

CYCLE OF GOODNESS®

“No one prospers without rendering benefit to others.”



As an important member of society, a company survives through coexistence. When the benefits are shared, the value of the company's existence will be recognized by society.

When pursuing his business, YKK's founder, Tadao Yoshida, was most concerned with that aspect, and would find a path leading to mutual prosperity.

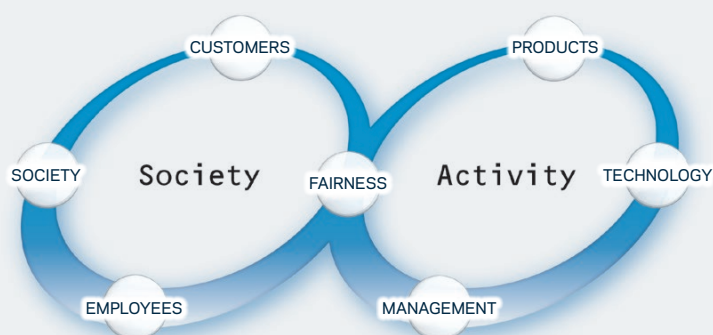
He believed that using ingenuity and inventiveness in business activities and constantly creating new value would lead to the prosperity of clients and business partners and make it possible to contribute to society.

This type of thinking is referred to as the CYCLE OF GOODNESS®, and has always served as the foundation of our business activities.

We have inherited this way of thinking, and have established it as the YKK Philosophy.

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.

YKK Group companies seek to delight our customers, earn the high regard of society and make our employees happy and proud.

We are improving the quality of our products, technology, and management as the means to achieve this.

We make fairness the fundamental standard for all YKK Group business operations, and this is the basis for our management decisions.

Core Values

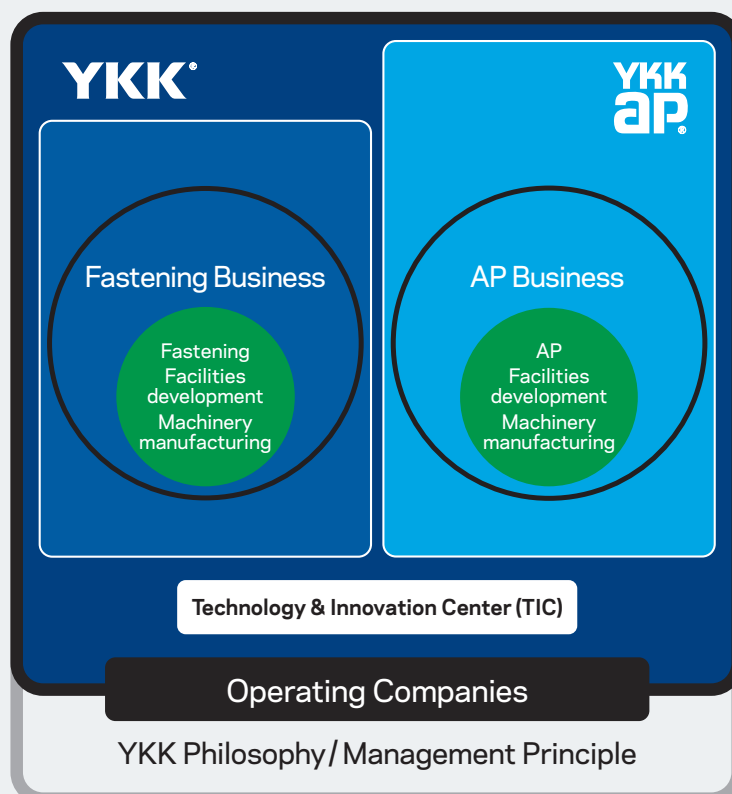
**Do not fear failure; experience builds success. /
Create opportunities for employees.**

Insist on quality in everything.

Build trust, transparency and respect.

YKK Group Management Structure

The YKK Group operates in 70 countries and regions around the world, with the Fastening Business and Architectural Products (AP) Business as core operations.



Supporting the Two Businesses Through the Development of Equipment and Manufacture of Machinery

In FY2021, the Machinery and Engineering Group was integrated to the Fastening Business and AP Business respectively to enable speedier development of machinery and equipment as well as the manufacture of machinery that are specialized to each business. The Technology & Innovation Center provides technical support to each business to enhance their competitiveness.

YKK Group Consolidated

Number of Group Companies and Employees

118 companies **46,305** employees

Net Sales

998.2 billion yen

Operating Income

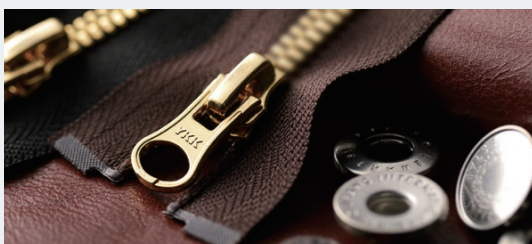
62.4 billion yen



For detailed YKK Group consolidated financial information, read the securities report (in Japanese only).
<https://www.ykk.com/corporate/financial/securities/>

Fastening Business

The Fastening Business has been producing and marketing fastening products, including zippers (slide fasteners), hook & loop (textile products), buckles (plastic products), and snap & buttons, for over 90 years.



Number of Group Companies and Employees

68 companies **27,210** employees

Net Sales

433.1 billion yen

Operating Income

47.5 billion yen

Architectural Products Business

Windows and doors are significant attributes to creating comfortable living spaces. Building facades create beautiful urban scenery. The YKK AP business aims to deliver good health, comfort, safety, and security through its architectural products.

● Residential ● Exterior ● Commercial ● Global Curtain Wall ● Aluminum Profile ● Overseas AP Businesses



Number of Group Companies and Employees

33 companies **18,252** employees

Net Sales

561.6 billion yen

Operating Income

18.1 billion yen

Other Businesses

In addition to YKK Real Estate Co., Ltd., YKK Business Support Inc., which supports business operations within the YKK Group, and YKK Rokko Corporation printing company (a special YKK Group subsidiary), we are developing businesses rooted in local regions, such as the agricultural and livestock business in Brazil (Agro Pecuaria YKK Ltda.).



Agro Pecuaria YKK Ltda.



YKK Rokko Corporation

Number of Group Companies and Employees

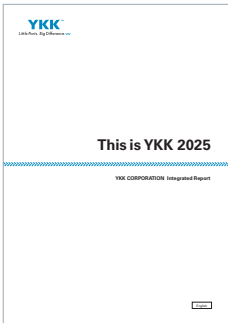
18 companies **843** employees

*1 Net sales and operating income are figures for the year ended March 31, 2025. Other figures are as of March 31, 2025.

*2 Duplicate entries for companies (one company) that come under both the Fastening Business and other businesses have been excluded from the number of consolidated Group companies.

Editorial Policy of the YKK Corporation Integrated Report “This is YKK 2025”

The YKK Corporation integrated report, “This is YKK 2025,” is an overview of management and business activities that are rooted in the CYCLE OF GOODNESS® YKK Philosophy embraced by YKK from its founding to the present day. The report is focused around YKK’s Fastening Business.



Key Points to Note in “This is YKK 2025”

Launch of a new management structure with the appointment of a new president: Koichi Matsushima took office in April 2025. We have published messages from the president and each executive vice president as they take on the 7th Mid-term Management Plan under the banner of “ONE YKK,” continuing the YKK Philosophy of the CYCLE OF GOODNESS®. ➔ **P13**

Start of a new Mid-term Business Plan: In FY2025, the four-year Mid-term Business Plan began. Having adopted the business policy of “contributing to a sustainable society as ONE YKK,” we would like to report on our strategies and priority measures for evolving into a company that creates inspiring experiences for customers, employees, and society. ➔ **P21**

YKK Sustainability Vision 2050 progress: We are accelerating our efforts to place sustainability at the core of our business and achieve climate neutrality and coexistence with nature. ➔ **P39**

Message from the Outside Audit & Supervisory Board members: Three Outside Audit & Supervisory Board members provided messages regarding YKK’s Principles-based management and improving corporate governance as a non-listed company operating in 70 countries and regions. ➔ **P47**

Report Scope

Financial Information

Disclosed for YKK Corporation, its 115 subsidiaries, and two affiliated companies, accounted for using the equity method on a consolidated basis as the “Group,” and for each segment (Fastening Business, Architectural Products Business, Other Businesses)

YKK Sustainability Vision 2050 / Environment

- Fastening Business at the center, and other businesses involved in business operation
- Explanatory notes and the like are included as needed when the extent of coverage differs

Society

- The extent of the data is shown individually

Governance

- The extent of the data is shown individually

Period Covered

FY2024 (April 1, 2024 to March 31, 2025)
* Includes some activities from outside this period

Reference Guidance


“Guidance for Collaborative Value Creation,”
Ministry of Economy, Trade and Industry (METI)
“International <IR> Framework,”
The International Financial Reporting Standards Foundation (IFRS)

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Guidance for Collaborative Value Creation

Other Disclosure Information (See Here for Details)

<Website>

This is the official YKK Corporation website. Visit for an introduction to our businesses, a corporate profile, financial and sustainability information, news releases, and more.

<Sustainability Journal>

This booklet shares stories illustrating our desire to achieve the YKK Sustainability Vision 2050. The Sustainability Journal is used globally as a customer communication tool.

5 This is YKK 2025

This is YKK 2025

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Positioning of the Management Plan and Business Plan

YKK has formulated the Mid-term Management Plan as a framework for the entire Group, including the Architectural Products Business. Within that framework, the "Mid-term Business Plan" clearly outlines specific initiatives and goals for the Fastening Business.

From the CYCLE OF GOODNESS® to a Sustainable Future

The Philosophy of YKK's Founder, Tadao Yoshida, Which is Carried On Today

YKK is constantly pursuing contributing to a sustainable society through its core business. The foundation of all such corporate activities is the CYCLE OF GOODNESS® corporate philosophy of YKK founder Tadao Yoshida. This philosophy, "No one prospers without rendering benefit to others," clearly expresses YKK's spirit of continuing to prosper together with society, customers, related industries, and employees. This concept, which is highly compatible with sustainability, has been placed at the core of management, and it continues to be passed down at the company even today.



July 1965

Business is like building a bridge

I don't think that a business will prosper unless it is both profitable and also contributes to the world and is useful to human society. Nothing brings more happiness than when we can contribute to the local industry and the local economy, thereby enriching the lives of local people. YKK's "bridges" that bring abundant civilization to developing countries and new affluence to developed countries will continue in the future.



“No one prospers without rendering benefit to others.”

YKK sustainability vision 2050

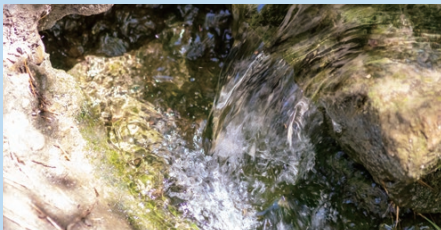
- achieve climate neutrality and coexistence with nature -



January 1971

If we make use of our ingenuity, even our waste can be a great resource

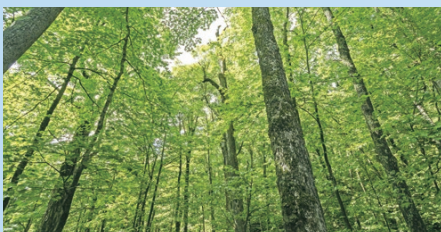
The first thing we should do is think about how to better deal with waste from our own neighborhoods and implement those ideas together. If we continue digging for underground resources, cutting down trees, catching fish, and increasing oceans where fish can't live as we are doing now, it will mean the destruction of humanity.



January 1984

Manufacturing like clear spring water

Like a wonderful fountain, it bubbles forth, rich and authentic. This is true abundance. The important thing is not to waste valuable resources. Then it will be a great product.



July 1970

The strength of the forest is greater than the trees

Some trees are thick with experience and age, others are young and thin. There are tall trees and short trees. We work well together, not under the control of anyone, using our strengths and abilities according to our individuality.

Climate change

Develop business activities to combat and respond to climate change

Material resources

Achieve manufacturing that increases the sustainable use of resources

Water resources

Achieve sustainable use of water

Chemical management

Management and reduction of chemical substances

Respect people

Upholding human rights and ensuring fair, safe work environments

History of Value Creation and Growth

“Better products at a lower cost and greater speed, more sustainably”

The history of YKK is also a history of technological innovation to provide customers with better products. YKK will continue taking on challenges to keep creating new value for our customers and for society.

Main topics

1934

Founding

Founded in Nihonbashi Kakigara-cho, Tokyo
Engaged in the production and sale of zippers



1936

Zippers exported for the first time

Sent to the U.S., Mexico, Canada, India, various South American countries, and Australia

1939

YKK utility model No.1

Metal slider for zippers

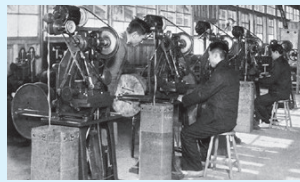
1946

YKK registered as a trademark

1950

From a handicraft industry to mechanization

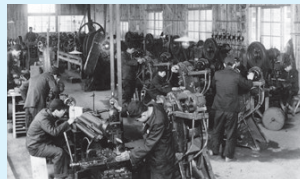
Four zipper chain machines imported from the U.S.



1952

Establishment of a fully integrated production system

Predecessor of the former Machinery & Engineering Group launched



1953

YKK patent No.1

Intermittent chain production machine developed

1959

Global expansion

Exported zipper manufacturing equipment to India
Opened first overseas base in New Zealand



1964

Achieved high-speed manufacturing

Commenced manufacturing using the YKK-CM6 (a chain machine developed in-house)
Certified in 2011 as a Mechanical Engineering Heritage*1



1974

Launched integrated production system overseas

First overseas integrated zipper production plant



YKK (U.S.A.) Inc. Macon Plant

1992

Expansion into growing markets

Full-scale base for expansion into China



Shanghai YKK Zipper Co., Ltd.

1994

Formulated the YKK Group Environmental Pledge

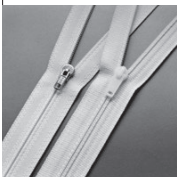
1934- Foundation to Establishment of the Integrated Production System

1959- Continuing global expansion and improving our production capability

The Provision of Value Through Products and Technology

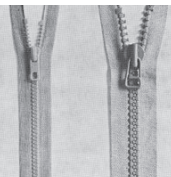
1952

Nylon zippers



1961

Delrin zipper (currently VISLON®)



1966

YZiP®
A metal zipper



1983

Watertight and airtight zipper (currently PROSEAL® zipper)



2000

EXCELLA®
With fully polished elements



• **1958**

CONCEAL®
A zipper in which the element is not visible

• **1960s**

Recycling of plastics begun

• **1980s**

Recycling of yarn from internal yarn waste begun

1994

NATULON®
Using recycled PET



2016

ECO-DYE®
A dye technology that reduces water consumption in dyeing arrangements assembly to almost zero



*Shows the fiscal year of the undertaking, development, commercial launch, trademark registration, or receipt of award

Graph Zipper production trends

More than **3** million km (FY2024)
 Enough to encircle the earth 80 times

2011

International-level quality assurance system

Registered Japan's first "fire walled" third party conformity assessment body*2



The former Machinery and Engineering Group, Analysis Technology Center

2014

Received the Porter Prize as a global leader in zippers



2017

Established and enhanced R&D locations

Promoted product and technology development



YKK R&D Center

2017

New forms of collaboration

Launched inter-company joint development



Joint development with JUKI Corporation

2017

Aiming for full automation

Efforts made to achieve smart, digital facilities



Advanced factory robotic automation center opens

2018

Japan Company established

Integrating manufacturing, development, and sales, and strengthening service systems in Japan

2021

Restructuring of YKK organization and overseas regional management system

2023

Organization restructuring aimed at further boosting customer satisfaction

New Business Strategy Division; Global Sales Headquarters restructuring and moving of headquarters' functions to Vietnam

2023

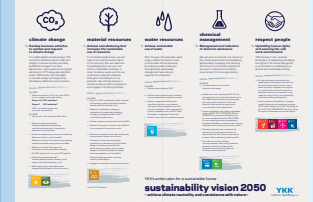
Revision of the YKK Corporation logo



2024

Revision of the YKK Sustainability Vision 2050 which was formulated in 2020

Aiming to achieve climate neutrality and coexistence with nature



*1 Items that made contributions of historical significance to the development of technology and industry in Japan. They include machines, equipment, and related facilities and documents, which are considered cultural heritage for passing on to future generations. They are certified by the Japan Society of Mechanical Engineers (JSME).

*2 The first testing laboratory in Japan to be registered by the U.S. Consumer Product Safety Commission (CPSC) that can ensure the analytical value of lead content in products.

2001- New value creation

2021- Towards the "right time, right material, and right amount" era

2018

QuickFree®

Improved operability, allowing for easy opening and closing, even for children and older adults



2019

AiryString®

Tapeless zipper



2020

Can be closed by using magnetic force click-TRAK® Magnetic



2024

Parts are replaceable, which allows for extended product life Revived Renewal Components



2019

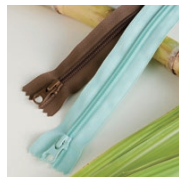
AcroPlating®

A new plating technology for brass that eliminates the use of conventional chemicals from the brass plating process

2019

GreenRise®

A zipper which uses a plant-based polyester



2021

NATULON Plus®

with an increased ratio of recycled materials



Aiming to Put the Management Principles into

Towards our 100th anniversary, each employee understands the principles and puts them into practice

The YKK Philosophy and Management Principles serve as the foundation that connects approximately 46,000 Group employees spread across countries and regions around the world. We believe that each and every employee inheriting these Management Principles and Philosophy and internalizing them will be the cornerstone of providing value for the future, and we are deploying Management Principles Promotion Activities throughout the entire organization.

1934

1959

1984

2008

2009

Founding

25th Anniversary

50th Anniversary

100th Anniversary
of the Founder's Birth

75th Anniversary

YKK Philosophy CYCLE OF GOODNESS®

1994 Management Principle: "YKK seeks corporate value of higher significance"

2007 Core Values

2008 YKK Group Management Principles Study Group

2008 YKK Group Management Principles Promotion Activities

- Roundtable meeting with the Chairman and President
- Discussion forum
- Manufacturing site visits by the

42%
(FY2008)



Roundtable meeting with the Chairman (YKK INDIA PRIVATE LIMITED)

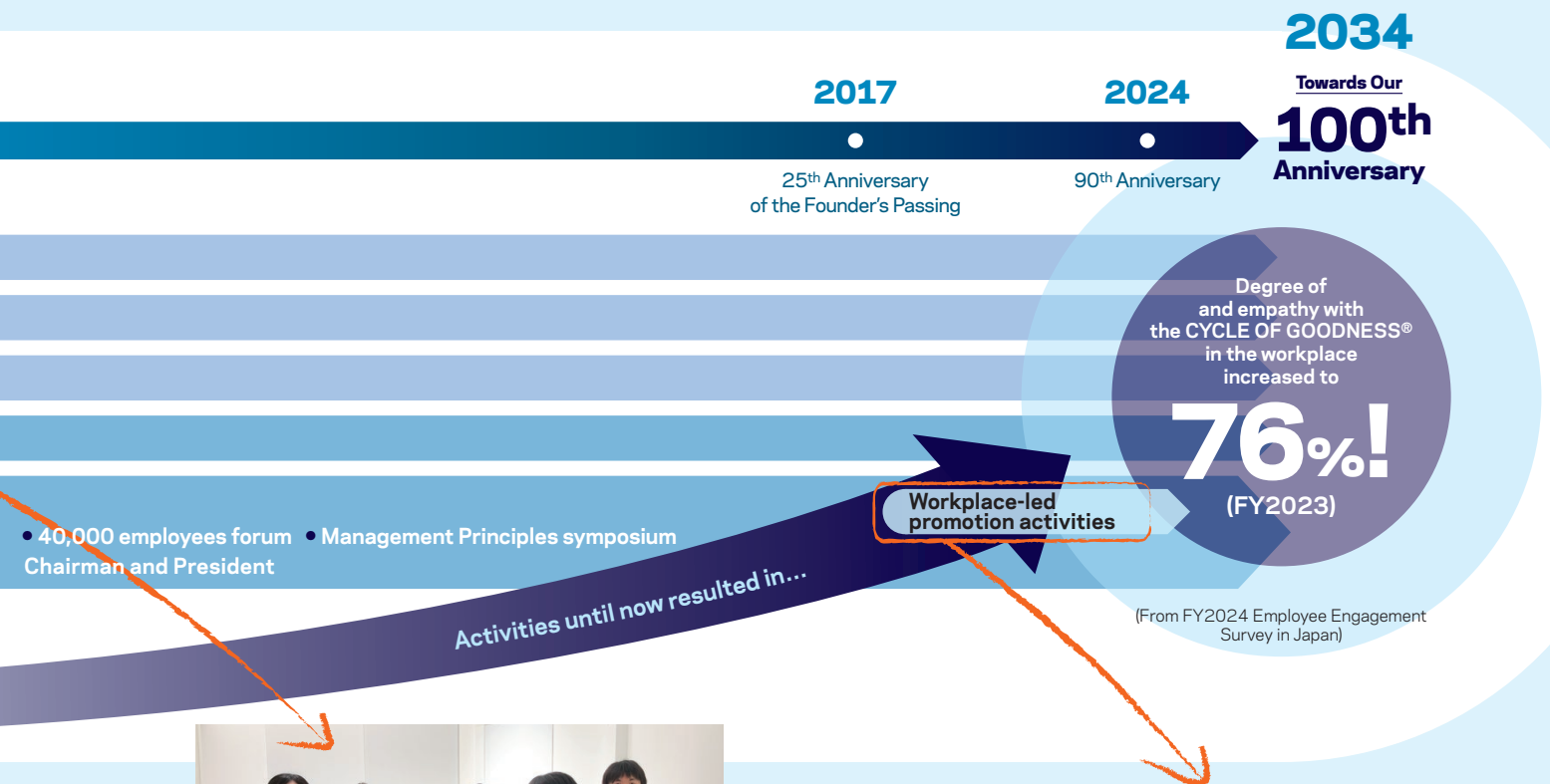


Roundtable meeting with the President (Tokyo)

Venues for Dialogue Between Top Management and Employees

We prioritize frank communication between the management team and employees and have established a variety of venues for dialogue. In "roundtable meetings" with the Chairman and President, employees meet face-to-face with the Chairman and President, and through active discussions, they learn about the origin of the Management Principles and share issues and ideas to put them into practice in their daily work. We hold in-person meetings, not only in Japan but also overseas, to actively engage in dialogue with employees at our overseas locations. In addition, a wide variety of dialogues are held throughout the year such as "forums for discussion" with top management, including executive vice presidents, and roundtable talks at production sites. In FY2024, we held these dialogues with 425 employees in Japan and overseas.

