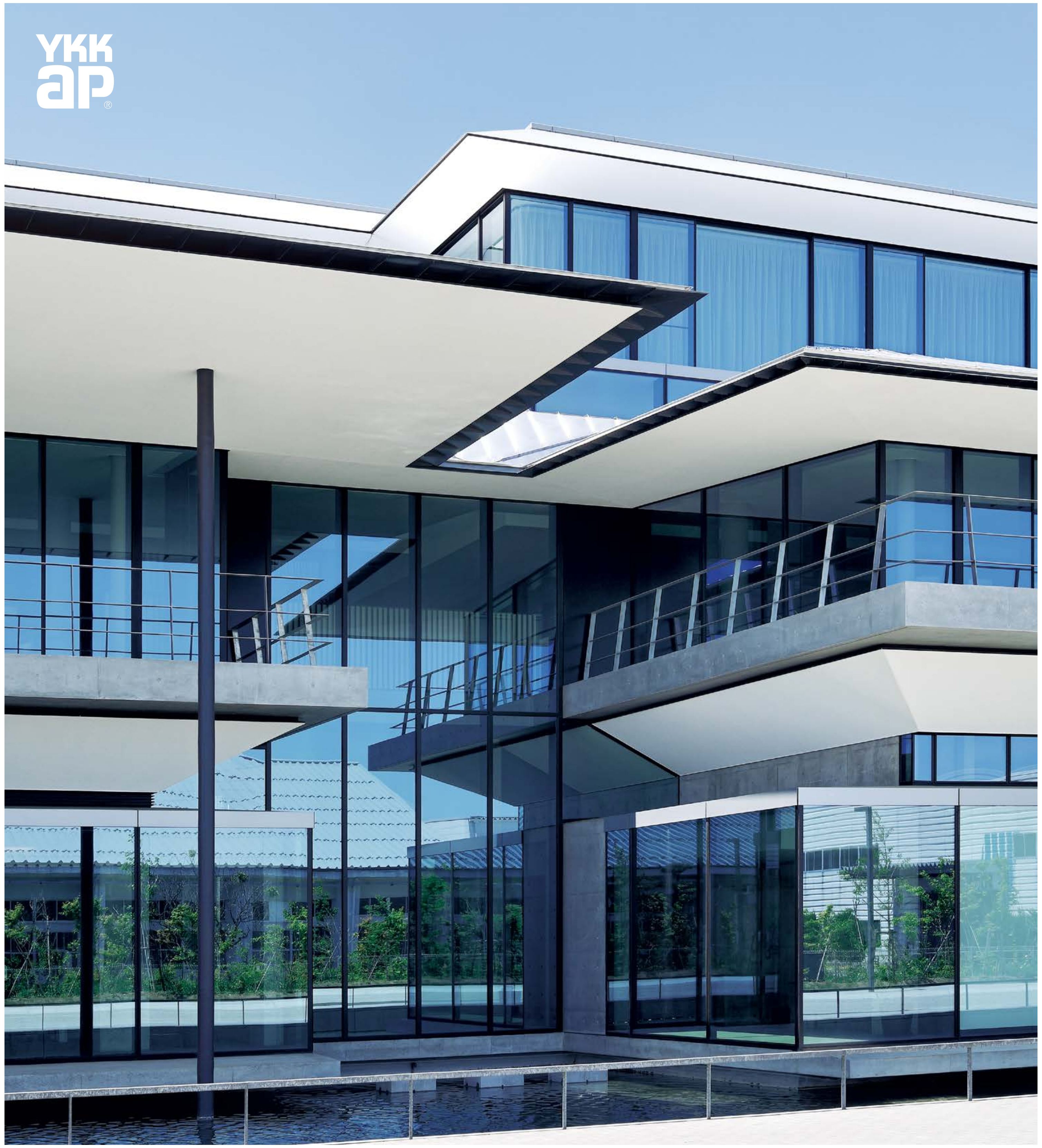


YKK AP Integrated Report 2025

FH25-207-1

YKK AP Inc.

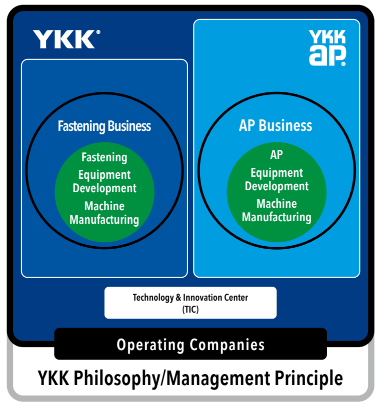
NO XAAAF-H25-207-1

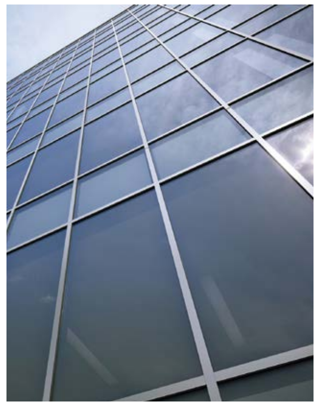
Cover photo:
YKK AP 30 Building
(Kurobe City, Toyama Prefecture)
Construction completed: October 2024

YKK Group Management Structure

Since 1934, when YKK's founder Tadao Yoshida began processing and selling fasteners, the YKK Group has developed its business by creating new value in fasteners through the establishment of an integrated production system and overseas expansion. Today, the YKK Group is a group of companies that share the YKK philosophy — CYCLE OF GOODNESS® and the Management Principle — "YKK seeks corporate value of higher significance," with YKK's fastening business and YKK AP's AP (Architectural Products) business* at its core. While sharing common ideas and philosophies, since 2021 we have been enhancing our business competitiveness through management structures that are best suited to each of our businesses. The Technology & Innovation Center (TIC) serves as a bridge between the two businesses while making contributions on the technical side.

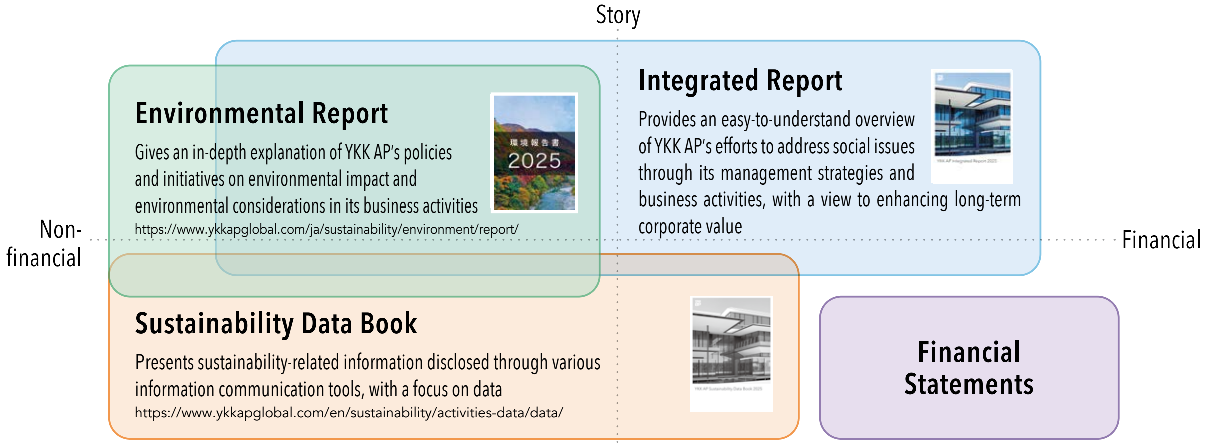
*A business involving the design, manufacture, installation, and sale of industrial products for construction.





YKK AP Report Structure

YKK AP's report structure consists of an "Integrated Report" that communicates the company's corporate value and efforts to address social issues, an "Environmental Report" that details environmental impacts and measures, a "Sustainability Data Book" that compiles sustainability-related data, and its financial statements.
YKK AP uses these reports to disclose a wide range of information from various perspectives.



Note: The other YKK Group reports published by YKK are
This is YKK (Integrated Report), the YKK Annual Securities Report, and the YKK Group Business Report.

Editorial Policy

The YKK AP Integrated Report 2025 is intended to provide stakeholders with a broader understanding of our various efforts to be a company that makes people happy through its business activities, in accordance with our Purpose, "We Build a Better Society Through Architectural Products."
This report was produced with reference to the "International Integrated Reporting Framework" of the International Integrated Reporting Council (IIRC), the "Guidance for Collaborative Value Creation" of the Ministry of Economy, Trade and Industry, and the "GRI Standards" of the Global Reporting Initiative (GRI).

Extent of Coverage
YKK AP Inc.
YKK AP affiliated companies

Period Covered
FY2024
(April 1, 2024 – March 31, 2025)
Note: Some of the information included in this report is from outside of the period covered.

WE SUPPORT

Participant in the United Nations Global Compact (UNGC)

YKK AP has endorsed the principles of the United Nations Global Compact (UNGC), the world's largest sustainability initiative, and signed on in May 2021.

YKK Group and YKK AP Philosophy

YKK's founder Tadao Yoshida established the philosophy of CYCLE OF GOODNESS® as the foundation of the company's business activities. In line with this philosophy, Tadahiro Yoshida, the second president of YKK and founder of YKK AP, formulated the Management Principle — "YKK seeks corporate value of higher significance." Based on these principles, YKK AP has established a "Purpose" as its reason for being, which has now taken root at the heart of our employees' conduct and business decisions. We will maintain our commitment to the architectural products that give our company its name, striving to become a company that contributes to the happiness of society.

YKK's Founder Tadao Yoshida and the YKK Philosophy

CYCLE OF GOODNESS®: "No one prospers without rendering benefit to others."

YKK's founder
Tadao Yoshida (1908–1993)

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, making it possible to contribute to society. This way 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 this as the YKK Philosophy.

YKK Group Management Principle

The YKK Philosophy has served as the foundation of our business activities, supporting the growth of the group for many years. Our Management Principle — "YKK seeks corporate value of higher significance," represents the evolution of this philosophy in line with the trends of the times. The Management Principle expresses the importance of enhancing corporate value and represents our commitment to ongoing efforts in creating value based on Fairness, which is the foundation of all our decision-making.

"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.

The YKK Group's Management Principle, based on the spirit of the CYCLE OF GOODNESS®, is "YKK seeks corporate value of higher significance." We aspire to become a company that is appreciated by our customers, valued by society, and where all employees are able to work with pride and pleasure. As a means to achieve this, we will enhance the quality of our products, technology, and management. In putting these into practice, we always place Fairness at the foundation of all our business activities. This Management Principle was formulated in 1994 by Tadahiro Yoshida, then president of YKK and YKK AP.

YKK AP's founder, Currently Corporate Advisor of YKK and YKK AP
Tadahiro Yoshida

The YKK AP Purpose

We Build a Better Society
Through Architectural Products

With a spirit of curiosity and exploration, we develop architectural products of true value that connect people, planet, and the future. We want to create a better society, while remaining committed to the art and technology that have always been fundamental to architectural culture.

YKK AP's Purpose expresses our desire to be a company that contributes to society through our products and services. That is, to continue to meet the desires of our customers and business partners with the Architectural Products that form the structural elements of houses and buildings. In doing so, we continue to be a company that contributes to customers, business partners, and society at large. While carrying on the ideals embodied in the company name "YKK AP," we aspire to remain an integral and essential part of this ever-changing society.

YKK AP Build a Better Society

Initiatives to Instill our Philosophy

In order to support sustainable business growth, YKK AP is working to create an environment in which employees are conscious of the YKK Philosophy, Management Principle, and Purpose in their daily work. One example of this is the "talking sessions," where employees at each location and division share their own practices and ideas. These meetings are held annually to create opportunities for every employee to think about the connection between their work and the YKK Philosophy, Management Principle, and Purpose, and to help these ideals become widely understood and embraced.

Through communication based on exchange and dialogue, we aim to foster a sense of unity in each division and the company as a whole, as well as to develop the people and culture that will support sustainable growth. In FY2024, talking sessions were held at all of the approximately 2,000 divisions in Japan (sales, development, technology, manufacturing, and administrative).

Activities of the Purpose Awareness Working Group

Since establishing our Purpose in 2021, we have been implementing various initiatives to instill it throughout the company, such as distributing leaflets and booklets and holding roundtable discussions. In FY2024, we further implemented our YKK AP Purpose awareness activities under the name "Everyone's Blue Bird Program." Approximately 12,000 employees participated in e-learning to help them develop a more thorough understanding. Based on this e-learning, we held "talking sessions" nationwide to share, at the department level, examples of how the Purpose was put into practice. Representative examples were gathered from each department and compiled into a "Purpose Episode Map." This map was then used to hold thematic cross-departmental talking sessions, and we will continue to implement measures to further raise awareness of our Purpose.

Employees in discussion at a thematic cross-departmental talking session (YKK AP 30 Building)

Twelve representative examples collected from individual departments in Japan were compiled into a "Purpose Episode Map."

President's Message

Akira Uozu, President Representative Director

An Urgent Need for Organizational Transformation to Embrace a Spirit of Challenge and a Profit Generating Structure

Our foundation: the YKK philosophy — CYCLE OF GOODNESS® "We Build a Better Society Through Architectural Products."

FY2025 marks the start of YKK AP's 7th Mid-term Management Plan. We have set a target for net sales of 703.9 billion yen for the final year of the plan, FY2028, and are moving forward on that basis.

