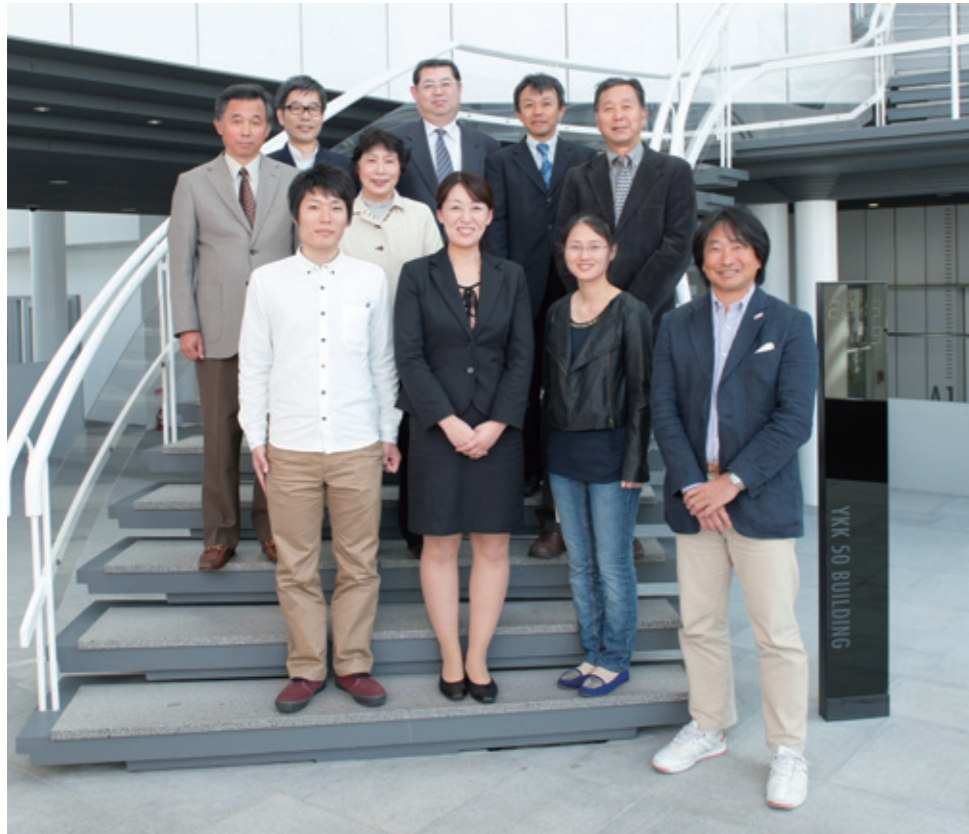


Stakeholders' Expectations for the YKK Group: Growing Together with Society

Through ongoing dialogues with its stakeholders, the YKK Group aims to realize product innovation that helps to resolve social issues.



Back row, from left:
Trading partner in AP business: **Akira Hirano** (President & CEO, Hirano Komuten K.K.)
Trading partner in fastening business: **Takeshi Yamamoto** (General Manager of Marketing Department, Corporate Planning Headquarters, GOLDWIN INC.)
Naturalist: **Kikuyo Matsuki** (Executive Director, Kurobe Gorge Naturalist Society)
Local spokesman: **Matsunori Nakaya** (Assistant Manager in charge of Environmental Affairs, Living Environment Section, Citizen Affairs Department, Kurobe City)
Nature conservation group representative: **Kazuhiko Uraya** (Manager of Interaction & Cooperation Promotion Department, Toyama Environment Foundation)
Resident: **Toshiyuki Nakamura** (Vice Chairman, Muratsubaki Promotion Society)
Front row, from left:
Student: **Junsei Ogata** (Department of Environmental Engineering, Faculty of Engineering, Toyama Prefectural University)
Consumer: **Rika Inagaki** (Promoter of global warming prevention activities in Toyama)
International student: **Jun Jin** (from Fujian Province, China; Environmental Engineering Major, Graduate School of Engineering, Toyama Prefectural University)
Facilitator: **Noriyasu Kunori**, Ph.D. (Professor, Department of Environmental Engineering, Faculty of Engineering, Toyama Prefectural University)

In 2010, the YKK Group began holding annual stakeholder dialogues to provide a forum for sharing opinions with stakeholders. The fourth dialogue was held at the Kurobe Manufacturing Center on April 9, 2013. Following up on the previous session, Toyama Prefectural University Professor Noriyasu Kunori, Ph.D., acted as facilitator. Under the theme "YKK as a Member of the Local Community," Group representatives and stakeholders exchanged opinions with regard to "The YKK Group's Initiatives to Resolve Social Issues" and "Coexistence with Nature."