Practice



Members of the FY2024 YKK Group Management Principles Study Group

YKK Group Management Principles Study Group

The YKK Group Management Principles Study Group is made up of members selected from each business every year.

It carries out research on the nature of YKK's Management Principles and Philosophy to enable them to be passed on, and reports its findings to the management team every March. In FY2024, the Study Group conducted a renewal of the "assessment game" (created by the Study Group in FY2023) for the purpose of having each employee gain a deeper understanding of the YKK Management Principles by coming into contact with them anew and putting them into practice. The Group considered how to encourage employees to play the game and increased the variety of questions and diagnostic results. It also enhanced internal communication through email newsletters and other means.

Workplace-led Initiatives to Instill the Management Principles at Each Location

The YKK Group does business in countries and regions around the world and has employees from diverse cultural backgrounds who hold different values.

In order to ensure that the Management Principles and Philosophy are shared and inherited, we plan and proactively implement activities to instill the Management Principles in a manner unique and suitable to that region. Since 2018, Management Principles Promotion Teams, formed at each location and in each organization, have been spearheading these activities. The teams promote unique activities so that each employee can be aware that they are responsible for carrying on the Management Principles and can engage in their daily work with that in mind.



Viewing tools (videos) for Management Principles Promotion and having discussions (YKK (U.S.A.) Inc.)



Tour of Maruyane Exhibition Hall in YKK Center Park (YKK Business Support Inc.)

Message from the President

As we approach our centennial anniversary, we will continue to embrace new challenges under a new organizational structure built on the foundation of the **CYCLE OF GOODNESS®**, driving forward the vision of **ONE YKK**.

Koichi Matsushima

President
YKK Corporation

April 1991 | Joined the company

1998 -
2017 | Worked in Italy, Poland, China, Indonesia, and Bangladesh

April 2017 | Executive Vice President, Fastening Products Group

June 2018 | Director and Executive Vice President, Fastening Products Group

April 2021 | Director and Executive Vice President, Global Sales Headquarters

April 2023 | Director and Executive Vice President, Business Strategy Division

April 2025 | Appointed President



Message from the President

Inheriting the YKK Philosophy of the CYCLE OF GOODNESS® and responding swiftly to the evolving times, we continue our journey toward our 100th anniversary. Under a new structure that harnesses the strengths of our global organization and business operations, we aim to realize ONE YKK through “Forest Management” — a people-centered approach that values and leverages each individual's uniqueness.

Responding Flexibly to Changes in the Market and Customer Requirements, Based on the CYCLE OF GOODNESS®

In April 2025, along with the launch of the 7th Mid-term Management Plan, I took up the baton as the President of YKK Corporation.

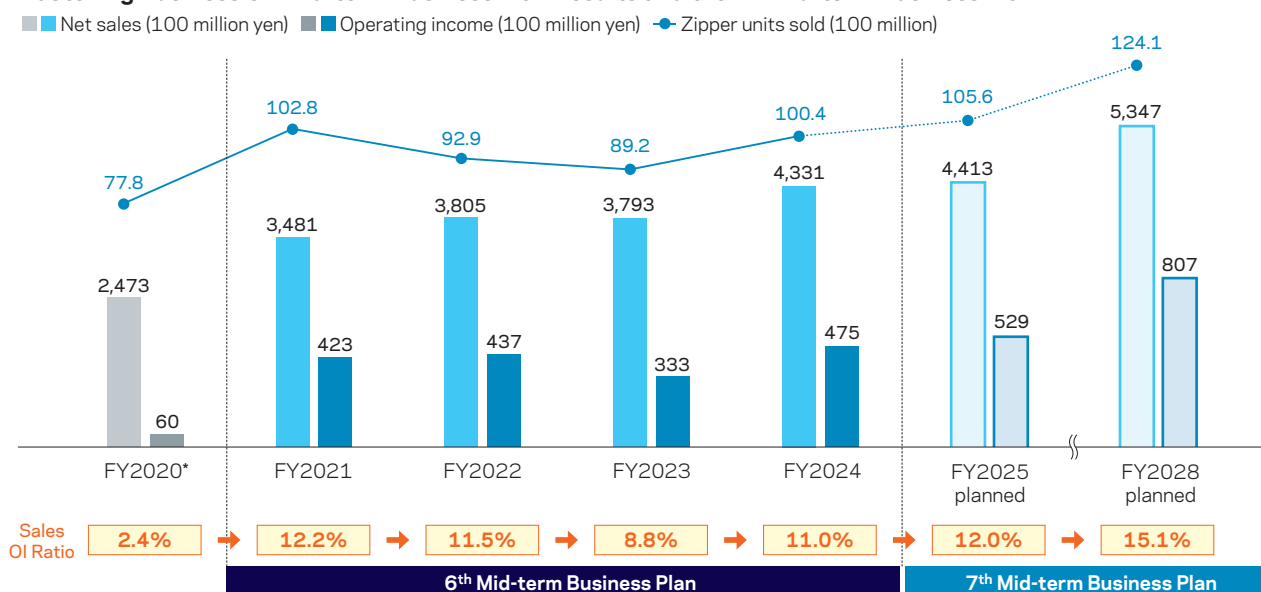
After joining the company in 1991, I worked for approximately 20 years in Italy, Poland, China, Indonesia, and Bangladesh. I have worked in completely different cultures and business environments in different countries and regions. In Japan, I led strategy implementation as Executive Vice President at both the Global Sales Headquarters and Business Strategy Division during the 6th Mid-term Business Plan, starting in FY2021. I intend to use these various experiences to fulfill my job responsibilities to the best of my ability.

YKK has the philosophy of the CYCLE OF GOODNESS®, which has been passed down from the era of the company's founder, Tadao Yoshida. This is a management philosophy born out of actual implementation, and in the past, when I have felt lost or hesitant, the YKK Philosophy has constantly been my pillar of support. Though I will be the first president of my generation not to have interacted directly with the founder, I am determined to carry on this corporate spirit, which is the foundation of our business.

Looking back at our most recent results, in FY2024, net sales were 433.1 billion yen, and our operating income was 47.5 billion yen, both higher than the actual and planned figures from the previous fiscal year. In terms of zipper unit sales, which we have positioned as one of our key management indicators, YKK successfully surpassed the 10 billion unit mark for the third time. I interpret the fact that we were able to achieve such high figures, despite the lack of growth in total demand, as the result of the various measures we have taken up to the 6th Mid-term Business Plan bearing fruit.

Even after the COVID-19 pandemic was finally contained, the business environment around us continues to fluctuate due to issues that include challenges regarding U.S. tariffs. We need to respond swiftly and flexibly to changes in the market and customer requirements, while treating the CYCLE OF GOODNESS® as something valuable that must not change with the times. Notably, we will place a strategic focus on new sectors, such as countries and regions with significant potential for growth, as well as industrial materials.

Fastening Business 6th Mid-term Business Plan Results and the 7th Mid-term Business Plan



* After adjustment for reorganization

Improving Our Power as a Team Through ONE YKK

Going forward, the apparel and luggage industry is expected to shift and disperse garment manufacturing locations in line with changes to the political and economic environment, and to push forward with high-mix, low-volume production in accordance with a growing awareness of sustainability and changing consumer preferences. Increasingly, we will need to respond quickly to customer requirements on an ever-more global scale.

YKK has developed its business under the Five-Region Global Management Structure in six operating regions around the world. Each of our operating companies has increased its competitiveness through highly independent and flexible business operations. However, along with the expansion of globalization and digitalization, the fact is that there have also been cases where our customers – especially those operating in multiple countries/regions – have expressed dissatisfaction with the services we provide when goods are procured in different countries/regions due to variance in product specifications, delivery times, and other services.

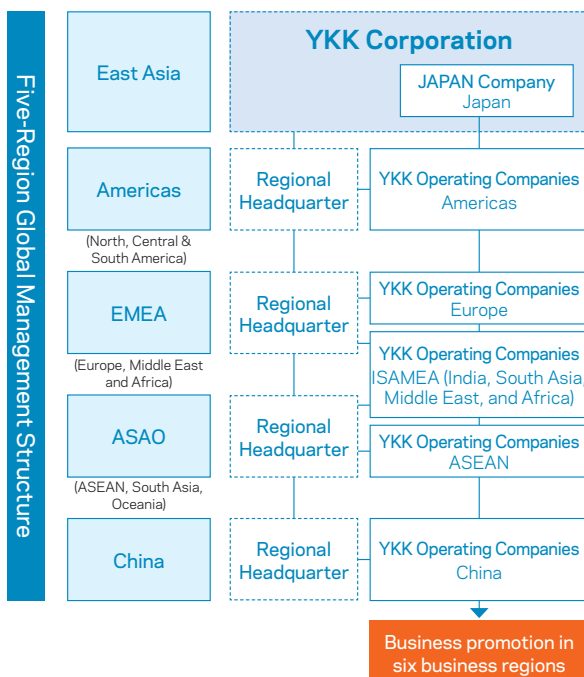
That is why we adopted ONE YKK as the key phrase for the 7th Mid-term Business Plan. Each of our operating companies, as well as individual employees, will work to hone their skills together while mutually complementing one another to improve the strength of one team: YKK. This is an attitude that is also in

line with the philosophy of Forest Management once set out by our founder, which aims to develop the individuality and abilities of each employee and to encourage growth for all. We will establish a system that can respond promptly to any customer request by linking the supply infrastructure and networks that YKK has built up in each country/region to date to create a global value chain, and by enhancing our sense of unity as ONE YKK.

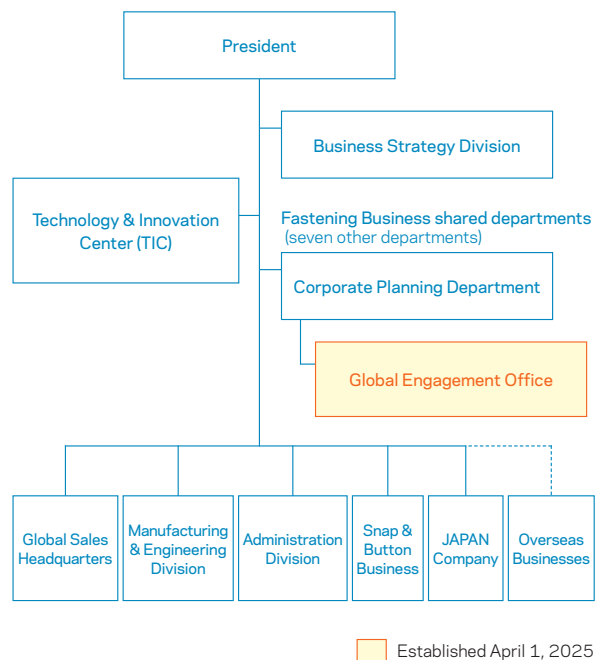
YKK always aims for sustainable growth from a medium- to long-term perspective. We were one of the first to introduce an officer system that separates management execution and supervision, and we have also focused on enhancing our global governance through efforts such as establishing the YKK Global Criteria of Compliance (YGCC), our unique global compliance standards. Despite being an unlisted company, we continue to pursue the high level of corporate governance systems demanded of listed companies.

Furthermore, in 2025, we newly established the Global Engagement Office under the control of the Corporate Planning Department. We will accelerate the development of a sense of unity by promoting initiatives to improve global engagement, centered on this office, and with our strong belief in “contributing to the creation of a sustainable society,” we will pursue future enhancements to our corporate value.

7th Mid-term Regional Management Structure



FY2025 YKK Corporation Organizational Chart



Reviewing the 6th Mid-term Business Plan: Results and Challenges

Until last fiscal year, under the 6th Mid-term Business Plan, we adopted the theme of “Better products at a lower cost and greater speed, more sustainably,” and promoted the “three optimizations” – the right time, the right material, and the right amount – to supply customers when necessary with the products they require, in the quantities they demand. I feel that our efforts to steadily build up our strength when the future was unclear during the COVID-19 pandemic – with that crisis as an impetus – have paid off, and we have achieved solid results.

In particular, the changes to the organizational structure in 2021 have resulted in closer communication within the Group, which has led to a much faster pace of business decisions and other actions. I also feel that we have made steady progress in terms of reducing manufacturing equipment costs, as well as making lead times shorter through the promotion of projects

for reform in lead time. I am aware that we need to accelerate our efforts in terms of product development and digital support.

Furthermore, we established the theme of “Contribute to a sustainable society as ONE YKK” in the 7th Mid-term Business Plan. I would like us to have the strong desire to deliver YKK fastening products not only to our direct customers, but also beyond them, to consumers all over the world. I also believe that it is important to increase our competitiveness in all aspects, including products, price, quality, and brand, and to create discoveries and surprises for the global market, such as “YKK is all around you.”

To that end, we will create a sense of “WOW” and joy through more innovative products and services and push forward with initiatives aimed at making YKK the company of choice for many customers.

The 7th Mid-term Business Plan and Seven Priority Measures

The 7th Mid-term Business Plan has seven specific priority measures.

The first is to “advance sustainability,” which YKK has made a cornerstone of management. In addition to continuing our initiatives to achieve the YKK Sustainability Vision 2050 which was formulated in 2020, we will also devote ourselves to resource recycling and bringing about a circular economy.

The second is to “propose exciting products.” While the word “WOW” can be interpreted in various ways depending on the person, we would like to create exciting and moving experiences for our customers, society, and our employees, which are felt from different perspectives. We want to work together with sales, development, and production to create

products that can provide those exciting and moving experiences. To achieve this, I believe we need to make a series of small improvements and make big changes.

The third pillar, pursuing cost competitiveness through new technology, is an eternal challenge for us. To ensure that customers continue choosing YKK products, we will conduct a comprehensive review of our *monozukuri* practices – including manufacturing equipment – building on the initiatives undertaken through the 6th Mid-Term Business Plan.

We will build and optimize our global/local supply chain, while simultaneously using digital technology to build a globally connected business foundation. By doing this, we will achieve the “right time,” “right material,” and “right amount” on a global scale at an

Contributing to the Achievement of a Sustainable Society Through ONE YKK

- Evolving Into a Company That Creates Inspiring Experiences for Customers, Employees, and Society -

“Better products at a lower cost and greater speed, more sustainably”
“Providing exciting products and services to ‘WOW’ our stakeholders”

- Advance sustainability
- Propose exciting products
- Pursue cost competitiveness through new technology
- Optimize global/local supply chain
- Build a globally connected business foundation
- Tackle the untapped market
- Enhance employee engagement and strengthen the YKK brand

“ I want to take on the challenge of “WOW” more stakeholders by changing what needs to be changed. ”



even higher level, and bring our products to consumers in untapped markets, including those in emerging economies where YKK products have not become widespread.

The driving force behind all of these efforts is “people.” If each and every employee can work with a sense of joy, we will be able to provide joy to our customers and to society. In that sense, human assets are important as the source of all business activities, and we need to actively invest in them. Strengthening the YKK brand is also only possible if employees have confidence in our products and become “messengers” to communicate their value. “Enhance employee

engagement” and “strengthen the YKK brand” as introduced in the Seven Priority Measures make a pair; they are one and the same.

In addition, we plan to invest 80.3 billion yen in FY2025 to implement these priority measures, compared to the actual figure of 38.6 billion yen we invested in FY2024. A total of 247 billion yen is planned for the four years of the 7th Mid-term Business Plan, and in addition to making active investments in emerging countries, which will be responsible for future growth, we will invest in mature nations as well.

Toward Our 100th Anniversary in 2034

YKK celebrated its 90th anniversary in 2024. We will deliver solid value to our stakeholders – our customers, employees and society – and ensure that we lay the foundation for our next milestone at 100 years.

As I feel from my own past experience, work is not something you can do alone. You build confidence in yourself by forging relationships of trust with the colleagues you work with, and by repeatedly being in situations where you gain the trust of customers

by responding to their requests. I believe that is also when our “convictions” are developed, which become our points of reference when we have to make decisions.

I would like to level up as ONE YKK without leaving even a single person behind, so that all our employees will be able to build on such work. We will continue to tirelessly challenge ourselves in order to become a more exciting and vibrant company.

[MY TURNING POINT]



YKK booth at a fashion materials exhibition in Italy in 2003

Opening Up Luxury Markets at YKK ITALIA S.P.A.

A major turning point for me was my experience at YKK ITALIA S.P.A., where I was posted in 1998, my seventh year with the company. At the time, the business environment surrounding YKK ITALIA S.P.A. was becoming increasingly difficult, due to garment manufacturing bases being shifted to Eastern Europe. Dealing with luxury markets, including high-end brands, was essential. Together with my colleagues, I worked on branding and upgrading our products, and the refined item was our top-class EXCELLA® zipper. This product is now highly popular. However, at the time, in the highly competitive European market, products from Japanese companies were being rejected at the door. Nevertheless, I persevered in promoting the new product, which was developed and manufactured together with local colleagues, and as a result, the product was adopted by customers. Locally based management gave me a sense of unity and achievement with my local colleagues; it also made me realize the importance of taking the perspective of others and striving to gain their trust, which is something I now believe in.

Message from the Executive Vice Presidents

Being Unified Across Regional and Functional Boundaries

Toru Shikita

Executive Vice President, Business Strategy Division
Director

The role of the Business Strategy Division is to strengthen our competitiveness as ONE YKK by linking the functions of individual operating companies and divisions to find the next opportunities for growth in diverse markets around the world. In the 7th Mid-term Plan, under collaboration between the Glocal Supply Strategy Group (GSSG) and the Global Marketing Group (GMG), we will link operating companies in each country and region to accelerate cooperation between development, manufacturing, and sales functions. As consumer markets, other than China, which is vast, and ASEAN countries, which have had remarkable growth, opening up new potential frontiers such as South Asia and Africa will be key for us going forward.

“Propose exciting products” was also one of the points adopted in the business policy of the new Mid-term Plan. A sense of “WOW” does not come from mere product specifications and features, but from the go-for-it attitude and passion of employees who are committed to solving customers' problems. When each employee embraces this mindset in their work, and all departments unite in the pursuit of excitement, we can deliver a new kind of value – emotional impact – to our customers and society, further strengthening the YKK brand.