Prior to the 7th Mid-term Management Plan, upon assuming the position of president in 2023, I set out a "Global Leading Company" as YKK AP's vision for "how we seek to be in 2030 and how we ought to be," and developed the "Evolution 2030" vision to make it a reality. This has two main objectives.

The first is to realize the corporate philosophy of the YKK Group, the CYCLE OF GOODNESS®, and the YKK AP Purpose. In accordance with the CYCLE OF GOODNESS®, that is, the fundamental belief that companies can only survive by coexisting with society and sharing profits, we have established YKK AP's unique Purpose: "We Build a Better Society Through Architectural Products." The realization of these two objectives will lead to our becoming a "Global Leading Company." Becoming the industry leader in terms of net sales and operating income ratio will enable us to also become the price leader. I believe that ultimately, this will enable sustainable growth, generate profits for stakeholders, and allow employees to work with peace of mind, creating a CYCLE OF GOODNESS® and a system that is in line with our Purpose. The "Evolution 2030" vision sets targets of 1 trillion yen in net sales and a 10% operating income ratio for FY2030 and beyond, but these targets are not ends in themselves. Rather, they are milestones on the path toward "Becoming a Global Leading Company."

The second objective is to instill a spirit of challenge. As a window manufacturer, YKK AP's Residential Business and Commercial Business are currently both leaders in the Japanese market, and what has brought us to this point is our constant pursuit of challenges. Upholding the approach of YKK's founder Tadao Yoshida, who believed in the importance of maintaining the mindset of a small business owner, we continue to take on challenges with a sense of urgency and a long-term perspective. This approach is essential to our goal of "Becoming a Global Leading Company." We have formulated our 7th Mid-term Management Plan based on the idea that all employees, especially the young and mid-career employees who will form the core of the company from FY2030, should take ownership of this plan and embrace a spirit of challenge.

The Three Policies of "Evolution 2030"

Become a Global Leading Company Through the Evolution of Architectural Products

Three Policies

Contribute to the Global Environment	Create New Value for our Customers
Create mechanisms toward the realization of decarbonization and a circular society	Higher thermal insulation performance, higher added value and integrated business services

Prioritize Employee Well-Being and Engagement

Well-being management based on the CYCLE OF GOODNESS®

President Representative Director

Akira Uozu

Uozu joined YKK AP in 1985. Since joining the company, he has been engaged in architectural products sales. After serving as Vice President and General Manager of the Sales Division's Window Business Planning Department, Head of the Residential Division, Head of the Sales Division, and Director and Executive Vice President for International Business, he has been in his current position since April 2023.

FY2024 — A fourth consecutive year of record net sales However, soaring material prices and the weak yen lead to a decline in profits

Looking back on our performance in FY2024, net sales reached 561.6 billion yen, marking a record high for the fourth consecutive year.

However, operating income fell below the level of the previous fiscal year, to 18.0 billion yen. The main factor behind this drop is rising costs, such as the surge in material prices that began in 2021. Cost increases exceeded 50.0 billion yen over the four years of the 6th Mid-term Management Plan, covering FY2021 to FY2024, and could not be absorbed by internal efforts such as reducing manufacturing costs and reviewing selling, general and administrative expenses. The impact of the weak yen was particularly significant, with the exchange rate fluctuating around 150 yen to the dollar at the end of FY2024, compared to around 110 yen to the dollar in 2020. A one yen change in the exchange rate results in a change of several hundred million yen in the purchase price of aluminum.

Although the weak yen and the rise in material prices persist, we cannot stop our efforts to realize our vision or raising employee wages. Rather than continuing with improvements along the same lines as before, it is necessary to transform the company into one that is inherently profitable.

Last fiscal year, we also worked to comply with logistics guidelines in Japan. With new requirements to keep truck waiting and loading times to within two hours, we have spent a year developing a system to meet these standards. Since October 2024, we have been able to achieve a two-hour response time for all delivery vehicles. From the perspective of the CYCLE OF GOODNESS®, we have taken the first step toward reducing the burden on the logistics partners we depend on.

Strengthening revenue generation — the most important theme of the 7th Mid-term Management Plan Measures underway such as shifting to profitable businesses

The 7th Mid-term Management Plan focuses on two main areas: "Transform Our Revenue Models" and "Create Value Through Technological Innovation." During the first two years, we will work to improve our corporate structure to become a company that consistently generates profits. Then, during the second two years, we will once again challenge ourselves to achieve our vision, "Evolution 2030." As profitability improves, it becomes possible to invest in business growth, which in turn leads to increased sales. This will then bring us closer to one of the targets of Evolution 2030, which is to achieve net sales of 1 trillion yen. The plan for FY2028, the final year of the current mid-term management plan, is for record net sales of 703.9 billion yen and operating income of 38.9 billion yen.

Focus on the renovation and remodeling markets Specialized departments established nationwide

In terms of "Transform Our Revenue Models," we will focus on shifting toward renovation and remodeling markets and improving thermal insulation performance.

While the downward trend in the number of new housing starts in Japan is expected to continue, demand for improving the thermal insulation performance of existing residential buildings is expected to remain strong. In addition, the number of condominiums that are 35 years old or older is expected to increase significantly over the next 10 years, reaching a peak in the mid-2030s. Furthermore, in its basic policy for realizing GX (Green Transformation), the Japanese government has stated that, over a 10-year period starting in 2023, it will allocate approximately 14 trillion yen in public and private investment for energy-saving renovations of houses and buildings. In light of these market conditions and policy trends, we recognize that residential remodeling and commercial building renovation are business areas that we should focus on going forward.

Accordingly, we have established specialized departments to concentrate our business resources in these areas. In the residential remodeling field, we established the new "Renovation Sales Management Department" as an organization to manage our business with large retailers such as home improvement centers and consumer electronics stores, as we aim to build a nationwide sales system under the direct leadership of the head office. In the commercial building renovation sector, we have established new renovation divisions in the Chubu and Kyushu regions, in addition to the existing divisions in the Tokyo metropolitan area and Kansai region, and have set up departments in each division to handle these operations.

Outline of the 7th Mid-term Management Plan (FY2025–FY2028)

The YKK Group 7th Mid-term Management Plan Vision

Prosper Together for a Sustainable Future

The YKK AP 7th Mid-term Business Policy

"Transform Our Revenue Models" and "Create Value Through Technological Innovation"

Transform Our Revenue Models

- Japan: Shift toward renovation and remodeling markets, optimize material composition across business domains, optimize manufacturing and supply system
- Overseas: Enhance growth strategies for further business expansion

Priority measures

• Japan:
- Further penetration into the window and door renovation market through strengthened sales structure and product appeal
- Shift to high thermal insulation windows, optimize material composition across business domains
- Establish a manufacturing and supply system considering sales markets and transportation efficiency
- Unmanned operation of manufacturing lines with digital and robotic technologies

• Overseas:
- North America: Expanding operations in the Commercial Business with a view to building strong brand recognition in the entire U.S.A. and constructing new plants
  In the Residential Business, expand sales areas in six southern states
- China: Expand target segments in the new construction sector and strengthen market responsiveness in the renovation sector
  Build a curtain wall business model
- Taiwan: Expand target segments
- Indonesia: Penetrate into high value-added products and expand channels
- New regions: Entry into the European market with unitized curtain walls, etc.

Create Value Through Technological Innovation

- Transform manufacturing and operational processes through automation and labor savings
- Technology development for social value creation

Priority measures

- Enhance customer services through digital technologies such as AI estimation systems as part of operational process transformation
- Develop products and technologies to solve social issues and improve quality of life, and create social value through the development of sustainable materials

YKK AP FY2028 Business Plan

Overall	
Net sales	703.9 billion yen (Overseas: 159.7 billion yen)
Operating income	38.9 billion yen
Net sales to operating income ratio	5.5 %

Japan

Percentage of net sales accounted for by remodeling: Residential Business: 50 %, Commercial Business: 37 %

Rate of high thermal insulation windows*: Residential Business: 100 %, Commercial Business: 25 %

*Residential: Based on number of windows sold, Commercial: Based on number of windows ordered

Managers from all areas around the world gather in Japan on a regular basis to share values and management strategies across the entire YKK AP Group. The photo shows members of senior management at overseas companies gathered at a meeting held at the YKK 80 Building in Tokyo in February 2025.

For windows, the highest grade for thermal insulation performance was raised from 4 to 7 in 2022, and new homes are currently transitioning to grades 5 and 6. As a result, the residential window market is expected to see an accelerated shift toward high thermal insulation windows made of materials such as vinyl. From the perspective of thermal insulation performance, we have decided to discontinue sales of aluminum windows for residential use in FY2027. We will expand sales of vinyl windows, wooden windows, and aluminum-vinyl composite windows, aiming to become the top seller in terms of total window sales by FY2028. In addition, in the thriving Commercial Business, we will expand our lineup of high thermal insulation products for the renovation sector, where demand is expected to increase in the future, with the aim of further sales growth. In recent years, orders for aluminum products have been increasing in areas such as large architectural products for commercial buildings and exteriors, as well as in automotive equipment. We aim to increase our annual aluminum extrusion volume from the current 130,000 tons to 140,000 tons by 2028, optimize material compositions, and strengthen profitability.

Taking on the mid-range market, with strong demand overseas

In our overseas business, investment in commercial facilities was low due to ongoing high interest rates in the U.S.A. in FY2024, causing the market to stagnate. As such, although sales increased, we were unable to achieve our plan. Sales in the mid-range market for domestic demand were strong in China. Although defaults among developers are a major problem in China, in our business across China, as well as in Taiwan and Indonesia, we only work with companies that have credit management in place, focusing on projects for buildings that are likely to be completed on schedule. As a result, our business is less susceptible to external influences such as local laws and regulations, and is able to generate steady revenue.

In Asia, we have been targeting the high-end market, but from now on we will target the mid-range market, where there is greater demand. In order to enhance our supply system in anticipation of competition from local companies, we established YKK AP (SHANGHAI) INTERNATIONAL TRADING last year. Until now, in order to ensure global quality, we have manufactured extruders and processing machines in Japan and supplied parts and components to various countries and regions. However, in recent years, Chinese-made equipment and parts have achieved high quality and improved cost competitiveness. Procuring from China through YKK AP (SHANGHAI) INTERNATIONAL TRADING also allows logistics costs to be reduced. Furthermore, we welcomed Okinawa-based aluminum extrusion manufacturer Kanehide Aluminum Industry (now RYUKYU YKK AP INDUSTRY) to the YKK AP Group. We supply aluminum products from our factory in Indonesia to Asia, but as demand grows in Indonesia, we need to prepare to optimize our production lines and expand our production capacity. By establishing an aluminum extrusion supply site in Okinawa Prefecture, we will be able to ensure a stable supply to Asia going forward, which will also strengthen our manufacturing and supply system. We will also work to restructure our factory in Indonesia. In this way, we will continue to promote global procurement and strengthen BCP in our supply chain over the current fiscal year.

In the Commercial Architectural Products Business in North America, we have established a manufacturing and sales site in Los Angeles to expand our operations in the western region, in addition to our main base in the eastern region. In addition, we will grow our sales areas in the six southern states where we are currently expanding our Residential Architectural Products Business.

		FY2023 (Results)	FY2024 (Results)	FY2028 (Plan)
Ratio of new constructions to remodeling projects:	Residential	New construction 63 %	New construction 62 %	New construction 50 %
		Remodeling 37 %	Remodeling 38 %	Remodeling 50 %
	Commercial	New construction 68 %	New construction 68 %	New construction 63 %
		Renovation 32 %	Renovation 32 %	Renovation 37 %

*Based on net sales for the YKK AP Group (Japan)

Harnessing the YKK Group's assets to expand global business areas

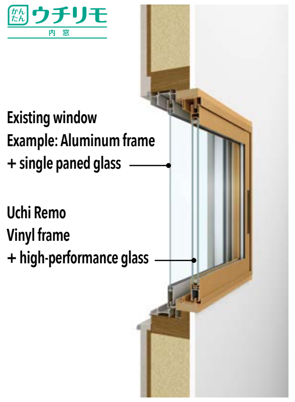
At present, we operate in 12 countries and regions overseas. We have also made the decision to expand into Europe, which we have long considered an essential market for our growth strategy. In April 2025, we established YKK AP Europe in Germany, and plans are underway to commence full-scale business operations. This expansion into Europe represents not just an enlargement of our business area, but also an opportunity to further enhance our technical capabilities by addressing the needs of the European market in collaboration with the YKK AP R&D Center (Germany).

When expanding business areas overseas, it is extremely important to build networks with local companies and secure local human resources. In terms of human resources, it is essential to recruit and develop employees who share our corporate philosophy and who possess an in-depth understanding of the cultures, backgrounds, and needs of each country and region. Fortunately, the YKK Group has expanded into many regions around the world through its fastening business. We will strive to meet the challenge by making effective use of these assets to realize a management approach and business operations rooted in the region.

Improving profitability through the use of digital technology for automating and platforming manufacturing lines

Optimizing the supply system at manufacturing sites is also important for strengthening profitability. At the Kurobe Ekko Plant, we plan to achieve unmanned operation of the parts assembly line at night within this fiscal year. One of our goals is to achieve an employee-friendly workplace by reducing night shifts. By utilizing automation to continue operations at night, we can improve the equipment utilization rate and total asset turnover rate.