Overview of the Day's Events

The day began with an orientation session given by Dr. Kunori in the morning followed by a tour of the Kurobe Manufacturing Center. After that, Group employees made presentations on activities undertaken by the YKK Group in fiscal 2012 in response to stakeholder opinions voiced at past sessions. In the afternoon, the nine stakeholder participants were divided into the three groups for separate workshop-format discussions that included YKK Group employees.

Orientation Agenda

| | |
|--|--------------------------------|
| Theme: | |
| "YKK as a Member of the Local Community" | |
| Four keywords: | |
| 1 | Environmental education (ESD*) |
| 2 | Supply chains |
| 3 | Energy |
| 4 | Globalization |

*Education for Sustainable Development: Advocated by UNESCO, ESD comprises educational activities aimed at supporting the sustainable development of society. Proposed by the Japanese government, ESD was adopted at the World Summit on Sustainable Development held in 2002 (Johannesburg Summit 2002).

Workshop 1:

Proposals for "The YKK Group's Initiatives to Resolve Social Issues"



During the first half of the workshop, participants shared their observations and impressions from the morning session, including the site tour.

This was followed by a discussion of "The YKK Group's Initiatives to Resolve Social Issues." Noteworthy opinions were put up on a whiteboard.

Once each group had fully discussed the issues, representatives of each group presented their conclusions and made proposals.

Group 1

How to make the YKK Group's initiatives widely known to the public?



"Initiatives must be passed on from generation to generation"

We propose that each Group employee must be an advocate of environmental initiatives and that residents, municipal bodies, and companies in local communities need to be involved in such initiatives. Emphasis has to be put on direct communication rather than simply transmitting information through media. We hope to see the Group spearhead environmental protection measures throughout Kurobe City while stepping up cooperation with local companies and sharing its cutting-edge know-how. Also, we would like YKK to help raise environmental awareness among a wide age range through such means as the provision of environmental education to the next generation.

Group 2

Is it possible to reduce defective or waste products to zero?



"First, the way we look at 'waste' has to be changed"

Our discussion began with the question "Why are defective products produced?" We then went on to debate technological possibilities to ensure that defective products are never produced. When it comes to industrial waste, the packaging materials associated with supply deliveries becomes a problem. There was a suggestion for discussing with suppliers a mode of packaging that results in no waste after delivery. Other opinions included, "There is no such thing as a 'defective product' or 'industrial waste' in the true sense" and "We should stop using the term 'waste,' rather, we should seek ways to utilize all such items as recyclable resources." This would require a turnaround in how we look at waste.

Group 3

How to advance environmental protection measures at the plant?



"Cooperating with local communities is of the essence"

Efforts to protect the environment may include recovering and recycling waste products; global warming prevention measures; energy saving; power-generating innovation; and the streamlining of transportation. However, we regard communication with local communities to be the most important issue. Environmental protection measures undertaken by a plant alone may not be as effective. We believe that, putting the preservation of biodiversity into perspective, it is essential for the YKK Group to gain the cooperation of local communities. Furthermore, this cooperation would be beneficial for the revitalization of industrial tourism and the utilization of cultural resources.

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Workshop 2: Forest and Biotopes Developed at the YKK Kurobe Manufacturing Center



In the second half of the workshop, participants strolled around "Furusato-no-Mori" (Hometown Forest) and biotopes on the center's premises.

Stakeholders then went on to discuss the utilization of these sites. The exchange was as brisk as it was in the first half of the workshop.

After each group presented opinions and proposals, Dr. Kunori summarized what had been discussed and made concluding remarks.

From a place of gathering to a place for building communities

Group 1 "Providing a place for raising children, interacting with local communities and securing safety"

The first idea that came into our minds was using these sites as children's play areas or places of recreation for employees' families. The Maruyane Exhibition Hall Cafe in YKK Center Park could be used to accommodate both adults and children. Moreover, such events as concerts, children's painting competitions and other gatherings, including those themed on combating invasive alien species, could be held at the Cafe. During times of disaster, these sites would also provide a place of safety for local residents. In this connection, we think it would be good to hold evacuation drills in case an evacuation is necessary.

Group 2 "Utilization for environmental education and other events to nurture next generations"

The first idea that we came up with was utilizing the forest for nurturing the next generation. There are good spots for observing migrating birds and learning about the seasonal changes that bring them to Kurobe. It might be a good idea to ask elementary and junior-high school students from across Japan to suggest themes for fixed-point nature observations.