Delivering “Speed” and “Joy” to Customers

Reisuke Aratani

Executive Vice President, Global Sales Headquarters

At the Global Sales Headquarters, we adopted “speed” and “joy” as two keywords during the 7th Mid-term Plan. Speed refers to “providing comfort.” Speed in all aspects – including response, development and delivery – and not keeping customers waiting, will generate high levels of satisfaction and also enable YKK to grow in a sustainable way.

On the other hand, “joy” is something that arises from “WOW” products that go beyond conventional thinking and imagination. The AiryString® tapeless zipper is one example. We could say it is a dream product for zipper manufacturers and customers alike, which even changes the way that *monozukuri* should be. We aim to continue creating such exciting products together, while also fostering a work environment where employees can feel inspired and engaged. We believe this sense of excitement leads to joy in each individual's work. Additionally, we will strategically incorporate more sustainable product offerings—with the ultimate goal of making all our products sustainable.

Taking on the 7th Mid-term Plan

As the 7th Mid-term Management Plan (hereafter referred to as the 7th Mid-Term Plan) gets underway, we would like to introduce messages from the



(from left)
Reisuke Aratani, Toru Shikita, Satoshi Honda, Yoshimine Kobayashi

Challenge of the as ONE YKK

Executive Vice Presidents responsible for each function of business strategy, sales, manufacturing & engineering, and business administration.



Photo location: YKK 80 Building

In 2016, the YKK 80 Building became the first office building in Japan to be awarded the Leadership in Energy & Environmental Design-Core and Shell (LEED-CS) Platinum certification (the highest rank).

Focusing on Implementation of Smart Factories

Yoshimine Kobayashi

Executive Vice President, Manufacturing & Engineering Division
Director

The Manufacturing & Engineering Division will continue to focus on implementing smart factories under the business policy of "Contribute to a Sustainable Society as ONE YKK." The demands of customers and society are constantly changing with the times. In this context, we are in the process of developing new lines to quickly respond to our next challenges: high-mix, low-volume production and added value creation. We will build on the various strengths of our locations in each country/region to create a system that will enhance our strength as a whole.

Furthermore, in addition to "strengthening cost competitiveness" and "improving delivery times," which were also addressed in the 6th Mid-term Plan, another important aspect of the 7th Mid-term Plan is focusing on improving efficiency by also utilizing digitalization and AI technology. This will not only improve customer satisfaction, but will also help to reduce stress among employees who are responsible for day-to-day operations. We will make YKK a stronger organization by attempting to use new technologies without fear and by taking on challenges with the attitude of getting things done, no matter what.

Enhancing the Foundation of ONE YKK Globally

Satoshi Honda

Executive Vice President, Administration Division
Director in Charge of Pension Policies and Chief Financial Officer (CFO)

During the 7th Mid-term Plan, we aim to build on the foundation established by the Administration Division and deepen collaboration with business divisions to actively contribute to business growth. As demand grows for high-quality products trusted worldwide, traditional siloed organizational structures within administrative functions are no longer effective. We must take our advanced expertise on functional axes, such as accounting and human resources, and combine them on regional axes based on the characteristics of each country/region. Another important key is to set up each of our operations so that they are optimized as ONE YKK worldwide, and to create an environment in which global human assets can be trained and play active roles.

I believe that our role as an administrative department is to serve as an assistant to the management and business units, to step on the accelerator to boost businesses, to apply the brakes to manage risks, and to make decisions based on accurate situational assessments. While valuing both a global perspective and an understanding of each country/region, we will push forward with making our business management functions more advanced and continue to refine our comprehensive strength as ONE YKK.

Contribute to a Sustainable

— Evolving into a Company that Creates Inspiring Experiences

YKK will celebrate its 100th anniversary milestone in 2034.

With the YKK Philosophy of the CYCLE OF GOODNESS® and the Management Principles at our core, we will continue taking on challenges for the future by enhancing our unity through the ONE YKK framework in order to deliver even greater value and inspiring experiences to stakeholders around the world.

Americas

Net sales

51.2 billion yen

Europe

Net sales

61.6 billion yen

ISAMEA

Net sales

69.2 billion yen

ONE

Society as ONE YKK

for Customers, Employees, and Society —

ASEAN

Net sales

103.2 billion yen

China

Net sales

115.7 billion yen

Japan

Net sales

29.6 billion yen

Net Sales by Region (FY2024)



YKK

7th Mid-term Business Policy and Strategy

Contribute to a Sustainable Society as ONE YKK

— Evolving into a Company that Creates Inspiring Experiences for Customers, Employees, and Society —

For the 6th Mid-term Business Plan (from FY2021 to FY2024), under the theme of “sustainable growth under the new normal,” we worked to improve our business competitiveness in order to respond to diverse customer needs. In order to deliver “better products at a lower cost and greater speed, more sustainably” to our customers, we adopted the “right time, right material, and right amount” as keywords, and engaged in efforts to enhance development of sustainable products, address customer issues via the use of digital technologies, and thoroughly reduce manufacturing costs. This has enabled us to supply customers with the products they need, when they need them, in the necessary quantities, and as a result, we have achieved steady gains in areas such as effective resource use, waste reduction, shorter lead times, and improved operational efficiency.

In the apparel industry, where fastening products are widely used, it is expected that going forward,

procurement diversification, greater awareness of sustainability, and changes in consumer preferences will continue driving trends towards high variety, low volume, and shorter cycles. To meet this challenge, we must respond quickly to customer requests globally. However, our approach of emphasizing the independence of each overseas subsidiary has led to cases where customers perceived YKK as a non-cohesive supplier and were not fully satisfied.

For the 7th Mid-term Business Plan (from FY2025 to FY2028), we will cultivate human assets who have the ambition and confidence to contribute to a sustainable society, and who can face customer issues head-on. In addition, we will promote the creation of a sense of unity in the Fastening Business by utilizing digital technology and build a value chain through the ONE YKK system; our policy is to create value unique to YKK.

Business Environment

Social

- The risk of a global economic downturn due to reciprocal tariffs
- Increasing geopolitical risks
- The possibility of a retreat from climate change measures and relaxation of environmental regulations

Market

- The possibility of declining demand due to a wait-and-see attitude towards production by global customers
- Relocation and dispersal of garment manufacturing locations
- The possibility of slowing demand for sustainability products
- Expanding demand in growing countries, including countries and regions in Asia

Technology Innovation

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

YKK Philosophy, CYCLE OF GOODNESS® / Management

YKK Group Code

(Fastening Business 7th Mid-term Business Policy)

Contribute to a Sustainable

— Evolving into a Company that Creates Inspiring

“Better products at a lower cost and
 “Provide exciting products and services

- Advance sustainability
- Propose exciting products
- Pursue cost competitiveness through new technology
- Optimize global/local supply chain

YKK Sustainability

Plans for Investments and Businesses in the 7th Mid-term Business Plan

To adapt to changes in the market and environment and to achieve sustainable growth and a competitive advantage, we are actively investing in streamlining, sustainability, and digital transformation. We aim to achieve the performance targets set out in the 7th Mid-term Business Plan through these efforts.

Investment plans

Total amount **247.0** billion yen
 FY2025 (planned): **80.3** billion yen

Regional Breakdown

China/ASEAN/ISAMEA **54.1** billion yen
 Japan/Americas/Europe **24.9** billion yen

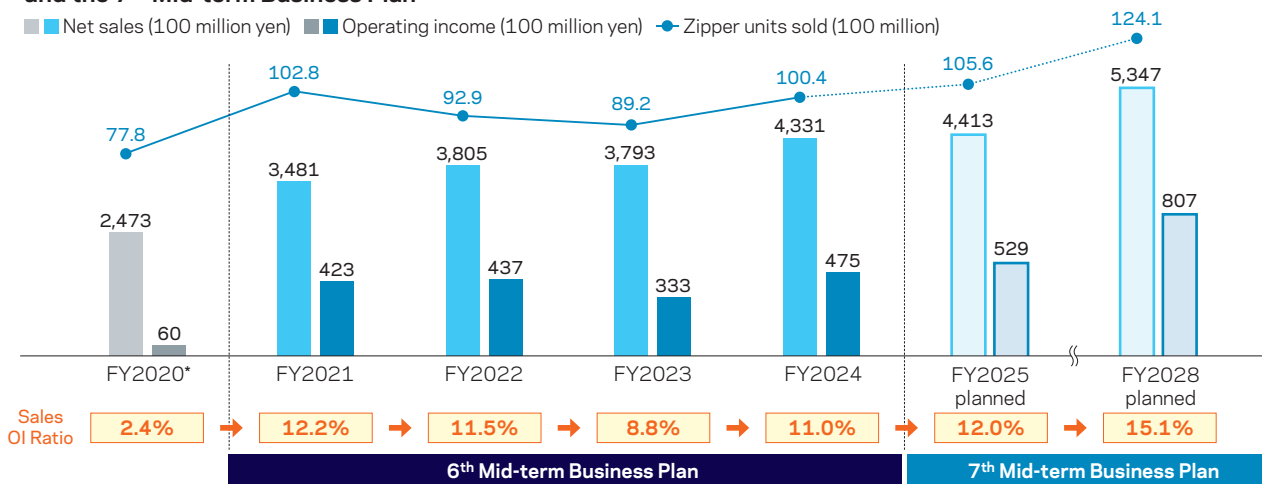
Main objectives

Sustainability-related **8.4** billion yen
 Digital-related **5.4** billion yen

* Total also includes the amount from investment plans by regional headquarters.

Fastening Business 6th Mid-term Business Plan Results and the 7th Mid-term Business Plan

■ Net sales (100 million yen) ■ Operating income (100 million yen) ● Zipper units sold (100 million)



* After adjustment for reorganization

Principle "YKK seeks corporate value of higher significance."

of Conduct

Society as ONE YKK

Experiences for Customers, Employees, and Society —

greater speed, more sustainably" to 'WOW' our stakeholders"

- Build a globally connected business foundation
- Tackle the untapped market
- Enhance employee engagement and strengthen the YKK brand

Vision 2050

2034
 Towards our centennial anniversary

7th Mid-term Business Policy and Strategy

7 Priority Measures

We have adopted the following seven priority measures to accomplish the 7th Mid-term Business Policy. For YKK to evolve into a company that creates inspiring experiences for customers, employees, and society, it must be driven by a strong belief in delivering its products to consumers around the world. To achieve this, we will enhance our business competitiveness in every aspect – including our products, prices, quality, and brand – and create new discoveries and surprises for all markets and consumers around the world.

01 Advance sustainability

We have strongly promoted advancing sustainability to achieve the YKK Sustainability Vision 2050, which was formulated in 2020. Sustainability is a mindset similar to the YKK Philosophy of the CYCLE OF GOODNESS®. In the 7th Mid-term Business Plan, we will accelerate our decarbonization efforts and focus on various initiatives and product development in order to promote bringing about a circular economy, which is an urgent issue especially in Europe.

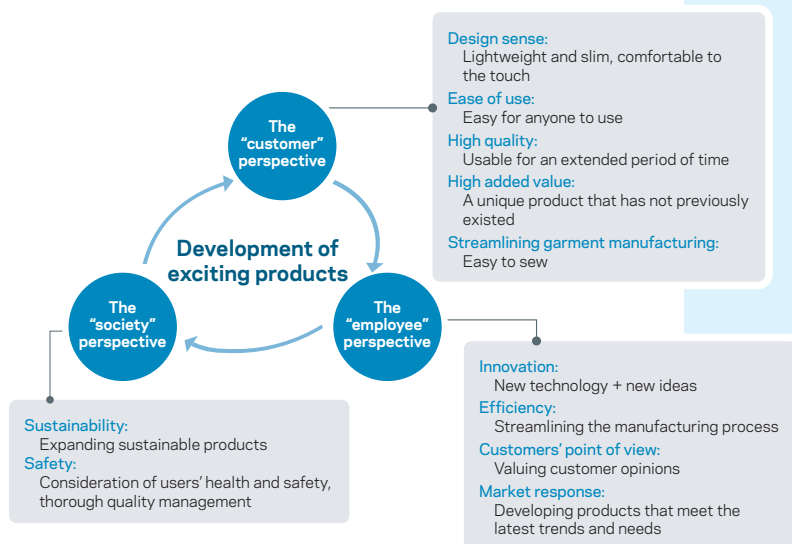


NATULON® Fiber Sourced™

02

Propose exciting products

We will integrate sales, development, and manufacturing in product development, and focus on initiatives to “WOW” both creators and users through exciting products and services. The three perspectives that form the basis for considering the creation and provision of a sense of “WOW” are “customers,” which includes business partners and general consumers, “society,” and “employees.” We will respond to the requests and expectations of each stakeholder and create products and services that excite everyone.



03

Pursue cost competitiveness through new technology

To pursue cost competitiveness, we will conduct a comprehensive review of our *monozukuri* practices – including manufacturing equipment – and build on them. The core of that initiative is establishing the foundation for “smart factories,” utilizing the elemental technologies of non-stop/unmanned production lines that we have cultivated over the years. We will aim to improve customer service via ONE YKK through automation of *monozukuri* and technology which connects customers with manufacturing sites and factories all over the world.

04

Optimize global/local supply chain

With the market environment and consumer awareness surrounding fastening products changing rapidly, there is a growing demand for a wide variety of products, low volume, and short lead times. In response, we will focus on establishing an optimal supply system which combines the advantages of both global and local operations. We plan to achieve equalized production through network coordination among our global bases, while also promoting flexible costs and improved on-time delivery performance in local markets.

05

Build a globally connected business foundation

We will focus on establishing a standardized business foundation on a global scale, so that our customers can appreciate the value we provide as ONE YKK to an even greater extent. With the Digital Business Development Department established in FY2024 playing a central role, we will work to integrate the management of product codes at a global level and reform our overall business operations, while also focusing on developing the human assets to support these efforts.

06

Tackle the untapped market

Currently, YKK operates in 70 countries and regions around the world, and we believe that there is still room for growth in delivering our company's products to the world, with its eight billion inhabitants, and having them put to use. We will also develop fastening products that meet the needs of consumers in emerging countries, where future growth is expected, and strive to deliver YKK products to as many people as possible.

07

Enhance employee engagement and strengthen the YKK brand



Our "people" are the driving force for all of our business activities. We will build a vibrant organizational foundation by implementing a value chain through ONE YKK, boosting the confidence and joy of employees, and providing opportunities for them to flourish and take on challenges globally. In addition, we will execute a unified brand strategy to improve YKK's brand value over the medium- to long-term, with the Global Brand Strategy Department of the Business Strategy Division at the center of these efforts. It is our employees who enhance the value of our brand, and we will move forward with these two themes in an integrated manner.

The foundation for achieving these goals is the realization of a smart factory, built upon the elemental technologies developed through our experience with uninterrupted, unmanned production lines. On the following pages, we will introduce initiatives that we will particularly focus on for FY2025.

- Advance sustainability 27
- Propose exciting products 29
- Implement smart factories 31
- Enhance employee engagement 33

ONE YKK

Advance Sustainability

The theme of “advance sustainability,” as outlined in the 7th Mid-term Business Plan, is an important one which YKK has placed at the core of its management since the 6th Mid-Term Business Plan. At the root of that idea is the founder’s conviction that the YKK Philosophy of the CYCLE OF GOODNESS® and “manufacturing like clear spring water” – which does not cause precious material resources to be lost – are the true meaning of wealth. We have inherited that conviction, and we will continue to take on challenges towards realizing decarbonization and a circular economy, based on activities targeted at achieving the YKK Sustainability Vision 2050.

Towards the Realization of Decarbonization



In the course of expanding business activities globally, YKK formulated the YKK Sustainability Vision 2050 to achieve climate neutrality and coexistence with nature by the year 2050, and has been promoting multifaceted initiatives for sustainability.

In terms of climate, we are promoting the reduction of GHG emissions within our company and the supply chain under the net-zero target*¹ certified by SBTi. To reduce emissions within our company, we are expanding the introduction of energy-efficient production equipment and factory infrastructure, and installing solar power generation systems. We installed solar power generation systems at the YKK Vietnam Co., Ltd. Dong Van Factory (Phase 2), which was completed in January 2024, and procured electricity through a PPA*². The plant has received LEED Silver*³ certification – a U.S. building environmental performance evaluation system – in recognition of its environmentally conscious features such a drainage recycling system and the creation of green spaces that promote biodiversity, in addition to measures that result in reduced CO₂ emissions, including the installation of high-efficiency lighting and EV charging stations.

Net-Zero Target

YKK will achieve net-zero GHG emissions across the entire value chain by FY2050.

Near-Term (FY2030)

- Scope1+2** **50% reduction** (from FY2018 baseline)
- Scope3** **30% reduction** (from FY2018 baseline)

Long-Term (FY2050)

- Scope1+2** **90% reduction** (from FY2018 baseline)
- Scope3** **90% reduction** (from FY2018 baseline)

* Measures to absorb and eliminate carbon emissions will be implemented for the remaining 10%



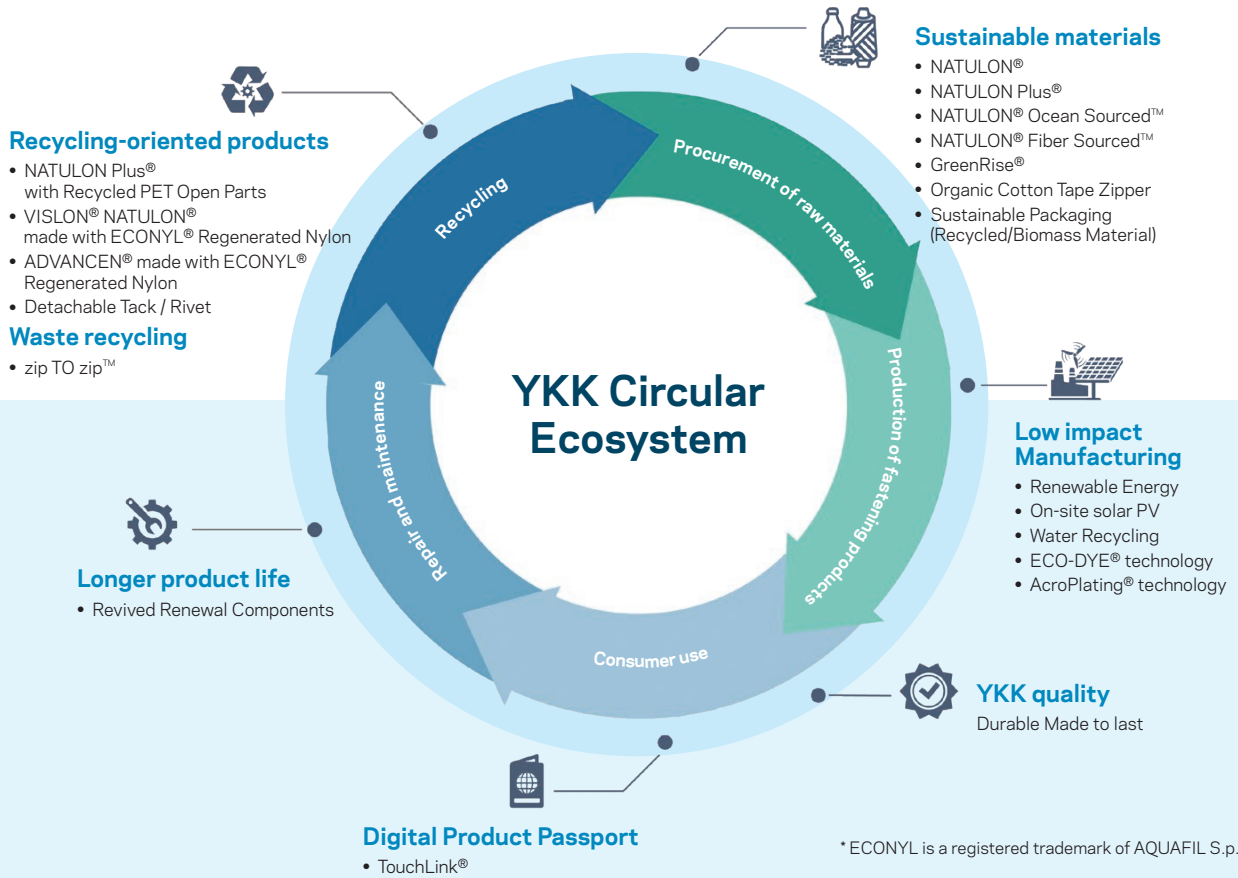
The YKK Vietnam Co., Ltd. Dong Van Factory (Phase 2, from the center-back section to the right-back section of the facility, has obtained LEED Silver certification)

¹ Net-zero target certification in the textile/apparel/ footwear/luxury goods sector (obtained in December 2024)

² Power Purchase Agreement


³ LEED v4 BD+C: New Construction and Major Renovations

Towards Bringing About a Circular Economy



A circular economy is an economic system in which existing materials and products are utilized as long as possible, and continue to circulate through processes such as being repaired, reused, and recycled. In order to contribute to the transition to this sustainable economic system, YKK is focusing on developing new products and technologies, such as switching to the NATULON® zipper series which uses recycled material in the zipper tape segment, the Revived Renewal Components which were announced in the fall of 2024, and a zipper for PET garment recycling, made from PET materials as much as possible, with recycling after use in mind.