In addition, since the manufacture of aluminum products requires large areas of land, production sites have traditionally been established in regions where land is readily available, from where products are supplied to demand centers throughout the country, such as metropolitan areas. Furthermore, the products manufactured differ depending on the location. For example, 70% of our exterior products are manufactured at the Kyushu Plant, then shipped nationwide. Going forward, we will establish platform-based production line system that will enable us to manufacture multiple products simultaneously at factories located closer to major demand centers. This will reduce CO_2 emissions during delivery and significantly cut logistics costs. Over the course of the 7th Mid-term Management Plan, we plan to start this initiative with carports, and eventually expand it to all products.



The "Uchi Remo" vinyl inner window for remodeling, released in July 2025, is installed on the inner side of existing windows to improve thermal insulation performance. If the installation dimensions of the window frame are at least 47 mm*1, it can be installed without an extension frame*2. As awareness of thermal insulation remodeling for windows grows and the market for inner windows picks up steam, about half of Japan's existing housing stock has window frames with a depth of 70 mm or less, which often requires the use of extension frames to fit existing windows. The construction and design issues that this presents have been an obstacle to the installation of inner windows.

*1 Depth excluding parts that interfere with the opening and closing of inner windows (such as meeting stiles that protrude into the room on the existing window).
*2 A part for extending window frames to install inner windows when the depth of the existing window frame is insufficient
*3 ウチリモ (Uchi Rimo) is a registered trademark of YKK AP Inc. in Japan.

Creating high value-added products in multiple fields through technological innovation

Due to factors such as the raising of thermal insulation performance grades, the thermal insulation performance of windows will become increasingly important in the future. We have set a target of raising the rate of high thermal insulation windows to 100% for residential buildings and 25% for commercial buildings*4 by FY2028. The key to achieving this is "Create Value Through Technological Innovation." Although products using domestically-produced wood and aluminum profiles for thermal insulation windows in commercial buildings present difficulties in terms of development, we will leverage our strengths to tackle these challenges. With respect to curtain walls, we will work to develop and provide renovation products that meet European standards, which are stricter than Japanese standards in terms of thermal insulation performance, as well as products with high thermal insulation performance.

In recent years, there has been growing demand among customers for homes fully equipped with exterior features such as carports, fences, and plantings. To address this, in July 2024, we welcomed TERAYAMA Inc., a company with a proven track record in greening projects, into the YKK AP Group as an affiliated company. In addition to strengthening our capabilities in the residential sector, its ability to handle rooftop, garden, and wall greening in the commercial building sector provides us with a significant competitive advantage.

We will also engage in product development using new technologies. One current initiative is the development of windows that generate electricity from sunlight. This is a revolutionary technology that transforms windows into sources of energy. Eventually, we hope to roll this technology out to balconies, gates, and fences.

In the healthcare business, we expect to announce indoor sensor products within the current fiscal year. The sensors detect when a resident has a fall, then send a notification to nursing staff or a security company. By FY2026, we aim to release a system that detects disease risks using tablets and other mobile devices. By having users look at a tablet camera for a certain amount of time, it is possible to detect the risk of diabetes and high blood pressure, and by having them speak into a microphone, it is possible to detect the risk of dementia and depression, enabling early intervention.

*4 Residential: Based on number of windows sold, Commercial: Based on number of windows ordered

YKK AP has entered into a business alliance with KANDENKO CO., LTD. to develop Building Integrated Photovoltaics (BIPV) that utilize the windows and walls of commercial buildings. From July to October 2024, a demonstration house called "Akiba ZERO BOX" was set up in front of Akihabara Station, featuring a trailer house designed to look like a miniature version of existing buildings. We conducted a demonstration test to collect data on the solar radiation and power generation of BIPV using next-generation solar cells (perovskite solar cells)

Using "Forest Management" as a foundation for restructuring our materiality (priority issues) with a focus on human resources

Our materiality has also been updated in line with the 7th Mid-term Management Plan. We reevaluated the materiality of the previous mid-term management plan from two perspectives, "importance to stakeholders" and "impact on business," and consolidated the 10 items into 8 items.

The area we place the highest priority on in terms of materiality is human resources. The plans outlined above cannot be achieved without human resources. The YKK Group has always upheld the concept of "Forest Management." This is the idea that we should be an organization where everyone can co-exist while exercising autonomy, regardless of age, gender, educational background, or other factors. We will strive as a company to ensure that each and every employee becomes an autonomous "human resource."

In terms of diversity and inclusion, in Japan, there are now over 140 female managers among our employees, accounting for 6.8% of all management positions. Women make up 27% of our employees, so we will continue our efforts to increase this figure further. In addition, the YKK Group abolished its mandatory retirement age in FY2021, meaning that employees who reach the age of 61 can consult with the company and choose their working style based on their preferences and abilities. While abolishing the mandatory retirement age, we also place great importance on training and promoting young employees, and believe that it is urgent to develop human resources who can play an active role globally. Accordingly, we have established a system that allows prospective employees to gain experience working in multiple regions in Japan and overseas every two to three years from early in their careers.

We have also established a system that allows employees to take on new challenges regardless of their job type. We solicit ideas from employees, and those whose ideas are adopted are transferred to work on the projects they proposed.

Developing human resources who possess cross-departmental skills and take on challenges as "the nail that sticks out"

To achieve the 7th Mid-term Management Plan, it is also necessary to develop personnel who are willing to take on challenges. Currently, we have an organizational structure in which each department specializes in a particular area in order to develop experts in each field. However, going forward, we will need personnel who can think about what is best for the entire company across departmental boundaries. We want our employees to have comprehensive knowledge and skills in manufacturing, sales, technology, and management, and we have enhanced our personnel allocation and training systems to this end. In addition, we want our employees to become proactive thinkers who take initiative in their work rather than waiting for instructions, like the proverbial "nail that sticks out." By having more personnel who can take a bird's-eye view of the entire company, think backwards from the end goal, and take on challenges, we will be able to achieve the "transformation" we are aiming for in our 7th Mid-term Management Plan.

Since its establishment in 1990, YKK AP has faced numerous challenges, including the collapse of Japan's bubble economy, a decline in new housing starts, and the global financial crisis. By changing our policies as necessary, we have been able to steadily improve our business performance. This is because we have followed in the footsteps of our predecessors who started the Architectural Products Business, constantly taking on new challenges. Even as tough external conditions continue, including a weak yen and soaring material prices, we will redouble our spirit of challenge and make steady progress toward "Becoming a Global Leading Company" with sustainable growth.

Message from the Financial Officer

Focusing on ROA while Improving Profitability Making Balanced Investments with a View to Medium- to Long-term Growth

Director
Executive Vice President/
Head of Internal Auditing Division
Kosuke Iwabuchi

Iwabuchi joined YKK AP in 1986. From 1996 to 2009, he worked in the U.S.A. and China, where he held management positions. After returning to Japan in 2009, he served as Vice President and Head of the Corporate Planning Department, before becoming an Executive Vice President in April 2016 and a Director in June of the same year. Since July 2025, he has also been serving concurrently as Head of the Internal Auditing Division.

Focusing on digitalization to expand our business foundation FY2024: Increased revenue but decreased profit, with challenges in terms of profitability

In FY2024, YKK AP's net sales increased to 561.6 billion yen, up 4.4% on the previous fiscal year, marking a fourth consecutive record high. On the other hand, operating income decreased by 29.4% to 18.0 billion yen, and the net sales to operating income ratio was 3.2%, indicating that there are still issues with profitability. The main factor behind the decline in profits is the sharp rise in material prices. The yen continued to weaken, causing aluminum prices denominated in US dollars to rise further. We also made the decision to revise our prices, a move made necessary by increases in logistics and labor costs, but the results were as described above.

Our overseas business accounts for 19% of net sales, indicating that there is still room for growth. In the U.S.A., we will review our product policy for residential applications and work to secure more orders. We also hope that the establishment of YKK AP (Jiangsu), a manufacturing site for extruded aluminum profiles, will contribute to further business expansion in China. In Taiwan and Indonesia, we will strive to further increase revenue by expanding target regions and implementing streamlining measures.

With regard to financial indicators, we will continue to focus on return on assets (ROA), which is calculated by multiplying asset efficiency (total asset turnover rate) by profitability (operating income ratio). YKK AP, as a non-listed company, is based on YKK Group Finance, and we believe that it is important to utilize the Group's financing capabilities to optimize assets and improve profitability.

If the total asset turnover rate becomes too high, there may be a shortage of new investments, and if it is too low, asset efficiency may deteriorate. Our benchmark is "1" or higher, and with total assets currently standing at 494.7 billion yen, we are meeting this standard. We will strive to expand our business while keeping an eye on the inventory turnover and accounts receivable turnover rates, thereby improving asset efficiency.

ROA for FY2024 was 3.2%, down from 4.0% in FY2023. This is due to a decline in operating income ratio. Going forward, we will focus on the ratio of net sales to gross profit (gross profit margin) for each product in order to verify product appeal. It is necessary to increase gross profit by introducing new products with high added value, and product appeal is the key to improving profitability.

Key consolidated financial data

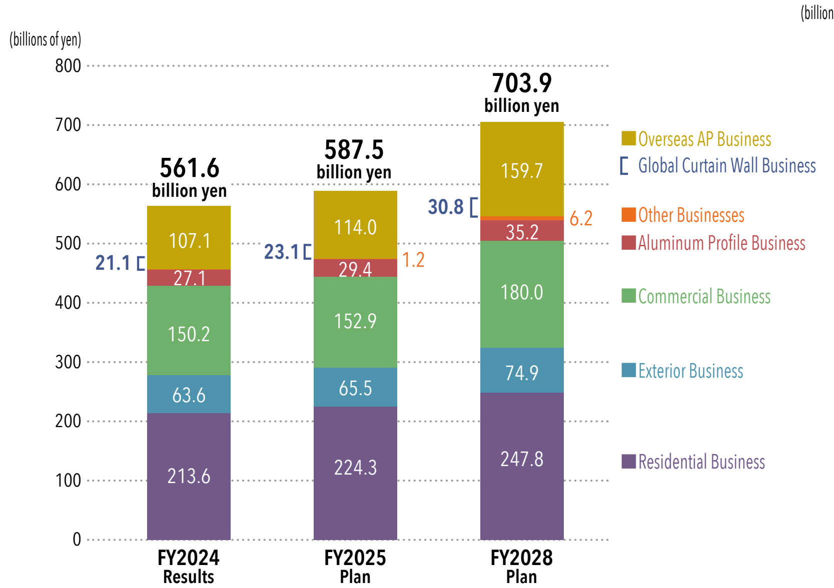
	FY2021 (Results)	FY2022 (Results)	FY2023 (Results)	FY2024 (Results)	FY2025 (Plan)
Net sales (consolidated)*1	446.3 billion yen	508.6 billion yen	538.1 billion yen	561.6 billion yen	587.5 billion yen
Japan	388.6 billion yen	425.7 billion yen	450.4 billion yen	460.7 billion yen	479.6 billion yen
Overseas*2	79.7 billion yen	115.8 billion yen	119.5 billion yen	134.7 billion yen	138.9 billion yen
Overseas ratio*3	14 %	17 %	18 %	19 %	19 %
Operating income	17.3 billion yen	17.8 billion yen	25.6 billion yen	18.0 billion yen	17.2 billion yen
Operating income ratio	3.9 %	3.5 %	4.8 %	3.2 %	2.9 %

*1 Transactions with parties inside the Group have been offset.
*2 Includes transactions with parties inside the Group in each region.
*3 The proportion of overseas sales out of net sales to external customers.