It also seems feasible to hold nature-themed educational camps for children involving tours of the forest and adjoining areas, including the Tateyama Mountain Range. We believe that the Center Park could be an effective tool in this regard since it is a free admission park. Meanwhile, we also hope that the YKK Group employees know more about such cooperative events.

Group 3 "The forest planted today is a legacy for all society"

We would like to imagine what "Furusato-no-Mori" will look like after 5, 10 or 50 years or even a century from now. For example, in half a decade, the forest will have grown enough to attract birds that children can watch tend their nests. In 10 years, playground equipment can be made using timbers from forest thinning. The view of the forest from the roof of the YKK 50 Building will be impressive by then. At the half-century mark, next-generation housing can use wood from the now mature forest for sashes. In a century, the forest will be providing people two generations on with wood for housing construction, and it may be a good idea to expand it to encompass all YKK facilities in the Kurobe Area to create a "factory that coexists with the forest."

- In 100 years
 - Expand the forest to cover the land lying between the YKK facilities across Kurobe
 - Build local communities around a "factory that coexists with the forest"
- In 50 years
 - Produce wooden sashes using timber from forest thinning
 - Construct next-generation housing
- In 10 years
 - Construct playground equipment using timber from forest thinning
 - Open the roof of the YKK 50 Building to the public
- In 5 years
 - Provide birds with nesting sites
 - Open the forest to local residents, providing a place for family recreation

Report on Fiscal 2012 Activities and Ongoing Initiatives

Environmentally Friendly Products and Manufacturing

- **User-oriented engineering, ideas of universal design**
YKK has introduced a window lock system that can be locked and unlocked in the same motion used for opening and closing, as well as the kid-friendly Smart Control Key.
- **Contribution to low-carbon, recycling-oriented society and response to social changes**
YKK has released a Paper Zipper, which substantially cuts down on the use of petroleum, and APW 330, a Triple Glazing Vacuum-Insulated Glass (VIG) window for energy-efficient housing.

Approach to Local Communities

- **On-demand lectures**
YKK employees visit childcare facilities to provide environmental education.
- **Environmental education (ESD, etc.)**
In fiscal 2012 YKK also began cooperating with the "Toyama Eco-Kids Tanken-tai," an ESD program sponsored by the Toyama Prefectural Government.

Communicating with Society

- **Making our accomplishments in manufacturing visible**
YKK is proactively communicating with society through such means as applying for external awards and certifications.

Coexistence with Nature

- **Preservation of local ecosystem (development of biotopes, utilization of ESD)**
Since fiscal 2008, YKK has undertaken tree planting activities under the "Furusato-no-Mori" development project. These activities are now being incorporated into the content of nature education programs for children. Also, biological surveys are being conducted once every five years with the aim of assessing the growth of the forest.
- **Survey of groundwater usage across the Kurobe River alluvial fan**
YKK seeks to ensure the sustainable usage of groundwater flowing through the Kurobe River alluvial fan. The Group has consigned the survey of the groundwater system to Mr. Taichi Tebakari, a lecturer at Toyama Prefectural University. Currently, seasonal and long-term changes with regard to groundwater levels have been detected.



The YKK Center Park entrance (The Maruyane Exhibition Hall Cafe, the venue for the dialogue, is on the left)

Through Stakeholder Dialogue



"YKK as a Member of the Local Community"— A Good Opportunity to Review the Role of a Company in Creating Social Networks

Noriyasu Kunori, Ph.D.
Professor, Department of Environmental Engineering, Faculty of Engineering, Toyama Prefectural University

I offer high praise to the YKK Group for continuously offering opportunities for dialogue over the last four years. This year, we have gained the participation of one more trading partner as well as an international student. We also changed the format of the dialogue, adopting a workshop approach that included some Group employees with the aim of encouraging freewheeling thinking and engaging multiple perspectives in identifying issues and their solutions.

We explored three subjects: "How to make the YKK Group's initiatives widely known to the public"; "Is it possible to reduce defective or waste products to zero?"; and "How to advance environmental protection measures at the plant."

With regard to cooperation between the YKK Group and local communities, we also debated how best to utilize the "Furusato-no-Mori" forest and biotopes, focusing in particular on the process of creating a place that helps build the community.

I have heard that the YKK Group is considering holding similar dialogues at other bases of operations, and I hope that the Group will also consider involving overseas bases.