We have also launched zip TO zip™, an initiative to reuse discarded fastening products and transform them into new fastening ones.

 Details are listed in the Data section.



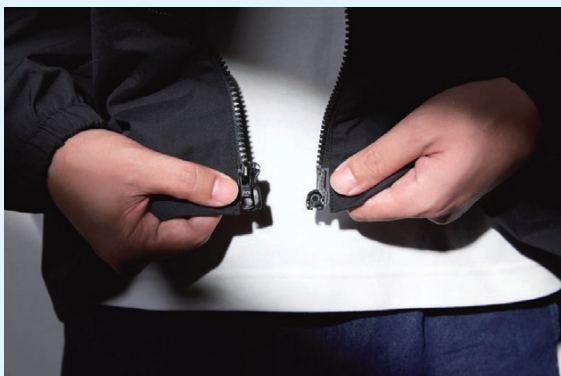
Revived replacement elements for VISLON®. Zippers can be repaired by attaching die-cast revived replacement elements, using a special tool to replace elements that have come off

ONE YKK

Propose Exciting Products

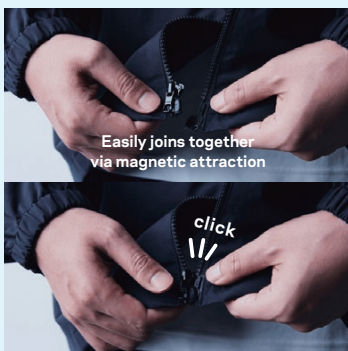
“Propose exciting products,” which we adopted in the 7th Mid-term Business Plan, refers to our goal of developing products that offer new impressions from use, are easier to handle, and are conscious of the environment and safety, thereby delivering a sense of “WOW” to our business partners and general consumers. Our founder continually told employees, “Anyone can become an inventor and discover ingenuity.” We will give shape to ideas born from the various perspectives of our customers, society, and employees, and create inspiring and valuable products.

A magnetic zipper that anyone can easily open and close with a snap to the left and right



QuickFree® click-TRAK® Magnetic Zipper

This innovative zipper allows for easy opening and closing without lowering the puller. The slider will “snap” open when the chain is pulled to the left and right. The magnets built into the left and right open parts attract each other, allowing them to snap together instantly without the use of human hands.



Customers

The QuickFree® click-TRAK® Magnetic zipper was created in response to feedback from people with limited hand mobility who found zippers difficult to open and close, and was developed with an emphasis on universal design that is easy to use for everyone. It has been lauded by Paralympic athletes as “being convenient for putting items on and taking them off during matches.”

Society

YKK’s products meet the diverse needs of customers and society, while also using materials and manufacturing processes that take sustainability and safety into consideration. We will contribute to the spread of socially useful products by adding the value of easy on-and-off functionality to sportswear and clothing for children and seniors.

Employees

We would like more people to experience the comfort of easy on-and-off functionality with a new sensation. We are continuing to build on this product even now through repeated discussions with stakeholders, prototyping, and refinement. Regarding co-creation activities with people with dementia, we were commended for the process of participatory development for three items – including this product – which involved those affected by dementia, and won the top prize at the “Orange Innovation Award 2024.” We will continue to value the perspective of customers to create innovative products and technologies.



Freedom from a “prickly sensation” Hook and loop fasteners which combine sleek slimness and strength



POWERHOOK™ fastener (Item code:1QCLF-E)

While conventional hook and loop fasteners are manufactured by weaving or knitting fibers, the POWERHOOK™ fastener uses a continuous injection molding manufacturing method. The hooks have a narrow and smooth “X-shaped” pitch, providing a pleasant feel against the skin and preventing lint from getting easily entangled.

consideration of customer needs, as well as trial and error from the customer’s perspective. In particular, we want to bring new comfort to the many people who have endured the prickliness of hook and loop fasteners until now.

Customers

We improved the issue of the prickly sensation which has been a problem with conventional hook and loop fasteners by positioning the hooks closely together, resulting in a smooth feel against the skin. In addition, the POWERHOOK™ fastener can be easily removed with minimal force, making it suitable for use in situations where ease of use and comfort are required, such as underwear, children’s clothing, and medical supplies.

Society

Combining this product with a special loop surface makes it thinner and more resistant to pulling than conventional hook and loop fasteners. It is also used in waist supports to take advantage of its thinness and strength. In addition, lint and hair do not easily get tangled in it, making the POWERHOOK™ fastener ideal for sportswear and dog shoes – which are washed repeatedly – and providing an option for long-term use.

Employees

This product, which solves the problems of conventional hook and loop fasteners in a unique way, is the result of our careful



Can handle heavy loads, even with a small contact area

Buttons for jeans that make it easy to recycle clothing

Customers

In the apparel industry, which is promoting a transition to a circular economy, it is recommended that metal components – such as buttons – be removable in designs for jeans. We improved the product and made it possible to remove the part attached to the inside of the jeans. Another important point is that the product is easy to use, as it looks no different than conventional products and the attachment process is the same.

Society

As the circular use of clothing garners attention, the popularization of this product will contribute to improving the recycling rate of clothing. Previously, the fabric would be cut into pieces; however, this product allows for easy removal of only the metal parts with a special tool, enabling safer and more efficient recycling than before.

Employees

In order to pursue safety and convenience in recycling while maintaining product quality without changing the installation process for our customers, we had to consider various perspectives. Going forward, we will use this product as a starting point to develop sustainable products that are easier for customers to recycle, such as ones made of a single material.



Detachable Tack / Rivet

In order to improve the recycling rate of apparel products, we have developed a structure that allows tacks and rivets to be removed. This product is designed to be safely and easily removed from jeans and other garments using a special tool, making it possible to completely separate it from the fabric.

ONE YKK

Implement Smart Factories

In terms of manufacturing and technology, we will focus on implement smart factories that further evolve our existing non-stop/unmanned production lines. YKK founder Tadao Yoshida long-aimed to implement “dark factories” which do not need to be lit because they are fully automated and unmanned. Through the use of digital technologies, we will implement factories which operate 24 hours a day, 365 days a year, and reform employees’ ways of working, while connecting manufacturing locations around the world to further advance *monozukuri*.

Expanding our “model factories for production” to locations in various countries and regions

The 7th Mid-term Business Plan aims to implement smart factories through global expansion, solve customer issues, and reform employees’ ways of working. The following is a sampling of recent initiatives at our locations in various countries and regions around the world.

Cultivating a culture which embraces new technology is also an important process

We are currently promoting a project to optimize picking, transport, and distribution tasks within warehouses in a quick and accurate manner via an automated warehouse system centered around Automated Guided Vehicles (AGVs) and automated conveyers. During the initial implementation phase, there was some hesitation among on-site staff about transitioning from manual processes to automation. However, through careful explanations and training by on-site managers, trust in the system grew, and now everyone is able to handle their duties with confidence. Through this process, I learned many lessons about factory automation and human assets development. I would like to continue fostering a culture of embracing new technologies, actively share information between our various locations, and move forward together with all our employees.



Cao Van Hoc
FA Group Manager

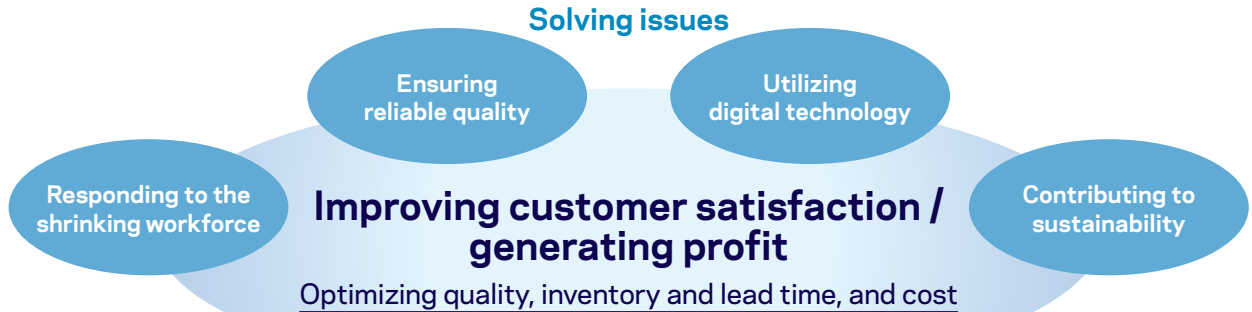


Riccardo Galli
Finishing Process Manager,
Manufacturing Division
Vercelli Factory

Achieving more stable high quality through quality inspections using AI technology

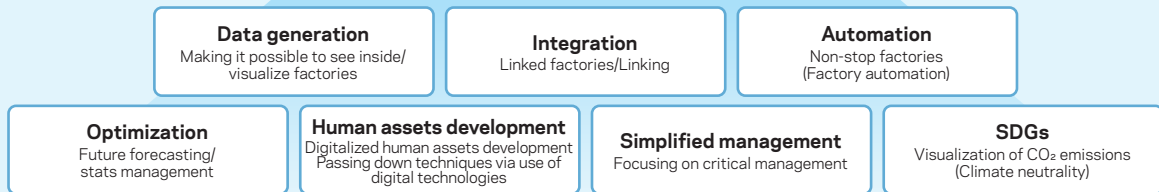
We have introduced and are operating a quality inspection system for cut zippers using AI technology on our production lines. Standardizing quality control using the latest technology eliminates the human error that occurred in conventional visual inspections, while also improving work efficiency and contributing to shorter delivery times and cost reductions. The system’s operability has been very well received by employees in the field, enabling them to concentrate on their duties in a better working environment. We have also seen a noticeable improvement in employee awareness of quality. We will continue to work with Japanese engineers to improve the system, striving to deliver the highest quality products that meet our customers’ expectations and earn their satisfaction.

Desired Outcomes and Expected Effects of Smart Factory Implementation



Factories that operate 24 hours a day, 365 days a year
Achieving the “right time, right material, and right amount”

Key themes to make smart factories a reality



Linking automation to the provision of new value to customers and consumers

We have established a new organization to implement smart factories and are promoting the introduction of automated equipment and warehouse management systems. As production speed has increased and large-scale data analysis has become possible, work procedures have simultaneously been clarified, which has enabled even new employees to quickly participate in line work. In addition, by introducing the latest equipment, the barriers between processes have been lowered, and communication between employees has become easier, which I feel has increased the speed of problem solving. Ultimately, I would like to use the results of these activities to create new products that set trends and further satisfy our customers and end consumers.



Hun Hwei Chang
Production Technical DEPT
FA Promotion Team



Sanjeet Kumar
Production Engineering

TPM activities also contribute to changing employee awareness

We are working on TPM* activities throughout the factory, including real-time data collection through the introduction of a POP traceability system, automation of inspections and logistics, and the introduction of RPA. We faced many difficulties when introducing these initiatives, such as concerns about unfamiliar tasks and coordination with existing equipment. However, we have handled them with the belief that combining advanced technology with human-centric design is the key to becoming a strong, intelligent company. These activities have not only improved safety and productivity, but also brought about a significant change in that employees have developed a stronger sense of ownership toward their workplace. Going forward, I think strengthening ties not only within the company, but also with suppliers and customers, will be crucial.

* Total Productive Maintenance

ONE YKK

Enhance Employee Engagement

Our employees are the driving force for all our business activities. The concept of Forest Management, as described by the founder, aims to create a vibrant organization that grows autonomously by utilizing the individuality of each tree, just like trees in a forest, and it conveys that YKK's most important assets are its people. For the 7th Mid-term Business Plan, we will create an environment where diverse and talented human assets can thrive globally, thereby improving employee engagement, strengthening our business promotion capabilities, and making contributions to our customers.

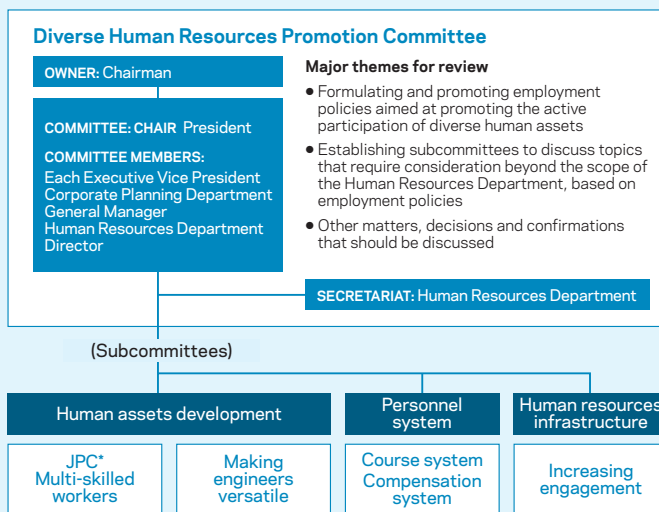
Promotion of the active participation of diverse human assets

YKK strives to create an organization that pursues diversity among employees—regardless of factors such as age, gender, and nationality—and links that diversity to results.

In FY2021, we established the Diverse Human Resources Promotion Committee, with the president as committee chair. We are formulating policies to promote the active participation of diverse human assets, and are discussing measures related to important themes in subcommittees established under said Committee to address human assets development, our personnel system, and human resources infrastructure.

In addition, in FY2021, we introduced a system in Japan that eliminated the mandatory retirement age and allows employees to choose their careers independently, regardless of age. We will continue to implement various measures such as human assets development and skills development.

YKK System For Promoting the Active Participation of Diverse Human Assets



* Japan Company

▶ Global (Fastening Business and other businesses, etc.)

Employees

28,053
people

Group company presidents of foreign nationality

24
people

85 Group companies

Development personnel (FY2024 performance)

1,025
people

▶ In Japan

Total number of participants in the next-generation leadership training program "Value Creation School"

212
people

Employees who are 60 years old or over

481
people

Average length of service Male / female

18.2 / 18.3
years

(As of March 31, 2025)

Toward even greater employee engagement (in Japan)

At YKK, where human assets with diverse backgrounds and personalities play active roles, we believe that job satisfaction and vitality of our employees will lead to satisfying customers and gaining their trust, which in turn will enhance the company's corporate value. In order to link increased engagement to improved corporate value, we have revamped our traditional employee awareness survey. Starting in 2023, we have begun conducting surveys that place greater emphasis on enhance employee engagement. The analysis results are shared with employees via the intranet, enabling them to understand the company's strengths and weaknesses and develop specific measures to improve.

Measures for increasing engagement introduced to date

- Life design support leave (spouse transfer)
- Expansion of remote working system operations (nursing care, spouse transfer)
- Revision of rules for granting annual paid leave
- Introduction of refreshment leave
- Expansion of the nursing care work system
- Introduction of job return recruitment
- Casual dress code (self-managed business attire) etc.

SURVEY OVERVIEW

Objective	To implement workplace development so that employees can work energetically and vibrantly, we will conduct surveys that focus on improving employee engagement and use those results to promote autonomous actions aimed at improving the workplace
Implementation period	Once a year (FY2024: May 13 to May 29)
Survey method	Internet
Response rate	Approximately 98%
Survey items (examples)	<ul style="list-style-type: none"> • Expectations and level of satisfaction with regard to the company, superiors, and the workplace • Overall level of satisfaction with the company, superiors, and the workplace • Company-related opinions and requests

Observed strengths and weaknesses

Strengths

Company policies and benefits, support from superiors, and cooperation within the workplace

Weaknesses

There are issues with openness, appropriate recruitment and deployment, adequate facilities, environment, and activities for future change

Response

- Disclosed results to general employees and managers
- Held workshops for managers on how to interpret results, create improvement action plans, and implement them
- Created and implemented improvement action plans for each workplace
- Continued the response by the Diverse Human Resources Promotion Committee

Aiming to be a company where many employees can experience the joy of working

In this employee engagement survey, we confirmed improvements in “ease of work,” which we have been focusing on, but it also highlighted remaining issues in terms of employee expectations and their satisfaction with the content of the work they do. The Diverse Human Resources Promotion Committee’s subcommittee for increasing engagement includes members from across departments, and we hope to consider effective measures from a variety of perspectives. After the survey, we held workshops for the heads of each workplace, and we feel that improving engagement in their own departments is becoming a personal matter for them. So that as many employees as possible will feel the joy of working for YKK, we will continue to deepen discussions and move forward with our efforts to gain their trust, confidence, and conviction.



Sayuri Tanaka

General Manager of the HR Planning Group
Human Resources Department,
Administration Division



Yoshio Shinoda

Vice President,
Human Resources Department,
Administration Division

Hiroaki Otani

Chairman

Jessica Cork

Vice President,
Global Engagement Office,
Corporate Planning Department

ONE YKK

ROUNDTABLE
DISCUSSION

Our People Are YKK's Core

— Advancing Global Human Capital —

Strengthening human capital is a key theme of the 7th Mid-term Management Plan (the 7th Mid-Term Plan), which began in 2025. How will we develop the human assets who will drive YKK's future expansion, based on the YKK Philosophy of the CYCLE OF GOODNESS®? Chairman Hiroaki Otani, Vice President Yoshio Shinoda of the Human Resources Department, and Vice President Jessica Cork of the Global Engagement Office engaged in a discussion about that question.

Key Drivers Behind YKK's Talent Development

—YKK has various teachings pertaining to talent development that were left by the founding president, and they are passed down even today. From among those teachings, what sayings do you feel strongly about?

Otani "You carry the front, I'll carry the back" is a phrase that deeply resonates with me and reflects a strong passion for talent development. To nurture people, you must trust them, delegate responsibilities, and allow them to gain valuable experiences. Supporting them from behind is equally important. I believe this mindset is timeless and universally applicable.

Cork For me, it's "Let's think of Japan as a province of the country called Earth" and "People - go out into the world and open your eyes. Young people - be inspired." Our founder had a global perspective from early on, and I find it truly inspiring that these words were spoken. I believe the reason the YKK Philosophy of CYCLE OF GOODNESS® is beloved by employees around the world today is precisely because of this

inclusive mindset.

Shinoda My favorite saying is "Do not fear failure; experience builds success," which is also one of the Core Values. In 2008, I was posted to YKK Zipper (Shenzhen) Co., Ltd. in the South China region as a human resources specialist and was assigned a project to introduce a manufacturing human resources system by Mr. Otani, who was the president of YKK Zipper (Shenzhen) Co., Ltd. at the time. Although I had only been in the role for a few months, I was able to take the plunge and try to solve problems in the manufacturing sector. Looking back, I remember that it was exactly as the quotations said: "You carry the front, and I'll carry the rear," and "Do not fear failure; experience builds success."



Strengthening Human Capital

— Key Points for the 7th Mid-term Plan

— Please reflect on the past in terms of strengthening human capital and enhance employee engagement.

Otani For the three years of the COVID-19 pandemic, YKK experienced hardships in many countries/regions, including unavoidable closures. In this context, we shared the Management Policy of “not inflicting losses on employees” across all companies and protected their employment. We were able to move forward with our employees all over the world precisely because we had a clear policy: the CYCLE OF GOODNESS®. At the same time, I was also reminded that the CYCLE OF GOODNESS® clearly shows us the significance of our existence in society, and who we are as YKK.



Shinoda A major endeavor in terms of our human resources policy was abolishing the mandatory retirement age system in Japan in 2021 as part of the “Challenge to Change the Way We Work” project.

Furthermore, starting in FY2022, we put the Diverse Human Resources Promotion Committee into full operation and also made efforts to promote multi-skilled workers in the manufacturing sector. We also reviewed the rules for granting annual paid leave, and introduced refreshment leave and a job return system in Japan. We have made considerable progress in the last four years in terms of systems, with remote work and flexible working systems becoming more normal. Instead of all employees aiming for the same goals, as in the past, we are building a system where everyone can achieve their own goals, with “autonomy” as the key word.