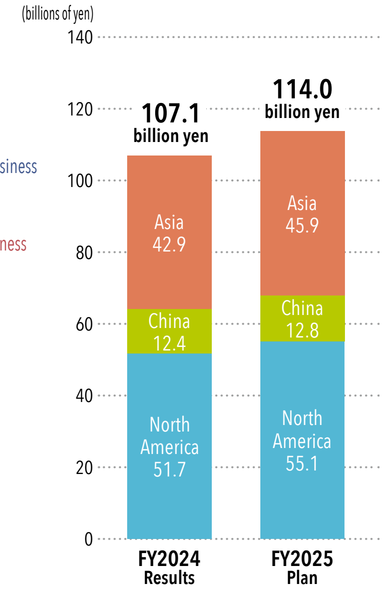
	FY2021 (Results)	FY2022 (Results)	FY2023 (Results)	FY2024 (Results)
Return on assets (ROA)	2.7 %	3.5 %	4.0 %	3.2 %
Equity ratio	56.2 %	57.9 %	64.6 %	66.0 %
Return on equity (ROE)	4.8 %	6.1 %	6.6 %	4.8 %

YKK AP's business portfolio

Net sales by business



Net sales by overseas region



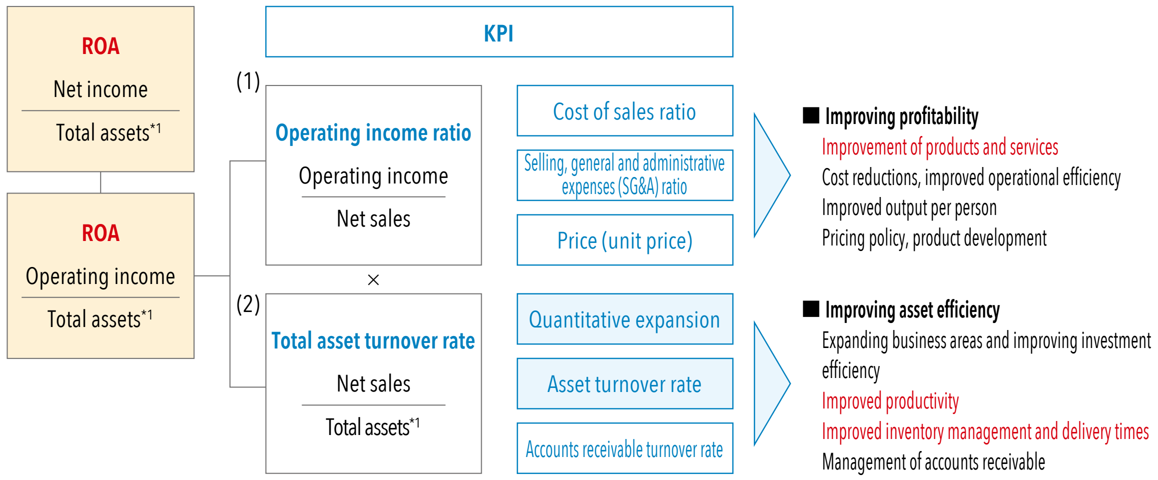
FY2025 investment plan—Based on orders

Objective: Enhancing profitability and driving further growth of the overseas business

	Investment details	FY2024 (Results)	FY2025 (Plan)
Japan	Streamlining support	4.9 billion yen	6.6 billion yen
	Increase production capacity and support new products	3.7 billion yen	3.3 billion yen
	Digital-related	6.5 billion yen	5.3 billion yen
	Sustainability-related	2.8 billion yen	3.5 billion yen
	YKK AP30 Building, Technology Museum – additional investment	1.8 billion yen	—
	Infrastructure development, etc.	4.9 billion yen	2.9 billion yen
	Subtotal	24.8 billion yen	21.9 billion yen
Overseas	China: YKK AP (Jiangsu) New MFG facility	—	7.7 billion yen
	Indonesia: MFG facility rebuilding	3.7 billion yen	6.9 billion yen
	North America: Production increase, etc.	3.2 billion yen	5.2 billion yen
	Asia: Others	2.4 billion yen	1.9 billion yen
	Subtotal	9.4 billion yen	21.8 billion yen
Total		**34.2 billion yen**	**43.7 billion yen**

7th Mid-term Plan (FY2025–FY2028) Total Investment: 136.3 billion yen (FY2025 Total Investment: 43.7 billion yen)

An approach based on breaking down and improving management indicators, centered on ROA



(1) Improve profitability by enhancing the added value of products and services and pursuing cost reductions
(2) Improve asset efficiency by efficiently utilizing assets and expanding the business

*1 (Total assets at the end of the current fiscal year + total assets at the end of the previous fiscal year) ÷ 2

Examining cost ratios by product and channel to improve efficiency

In order to reduce selling, general and administrative (SG&A) expenses, we are placing particular emphasis on reducing logistics costs. Logistics costs vary greatly depending on where and what is manufactured at each of our 25 production sites in Japan. We calculate the logistics cost ratio for each product based on net sales, and establish an optimized manufacturing and supply system that takes into account sales markets and transportation efficiency.

We will also work to reduce costs incurred in sales activities. Selling different products via each channel leads to varied transaction conditions, which complicates operations and increases system costs. We will consolidate products while closely monitoring SG&A ratios by channel, and strive to standardize and streamline operations.

The 7th Mid-term Management Plan, which began in FY2025, calls for "Transform Our Revenue Models" and "Create Value Through Technological Innovation" as our mid-term business policies, and we are working diligently to implement these measures. Particular emphasis is being placed on investment in digital-related areas. The number of new residential and commercial construction starts in Japan is certain to decline in the future, necessitating bold streamlining measures. One prerequisite for investment in digital is business design. We will consider standardizing and centralizing our operations, invest in digital technology, and implement reforms to our production and business processes through automation and labor saving.

System updates to realize smart factorization

YKK AP is implementing company-wide initiatives to use digital technology to connect all information related to its business activities, thereby improving operational efficiency. This will also lead to smart factorization at major plants in Japan and overseas. For example, by applying computer-based digital twin technology to existing manufacturing lines, it becomes possible to simulate equipment layout, production processes, quality, and other factors in a digital space, eliminating work that depends on specific individuals and enabling greater efficiency.

Since the development of an information infrastructure is essential for smart factorization initiatives, we are also working to update our core systems. Over the previous Mid-term Management Plan, we worked on building an Enterprise Resource Planning (ERP) system, but due to the complexity involved, the implementation is taking some time. System updates require enormous costs, but we will continue to expand and strengthen our business foundation for medium- to long-term growth.

		FY2021	FY2022	FY2023	FY2024
Profit and loss	Ordinary income	18.6 billion yen	21.3 billion yen	28.3 billion yen	21.8 billion yen
	Net income attributable to owners of parent company	11.1 billion yen	15.2 billion yen	18.8 billion yen	15.4 billion yen
	Comprehensive income	19.7 billion yen	27.6 billion yen	48.7 billion yen	21.5 billion yen
Financial status	Net assets	241.8 billion yen	266.0 billion yen	312.1 billion yen	329.3 billion yen
	Total assets	426.5 billion yen	455.8 billion yen	478.8 billion yen	494.7 billion yen
Cash flow	Cash flow from operating activities	26.9 billion yen	32.3 billion yen	53.4 billion yen	39.4 billion yen
	Cash flow from investing activities	△19.8 billion yen	△22.8 billion yen	△44.1 billion yen	△40.5 billion yen
	Cash flow from financing activities	△5.4 billion yen	△4.9 billion yen	△5.6 billion yen	10.9 billion yen
	Ending balance of cash and cash equivalents	31.7 billion yen	37.6 billion yen	46.8 billion yen	54.1 billion yen
Capital investments/ R&D expenses	Capital investments	20.6 billion yen	29.6 billion yen	44.4 billion yen	38.8 billion yen
	Sustainability investments*2	—	—	3.9 billion yen	2.8 billion yen
	R&D expenses	9.0 billion yen	9.3 billion yen	10.6 billion yen	11.9 billion yen

These figures have not been audited by a certified public accountant or audit firm, but the consolidated financial data for profit and loss, financial status, and cash flow have been reviewed by an audit firm.

*2 Sustainability investments represents the amount ordered for the current fiscal year.

Creating new businesses in areas surrounding buildings

Since creating new products is also essential for transforming our revenue models, we will strive to create new businesses in areas surrounding buildings. In addition to developing Building Integrated Photovoltaics (BIPV) systems using perovskite solar cells that contribute to energy conservation and CO_2 reductions, we are also exploring new businesses in the healthcare field, which is becoming increasingly important in an aging society.

In order to establish a system for creating new businesses in terms of both seeds and needs, we have established a new organization within the Technical Research Division to explore new technologies globally, and a New Business Development organization within the Corporate Planning Department to consider new businesses from the market perspective. It is important that these two organizations collaborate and explore new business models that combine markets and technology.

We will also continue to invest in human capital for medium- to long-term growth. In order to expand our overseas business, it is necessary to systematically develop global human resources with extensive knowledge of finance, a thorough understanding of market and industry conditions, and strong language skills. We also need personnel who can work in the sectors of remodeling and renovation, and we will focus on developing the necessary skills while also investing in digital education. YKK AP plans to increase the percentage of net sales accounted for by overseas sales to 30% by FY2030. Many overseas companies are already at a stage where local employees are involved in management, indicating the importance we place on overseas human capital.

The strength of non-listed companies lies in their ability to make decisions that require significant investment to generate innovation with a medium- to long-term perspective, without being constrained by the need for immediate profits. In order to foster more in-depth discussions from a variety of perspectives, we appointed our first outside director in FY2024 and are now receiving a wide range of opinions at Board of Directors' meetings and other forums. We will continue to actively invest capital with a medium- to long-term perspective in order to enhance profitability and achieve steady growth.

Corporate Governance Strategy

Roundtable Discussion: Chairman of the Board, Outside Director, and YKK Outside Director

The Chairman of the Board and Two Outside Directors Discuss the Implementation of Governance Essential for Corporate Growth

Photo, from left

YKK Outside Director
Keinosuke Ono
Ono has served extensively in various positions, including Professor and Dean of the Graduate School of Business Administration at Keio University, as well as Executive Vice-President of Chubu University. He is currently Professor Emeritus at Keio University and Chubu University. Since June 2007, he has served as an outside director at YKK.

YKK AP Outside Director
Tomoko Inoue
Inoue began her career at Hino Motors, where she acquired experience in human resources and finance. After serving as Audit Division General Manager, Senior General Manager and Audit Division General Manager, and Senior General Manager and Internal Audit Vice Officer, she was appointed as a member of the company's Audit & Supervisory Board. Since June 2024, she has served as an outside director at YKK AP.

Chairman Representative Director, YKK AP
Chairman of the Board
Hidemitsu Hori
Hori joined Yoshida Kogyo (now YKK) in 1981. From 1989 to 2006, he worked in the U.S.A. After returning to Japan, he served as Vice President, Head of the Corporate Planning Department, Director, Senior Vice President, and Head of Business Groups at YKK AP. Then, from 2011 to March 2023, he served as President Representative Director. He has been in his current position since April 2023.

Appointing our first outside director to enrich discussions by incorporating a wide range of perspectives

——Could you tell us why YKK AP, a non-listed company, made the decision to appoint an outside director?

Hori: In recent years, with the business environment changing rapidly, I felt uneasy about whether YKK AP was on the right track. In 2009, when I was appointed as the head of the Business Division, Mr. Ono, who is joining us today, advised me to take the top spot in market share and become the price leader. With his guidance, I was able to move forward without hesitation. We have grown in size to become a leading company in the industry, but the situation today is very different from what it was back then. The Japanese market is saturated, with the number of new housing starts on a downward trend, and profits are almost negligible due to soaring material prices. With the number of essential requirements placed upon businesses continuing to grow, I felt that we needed outside expertise to help us identify new directions.

——In June 2024, Tomoko Inoue joined YKK AP as its first outside director.

Hori: Ms. Inoue is well versed in manufacturing and has extensive auditing experience. Another factor in her selection was her ability to provide accurate advice as YKK AP strengthens its internal control systems. With the appointment of our first outside director, I feel that we have gained a diverse range of perspectives on the Board of Directors.

Inoue: Thank you very much. I have worked for a commercial vehicle manufacturer for 42 years, where I was responsible for human resources, finance, and internal auditing. What I realized as I gained experience in my career was that while it is easy to come up with ideas on paper, it is difficult to apply them in real life. At meetings of YKK AP's Board of Directors, I try to convey my opinions while considering the basis for on-site decisions and business processes in as specific terms as possible.

Ono: I have been serving as an outside director at YKK since 2007, and at YKK, outside directors and outside members of the Audit & Supervisory Board are very active in expressing their opinions. There is an organizational culture of listening carefully to what people on the outside have to say, and I believe that this can also extend to YKK AP. It is my hope that incorporating the opinions of outside directors will enable the company to achieve further growth.

——Mr. Ono, you also serve as a member of the YKK Nomination and Compensation Committee, which was established in 2008.

Ono: The YKK Nomination and Compensation Committee is an advisory body to the Board of Directors that is primarily responsible for personnel matters relating to directors, Audit & Supervisory Board members, vice presidents, and specialized officers of YKK and YKK AP, as well as the design of the compensation system for corporate officers. It may be fairly unusual for a non-listed company to establish a nomination and compensation committee. Fairness is at the core of the management principles established by Tadahiro Yoshida, YKK AP's founder and corporate advisor, and fairness is also incorporated into the company's employee evaluation system as a standard of conduct. The fact that we are not listed on the stock exchange means that it is even more important to make decisions fairly and ensure transparency in the decision-making process. This belief is deeply rooted in the entire YKK Group. YKK AP has not established its own committee because it intends to ensure effective governance by maintaining a consistent perspective across the entire group.

Identifying areas for improvement from an outside perspective and holding thorough discussions at Board of Directors' meetings

——Ms. Inoue, based on your experience in human resources and auditing, what points do you focus on at meetings of the Board of Directors?

Inoue: I believe that people's capabilities are greatly influenced by their feelings. In human resources, we place great importance on how employees and stakeholders feel.

Furthermore, I believe that misconduct occurs when people are mentally drained and the opportunity to make such mistakes arises. It is the company's responsibility to make sure that nobody is presented with these opportunities. Therefore, in our audits, I place emphasis on whether there are any deficiencies in the internal control systems for business processes.

Hori: Last fiscal year, Ms. Inoue asked us to confirm whether we had standards and regulations regarding misconduct, and YKK AP believes that these were insufficient. We became keenly aware that there was a lack of mechanisms to prevent impulsive behavior.

Inoue: In large organizations, establishing standards and regulations helps prevent mistakes. I believe that it is also the responsibility of the Board of Directors to prevent employees from becoming unhappy.

——I have heard that operations are being reviewed in order to strengthen the functions of the Board of Directors.

Hori: Previously, the Board of Directors mostly had reports and resolutions on the same day, but following advice from an outside member of the Audit & Supervisory Board that discussion is important and that members of the Audit & Supervisory Board observe the discussion process, we have been setting aside time for discussion since FY2023.