— Given the current situation, how do you perceive the challenges we face in this 7th Mid-term Plan?

Cork To enhance employee engagement, the first step is to help employees feel that their work is meaningful - and to ensure that their supervisors actively support them in discovering and deepening that sense of meaning together. We also need to take a look from different perspectives, such as whether employees feel valued and supported by colleagues and supervisors, and whether there are opportunities for growth.

When it comes to developing global talent, cultural differences are another key factor. Behaviors can vary by country or region. For example, Japan has a culture where things are often understood without being explicitly stated, but this doesn't apply in the U.S., where expressing gratitude clearly in words is expected.

In the long run, we want to increase opportunities for YKK employees around the world to work outside of their own countries. I believe that YKK's unique strength in “Forest Management” and the philosophy

of allowing diverse talent to grow by leveraging their individual characteristics also contribute to improving engagement.

Shinoda During the 7th Mid-term Plan, we want to implement an approach in which all YKK employees around the world can work organically as one. We would also like to systematically promote the form of YKK employees from all over the world working outside of their own countries, as described by Ms. Cork, while pooling human assets.

What Should the Ideal Employee Look Like as We Approach Our 100th Anniversary?

— As we approach 2034, our 100th anniversary, tell us your thoughts on what YKK employees should be, and what kind of company YKK should aspire to be.

Shinoda For the 100th anniversary and beyond, I hope that employees will keep the YKK Philosophy of the CYCLE OF GOODNESS® and the Management Principle with them as their spiritual axes. In these uncertain times, we want them to be adaptable and able to cope with change.

Cork We want to make YKK a company where each and every employee around the world puts the CYCLE OF GOODNESS® into practice. We also want to foster an inclusive corporate culture that embraces diverse talent and a climate where all employees are respected, and can continue to grow while taking on challenges.

Otani YKK always has been extremely focused on people. At the end of the day, a company is its people. I believe that if we can increase the number of employees who love the company and take pride in it, are highly ambitious, and enjoy their jobs, we are sure to see results. The development of employees is directly linked to business growth. This is exactly the mindset of Forest Management: the growth of individual trees enriches the forest.

From this perspective, we want to develop leaders who can increase engagement within teams that share common goals - leaders who can say, “Even if you fail, I will support you, so go ahead and take on the challenge.” I myself have made mistakes and been supported by many people, but I don't want to simply say, “I was lucky to have had great managers.” If we develop more outstanding leaders like that, we will be able to cope with any changes in the future, and results will naturally follow. That's why I want to invest even more in developing our people.





Management Founda

Enhancing the Management Foundation

Sustainability

Management Foundation Based on the YKK Philosophy

- Corporate Governance / Messages from the Outside Audit & Supervisory Board Members
- Risk Management / Compliance / Intellectual Property Management

Key Financial and Non-Financial Highlights



tion

YKK's purpose as a company is to co-exist and co-prosper with all of our stakeholders, and to contribute to the creation of a sustainable society. We will implement management based on the YKK Philosophy of the CYCLE OF GOODNESS®, and continue focusing on sustainability initiatives and strengthening corporate governance.

(Photo) YKK Center Park Furusato-no-Mori (Hometown Forest) (Kurobe City, Toyama Prefecture)
Obtained certification from the Ministry of the Environment as a Nature Coexistence Site for the first time in October 2023.

Sustainability

Management Centered on Sustainability: – YKK Sustainability Vision 2050 –

To contribute to solving the environmental and human rights issues caused by mass production, mass consumption, and mass disposal in the fashion industry, and bring about a sustainable society through business activities, YKK formulated the YKK Sustainability Vision 2050 in October 2020, and is aspiring to accomplish five themes – climate change, material resources, water resources, chemical management, and respect people – as well as associated SDGs.



Comment from executive in charge

Accelerating efforts to implement a circular society

We can say that sustainability is encoded in YKK's very DNA, in the form of the YKK Philosophy of the CYCLE OF GOODNESS® and its proposition that “no one prospers without rendering benefit to others.” In addition to climate change, we will strongly focus on resolving issues related to resource recycling, including biodiversity and promotion of the use of sustainable materials. We will actively work to make a circular society a reality throughout our supply chains, while appropriately disclosing supporting data such as LCA evaluations.

Asako Yoshioka

Vice President,
Sustainability Department
Operating Officer



Activity Highlights for FY2024

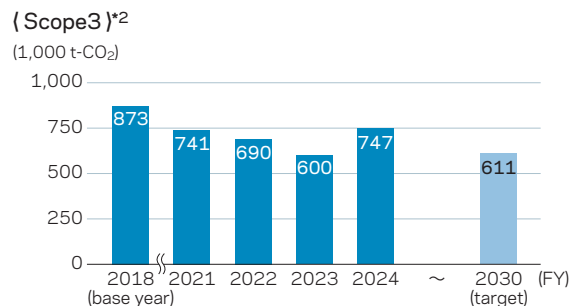
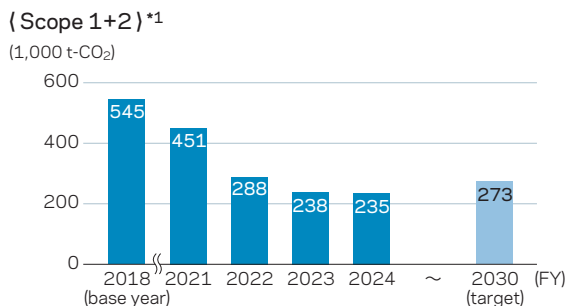
- ▶ Obtained validation by the SBTi Net-Zero Standard
- ▶ FY2024 CDP Climate Change Program Recognized with the highest A List rating (two years in a row)

- ▶ CDP Supplier Engagement Rating Received Supplier Engagement Leader (three years in a row)
- ▶ Sustainability-related investment (capital investment) ¥8.4 billion (FY2025 plan)

➡ As a company that has endorsed the Task Force on Climate-Related Financial Disclosures (TCFD), YKK discloses information in accordance with its recommendations. Read the Data section for more information.



CO₂ emissions performance



*1, *2: GHG emissions performance in FY2021, FY2022, and FY2023 (Scope 1 and 2 emissions, as well as Scope 3 emissions in categories 1, 2, and 3) underwent third-party verification by SGS Japan Inc.

➡ For details on the scope of verification, please refer to the verification report.
<https://www.ykk.com/english/csr/eco/report/verification/>

Life Cycle Assessment (LCA)

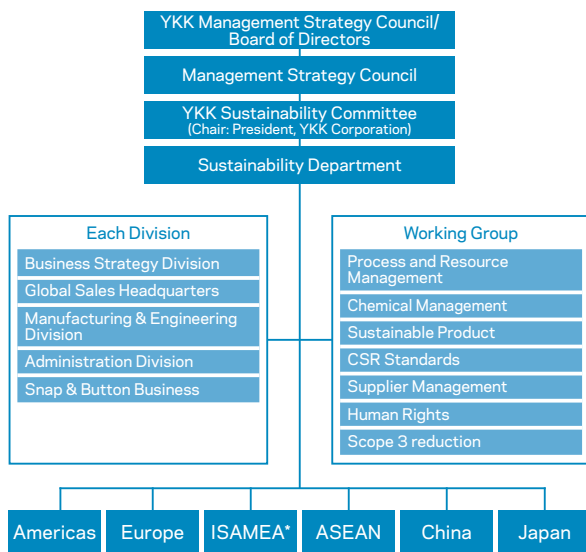
In 2023, YKK set up a specialized department for estimating environmental impact (LCA). We are striving to visualize and quantify our progress towards achieving the goals laid out in the YKK Sustainability Vision 2050, as well as our contributions to reducing the environmental impact of our customers, by calculating the environmental impact of products manufactured by YKK. We are gradually releasing information about the environmental impact of YKK products on the Higg Material Sustainability Index (MSI).

Sustainability Management

Promotion Structure

YKK has established the YKK Sustainability Committee, chaired by the President of YKK, to work toward achieving the goals of the “YKK Sustainability Vision 2050.” Specialized subcommittees have been formed for each theme to address specific issues. Overseas, sustainability committees for each region have been established since FY2021, mirroring the committee structure at Headquarters, in order to disseminate and implement Headquarters’ sustainability policies and measures, thereby establishing a global system to handle the demands of customers and society. In addition, in order to enhance our efforts to respond to growing demands for biodiversity and information disclosure, we set up a new sub-group for biodiversity within the Process and Resource Management Working Group in FY2025.

Sustainability Promotion Structure



* India/South Asia/Middle East/Africa

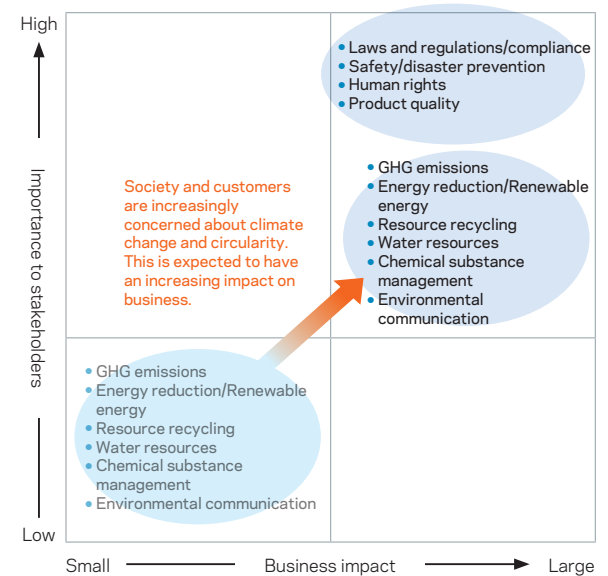
Sustainability Committee Meeting Results

Meeting No.	Month	Content
#1	May 2024	Reports about the policies and activity plans of working groups (WGs) and about efforts undertaken by Sustainability Committees in each region (such as climate change initiatives)
#2	September 2024	Reports about the priority measures of each WG and the progress of other priority measures
#3	March 2025	Reports about the priority measures of each WG, activity policies for the 7 th Mid-term, and activity plans for next fiscal year

Process for Formulating the Vision

Based on a materiality analysis through industry initiatives and dialogues with customers and NGOs, YKK determined five themes as priority issues for dealing with environmental and social challenges: climate change, material resources, water resources, chemical management, and respect people.

Materiality Analysis (Identifying Priority Issues)



Organization Memberships/Initiatives, etc.

(As of March 31, 2025)

- Joined Cascale (formerly known as the Sustainable Apparel Coalition) [September 2018](#)
- Signed the Fashion Industry Charter for Climate Action [March 2020](#)
- Signed the Net-Zero Recovery statement [May 2020](#)
- Joined the Textile Exchange [September 2020](#)
- Acquired 1.5°C target commitment certification under the Science Based Targets initiative (SBTi) [March 2021](#)
- Joined the Japan Sustainable Fashion Alliance [September 2021](#)
- Joined the Ellen MacArthur Foundation Network [April 2022](#)
- Joined the 30by30 Alliance for Biodiversity [August 2022](#)
- Signed the United Nations Convention on Biological Diversity (CBD) COP 15 Business Statement for Mandatory Assessment and Disclosure [October 2022](#)
- Joined Accelerating Circularity [January 2023](#)
- Joined METI's GX League [May 2023](#)
- Joined the Japan Climate Leaders' Partnership (JCLP) [May 2023](#)
- Joined METI's Circular Partners (CPs) [November 2024](#)


YKK sustainability vision 2050

– achieve climate neutrality and coexistence with nature –

Theme/Policy	Goal
<p> Climate change</p> <p>Develop business activities to combat and respond to climate change</p> <p>To combat global climate change, YKK commits to GHG emissions reduction targets to achieve climate neutrality by 2050 and support the Paris Agreement, which seeks to limit global warming to 1.5°C above pre-industrial levels. Additionally, YKK will adapt to climate change and respond by developing stable business activities.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> Reduce emissions of CO₂ and other GHGs in our company and supply chains. <ul style="list-style-type: none"> Scope 1+2: 50% reduction* Scope 3: 30% reduction* 100% renewable energy ratio for power consumption. <p>(By 2050)</p> <ul style="list-style-type: none"> Aim for zero GHG emissions (Net Zero). Reduce energy consumption through improved manufacturing methods and equipment, streamlined operations and processes. Install renewable power sources at Fastening Business locations where feasible. Reduce our Scope 2 emissions by purchasing external renewable energy where possible. Reduce our Scope 3 emissions by switching to more sustainable materials. By 2025, abolish all coal use in YKK facilities. Reduce risks associated with climate-related disasters (flooding, heat waves, reduced precipitation, etc.) Build supply chains that take climate change-related disaster risks into account.
<p> Material resources</p> <p>Achieve manufacturing that increases the sustainable use of resources</p> <p>In the Fastening Business, we will reduce the environmental impact of the products that we make and the packaging that we use, and shift to sustainable materials, in order to reduce waste and the use of petroleum derived materials throughout the lifecycle of our products. We will help achieve a circular society, protect ecosystems, and engage in enriching activities.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> Switch to 100% sustainable textile materials for fastening products (recycled materials, naturally-derived materials, etc.). Replace all vinyl/plastic packaging materials with sustainable packaging, including recyclable/reusable forms, in the Fastening Business. Sustain a waste recycling rate of at least 90%. Reduce the amount of waste to be landfilled or incinerated at all production sites. <p>(By 2050)</p> <ul style="list-style-type: none"> Promote procurement that takes biodiversity (environmental issues) into account. Contribute to resource recycling by implementing manufacturing and product design that reuses resources and avoids producing waste. Focus product design on improving durability, making products repairable and recyclable. Develop fastening product resource recycling technologies. Engage in ecosystem conservation activities.
<p> Water resources</p> <p>Achieve sustainable use of water</p> <p>With the goal of sustainable water usage, reduce the load on local communities and ecosystems by reducing water intake and strengthening wastewater management according to regional circumstances.</p>	<p>(By 2050)</p> <ul style="list-style-type: none"> Reduce water intake by 30%* Reduce water intake through initiatives such as streamlined use/reuse of water. Strictly manage wastewater at all manufacturing sites in accordance with government regulations and YKK in-house standards, which are based on industry standards such as ZDHC (Zero Discharge of Hazardous Chemicals). Reduce water risks at manufacturing sites.
<p> Chemical management</p> <p>Management and reduction of chemical substances</p> <p>We will work to minimize the impact on the natural environment and people by appropriately managing and reducing the amounts of chemical substances we used to help ensure a healthy environment for future generations.</p>	<p>(By 2030)</p> <ul style="list-style-type: none"> Promote reductions of harmful chemical substances. Establish our own standards (YKK RSL) for managing the use of chemical substances in all products and manufacturing processes, and promote the reduction of harmful chemical substances via ongoing risk communication with stakeholders. Ensure compliance with industry standards utilizing OEKO-TEX. STANDARD 100 and AFIRM RSL for products standards, and our own standards based on ZDHC MRSL for manufacturing process management standards. Mandate compliance with industry standards at our locations around the world. Develop new production methods that reduce the use of hazardous chemical substances and that lower environmental impacts while maintaining product quality. Formulate air and soil pollution countermeasures when using hazardous chemical substances. Help protect the global environment through use of these countermeasures.
<p> Respect people</p> <p>Upholding human rights and ensuring fair, safe work environments</p> <p>YKK believes in the universal philosophy of respecting the dignity and rights of all human beings and is committed to contributing to a diverse and sustainable society.</p>	<ul style="list-style-type: none"> By valuing diversity, being inclusive, respecting human rights, and improving the work environment, we will create better and safer workplaces throughout our supply chains. We will ensure that everyone can work with peace of mind, make the most of his or her individuality, and lead a healthy and happy life. Enact improvements based on changing societal demands and implement ongoing YGCC audits based on the YKK Philosophy of the CYCLE OF GOODNESS® and UN Guiding Principles on Business and Human Rights.

* from FY2018 baseline

* OEKO-TEX is a registered trademark of ÖTI-Institut für Ökologie, Technik und Innovation GmbH.

 YKK's Higg Index Certification is disclosed here.
 External audit: evaluation results by location <https://www.ykkfastening.com/sustainability/higg.html>

SDGs	FY2024 results	FY2025 plan
 	<ul style="list-style-type: none"> Scope 1+2 GHG emissions: 234,679t (57.0% reduction from FY2018 baseline) Scope 3 GHG emissions: 747,276t (14.4% reduction from FY2018 baseline) Renewable energy ratio of all power consumption: 61.2% Locations running on 100% renewable energy: 45 Solar power generation facilities in operation: 7 (34 sites in total) Arranged for replacement equipment to phase out coal-fired boilers 	<ul style="list-style-type: none"> Continue carrying out initiatives that aim to achieve the FY2030 emission reduction targets based on the SBTi certification to limit the temperature rise due to climate change to less than 1.5°C, and to reduce emissions that exceed that threshold Scope 1+2 GHG emissions: 385,082t or less (29.4% or more reduction from FY2018 baseline) Scope 3 GHG emissions: 720,408t or less (17.5% or more reduction from FY2018 baseline) 9 solar power generation facilities planned Introduce alternative equipment that does not use coal
	<ul style="list-style-type: none"> Proportion of sustainable materials: 48% (up 10 points year-on-year) Switched to sustainable packaging materials: 20% across all companies^{*1} Waste recycling rate: 93.9% (up 2 points year-on-year) Solely targeted suppliers with "The Copper Mark" certification^{*2}, and encouraged non-certified suppliers to obtain certification Announced NATULON Plus® zipper with Recycled PET Open Part, made with PET to enable garment recycling for a circular society Started selling new Revived Renewal Components so that YKK zippers can be used for longer durations Conducted trials at the Kurobe Plant towards practical application of an in-house recycling system for the copper alloys and zinc alloys used in zippers Conducted tree-planting activities and clean-up activities 	<ul style="list-style-type: none"> Proportion of sustainable materials: 58% More switchovers from plastic packaging materials to sustainable alternatives Solely target suppliers with "The Zinc Mark" certification^{*4} in addition to "The Copper Mark" certification, and encourage non-certified suppliers to obtain certification Plan to begin sales of NATULON Plus® zipper with Recycled PET Open Part, made with PET to enable garment recycling Expand the lineup of Revived Renewal Components With regard to the in-house recycling system for the copper alloys and zinc alloys used in zippers, launch operations at the Kurobe Plant and conduct verification towards practical application at overseas locations Implement community-based ecosystem conservation activities
	<ul style="list-style-type: none"> Water intake: 10.638 million t (7.5% reduction compared to FY2018) Water intensity: 3.2% increase^{*3} (compared to FY2023) Introduced production facilities that will lead to reduced water consumption, as well as two new water recycling facilities (15 sites in total) Wastewater quality management based on ZDHC Wastewater standards Conducted activities to reduce water risks 	<ul style="list-style-type: none"> Water intensity: 2% reduction (compared to FY2024) Continue to introduce production facilities that will lead to reduced water consumption, as well as new water recycling facilities (3 in total) Wastewater quality management based on ZDHC Wastewater standards Conduct activities to reduce water risks
 	<ul style="list-style-type: none"> Informed suppliers about the YKK RSL (2024 version) and conducted compliance surveys (1,793 companies) Conducted annual revisions of the YKK RSL (2025 version) based on social and customer needs Conducted tests to monitor status of compliance with the OEKO-TEX® STANDARD 100 certification (44 companies) and the AFIRM RSL (39 companies) Introduced and deployed InCheck reports for ZDHC MRSL compliance assessments (17 companies) Selected alternative materials for non-compliant materials in the YKK RSL (2024 version) and promoted the development of materials, manufacturing processes, etc. Formed a company-wide, cross-departmental organization for non-compliance with the YKK RSL Started establishing rules for regular inspections and conducting them at chemical management sites to prevent soil pollution 	<ul style="list-style-type: none"> Inform suppliers about the YKK RSL (2025 version) and build awareness, together with conducting compliance surveys Conduct annual revisions of the YKK RSL (2026 version) based on social and customer needs Conduct tests to monitor status of compliance with the OEKO-TEX® STANDARD 100 certification and the AFIRM RSL Maintain and improve compliance rates with ZDHC MRSL, and expand the scope of substances subject to compliance surveys Select alternative materials for non-compliant materials in the YKK RSL (2025 version) and promote the development of materials, manufacturing processes, etc. Reliably conduct regular inspections at chemical management sites to prevent soil pollution
   	<ul style="list-style-type: none"> Established a weekly management system for working hours at each manufacturing location With regard to identifying and assessing the risk of human rights violations according to the YKK Global Criteria of Compliance (YGCC), implemented self-checks at all applicable locations (51 locations) and on-site audits conducted by a third-party organization (24 locations) 	<ul style="list-style-type: none"> Continue to promote compliance with guiding principles regarding business and human rights Consider and establish mechanisms that should be put in place as a company regarding access to relief Strengthen the audit system through systematization of the YGCC

*1 Numerical corrections were made due to revision of the calculation method. Not expected to be used in FY2025.
 *3 Due to the use of water resources for environmental measures at the Kurobe Makino Plant in FY2024.

*2 The Copper Mark certification is an international framework for responsible production and contributing to the UN SDGs in the copper industry.
 *4 The Zinc Mark certification is an international framework for responsible production and contributing to the UN SDGs in the zinc industry.

Initiatives Toward Achievement of the YKK Sustainability Vision 2050

climate change



GHG emissions
Scope 1+2:

57.0%
reduction

Scope 3:

14.4%
reduction

(from FY2018
baseline)

In FY2024, the YKK Group reduced its GHG emissions (Scope 1+2) by 57.0%, far surpassing its reduction target of 25.2% or more in comparison to FY2018, which was certified under the Science Based Targets initiative (SBTi) to limit global warming to 1.5°C. This is largely thanks to measures that include broader adoption of energy-saving production equipment and plant infrastructure, as well as the installation of solar power generation systems. As a result of actively introducing renewable energy, we were able to increase the number of sites that have shifted purchased power to 100% renewable energy by eight locations compared to FY2023, and YKK now has 45 locations solely using renewable energy worldwide. We are also pushing to reduce GHG emissions by purchasing renewable energy certificates, and the renewable energy-derived electricity ratio of all power consumption was 61.2%.

In addition, by promoting the use of

recycled polyester materials through a shift to and increase in sales of the NATULON® zipper series and other means, we reduced GHG emissions by about 21,134 metric tons compared to using virgin materials; however, in FY2024, Scope 3 emissions increased in line with the increase in production volume. In the future, we will also work to reduce emissions by moving forward with a shift to recycled materials for the main materials used in our fastening products.



Solar power generation facilities (YKK Korea Co., Ltd.)

material resources



48%

Proportion of
sustainable
materials
(Total meters)
(FY2024)

Sustainable Materials for Fastening Products

In FY2024, we enhanced the NATULON® zipper series product lineup using recycled materials and promoted a shift to said materials, mainly for apparel, resulting in 48% of all products sold being made from sustainable materials. Going forward, we will continue to promote switchovers to the NATULON® zipper series and sales of bio-based zippers such as GreenRise® with the goal of raising this percentage to 58% in FY2025, which will also contribute to reducing Scope 3 GHG emissions.

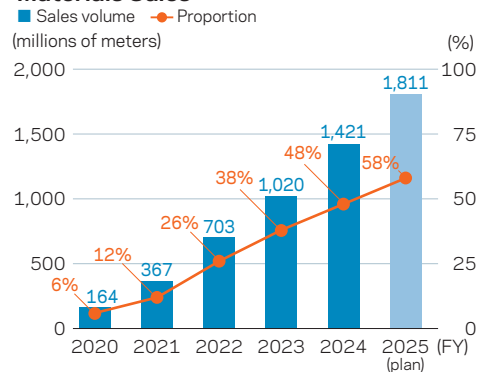
Contributing to resource recycling

(Easily Recycling) We announced NATULON Plus® zippers with Recycled PET Open Parts, which utilize PET materials to the fullest extent, and are moving forward with launch preparations.

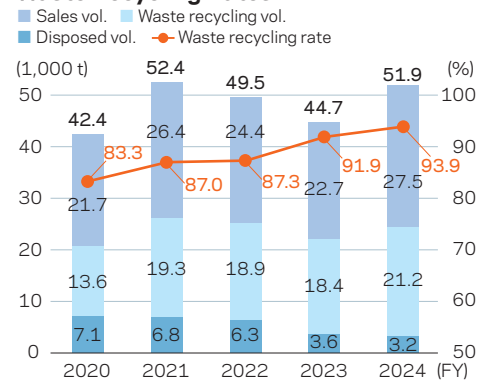
(Repair) We launched the new Revived Renewal Components, which are working to extend the life of textile products by using YKK zippers for longer periods of time.

(Material Resources Recycling Initiative (zip TO zip™)) We conducted trials at the Kurobe Plant towards practical application of an in-house recycling system for the copper alloys and zinc alloys used in YKK zippers. We developed recycling technology, introduced equipment, and established operational procedures to demonstrate that metal scraps generated internally can be properly processed and used as recycled material.

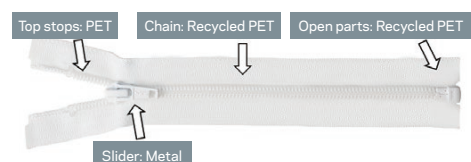
Volume and Proportion of Sustainable Materials Sales



Changes in Waste Emissions/ Waste Recycling Rates



NATULON Plus® Zippers with Recycled PET Open Parts



➡ Details regarding "Easy Recycling" and "zip TO zip™" are listed in the Data section.

*According to the definition of "recycling" under Japanese law, it includes both material recycling and thermal recovery.

➔ Details regarding FY2024 initiatives are listed in the Data section.

water resources



7.5% reduction
Water intake reduction rate (from FY2018 baseline)

In FY2024, at two companies, we introduced production equipment that consumes less water and new water recycling facilities. As a result, we reduced water intake by 10.638 million tons (a 7.5% reduction compared to FY2018). In addition, in order to ensure the sustainable use of water resources – important regional assets – for future generations, we conduct surveys once a year using the in-house YKK standard, our water risk checklist. We promoted activities to reduce water risks and strengthened our response to risks at six sites that were assessed in FY2023 as having high water risks.

In terms of wastewater management, we have established strict internal standards that exceed the legal regulations of each country and comply with wastewater quality standards. Furthermore, starting FY2024, we introduced the ZDHC Wastewater Guidelines – chemical

substances management standards for the apparel industry – as water quality management indicators at all of our global locations. In order to strengthen the technical and management aspects of our wastewater treatment, we conducted wastewater treatment assessments and provided technical guidance at 12 overseas locations.



Water recycling facilities (YKK Vietnam Co., Ltd. Dong Van Factory)

chemical management



27% reduction

Percentage of unit sales in the brass sliders category that were produced using AcroPlating® technology (up three points year-on-year)

In FY2024, we surveyed 1,793 suppliers about their compliance with the YKK Restricted Substance List (RSL), which is based on chemical substance regulations, laws, and industry standards related to fastening products. We revise the YKK RSL annually to reflect social and customer needs, and we have continued to inform suppliers through the 2025 version and conduct compliance surveys. We have established a new Chemical Management Working Group to enhance and promote our response to materials that are not in compliance.

In addition, regarding chemical substances used in the production process, we have expanded the locations where we conduct surveys regarding compliance with the Manufacturing Restricted Substance

List (ZDHC MRSL), the industry standard for hazardous chemical substances. By promoting the switch to safer chemicals, we are working to minimize their impact on the natural environment and our employees who handle them.

In terms of new manufacturing technology to eliminate hazardous chemical substances, we have expanded our lineup of products made with the AcroPlating® technology, a revolutionary plating technology for brass that eliminates 100% of hazardous substances such as cyanide, chromium, and selenium. The percentage of units sold in the brass sliders category that were produced using AcroPlating® technology increased to 27% in FY2024 (an increase of three points year-on-year).

respect people



Building structures for **respecting human rights** based on international standards

In an effort to continually reduce the risk of human rights violations, YKK performs YKK Global Criteria of Compliance (YGCC) assessments at all applicable locations to grasp the CSR status of suppliers and other business partners, and conducts activities to identify and reduce risks.

In FY2024, in addition to managing and complying with traditional working hours in accordance with the laws of each country at all manufacturing sites in the Fastening Business, we established a working hour management system with a maximum of 60 hours per week, as required at manufacturing sites in the textile industry. In addition, in order to comply with the complaint handling mechanism

required by the UN Guiding Principles on Business and Human Rights, we reorganized our traditional contact point for business partners and turned it into the YKK Group Stakeholders (Business Partners, etc.) Contact Point, which is compliant with the core requirements of Principle 31.

➔ YKK Group Human Rights Policy <https://www.ykk.com/english/csr/responsibility/humanrights/>

Sustainability-related investment (capital investment)

¥8.4 billion (FY2025 plan)

Management Foundation Based on the YKK Philosophy

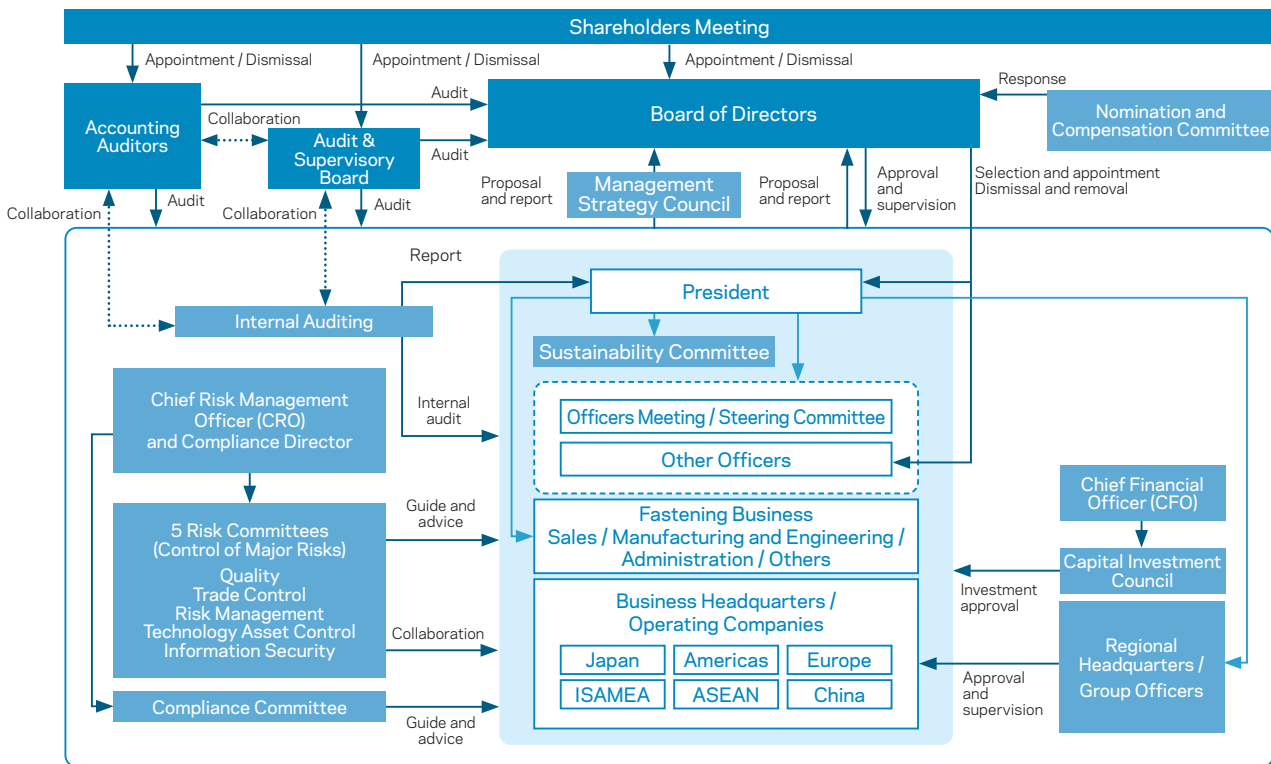
Corporate Governance

Fundamental Approach and System

The philosophy of the YKK Group in conducting our corporate activities is based on the CYCLE OF GOODNESS®. In other words, “No one prospers without rendering benefit to others.” This principle of consistent fairness is the foundation of all our management activities. In accordance with this thinking, we work to implement comprehensive corporate governance systems with the goal of further enhancing our corporate value.

The governance structure of the Fastening Business, which is the mainstay of YKK Corporation, is as follows.

Fastening Business Corporate Governance Structure



Internal Control Systems Related to the Execution of Operations

- The company's directors establish the Board of Directors regulations and other necessary internal rules and otherwise conduct business appropriately in compliance with laws, regulations, and the articles of incorporation.
- The company ensures prompt decision-making and business execution - while appropriately supervising the status of business affairs - by separating management decision-making and supervision from business execution.
- The company established its Management Strategy Council to make careful decisions after thoroughly discussing, from multiple perspectives, the YKK Group Management Principles, management policies, management strategies, and important matters for resolution by the Board of Directors, etc.
- Important committees are established to appropriately deliberate, manage, and oversee important issues related to management. The Sustainability Committee, which

was established in FY2021, reports to the Management Strategy Council - under which it was established - on the progress of relevant policies from the perspective of achieving the YKK Sustainability Vision 2050 targets, based on the basic policy of contributing to the creation to creating a sustainable society.

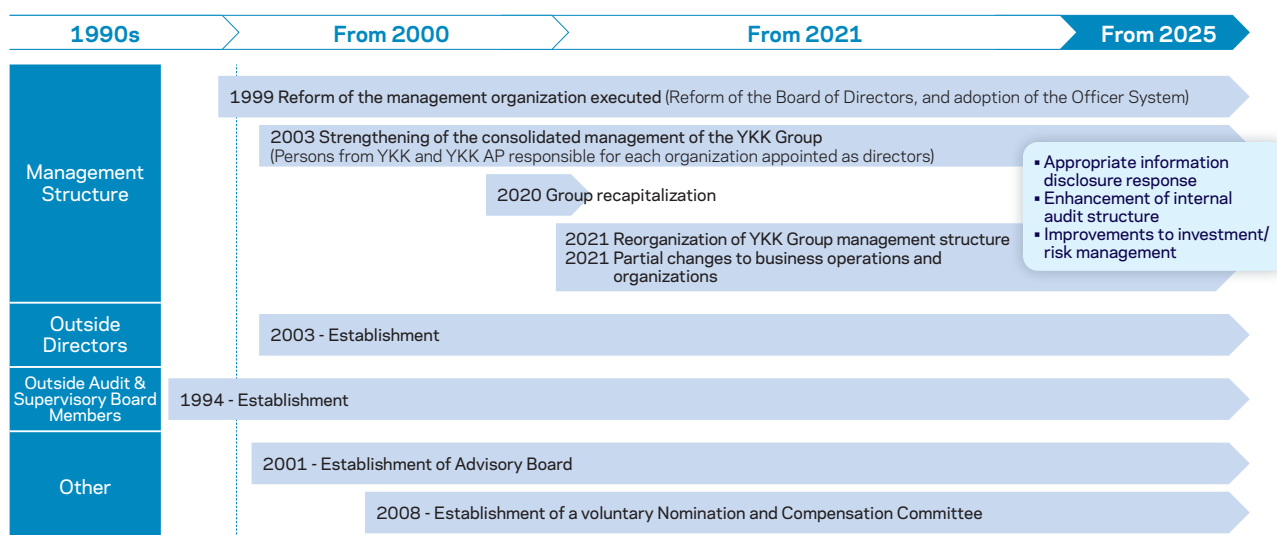
- As for the management structure in the Fastening Business, there is a clear separation between role of governance by the regional headquarters and the role of promoting business through supervision in each business region in light of the characteristics, etc., of products and commercial distribution.

➡ The status of the internal control structure and operation has been disclosed on page 43 of the 90th annual securities report. (in Japanese only)
<https://www.ykk.com/corporate/financial/securities/>

Overview of Individual Meetings and Committees, and the Status of Meetings Held

Name	Structure, etc.	Overview	Number of meetings
Board of Directors	Composed of 10 directors, including two outside directors	In addition to the roles stipulated in the Companies Act, the Board of Directors formulates management policy, allocates management resources, and supervises business execution by the vice presidents. In FY2024, provided a wide range of oversight from overseeing the YKK Group's basic management policies, mid-term management plans and annual business plans to important investments, basic policies on personnel systems, risk management, basic compliance policies and all other matters related to decision-making and the progress of business execution by the directors and vice presidents of YKK and its subsidiary companies.	13 times
Audit & Supervisory Board	Composed of four Audit & Supervisory Board Members, including three outside Audit & Supervisory Board Members	The company has an Audit & Supervisory Board, which generally convenes once a month to hold meetings, or when necessary. In FY2024, formulated auditing policies and audit plans, confirmed the status of establishment and operation of internal control systems, evaluated accounting auditors, etc.	15 times
Nomination and Compensation Committee	Composed of five members, including two outside directors (not including persons who serve concurrently as vice presidents)	Established as an advisory committee for the Board of Directors. Has been set up to deliberate on policy and systems related to the compensation of directors, vice presidents, etc., criteria and amounts of compensation, establishment, revision, and abolition of internal rules for compensation, and matters related to evaluation of performance, etc., then report those results to the Board of Directors. For FY2024, reviewed the nomination of candidates for director and corporate auditor, appointment of vice presidents and specialized officers, revisions to internal rules, reviews of performance evaluations, and other such matters.	11 times
Management Strategy Council	Composed of management and executive members	Has been established to make careful decisions after thoroughly discussing, from multiple perspectives, the YKK Group Management Principles, management policies, management strategies, and important matters for resolution by the Board of Directors, etc.	13 times
Five Risk Committees	Chaired by the Chief Risk Management Officer (CRO)	Five risk committees have been established according to the type of risk: the Quality Committee, the Trade Control Committee, the Risk Management Committee, the Technology Asset Management Committee, and the Information Security Committee. These committees are responsible for making policy decisions related to each risk, and supervising executive departments.	3 times/ Each committee
Compliance Committee	Chaired by the Chief Risk Management Officer (CRO)	Established to develop appropriate compliance promotion activities in each organization. In FY2024, committee activities focused on reporting and discussing compliance activities and priority measures in each business and region, as well as the results of the YKK Global Criteria of Compliance (YGCC) audit.	1 time
Investment Committee	Chaired by the Chief Financial Officer (CFO)	Established to appropriately manage investment risks in the YKK Group.	12 times

History of the Strengthening of Corporate Governance



Messages from the Outside Audit & Supervisory Board Members

Towards the strengthening of corporate governance
 — The YKK Management Principles and governance from the viewpoint of
 outside Audit & Supervisory Board members —



Evaluating internal controls as a global company

Saeko Arai
 Outside Audit & Supervisory Board Member

After working in accounting audit and taxation at several accounting firms, Ms. Arai launched an IT venture company with her co-founder and became the first female CFO of a Japanese company. Worked to build the company's accounting, general affairs, and human resource systems from the ground up, and was involved in business planning, capital policy, and fundraising, among other endeavors. Has served as CFO, director, and advisor in the hotel wedding and environmental energy industries. Currently serves as Representative for Acuray, Inc., Outside Audit & Supervisory Board Member for teamS Inc., Outside Audit & Supervisory Board Member for Kao Corporation, Deputy Chairman of the Lifelong Health and Wellness Association, Professor at Hakuoh University, and Independent Director at KONICA MINOLTA, INC.



Establishing a high-level system despite being a non-listed company

Hikaru Minami
 Outside Audit & Supervisory Board Member

Was involved with finance and accounting at Marubeni Corporation, and has served as Director at Daiei, Inc., in addition to the roles of Vice President, Managing Executive Officer, Representative Director and Managing Executive Officer, Audit & Supervisory Board Member at Marubeni Corporation. Currently an outside director at Frontier Management Inc.