Inoue: We make sure to discuss major items over at least two meetings of the Board of Directors, and then make a resolution at the third meeting. The exchange of opinions during the discussions is very lively, and I myself also ask many questions.

Hori: The outside members of the Audit & Supervisory Board also taught us the "etiquette" of what to focus on and what to prepare for the resolution. Ms. Inoue also frequently requested additional materials and asked questions. I have been reminded of the importance of ensuring sufficient time for discussion, and I feel that the attitudes of the company's inside directors are gradually changing.

Ono: I believe that bringing in an outside perspective has been important in terms of ensuring proper procedures are followed and that active discussion takes place.

Hori: What has changed most of all is the topics of discussion. When only inside directors were attending meetings, discussions tended to be little more than continuations of what had been spoken about in business meetings. Now, it has become a forum to consider what is important for the company while also paying attention to risks and compliance. Regardless of whether a company is listed or not, I believe that this kind of governance system and its further strengthening are essential for a company's growth.

Improving strategic accuracy and Board of Directors effectiveness with a broad outlook and long-term perspective

——What discussions took place during the formulation of the 7th Mid-term Management Plan?

Hori: We have not yet been able to adapt to the recent surge in material prices. Although we have expanded our business areas and reviewed our personnel allocation, we still have much to do in terms of pursuing productivity and efficiency. We spent a great deal of time discussing our policy of shifting our focus to the high-margin remodeling sector and pursuing added value, as well as passing on price increases to customers and expanding into new regions.

Inoue: There was also discussion about the importance of investing in people. In order to achieve what is set out in the 7th Mid-term Management Plan, it is important to enhance the capabilities of our employees and maintain their motivation.

——From an outside perspective, what are your thoughts on YKK AP's management?

Inoue: I feel that the management style is very aggressive. The company takes appropriate risks in terms of both regions and businesses, and is expanding its value chain.

Ono: I believe that YKK AP should not only take the top market share, but also become the undisputed leader. Only by pulling ahead of our competitors can we reap the benefits. YKK's fastening business has grown by expanding applications for fasteners. Similarly, YKK AP has gained market share in Japan and expanded overseas, broadening the scope of its business from windows to related housing fixtures. If you capture the market and value the trust your customers place in you, profits will naturally follow.

Hori: That's exactly right. We have also spoken about the need to differentiate ourselves from the competition at the Board of Directors. Naturally, simply protecting our existing businesses is not enough to secure our future. We are currently at a turning point and are exploring what steps to take next.

——Please tell us about the future prospects and challenges for the Board of Directors.

Inoue: When considering individual proposals, I feel that discussions would be more thorough if the approach of always referring back to the overall portfolio was shared among the Board of Directors. YKK AP has its figures for each business neatly laid out, so by assessing the current state of affairs and where we want to be, we can determine how much capital to invest where, which should lead to greater precision in terms of the management strategy and human resources strategy needed to achieve these goals. In order to further improve effectiveness, I think it would be a good idea to seek external evaluation.

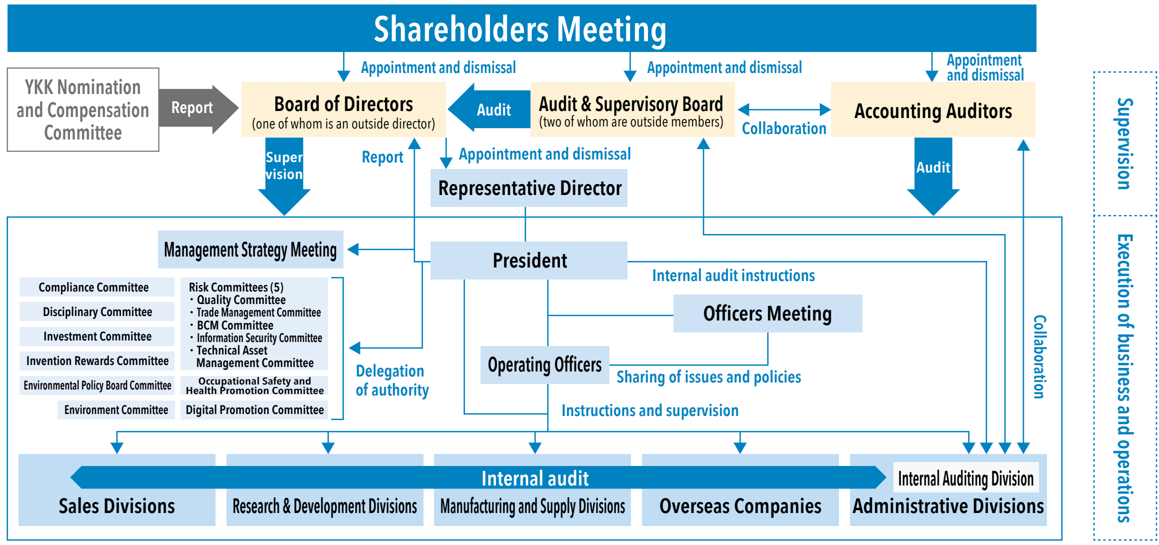
Ono: I have examined numerous companies, and I believe that YKK's governance is more than adequate. However, with so much time devoted to immediate issues, I feel that there is not enough time to discuss medium- to long-term issues. We are working to strengthen corporate governance through effectiveness evaluations by external expert organizations regarding the form of the Board of Directors itself and the scope of its discussions. How about YKK AP?

Hori: The lack of time for discussion regarding the medium- to long-term is also an issue at YKK AP. We will also need to reexamine the state of the company's governance and the matters discussed at meetings of the Board of Directors. We plan to evaluate the effectiveness of the Board of Directors in the 7th Mid-term Management Plan, but first we will work to improve ourselves by broadening our outlook and adopting a long-term perspective.

Basic Approach

Underlying YKK AP's corporate activities is the YKK philosophy — CYCLE OF GOODNESS®, which states that "no one prospers without rendering benefit to others." Accordingly, we have consistently made fairness the foundation of all our business activities. In line with this approach, we aim to enhance our corporate governance system with the goal of further increasing corporate value. Based on an organizational system in which the Board of Directors serves as the decision-making and supervisory body and the Audit & Supervisory Board serves as the auditing body, YKK AP has adopted an Operating Officer System to promote the execution of business and operations.

Corporate governance system



Separation of management and execution (Execution of duties by directors, Operating Officer System)

Directors comply with the regulations of the Board of Directors and follow the rules regarding director duties, and carry out business appropriately based on the division of duties. They regularly attend compliance training offered by lawyers, etc., and submit to the company written oaths pledging to comply with laws and regulations in performing their duties as directors. In addition, we have introduced the Operating Officer System to ensure the faster execution of business operations via the separation of management and execution. While directors dedicate themselves to realizing total optimization, operating officers execute individual businesses and operations with responsibility and authority, in accordance with the policies resolved on at the Board of Directors.

Main committees for executing business/duties

Committee		Number of committee members*	Number of meetings in FY2024
Compliance Committee		15	2
Disciplinary Committee		60	19
Investment Committee		7	10
Invention Rewards Committee		21	3
Environmental Policy Board Committee		12	1
	Environment Committee	65	4
Risk Committees (5)	Quality Committee	8	4
	Trade Management Committee	13	3
	BCM Committee	13	3
	Information Security Committee	12	3
	Technical Asset Management Committee	12	3
Occupational Safety and Health Promotion Committee		28	3
Digital Promotion Committee		57	2

*Number of committee members as of June 2025

Details of the main committees are presented in the Sustainability Data Book.
https://www.ykkapglobal.com/en/sustainability/activities-data/data/governance/#section01-08

Directors and Board of Directors (as of June 2025)

Chairman Representative Director
Chairman of the Board
Director, YKK Corporation
Hidemitsu Hori

President Representative Director
Akira Uozu

Vice Chairman Director
Shinichiro Yamaji

Director
Executive Vice President, Head of Internal Auditing Division
Kosuke Iwabuchi

Director
Executive Vice President
Hiroshi Abe

Director
Executive Vice President
Koichi Ebihara

Director
Kazuo Matsutani

Director
Shuichi Mizukami

Director
Chairman, YKK Corporation
Hiroaki Otani

Director
Executive Vice President, Administration Division
Director in Charge of Pension Policies and CFO, YKK Corporation
Satoshi Honda

Director (outside)
Tomoko Inoue

Personal histories of directors and their attendance at meetings are presented in the Sustainability Data Book.
https://www.ykkapglobal.com/en/sustainability/activities-data/data/governance/#section01-04

Board of Directors meetings in FY2024

Number of meetings	14 (including extraordinary meetings)
Average number of agenda items	11
Average time per meeting	3.5 hours
Main agenda items and reporting items	・Matters related to the Shareholders Meeting ・Matters related to directors, operating officers, and executive specialists ・Matters related to organizations and personnel ・Matters related to business ・Matters related to the disposal and transfer of important assets ・Matters related to Japan and overseas affiliated companies

The Board of Directors deliberates and resolves on important matters, determines management policies, and supervises the execution of business operations. Currently, the Board has 11 directors (no more than 11 members), and the main results of deliberations in FY2024 are shown on the left. In order to promote active discussions, important matters are discussed at the Management Strategy Meeting before being brought up at Board of Directors' meetings, external Audit & Supervisory Board members attend and state their opinions, and the chairman, president, and Audit & Supervisory Board members exchange opinions (three times in FY2024).

Policy on determination of individual compensation for directors

In order to raise awareness of ensuring consistency between sustainably increases in corporate value and paying stable dividends to shareholders, as well as improving business performance, YKK AP's basic policy is to set compensation for directors in consideration of the company's results and to determine the appropriate level of compensation for each director in accordance with their responsibilities. Specifically, directors' compensation consists of base salary and bonuses.

YKK Nomination and Compensation Committee

Members: 5 (including 2 YKK outside directors)
Number of meetings in FY2024: 11

The YKK Group has set up the Nomination and Compensation Committee in YKK as an advisory body, and its members are appointed by resolution of the YKK Board of Directors. The committee deliberates on matters such as the election and dismissal of directors, Audit & Supervisory Board members, operating officers, and specialized officers, as well as their compensation, and reports back to the YKK Board of Directors and the YKK AP Board of Directors.

Audit & Supervisory Board and Members (as of June 2025)

Chairman of the Audit & Supervisory Board
Audit & Supervisory Board Member (outside)
Fuminao Hachiuma

Audit & Supervisory Board Member (full-time)
Hisao Miyamura

Audit & Supervisory Board Member (full-time)
Wataru Otani

Audit & Supervisory Board Member (outside)
Mina Sekiguchi

Audit & Supervisory Board meetings in FY2024

Number of meetings	14 (including extraordinary meetings)
Average number of agenda items	3
Average time per meeting	1.5 hours
Key audit items	・Initiatives for improving employee engagement ・Initiatives to establish a common infrastructure for AP business ・Compliance initiatives ・Sustainable management initiatives ・Initiatives to strengthen the business management system for overseas affiliated companies ・Confirmation of internal controls at Group affiliated companies ・Initiatives to strengthen the quality assurance system ・Initiatives to strengthen the safety management system ・Initiatives to strengthen governance

The Audit & Supervisory Board, which consists of four Audit & Supervisory Board members, held 14 meetings in FY2024 to audit the execution of duties by directors from the standpoint of legality and propriety. They also attend major meetings such as Board of Directors' meetings, express opinions as necessary, and visit each location to conduct audits in accordance with the audit policy. Two of the Audit & Supervisory Board members are invited from outside the company. With a high level of expertise, insight and experience in corporate management, they conduct impartial audits from an objective standpoint.

Personal histories of Audit & Supervisory Board members and their attendance at meetings are presented in the Sustainability Data Book.
https://www.ykkapglobal.com/en/sustainability/activities-data/data/governance/#section01-04

Skill matrices

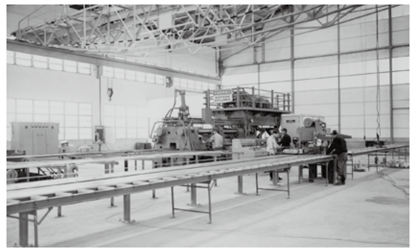
Category	Name	Company management	Global	Specialist field				
				Sales and marketing	Manufacturing and technology	Financial and accounting	Organization and personnel	Legal and compliance
Director	Hidemitsu Hori	●	●	●		●	●	
	Akira Uozu	●	●	●				
	Shinichiro Yamaji			●				
	Kosuke Iwabuchi		●			●	●	●
	Hiroshi Abe				●			
	Koichi Ebihara			●				
	Kazuo Matsutani			●	●		●	
	Shuichi Mizukami				●			
	Hiroaki Otani	●	●	●				
	Satoshi Honda		●			●	●	
	Tomoko Inoue (outside)					●	●	●
Audit & Supervisory Board Member	Fuminao Hachiuma (outside)	●	●	●			●	
	Hisao Miyamura		●			●		
	Wataru Otani				●	●	●	●
	Mina Sekiguchi (outside)		●	●		●	●	

The above does not represent all of the expertise, knowledge, or experience possessed by each individual.

History of Value Creation

The AP business began in 1959, leveraging our knowledge of aluminum materials acquired through fastener manufacturing.
Since then, we have continued to develop and supply products that meet customer needs in every era and also provide new value.