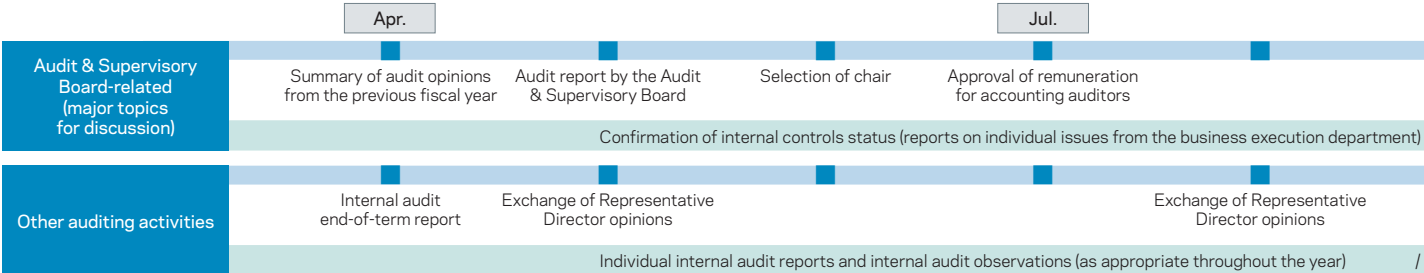


Understanding the essence of the CYCLE OF GOODNESS® and putting it into practice is the key to the future

Kouhei Morita
 Outside Audit & Supervisory Board Member

Has been involved in corporate legal affairs such as M&A, corporate governance, and crisis management as a lawyer at Mori Hamada & Matsumoto for many years. Currently a partner lawyer at Mori Hamada & Matsumoto and a part-time lecturer at the Kyoto University Law School.

Activity Status of Outside Audit & Supervisory Board members (FY2024)



In addition to Ms. Arai, who was appointed as an outside Audit & Supervisory Board member in FY2023, Mr. Minami and Mr. Morita were newly appointed to the Audit & Supervisory Board in FY2024. We also received opinions from outside Audit & Supervisory Board members regarding principle-driven management based on the YKK Philosophy of the CYCLE OF GOODNESS® towards the improvement of corporate governance.

It has been two years since I was appointed to the Audit & Supervisory Board, and I feel that YKK’s governance has continued to steadily evolve. The composition of the executive officers ensures diversity in terms of skills and knowledge, and both the Board of Directors and the Audit & Supervisory Board have fostered an atmosphere in which everyone can freely share their insights. I believe that overall, the company is being managed appropriately. The YKK Global Improvement Activity (YGIA), which we launched in FY2023, could be considered best practice in terms of establishing internal control systems and ensuring their effectiveness. As a global company with a worldwide network, I would like

management to aspire to even greater heights when it comes to the effectiveness of internal controls.

At present, with global market expansion and new operational deployment becoming increasingly important, lean startup-type human assets who are not afraid to take on challenges, learn from their experiences, and use that knowledge to inform their next actions, are especially sought after. I expect that we will continue to take on even greater challenges under the YKK Philosophy of the CYCLE OF GOODNESS®, which has been passed down from the past to the present and into the future.

I was appointed to the Audit & Supervisory Board in June 2024. I intend to contribute to strengthening governance by appropriately auditing the execution of the directors, based on my experience and knowledge of company management.

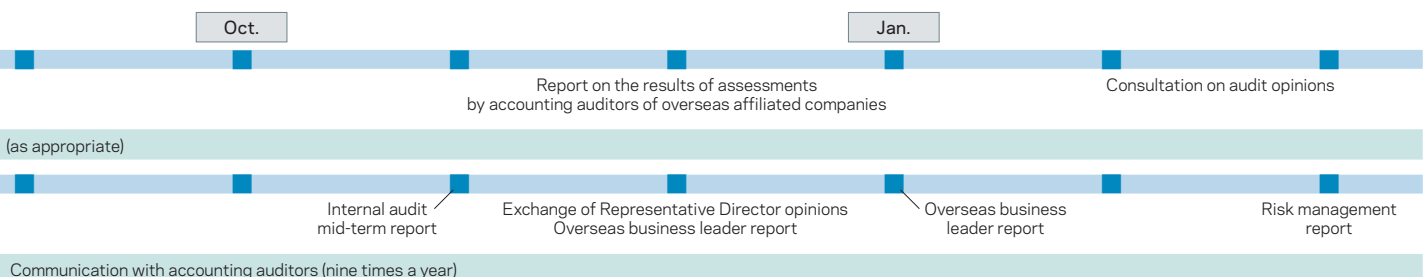
I was impressed by YKK’s attitude of listening carefully to different opinions and making use of them when making management decisions, and felt that the company had established an extremely high-level system for governance, despite being non-listed. In addition, as we take on new challenges in our business activities, there are situations where the intuition and instincts

of each individual are important. I think that effectively integrating them into the organization’s decision-making process is key. As a non-listed company, YKK is able to maintain a dignified stance without having to pander to anyone. I believe it is one of the few Japanese companies that has the potential to be respected worldwide, beyond being simply a “good company.” Each employee has a strong awareness that the products they make are contributing to society, and this is deeply connected to the philosophy of the CYCLE OF GOODNESS®; you could say this profound corporate culture is exactly what makes YKK strong.

Since becoming an Audit & Supervisory Board member, I have been impressed by how often the management team and employees talk about the CYCLE OF GOODNESS®. Through the repetition of this phrase, I can clearly see how it has influenced everyone’s actions and awareness. I was impressed by the fact that, despite being a for-profit company, it also has another axis of “goodness,” and that putting this philosophy into practice is deeply ingrained.

With regard to governance, the discussions at board meetings are very lively, with all directors actively debating each agenda item. The management

team will listen sincerely to questions and opinions from outside directors, and without fail, feedback will be provided at the next meeting. We are currently facing a period of great change, including a shift in the international landscape, and the true value of each company is being questioned. The key to YKK’s continued status as an excellent company will be employees deeply understanding the essence of the CYCLE OF GOODNESS® and implementing it themselves. Each individual is expected to act with a clear awareness that “this is my company.”



Status of Directors and Audit & Supervisory Board Members (as of June 27, 2025)

The company selects inside directors from the perspective of global business management that is critical to the Group's consolidated management. We have selected two outside directors to obtain advice and oversight related to the company's management, based on a broad range of insight and abundant experience from the perspective of enhancing corporate governance. In addition, we have appointed human assets who have the appropriate experience and abilities and the necessary knowledge regarding finance, accounting, and legal affairs to be Audit & Supervisory Board members.

(Numbers in brackets are board attendance in FY2024) *1 Outside directors *2 Outside Audit & Supervisory Board members



Hiroaki Otani
Chairman

(Board meetings: **13/13**)

After working for many years in the Fastening Business, including being stationed in China, became a director of the company in June 2014, and was appointed president of the company in April 2017. Was appointed Representative Director and Chairman (Chairman of the Board) in April 2025.



Katsuya Yumoto
CRO
Compliance
Director

(Board meetings: **13/13**)

After working in the United States, was appointed vice president over the Legal & IP Center in April 2010. In June 2022, became compliance director and Chief Risk Management Officer (CRO).



Saeko Arai
Audit & Supervisory Board Member*2

(Board meetings: **12/13**)
(Audit & Supervisory Board meetings: **14/15**)

Possesses specialized knowledge as a certified public accountant and has experience as an outside director for other companies. In June 2023, was appointed as an Outside Audit & Supervisory Board member of the company.



Koichi Matsushima
President

(Board meetings: **13/13**)

After working for many years in the Fastening Business, including being stationed in Europe, China, and Asia, became a director of the company in June 2018. Was appointed president of the company in April 2025.



Hidemitsu Hori
Director

(Board meetings: **13/13**)

After working in the United States, served as vice president of YKK AP Inc. from April 2007, then was appointed director of the same company in June 2009, president in June 2011, and Chairman Representative Director in April 2023. In June 2023, became a director of the company.



Shinichi Asano
Audit & Supervisory Board Member
(Full-time)

NEWLY APPOINTED

After working for many years in the company's Manufacturing & Engineering Division, served as executive vice president over the company's Kurobe Manufacturing Center. In June 2025, was appointed as a full-time Audit & Supervisory Board member of the company.



Satoshi Honda
CFO
in Charge of Pension Policies

(Board meetings: **13/13**)

After working for many years in corporate planning, including being stationed in the United States, was appointed executive vice president over business administration in April 2019. Became director of the company assigned to pension policies and was appointed Chief Financial Officer (CFO) in June 2020.



Toru Shikita
Director

NEWLY APPOINTED

After working for many years in the Fastening Business, including being stationed in China and Asia, became executive vice president over the Business Strategy Division of the company in April 2025. In June 2025, became a director of the company.



Hikaru Minami
Audit & Supervisory Board Member*2

(Board meetings: **10/10**)
(Audit & Supervisory Board meetings: **11/11**)

Possesses experience as a Representative Director, Audit & Supervisory Board member, and outside director at other companies. In June 2024, was appointed as an Outside Audit & Supervisory Board member of the company.



Yoshimine Kobayashi
Director

(Board meetings: **13/13**)

After working for many years in the company's Machinery and Engineering Division, including being stationed in the United States and Asia, was appointed executive vice president over the Manufacturing & Engineering Division in April 2023. In June 2023, became a director of the company.



Keinosuke Ono
Director*1

(Board meetings: **12/13**)

Has served as a professor at Keio University and Chubu University, has a deep understanding of management and experience as an outside director for other companies. In June 2007, was appointed as an outside director of the company.



Kouhei Morita
Audit & Supervisory Board Member*2

(Board meetings: **10/10**)
(Audit & Supervisory Board meetings: **11/11**)

Has practiced law for many years as an attorney. In June 2024, was appointed as an Outside Audit & Supervisory Board member of the company.



Fumio Ikeda
Research & Development
Director

(Board meetings: **13/13**)

After working for many years in the company's Machinery and Engineering Division, was appointed executive vice president over the Machinery & Engineering Group in April 2017. In June 2018, became a director of the company.



Erica Okada
Director*1

(Board meetings: **13/13**)

Has conducted research related to consumer behavior at universities and graduate schools in Japan and overseas, giving her a high level of expertise related to marketing. Also has experience as an outside director for other companies. In June 2022, was appointed as an outside director.

Skills Matrix

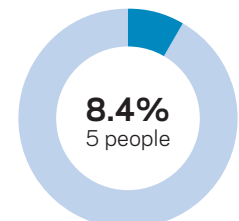
We have listed the knowledge, experience, and abilities of Directors and the Audit & Supervisory Board Members in a skills matrix, and strive to ensure a balanced and diverse composition in terms of knowledge, experience, and abilities.

Category	Name	Company Management	Global	Specialist Fields				
				Sales/Marketing	Manufacturing & Engineering	Financial/Accounting	Organization/HR	Legal/Compliance
Director	Hiroaki Otani	●	●	●				
	Koichi Matsushima	●	●	●				
	Satoshi Honda		●			●	●	
	Yoshimine Kobayashi		●		●			
	Fumio Ikeda				●			
	Katsuya Yumoto		●					●
	Hidemitsu Hori	●	●	●		●	●	
	Toru Shikita	●	●	●				
	Keinosuke Ono (Outside)	●			●	●	●	
	Erica Okada (Outside)	●	●	●			●	
Audit & Supervisory Board Member	Saeko Arai (Outside)	●	●			●	●	
	Shinichi Asano		●		●			
	Hikaru Minami (Outside)	●		●		●		●
	Kouhei Morita (Outside)						●	●

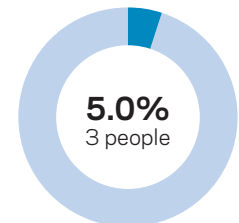
Status of Directors, Audit & Supervisory Board Members, Vice Presidents, Specialized Officers, and Group Officers

Total number: 59

Number and ratio of female officers



Number and ratio of officers with foreign nationality



Note: The above text does not include all the specialized expertise, knowledge, and experience of the individuals concerned.

Towards Effective Management of the Board of Directors

At YKK, in order to enhance the deliberations of the Board of Directors and ensure their effectiveness, we are working on various initiatives.

At the Board of Directors meetings, which are held 13 times a year, we deliberate on various management issues such as management strategy and business planning, technology development, investment, quality control, promoting sustainability, and compliance and risk management. Issues raised during discussions at Board of Directors meetings are reflected in the operations of the executive department at the right time.

From the perspective of improving the effectiveness of the Board of Directors and communication between inside and outside directors and Audit & Supervisory Board members, we hold YKK Group off-site meetings. Training sessions are conducted and discussions are held on important topics such as human capital, management, geopolitical risks, and the promotion of overseas business, even outside of board meetings. Furthermore, outside directors and Audit & Supervisory Board members participate in internal YKK major business meetings and compliance officer training sessions as needed, and conduct on-site

inspections of overseas operating companies to gain a deeper shared understanding of YKK Group operations and knowledge related to external risks.

In addition, in FY2024, we conducted an assessment of the effectiveness of the Board of Directors with the support of a third-party organization. The effectiveness assessment was conducted through interviews with all inside and outside directors and Audit & Supervisory Board members, and measures to ensure that the Board of Directors appropriately fulfills its roles and functions were discussed and shared.



Board of Directors meeting

Succession Plan (Developing and Appointing Successors)

Regarding successors to the management team, it is important to share the Management Principles, confirm past achievements, experiences, skills, qualifications, and character of the candidates, then review them at the right time at the Nomination and Compensation Committee. In addition, in order to further promote the succession plan, we revised the operating officer system on April 1, 2025. We will establish new operating officer positions to strengthen the development and awareness of management human assets, and reinforce operations to ensure that human assets are allocated appropriately.

Operating Officer System (April 2025 -)

	Prior to change	After change
Operating officer position	President	President
	Executive Vice President	Executive Vice President
	Operating officer	Senior Vice President Vice President

Directors and Corporate Auditors' Remuneration

Regarding compensation for company directors, the basic policy is to have a compensation structure which takes consistent improvement of corporate value and stable provision of dividends to shareholders, as well as the company's accomplishments to increase awareness for improving performance, into account. Each director's compensation is set at an appropriate level in light of their responsibilities and duties. Specifically, directors' compensation consists of basic compensation and directors' bonuses.

- Basic compensation is fixed on a monthly basis, and depends on the position and responsibilities of the director. It is determined by comprehensively taking the level of other companies, their performance at

the time compensation is determined, and the level of employee salaries into consideration.

- The basic policy is to determine performance-linked compensation (directors' bonuses) based on consolidated performance for a single fiscal year, in order to raise awareness of the need to improve the Group's overall performance in each fiscal year.
- We have set a higher percentage for basic compensation in the individual compensation of directors. Our system for compensation as a whole is designed to encourage not only the achievement of solid performance targets each term, but also a medium- to long-term mindset, as well as the sustainable improvement of corporate value.

➡ The composition of director compensation and the amount of compensation have been disclosed from page 48 of the 90th annual securities report. (in Japanese only)
<https://www.ykk.com/corporate/financial/securities/>

Ensuring Continuous Educational Opportunities for the Management Team

YKK provides ongoing education and training opportunities to ensure that directors can accurately perform their roles and responsibilities. For example, for the off-site meeting in FY2024 (refer to page 50), participants gained insights based on the latest trends in human capital management, investment in human capital, and operational deployment in China, and gained a more in-depth understanding through discussions. In addition, we conduct separate training for directors who are responsible for business execution. When formulating the 7th Mid-term Business Plan, while undergoing System Coaching™ at a team retreat, the YKK management execution team responsible for management starting in FY2025 thoroughly examined management strategies from various angles and gained a more in-depth understanding of team dynamics through a variety of practical exercises.



Work at a coaching retreat

* System Coaching is a trademark of CRR Global Japan Ltd.

Risk Management

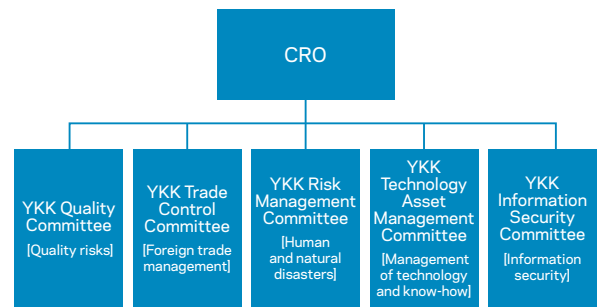
Fundamental Approach and System

YKK has established a Group Risk Management Policy and is engaged in risk management. A Chief Risk Management Officer (CRO) has been appointed to promote risk management. Various committees - Quality Committee, Foreign Trade Control Committee, Crisis Management Committee, Technical Asset Management Committee, and Information Security Committee - have been established, with regulations on risk management adopted and enforced. Furthermore, a Chief Financial Officer (CFO) has also been appointed, and a system established for appropriately managing financial and investment risks at YKK. In addition, YKK has established risk response guidelines to ensure that it responds appropriately and promptly to any risks that may arise.

YKK Group Risk Management Policy

By actively controlling risk levels and preventing various corporate risks, we will reduce or avoid the loss of human, material, and other management resources, and in the event of an emergency, we will promote risk management throughout the Group to minimize damage and losses, thereby leading to sustainable growth and increasing corporate value.

Risk management structure

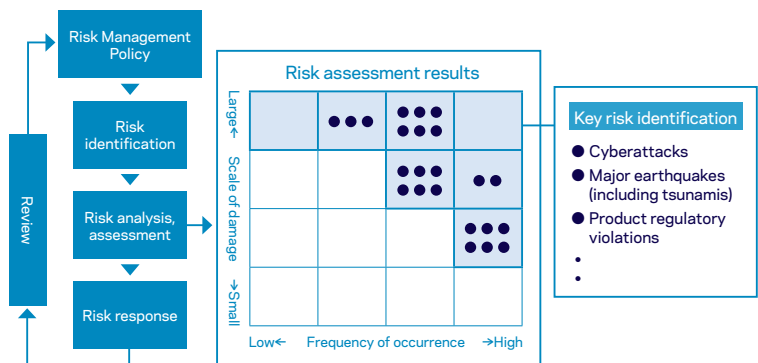


Risk Assessment Process and the Flow of Identifying Key Risks

We identify risks at each organization, based on the Risk Management Policy. After worst-case scenarios and the status of their responses are taken into account, we assess risks according to the scale of loss and damage and the frequency of occurrence. We evaluate the scale of damage by taking into account the financial impact, impact on human life and health, impact on credit and reputation, and impact on social order. We identify those risks with large potential impact as key risks that should be managed at the corporate management level, and conduct risk management while understanding those trends and making the progress of our responses visible.

Our CFO, CRO, and other responsible personnel take the lead in responding to financial risks identified through the process, as well as key risk items in the Fastening Business.

Risk Assessment Process and the Flow of Identifying Key Risks (Conceptual Diagram)



Risk Item Classification

Financial risks	The addition of projected benefit obligations, drops in the share prices of held stock, etc.
Risks in the Fastening Business	International conflicts/civil war, cyber-incidents, soaring prices for raw materials and fuel, tight supply situations, failed investments in machinery and equipment, delays in responding to technological advances, an economic downturn, sluggish demand, increased competition, currency exchange rate fluctuations, marketing failures/delayed entry, violations of antitrust and subcontracting laws, violations of foreign exchange laws, bribery, violations of laws and regulations related to personal information protection, major earthquakes (including tsunamis), major storms and floods, product regulatory violations, transfer pricing tax violations

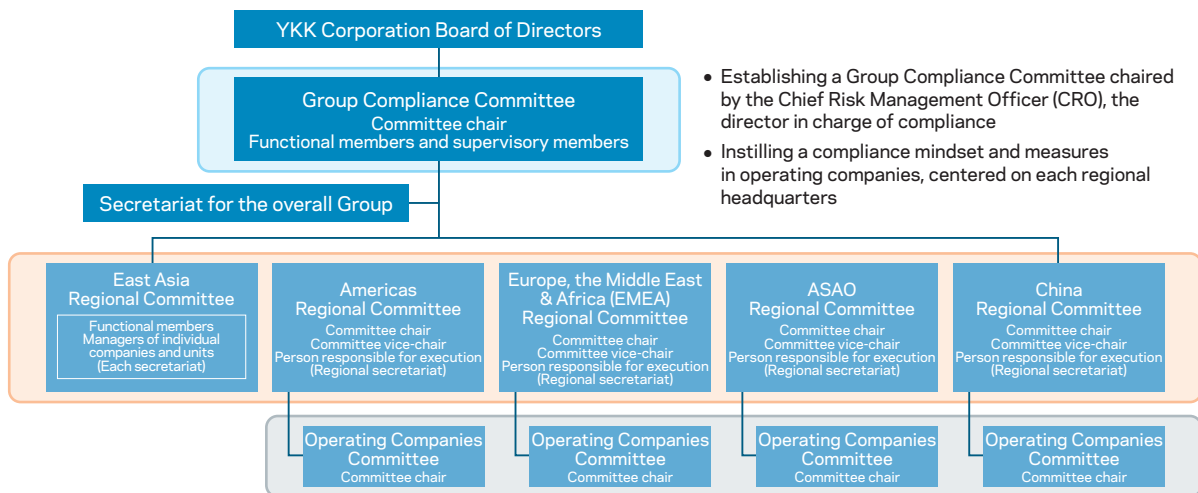
➡ Details of risk analysis have been disclosed from page 25 of the 90th annual securities report. (in Japanese only)

Compliance

Fundamental Approach and System

YKK considers compliance as “responding to societal demands.” This means, in addition to abiding by laws, regulations, and internal rules, the company must conform to social standards when conducting business activities. The company has appointed a Compliance Director and established a Corporate Legal and Compliance Department to maintain a compliance system for YKK. In addition, to deploy appropriate compliance promotion activities from the standpoint of business management, YKK has established Compliance Committees for three tiers – each of its operating companies, each regional headquarters, and the Group Headquarters – and deliberates on the operational status of compliance and responses to issues, as well as the latest regulatory developments, with a focus on six priority issues (raising compliance awareness, competition law, prevention of bribery, personal information protection, human rights, and whistleblowing and complaint handling mechanisms).

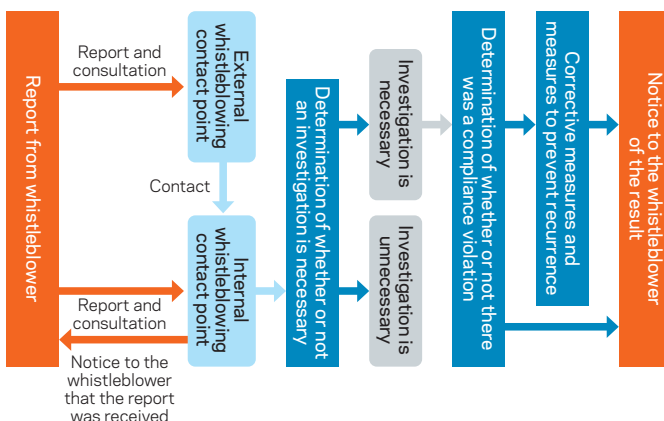
YKK Compliance Committee Organization Chart



Establishment of Contact Point for Internal Whistleblowing

The YKK Group has established a whistleblowing system to detect and address illegal activity at an early stage. Established in 2006, the whistleblowing system is currently usable by employees worldwide, and whistleblowers are guaranteed protection from dismissal or other adverse treatment. We confirm the level of awareness of the internal whistleblowing system through employee awareness surveys, and are striving to maintain a structure for gathering employee feedback.

Internal Whistleblowing System Mechanisms



Whistleblowing Cases Reported (FY2024)

Region	Number
East Asia	51
Americas	91
EMEA	19
ASAO	38
China	43

YKK Group Stakeholder (Business Partners, etc.)
Contact Point
https://ml.helpline.jp/ykkjapan-partner/index_en.html

Intellectual Property Management

Fundamental Approach and System

YKK conducts intellectual property activities on a global basis as part of its business activities. Intellectual Property Department sites are located at the Kurobe Manufacturing Center, as well as in China, Vietnam, England, and the United States. A system has been laid out which can support businesses and development departments to contribute to business activities in any country or region of the world. Under this system, in the event, for example, that an invention is created at a development site somewhere in the world, it is promptly reported to the Patent Review Committee in Japan and the optimal rights are secured in accordance with YKK business strategy. In addition, when enforcing rights against a patent infringer or company making counterfeit products, etc., the Intellectual Property Department in each country/region collaborates with the business division to devise measures concurrently for the country where the violating items were manufactured and the country in which they were distributed. This is to ensure that customers purchase authentic YKK products, etc. Moreover, with the Trademark Committee in Japan taking the lead, we manage and operate product trademarks including NATULON® and AcroPlating®, according to standardized Group rules so as to increase value from the perspective of the intellectual property under the YKK brand. In addition, to effectively promote measures against counterfeit products, we have established a Brand Counterfeit Product Countermeasures Committee in the company. We also partner with customers and many other companies and organizations outside the company to operate a Brand Protection Partnership (B.P.P.™), an association for the exchange of opinions on anti-counterfeit.

Status of Trademarks/Patents

YKK Trademark Registration
(Class 26)

180 countries
and regions

Patents, utility models,
and designs
(including pending applications)

5,829

Registered trademarks
for zippers, etc.
(including pending applications)

4,899

B.P.P.™ (Brand Protection Partnership)
Number of participants (organizations) in workshops
for measures against counterfeit products

4,422 participants
(2,491 organizations)

Intellectual Property Achievement Award
METI Minister Award
Intellectual property-utilizing company
(trademarks)

2021

(As of April 2025)

Intellectual property protection initiatives in cooperation with government agencies

To ensure that our fastening products can be used with peace of mind by customers and consumers both in Japan and overseas, YKK cooperates with judicial and administrative agencies and client companies in various countries and regions and proactively conducts anti-counterfeit activities. In 2023, following reports of counterfeit products from consumers, we conducted an internal investigation, and a large-scale crackdown on counterfeit products was carried out in March 2024 with the cooperation of the administrative authorities in Changshu City, Jiangsu Province, China. These steady efforts are playing a role in preventing the use of counterfeit products in the garment manufacturing industry. We will continue to strengthen our cooperation in anti-counterfeit operations.



Site of seized counterfeit goods

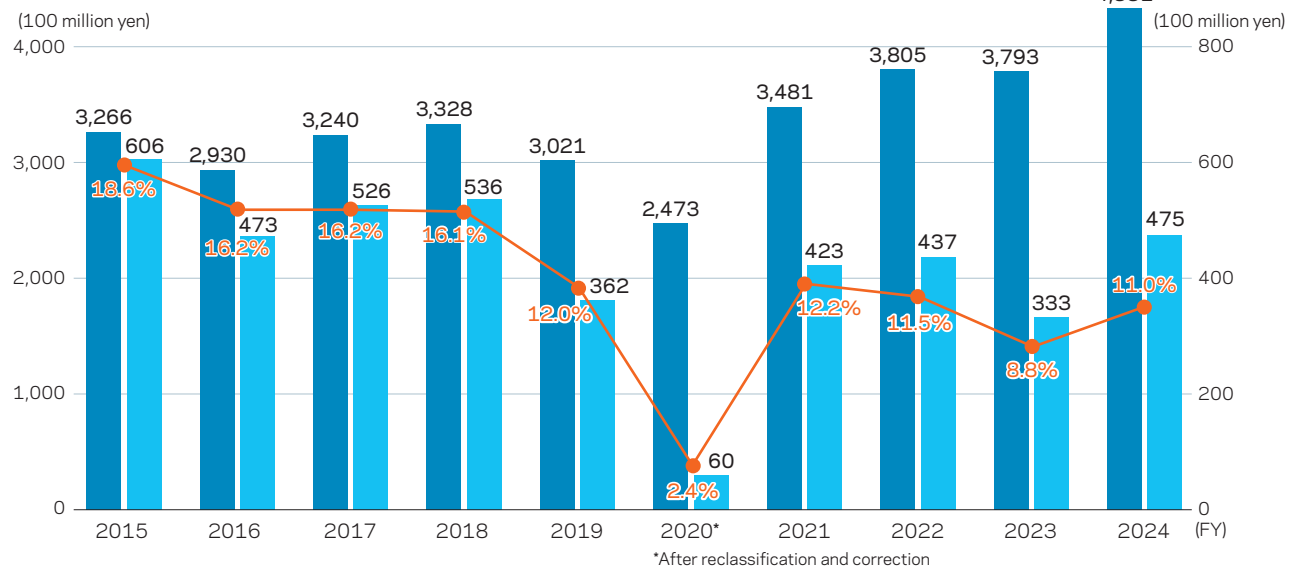
Key Financial and Non-Financial Highlights

(Key points regarding FY2024 financial results)

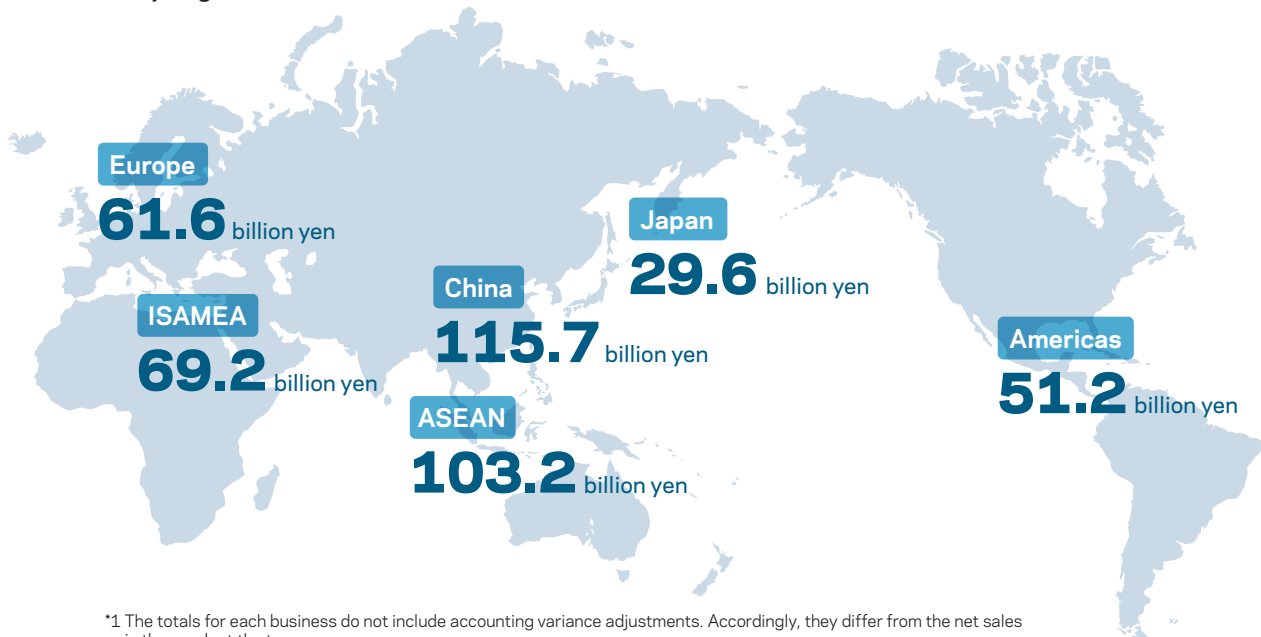
For the Fastening Business, despite the uncertain business environment caused by global inflation, economic stagnation in Europe and China, and the impact of the change in administration in the U.S. on the global economy, measures such as efforts to respond to customer requests and improve on-time delivery performance proved successful, and sales remained strong, particularly in ISAMEA, ASEAN, and China. As a result, net sales reached a record high of 433.1 billion yen, and operating income increased to 47.5 billion yen due to improved operating rates, ongoing cost reductions, and currency exchange effects.

Net Sales, Operating Income, and OI Ratio

■ Net sales ■ Operating income (OI) ● OI ratio



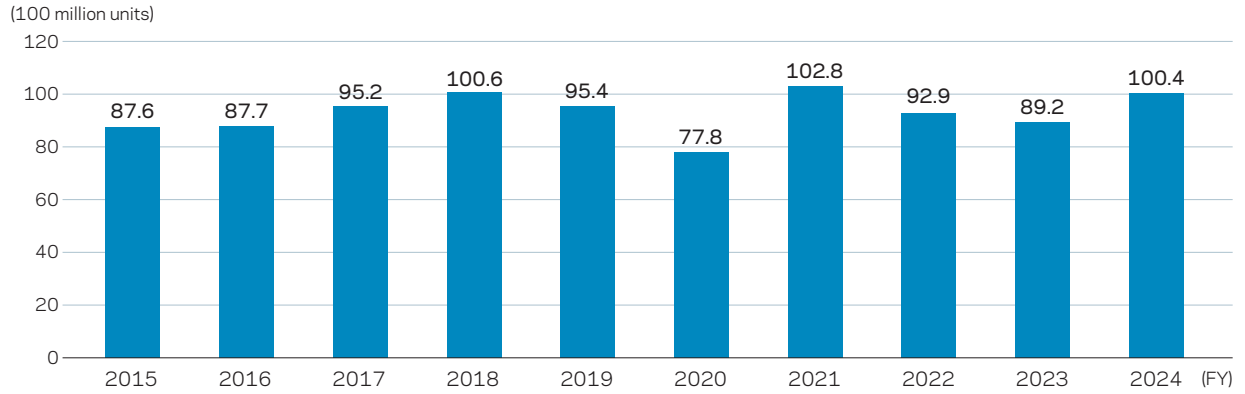
Net Sales by Region (FY2024)



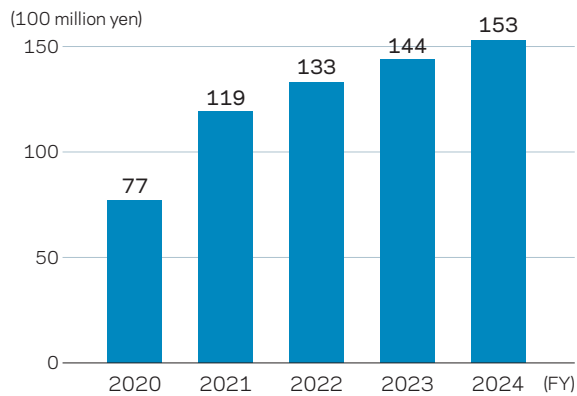
*1 The totals for each business do not include accounting variance adjustments. Accordingly, they differ from the net sales in the graph at the top.

*2 The Americas include North, Central, and South America. ISAMEA includes India, South Asia, the Middle East, and Africa.

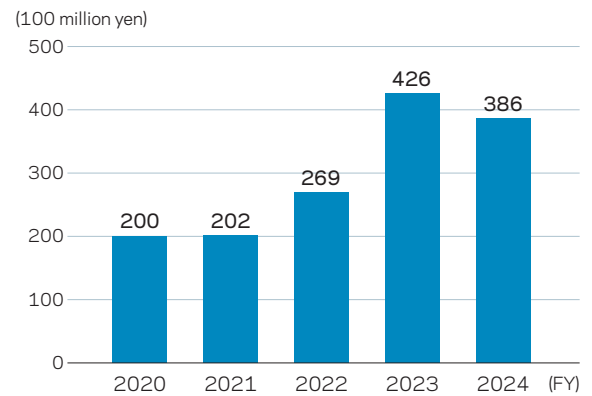
Zipper unit sales



R&D Expenses

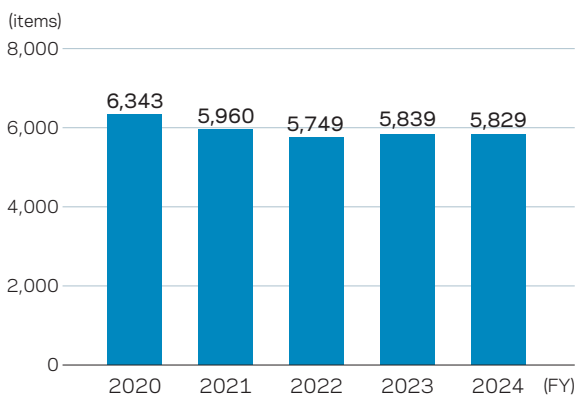


Capital Investment



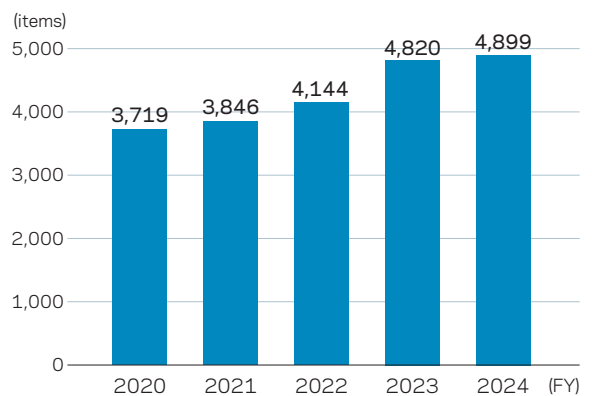
Patents, utility models, and designs

(including pending applications)



Trademarks for zippers, etc.

(including pending applications)



Countries/Regions Where We Do Business

70 countries/regions
(As of March 31, 2025)



Number of Group Companies and Employees

68 companies
27,210 employees
(As of March 31, 2025)



Year of First Overseas Expansion
(India and New Zealand)

1959



Annual Zipper Production Output

More than **3** million km



GHG Emissions Reduction Rate
(From a 2018 Baseline)

Scope1+2 **-57.0** %
(FY2024)



Proportion of Sustainable Materials
(Total Meters)

48 %
(FY2024)



Percentage of Hazardous Substances Eliminated
Through the AcroPlating® New Plating Technology

(Cyanide, chromium, selenium) **100** %



YKK Trademark Registration

In **180** countries and regions
(As of March 31, 2025)



Reference YKK Group Consolidated Financial Information

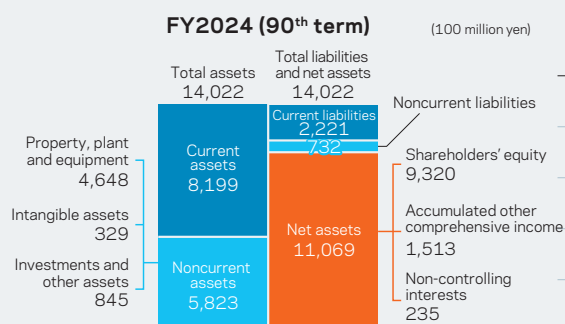
Changes in key management indicators over the previous five consolidated fiscal years

➔ For detailed YKK Group consolidated financial information, read the securities report. (in Japanese only)
<https://www.ykk.com/corporate/financial/securities/>

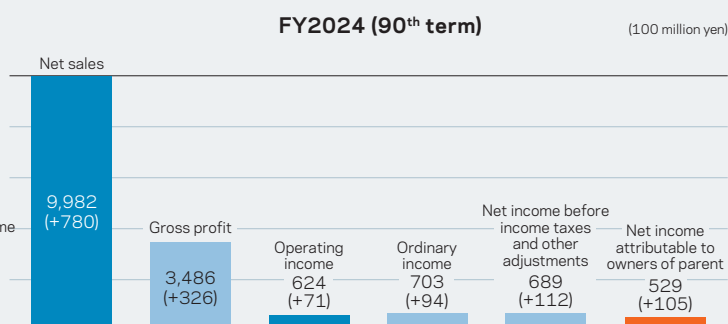
Period Year ended		86 th term March 2021	87 th term March 2022	88 th term March 2023	89 th term March 2024	90 th term March 2025
Net sales	(million yen)	653,765	797,019	893,226	920,234	998,299
Ordinary income	(million yen)	30,134	63,964	60,689	60,824	70,314
Net income attributable to owners of parent	(million yen)	17,340	44,097	37,929	42,365	52,955
Comprehensive income	(million yen)	76,289	105,061	72,928	152,000	56,460
Net assets	(million yen)	735,527	837,264	906,290	1,054,493	1,106,961
Total net assets	(million yen)	1,014,918	1,156,941	1,221,583	1,355,312	1,402,292
Net assets per share	(yen)	599,184	682,026	738,691	860,211	903,763
Net income per share	(yen)	14,463	36,782	31,638	35,339	44,173
Net income per share after adjusting for dilutive shares	(yen)	–	–	–	–	–
Equity ratio	(%)	70.8	70.7	72.5	76.1	77.3
Return on equity	(%)	2.5	5.7	4.5	4.4	5.0
Price-earnings ratio	(multiplier)	–	–	–	–	–
Net cash provided by (used in) operating activities	(million yen)	82,241	81,132	81,724	105,708	118,690
Net cash provided by (used in) investing activities	(million yen)	(40,176)	(40,414)	(55,864)	(99,612)	(75,243)
Net cash provided by (used in) financing activities	(million yen)	(5,284)	(5,776)	(7,000)	1,394	(8,483)
Cash and cash equivalents at the end of period	(million yen)	211,378	264,639	291,706	323,941	353,329
Employees						
[The number in square brackets represent the average number of part time employees not included in the number of regular employees]	(people)	44,510 [2,564]	44,410 [3,161]	44,527 [3,183]	45,363 [2,585]	46,305 [3,079]

Notes: 1. Diluted net income per share is not shown because there are no dilutive shares.
 2. Price earnings ratio is not presented because the stock is not listed.

Consolidated Balance Sheet (Summary)



Consolidated Income Statement (Summary)



* Parentheses indicate a year-on-year comparison

Consolidated Statement of Cash Flows (Summary)