1957–1989 Start of Architectural Products Business



Aluminum extruder installed in 1959

Yoshida Shoji Co., Ltd., the predecessor to YKK AP, was established in 1957 to undertake the sales and exports of fasteners manufactured by Yoshida Kogyo K.K. (now YKK). The company launched its architectural products business in 1959 and launched the "Hi-Sash" residential aluminum sash in 1966. Product development was also expanded.

1959	Aluminum casting and extrusion work begin
1961	Manufacture and sales of interior aluminum architectural products begin
1962	Manufacture and sales of aluminum sashes begin
1976	First overseas affiliate, YKK Industries (Singapore) Pte. Ltd. (now YKK AP SINGAPORE PTE.LTD.), established
1983	Manufacture and sales of vinyl sashes begin
1986	First overseas plant with an integrated production system, YKK Almico Indonesia (now PT YKK AP INDONESIA), established

1990–2004 Founding of YKK AP

The inaugural press conference of YKK AP's first President, Tadahiro Yoshida (currently Corporate Advisor), in May 1990

In 1990, YKK Architectural Products (abbreviated to YKK AP) was founded out of its parent company, Yoshida Shoji Co., Ltd., as the core company of the YKK Group's architectural products business. In 2003, all architectural products businesses in the YKK Group were fully consolidated into one. This established YKK AP's corporate structure.

1990	The company is renamed YKK Architectural Products Inc. (YKK AP)
	Sales of "EXIMA" system sashes for commercial buildings begin
2002	The company is renamed YKK AP Inc.
2003	YKK's Architectural Products Manufacturing Group is integrated into YKK AP Inc. and the architectural products business of the YKK Group becomes a fully integrated organization
	Sales of "SYSTEMA" series of system sashes for non-residential buildings begin

2005–2010 Evolution into a Window Manufacturer

The "APW 330," launched in 2009

With the goal of "transforming from sash manufacturer to window manufacturer," we take a new direction as a producer of windows, supplying windows as finished products, and announces the window business brand "APW." In 2009, it launched the "APW 330" vinyl window. The Overseas Facade Business also began full-scale activities.

2005	Proclamation to promote insulating glass for residential windows
2006	The window business brand "APW" series is launched
2007	Value Verification Center established
2008	YKK AP FACADE PTE. LTD. established
2009	Sales of "APW 330" vinyl windows begin

2011–2022 Commitment to Products and Manufacturing

The Saitama MADO (Window) Plant, which began operations in 2011

Hidemitsu Hori, who became President in 2011, adopted a policy of "a company committed to products and manufacturing," increasing market share by promoting the window business, including vinyl windows, expanding exterior and remodeling products, and strengthening engineering capabilities in the Commercial Business.

2011	Operations begin at the Saitama MADO (Window) Plant
2012	Sales of the "Venato" electronic smart door begin
2014	Sales of the "LUCIAS" series of exterior products begin
2016	YKK AP R&D Center is opened
2020	Overseas AP business and integrated capital relations and business operations of overseas affiliated companies reorganized into YKK AP
2021	Part of the YKK Machinery & Engineering Group is transferred and the Machinery & Engineering Department is established

2023– Becoming a Global Leading Company

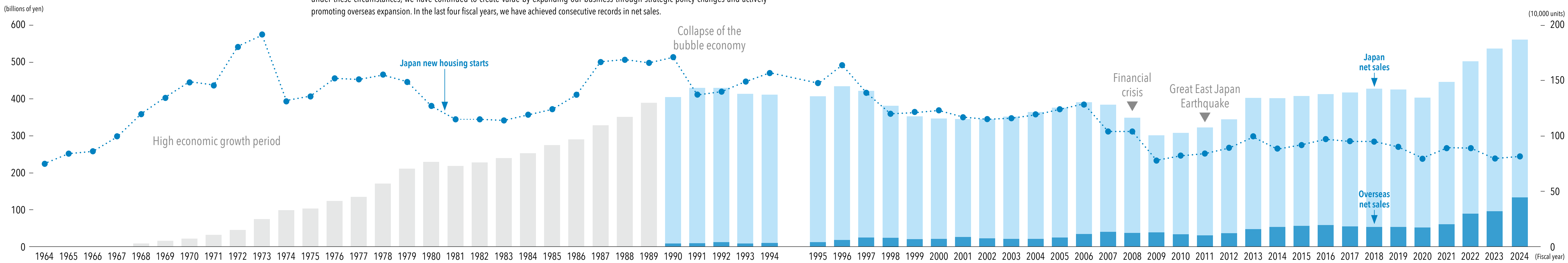
Akira Uozu assumed the office of president in 2023. YKK AP has set a goal of "Become a Global Leading Company Through the Evolution of Architectural Products" by 2030. In 2024, we promoted new businesses, including the establishment of YKK AP Healthcare Inc. and the development of Building Integrated Photovoltaics, aiming not only to grow our existing businesses but also to provide new customer value. We are also focusing on conversion to high-performance, energy-conserving windows, and as part of these efforts, we have begun selling wooden windows with high thermal insulation performance and aesthetic appeal. Overseas, a new vinyl window plant began operations in the U.S.A. in 2023, establishing a manufacturing and supply system to increase sales of vinyl windows. In addition, to strengthen the curtain wall (CW) business in Japan and overseas, we established the Global Curtain Wall Division and acquired shares in the largest CW manufacturer in Thailand. Furthermore, we have acquired shares in an aluminum sash manufacturer in Okinawa Prefecture, and will work to strengthen our manufacturing and supply capabilities for aluminum sashes not only in Okinawa Prefecture but also throughout the Asia region.

The "APW 651" wooden window, launched in 2024

2023	Outstanding shares acquired in YHS International Ltd., a Thai curtain wall manufacturer, and Siam Metal Co., Ltd., its manufacturing company
2024	YKK AP Healthcare Inc. established
	Business alliance concluded with KANDENKO Co., Ltd. for the development and promotion of Building Integrated Photovoltaics
	Sales of "APW 651" sliding wooden patio doors with triple insulating glass begin
	YKK AP Technology Museum opens

Net sales and number of Japan new housing starts

Since the start of our Architectural Products Business, we have passed through the period of high economic growth and faced numerous challenges, including a decline in the new housing starts in Japan, the collapse of the bubble economy, and the global financial crisis. Even under these circumstances, we have continued to create value by expanding our business through strategic policy changes and actively promoting overseas expansion. In the last four fiscal years, we have achieved consecutive records in net sales.



The Value Creation Process

Through the integration of a highly integrated production and sales system, human resources who can put our philosophy into action, and mechanisms that support a wide range of processes, YKK AP has established a distinct identity as a company that can create value beyond that of just a component manufacturer. These are unique strengths that cannot be easily imitated by other companies.

Management capital

These are the six types of capital that form the foundation of our business.

Financial Capital
Related pages: pp.16–19

Human Capital
Related pages: pp.42–49

Social/Relational Capital
Related pages: p.37, p.40, p.67

Manufacturing Capital
Related pages: pp. 32–37

Natural Capital
Related pages: pp. 53–58

Intellectual Capital
Related pages: pp. 38–41

External environment

We are closely monitoring the changing external environment.

Declining population and aging society

Risk: Decline in demand for new construction, shortage of skilled workers
Opportunity: Demand for remodeling and labor saving

Decarbonization policy

Risk: Increased costs
Opportunity: Demand for thermal insulation windows and subsidies

Climate change

Risk: Supply chain disruption
Opportunity: Increased value of products with excellent disaster prevention and weather resistance

Influx of cheap products from other countries

Risk: Price competition
Opportunity: Appealing to overall value (quality and installation)

Rising costs

Risk: Decline in revenue
Opportunity: Utilization of in-house production and recycling

DX/Technological innovation

Risk: Obsolescence of existing technology
Opportunity: Application of new technologies such as AI and robotics

Changes in architectural styles

Risk: Reduction in proposal-based sales
Opportunity: Development of modular products

Value creation process (business model)

YKK AP creates value based on quality and reliability, drawing on human resource capabilities produced through shared values and systems that support our processes. Based on our 7th Mid-term Business Policy, we will continue to refine our efforts by "Transform Our Revenue Models" and "Create Value Through Technological Innovation." Related pages: p. 11

A corporate culture and human resource capabilities based on the CYCLE OF GOODNESS® philosophy

At the heart of YKK AP is the YKK philosophy — CYCLE OF GOODNESS®, which is rooted in our commitment to creating value for society, our customers, and our employees. These values are shared across all areas, from manufacturing and development to sales and installation, resulting in strong employee loyalty and excellent customer satisfaction.

Sharing values

Quality and reliability achieved through an integrated monozukuri system

YKK AP has established an integrated production system that handles all processes in-house, from product planning and development to material procurement, manufacturing, logistics, sales, installation, and product use. This vertically integrated model enables us to provide high quality and stable supply, and to deliver products of the highest all-round quality in terms of performance, design, and price.

High quality and stable supply

Provision of products with superior performance, design, and price

Planning → Research, development, and verification → Procurement of raw materials and supplies → Manufacturing → Logistics → Sales → Installation → Product use

Quality management

Difficulty of imitation

Mechanisms that support a wide range of processes

Over the history of our business, we have developed mechanisms that support each process in the value chain. This is what gives us our competitive advantage.

Customer-oriented research and development capabilities
- Quick incorporation of customer feedback in product design
- Product development tailored to the needs of each region around the world
- Rigorous testing system based on user behavior, actual environments, and technical analysis

Strong procurement and supply chain
- Stable supply and cost competitiveness through a global procurement network
- Stable component quality through thorough quality management

Manufacturing and logistics efficiency and consideration for the environment
- In-house production, labor saving, and automated production lines
- Stable supply and strict adherence to delivery deadlines using AI demand forecasting
- Reducing CO_2 emissions through modal shifts and streamlined logistics

Installation support and on-site responsiveness
- Product design that reduces on-site workloads
- Development of jigs and installation robots
- Development of skilled workers through installation training

Sales and marketing system attuned to customer needs
- Making value visible to customers through facilities to experience product performance and functionality
- Appeal to customers regarding the importance of thermal insulation performance and energy efficiency

Value created

We create multi-faceted value for all our stakeholders.

YKK AP

Strong quality management and cost competitiveness achieved through an integrated production system, as well as a wealth of technical expertise and human resources developed over the years, form the foundation of our brand value and sustainable growth.

- Improving brand value
- Cost management and quality assurance
- Competitiveness generated through strong organizational capabilities
- A sustainable business foundation
- Long-term growth potential

YKK AP (employees)

We take pride and find purpose in our work, seeking opportunities for growth while demonstrating their impact through contributions to society and the community.

- Fulfilling work and growth
- Pride in work that contributes to society and the community
- A sense of solidarity and security working with colleagues who share the same values

Business partners (design offices, construction companies, installation contractors)

We co-create with our business partners to improve productivity and add value to buildings as a whole through easy installation and proposal support.

- Enhancing the value of buildings
- Enhancing productivity
- Installation risk control
- Strengthening appeal to customers

Customers (users)

Through products that offer outstanding thermal insulation performance and safety, we provide comfortable and secure living environments and enable customers to make choices they can be satisfied with.

- Healthy and comfortable living
- Peace of mind and reliability through long-lasting products
- Information that lets customers choose products they can be satisfied with

Suppliers and vendors

We promote co-creative relationships and responsible procurement to create opportunities for sustainable growth.

- Building co-creative relationships
- A responsible supply chain
- Medium- to long-term growth opportunities

Local communities and the environment

We provide social value through job creation, contributions to the environment such as CO_2 emissions reduction and resource recycling, and products with excellent disaster prevention.

- Maintaining and creating local employment
- Reductions in energy consumption and CO_2 emissions
- Reducing environmental impact
- Improving resilience

Materiality-Based Initiatives

In line with the start of our 7th Mid-term Management Plan, we reviewed our materiality (priority issues) in February 2025. YKK AP has designated promotion divisions responsible for each materiality issue to enhance its initiatives. The Sustainability General Meeting, chaired by the president, is composed of the Environmental Policy Board Committee, the Compliance Committee, the Human Rights Working Group (WG), the Human Resources Policy Committee, the General Administration Department, and the Chief Risk Management Officer (CRO). In addition, the Materiality Promotion WG is responsible for promoting materiality and managing KPIs.

Materiality identification and review process

Step 1 Identify and assess issues

Step 2 Validation

Step 3 Discussion and approval at management meetings

After implementation and verification by the relevant promotion divisions, materiality is reviewed regularly in line with the formulation of mid-term management plans every four years.

Materiality is identified by considering the company's purpose and by analyzing issues from a variety of perspectives. These include employee awareness surveys, insights from business partners, global risk reports, SASB, and the SDGs. We analyze and examine issues from both a business and a social perspective, rank the elements that could be considered, and select the highest-ranked items as YKK AP's materiality. We review the identified materiality in the first year of each mid-term management plan, taking into account changes in the external environment and the content of our management and business policies.

Our process for identifying materiality is described on our website.
https://www.ykkapglobal.com/en/company/management/materiality/#process

Materiality targets in the 7th Mid-term Management Plan and promotion divisions

Extent of coverage
◇1: YKK AP (non-consolidated)
◇2: YKK AP Group (Japan)
◇3: YKK AP Group (Japan and overseas)

Materiality		Reasons for selection/Issues identified	How we seek to be	Promotion divisions	Indicators	FY2024 (results)	FY2025 (targets)	FY2028 (targets)	Related SDGs
"Human Resources" to support sustainable growth	Diversity & inclusion pp. 42–43, 46–47	As stated in our Diversity & Inclusion Declaration, in order to create new value, we must work on developing female leaders who can make proposals and improvements that draw on a diverse range of perspectives in the areas of sales, manufacturing, technology, and management.	Involving female leaders with diverse values and perspectives in decision-making will promote innovation. We will also improve employee engagement to enhance productivity and creativity, thereby contributing to society.	Human Resources Department	Number of women in management positions ◇1	148	200 or more by end FY2028		4, 5, 8, 10
	A fulfilling and employee-friendly workplace pp. 42–43, 48	To enable diverse work styles, the Work Style Reform Committee will continue to discuss initiatives for new work styles, determine policies, and implement measures to create a fulfilling work environment. Along with conducting employee engagement surveys, we will continue to work on both practical and psychological measures to improve work fulfilment and the working environment, as well as to identify and quickly address any issues that may arise.	While continuing to create an employee-friendly workplace, we will enhance work fulfillment (motivating factors) through company-wide performance evaluations and career development, sharing of company philosophy and policies, and active workplace communication.	Work Style Reform Committee	Employee engagement ◇1	50 %	55 % by FY2028		3, 4, 8
					Rate of employees who take childcare leave (men) ◇1	69.0 %	70 % or over		
					Presenteeism ◇1 *WHO-HPQ absolute presenteeism	63	64	67	
	Talent development for value creation pp. 42–45	Sustainable growth requires the constant creation of new value. Our employees are expected to take the initiative in enhancing their skills and experience, and to continue generating new ideas and solutions. Because independent learning and action toward achieving career goals lead to value creation for the organization, we provide support for our employees' career autonomy.	We will promote human resource development with the aim of enabling each and every employee to pursue their own career goals and continue learning independently. By fostering many talented individuals who continue to take on new challenges without fear of change, we will contribute to the sustainable growth of the organization.	CHRO Human Resources Development Department	Achievability of career goals ◇1 *Percentage of employees who feel they can achieve their career goals	46 %	47 %	50 %	4, 8
					Number of times employees obtained qualifications eligible for public qualification incentives ◇1	1,509	1,525	1,580	
					Next-generation leader development program ◇1 ● Number of participants *Figures in parentheses indicate cumulative number of participants ● Number of corporate officers appointed (cumulative total)	9 (213) 41	9 (222) 43	9 (249) 49	
	Respect for human rights p. 49	The YKK Group Code of Conduct, which serves as a set of guidelines for our business activities, clearly stipulates that we will not engage in discrimination or violate human rights under any circumstances. An important challenge for us is to ensure that our human rights policy, which complements the principle of "respect for human rights," is firmly integrated into all of our corporate activities and implemented effectively.	As part of our corporate social responsibility, we will promote business activities that aim to realize safety and security by making respect for human rights a fundamental part of our corporate activities, not only within the company but also throughout our supply chain, identifying and correcting any adverse impacts.	Compliance Committee Human Rights WG	Rate of participation in "Business and Human Rights" training ◇2	81 %	83 %	95 %	1, 5, 8
					Number of companies conducting human rights risk assessments for our supply chains*1	111 ◇1	120 ◇2	180 ◇3	
"Monozukuri" to support resolution of social issues through products and competitiveness	Products/services which continue to solve social issues pp. 32–41	All residential and non-residential buildings are required to comply with energy-saving standards by April 2025, and these standards are scheduled to be raised to ZEH and ZEB levels by 2030. High thermal insulation windows are already widely used for single-family houses, but they are yet to see widespread use in commercial buildings, so we must keep working to promote the adoption of windows with higher thermal insulation performance.	We will continue to develop and release products for new construction and renovation of multi-family residences, raise awareness of the effects and benefits of high thermal insulation windows, and promote our proposals to design offices and developers across the country with even greater vigor. In order to achieve a decarbonized, circular society, we will provide high thermal insulation products that help reduce CO_2 emissions.	Business Divisions / Departments in Charge	Rate of high thermal insulation window use (for single-family houses) ◇2 *Based on windows sales volume	88 %	95 %	100 %	3, 7, 9, 11, 12, 13
					Rate of high thermal insulation window use (for commercial buildings) ◇2 *Based on orders for windows received	8 %	10 %	25 %	
"Trust/Reliance" to fulfill social responsibility	Fair business practices p. 52	Our basic approach to compliance involves not only adhering to laws, regulations and internal rules, but also to the social norms expected of us in our corporate activities. In response to growing expectations from stakeholders regarding compliance with laws, regulations, and ethical standards, we face the challenges of promoting a CYCLE OF GOODNESS®, ensuring fairness, deepening our global compliance system, and strengthening internal controls, thereby enhancing our corporate value and earning trust.	Building on a foundation of unwavering trust based on high ethical standards and compliance awareness, we aim to establish organizational governance that embodies fairness throughout our value chain and corporate culture. This will produce a CYCLE OF GOODNESS® under an effective compliance system, helping to realize our purpose and enhance our value as a company.	Compliance Committee	Activities to reinforce the Management Principle (rate of participation in talking sessions) ◇1 *Calculated based on the number of locations in FY2024	95 %*	92 %	99 %	8, 12, 16
	Resilient business foundation pp. 50–51	We will conduct education and training to raise awareness of important risks among all employees and to increase the effectiveness of risk management. There is also a need to establish appropriate BCPs and implement well-considered risk countermeasures to improve resilience and reduce incidents that affect business continuity.	We will implement responses and countermeasures for key risks and improve the effectiveness of risk-related education and training, thereby ensuring the safety of our employees and reducing or avoiding the loss of business resources, leading to sustainable growth and increased corporate value.	CRO Risk Committees (5)	Rate of participation in risk-related training ◇2	79 %	90 %	95 %	11, 12
					Number of serious cyber incidents ◇3	0	0	0	
	Co-existence with the environment pp. 53–58	Reducing CO_2 emissions from our business activities is essential to helping achieve carbon neutrality. It is possible to significantly reduce CO_2 emissions across the entire supply chain by reducing emissions involved in the procurement of raw materials such as aluminum.	To help make carbon neutrality a reality, we aim to achieve an 80% cut in emissions by FY2030, zero emissions by FY2040, and a 100% recycled aluminum usage rate by FY2030.	Environmental Policy Board Committee	Scope 1 and 2 (percentage reduction relative to FY2013) ◇3	37 %	43 %	65 %	3, 6, 7, 9, 11, 12, 13, 14, 17
					Scope 3 (percentage reduction relative to FY2013) ◇3	19 %	21 %	26 %	
					Contributions to reductions in CO_2 during product use ◇3*2 (Unit: kt CO_2 over 30 years)	832	954	1,056	
					Recycled aluminum usage rate ◇2	56 %	60 %	71 %	

Details of our materiality promotion system are available on our website.
https://www.ykkapglobal.com/en/company/management/materiality/#system

*1 The survey was conducted for large-lot business partners and business partners that handle particularly important materials and components
*2 <<Comparison baseline>> Japan, China: FY2013 / U.S.A.: 2020 Georgia Energy Code

Feature 1:

Evolution of Monozukuri Systems for Value Creation

Manufacturing Capital Strategy

Hiroshi Abe
Director
Executive Vice President

Since joining the company in 1985, Abe has been involved in many manufacturing divisions from Hokkaido to Kyushu. In 2011, he launched the Saitama MADO (Window) Plant, and after serving as Head of the Manufacturing Division and Executive Vice President, he became a director in 2023. He is responsible for manufacturing, supply, procurement, and technology.

The competitive advantage of YKK AP's monozukuri: the integrated production system

YKK AP's monozukuri is supported by a value chain in which each activity—planning, research, development, verification, procurement of raw materials and supplies, manufacturing, logistics, sales, installation, and product use—creates added value.

Within this framework, we are committed to an "integrated production system," in which the company itself handles everything from materials, components, and production equipment to processing and assembly. This system was established by YKK's founder Tadao Yoshida, who believed that in order to produce quality products during the post-war reconstruction period, it was essential to be highly discerning about the raw materials used. This approach remains unchanged in YKK AP's Architectural Products Business.

For example, windows, our leading product, are made up of a wide variety of components, including glass, aluminum and vinyl frames, functional parts, and screens. We purchase glass as raw panes and process it ourselves into Low-E glass and triple insulating glass. Similarly, the processing of profiles is all performed in-house: for aluminum, this involves everything from the melting stage, and for vinyl, from the blending of the raw materials. We use our technical development capabilities, including elemental technologies, to manufacture essential parts such as screen rollers, screws, and screen nets. We also have various testing and assessment functions to ensure even higher quality. The vital internal organization that supports this in-house integrated production system is the Machinery & Engineering Department. This department develops production equipment, manufacturing lines, process management systems, etc. in-house and installs them in our factories in Japan and overseas. The product development and manufacturing divisions work together seamlessly and quickly to further enhance our technological competitiveness.

YKK AP's value chain

Customer-oriented research and development capabilities

The research and development divisions quickly incorporate feedback obtained from customers and business partners through our sales activities into product design. Our development sites in Japan and overseas develop products that meet the needs of each region. We have also established a testing and verification system based on internal standards that surpass JIS standards, and our design philosophy, which takes actual environments into consideration, is highly regarded.

Strong procurement and supply chain

We ensure stable supply and cost competitiveness through our global procurement network. In addition, thorough quality audits ensure stable quality of components that form the basis of our product appeal. In this way, we build relationships of mutual growth with our business partners.

Manufacturing and logistics efficiency and consideration for the environment

Through manufacturing equipment produced in-house, labor-saving and automated manufacturing lines, and AI-based demand forecasting, we have made stable supply of high-quality products and strict adherence to delivery deadlines a reality. We contribute to reducing CO_2 emissions through improvements in logistics efficiency, such as unit loading and truck reservation systems, and modal shifts.

Installation support and on-site responsiveness

We are working to improve installation quality and efficiency through product design that reduces installation time and workload, the development of jigs, the practical application of installation robots, and installation training programs for skilled workers. One typical example is the dry installation method for carports.

Sales and marketing system attuned to customer needs

We make hard-to-understand value "visible" through facilities and exhibits that allow customers to experience our products' performance and functionality. By communicating the importance of thermal insulation performance and energy efficiency, we have established our position as a trusted brand that offers go-to products.

Our biggest advantage: delivering products with "YKK AP quality"

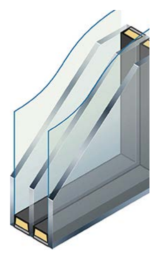
The biggest advantage of an integrated production system is that it allows us to create products that meet YKK AP's stringent quality standards. We follow a "start at the source" approach, producing everything from raw materials to production equipment in-house in order to improve product quality and reduce costs. By expanding the scope of our in-house capabilities, we believe we can improve quality while also driving down costs. The YKK philosophy — CYCLE OF GOODNESS® includes the concept of Three-Party Sharing. For example, if another company produces something that costs 100 yen to make, we use our creativity and ingenuity to produce it for 50 yen, and the 50 yen profit is shared between the customer, our business partners, and the company. If we are unable to reduce costs, we will not be able to offer reasonable prices or return profits in this way. As such, reducing costs is indispensable for our operations as a company.

One example of how our in-house production contributed to future business success is YKK AP insulating glass, which began production and sales in 1984. We anticipated that thermal insulation windows would become popular in the future, but development was difficult. At the time, there were doubts about YKK AP, which was not a glass manufacturer, manufacturing insulating glass. However, we introduced technology from Germany to inject argon gas between the two panes to improve the windows' thermal insulation performance. This became the "APW" series of high thermal insulation windows, which is now YKK AP's flagship product, ensuring the quality of finished windows and higher thermal insulation performance in windows and doors.

YKK AP (SHANGHAI) INTERNATIONAL TRADING CO.,LTD established, improving speed and cost awareness

In recent years, as our business has become more global and overseas sales make up a larger share of the total sales, it is essential to consider new initiatives that are not overly dependent on in-house production of parts and manufacturing equipment. In order to strengthen our procurement capabilities for the global expansion of the YKK AP Group's mid-priced products, in July 2024, we established YKK AP (SHANGHAI) INTERNATIONAL TRADING in Shanghai, China. Utilizing China's cutting-edge technology and diverse supply chains that meet YKK AP's quality standards, we procure materials, parts, and components. By supplying these to manufacturing sites in China and other Asian countries including Japan, we aim to strengthen the YKK AP Group's product appeal, cost competitiveness, and manufacturing and supply capabilities.

Our mission is to pursue monozukuri that allows us to keep raising the bar for "YKK AP quality." We will establish a further competitive advantage by capitalizing on our global procurement infrastructure under the YKK AP integrated production system policy, which is our strength, allowing end users to use our products with safety, peace of mind, and comfort.



In-house processing of high-performance, high-functionality insulating and triple insulating glass

Vinyl pellets, the main raw material for our vinyl products

600 million screws manufactured annually, all inspected with our 100% inspection system

In-house development and manufacture of manufacturing equipment

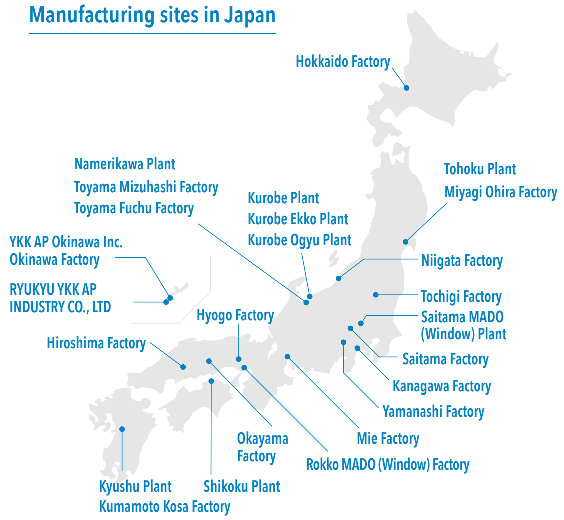
Feature 1: Evolution of Monozukuri Systems for Value Creation

Overview of manufacturing capital

Manufacturing products tailored to each country and region at 38 sites worldwide

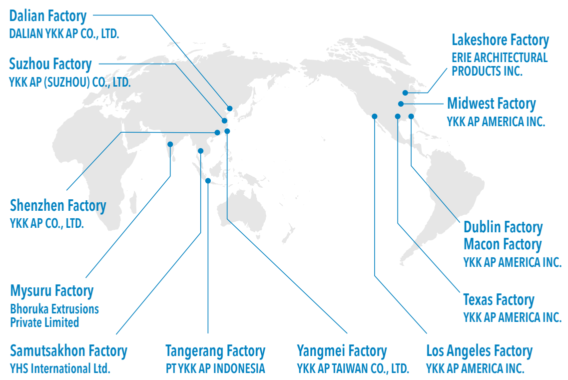
The requirements for YKK AP's architectural products vary depending on the climate, geography, and culture of each country and region. To meet these needs, we operate businesses with strong roots in local communities and maintain a strong commitment to product development and manufacturing in each country and region. The technologies developed by each company are consolidated at the YKK AP R&D Center in Japan and then rolled out laterally to other countries and regions, enabling us to continue our technology oriented value creation around the world.

Manufacturing sites in Japan



Overseas manufacturing sites

Japan business sites: 25
Overseas business sites: 13



Aiming to improve efficiency, competitiveness, and design through platforming

In recent years, we have been working on the platforming of products and manufacturing as a key theme. We began capital investment focused on platforming in FY2022, and the fence products were launched and switched over in FY2024. Through thorough automation and process integration, these platforming efforts aim to enhance production efficiency and cost competitiveness, as well as accommodating advanced design requirements. By standardizing product designs, as well as the assembly methods, parts, and equipment used in manufacturing, we have built automated production lines with integrated processes. This enables us to produce a wide variety of products on a single production line while reducing the number of personnel involved and the amount of floor space required. In addition, as with the "APW" series, our flagship window product that is manufactured near where it is needed, thereby reducing logistics costs and CO_2 emissions, we have expanded automated production lines for our fence products at two manufacturing sites, the Kyushu and Tohoku plants, which are close to areas of demand. We hope that this will allow us to achieve 180% of FY2021 levels of productivity by FY2026.

The "SIMPLEO Fence," which was redesigned in 2024, incorporates platforming, an updated noise-free design, interoperability with other designs, and easier installation

Initiatives for improving industrial safety and product quality

Our "Exceptional Safety" approach, where safety stands apart

YKK AP considers the elimination of work-related accidents and the creation of healthy and comfortable workplaces to be the most important responsibilities of corporate management, and we aim to create a workplace environment where everyone can work safely and with peace of mind. While the slogan "safety first" is widely used in society, YKK AP has continued to uphold an "exceptional safety" approach, under which safety stands apart, rather than something to be compared with other responsibilities. As stated in the YKK AP Health and Safety Basic Policy, we are working to create a workplace environment where everyone involved in the entire supply chain can work safely and with peace of mind.

Developing safety management systems using AI, promoting overseas activities and award programs

To reduce the risk of work-related accidents and improve safety at manufacturing sites, we are collaborating with ACES, Inc., a startup company founded by the Matsuo Lab (now the Matsuo-Iwasawa Lab) at the University of Tokyo, which is renowned for its AI research, to develop a next-generation safety management system using AI image processing technology. In March 2025, this system was deployed on a trial basis at the Namerikawa Plant.

Based on the idea that a system that prioritizes safety should not lower worker motivation, we have adopted a supportive "watch-over" system that encourages workers to voluntarily follow established rules and protect themselves, rather than a "surveillance" system that identifies unsafe behavior and issues warnings.

We are also stepping up our safety support overseas, with Japanese health and safety personnel visiting overseas sites to provide safety training and conduct safety inspections.

In addition, we will continue improvement efforts by identifying obstacles in work processes and shortcuts taken by workers in order to eliminate potential risks in the workplace. Every year, we hold the "Safety Initiative Awards" to recognize examples of improvements that can be replicated nationwide.

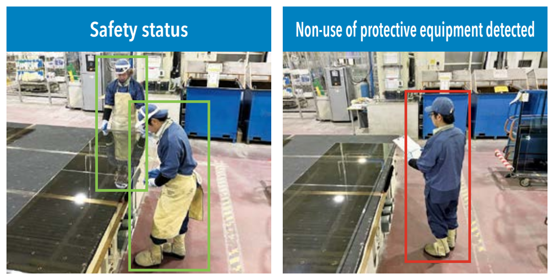
Frequency of work-related accidents

FY2024: 0.20

Data from YKK AP Group (Japan). Calculated by dividing the number of fatalities and injuries due to work-related accidents by the total number of actual working hours and multiplying by 1,000,000. The number of fatalities and injuries caused by work-related accidents includes cases that result in one or more days of absence from work or the loss of a body part or its function.

The Quality Committee provides support to individual divisions, conducts employee awareness campaigns, and organizes the "Quality Month" event

YKK AP has established a Quality Committee and is working on issues such as quality, product safety, and product liability (PL) in order to deliver safe and reliable products to our customers. Based on the belief that providing high-quality products will lead to a stronger brand, the Quality Committee provides support to individual divisions and conducts employee training and awareness campaigns. Every November, during "Quality Month," manufacturing sites that have achieved outstanding results are visited by line managers, employee in charge of production technology, and quality management personnel from other sites, with the aim of sharing quality improvement activities implemented at manufacturing sites across Japan.



Video illustration of a "watch-over" safety detection system. The system records and downloads unsafe behaviors such as running, tripping, or non-use of protective equipment, and allows analysis to be performed on a dashboard screen

Line inspection conducted during Quality Month in November 2024. Participants came not only from within Japan, but also from YKK AP (CHINA) INVESTMENT, DALIAN YKK AP, and YKK AP (SUZHOU)

Feature 1: Evolution of Monozukuri Systems for Value Creation

The integrated production approach lives on in the evolution of our logistics

Overcoming the "2024 Problem" with palletization and introduction of systems developed in-house

In anticipation of the revision of the Logistics Act, which will require shippers and recipients of a certain size to appoint a Chief Logistics Officer (CLO) from April 2026, YKK AP established the position of CLO in April 2024. In addition, efforts to reduce time taken waiting for or loading and unloading cargo, which have been ongoing since 2015, are based on an integrated production approach that includes in-house manufacturing of equipment and devices. For shipping products from our factories, we have developed a number of systems for palletization (loading products onto pallets) in-house, including a pallet that offers higher loading efficiency than previous types, the "Y-Caps" system, which provides efficient instructions for loading onto pallets, and palletizing robot hands that efficiently sort shipments by destination.

In September 2024, we introduced the "MOVO Berth" truck reservation system at 30 manufacturing and logistics sites in Japan. The system allows users to reserve truck entry times and loading times, and check in and out upon arrival and departure from the site using a dedicated app installed on their mobile devices or phones. As this allows factories and logistics sites to know arrival times and numbers of trucks in advance, loading and unloading operations can be carried out efficiently. As a result, in October 2024, we achieved our goal of reducing the time taken waiting for or loading and unloading cargo to within two hours at all locations.

Information sharing with stakeholders essential for solving logistics issues

Looking ahead to the "2024 Problem," we established a Logistics 2024 Problem Countermeasures Committee, which includes our business partners and vendors. In order to continue our efforts to resolve logistics issues, we are organizing "transportation councils" at our sites nationwide and maintaining communication with our partners.

The government's guidance to shippers places particular emphasis on "time management," "transportation efficiency," and "holding time." In FY2025, we will add "transportation efficiency" as a key improvement theme and take the next step of reducing time taken waiting for or loading and unloading cargo to within one hour.

In 2026, companies will be required to report to the Ministry of Economy, Trade and Industry on the appointment of CLOs and the details of their medium- to long-term plans. In our logistics planning, coordination with our service rules is essential, and we will further promote information sharing with relevant departments, including sales divisions, to improve supply chain efficiency.


(Left) "Y-Caps" enables efficient loading of trailers and reduces unnecessary dispatches. (Right) The rate of reservations made using the truck reservation system "MOVO Berth" reached 96% as of October 2024

The Foundation of YKK AP's Monozukuri

Small group activities that bring together know-how from the field

Currently, approximately 400 circles at manufacturing sites across Japan are conducting small group activities on various themes such as productivity, quality management, and maintenance. By identifying issues in the field, collecting data, conducting detailed analyses, and promoting improvements through small group activities, we aim to raise awareness of issues among all employees working in manufacturing and supply, thereby enhancing our manufacturing capability.
In addition, every year, a "Small Group Activity Presentation" is held, where circles from across the country compete to showcase their achievements. The top circles that win within YKK AP participate in the YKK Group Competition, where they work together to improve manufacturing capabilities across the Group as a whole.

The aluminum processing/screen line at the Hokkaido Factory won the Grand Prize at the FY2024 Manufacturing Division Small Group Activity Presentation

Creating value through co-creation with stakeholders

"Co-creation" with our business partners and suppliers is essential for delivering safe and reliable products to our customers.

In FY2013, in a joint effort with the YKK AP Group Installation Cooperative, which is composed of specialists in the installation of sashes and curtain walls for commercial buildings, YKK AP established the "Installation Skills Training Academy" to develop young skilled workers. In April 2024, we opened the Saitama Academy at our Saitama Factory as our second training academy, following the Namerikawa Academy at the Namerikawa Plant. In addition to training facilities for general commercial building sashes and regular curtain walls, the academy also offers training in the measurement and installation of unitized curtain walls and remodeling products, which is not available at the Namerikawa Academy. This training is available not only to participants in the Installation Skills Training Academies but also to YKK AP employees.

In addition, with the aim of resolving the shortage of sash and curtain wall installation technicians in the exteriors industry, we operate "DO SPACE" Exterior Installation Academies at four sites in Japan. These academies work to train installation technicians and transfer skills.

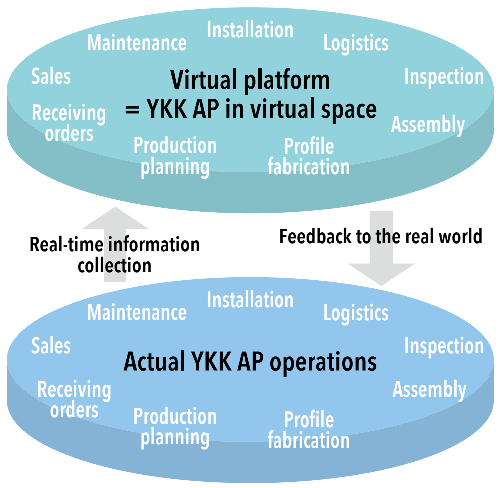
Every year, we hold a "Procurement Policy Briefing" for our suppliers to express our gratitude for their cooperation in our procurement activities and to request further strengthening of our partnerships.


(Left) Practical installation training at the Saitama Academy. (Right) DO SPACE Mie, newly established in October 2024 within the Mie Factory

YKK AP's DX Strategy

YKK AP's digital transformation (DX) strategy goes beyond smart factory initiatives to connect all information obtained from across the YKK AP value chain using digital technology, thereby dramatically improving operational efficiency as a "smart company."
This requires the establishment of a unified data infrastructure that can be utilized across the entire value chain. To this end, we are reorganizing our business processes and various data models, working to standardize data across YKK AP as a whole. This will form the basis not only for accelerating DX through the use of virtual platforms and enabling real-time management and decision-making, but also for ongoing optimization of the entire value chain through close collaboration with business partners and suppliers. We aim to be a company that can respond to the diverse needs of our business partners and customers with greater speed than ever before by balancing quality and speed and flexibly adapting to change.

Smart company schematic and examples of digital support



Promoting DX using virtual spaces

- Simulations for new facility construction using digital twinning
- Visualization of the entire factory
- Remote maintenance of manufacturing sites using tele-presence

Promoting DX in actual business operations

- Streamlining sales activities using tablets and smartphones
- Improving manufacturing efficiency through robotics technology
- Digitization of paper-based information and application of AI to business operations

Feature 1: Evolution of Monozukuri Systems for Value Creation

Intellectual Capital Strategy

Masahiro Yoshino
Senior Vice President,
Head of Technical Research Division

Since FY2023, Yoshino has served as head of the Technical Research Division, which was established to accelerate the research and development of new technologies. He harnesses his management experience in departments such as research and development, manufacturing, and quality control to drive technological innovation.

Promoting innovation and enhancing our intellectual capital

YKK AP's strengths in intellectual capital lie in its all-round capabilities, which are based on brand appeal, product appeal, and sales capabilities. Brand appeal is, in other words, product quality itself, and is directly linked to the trust placed in us by end users. Product appeal refers not only to strict performance evaluations that go beyond national specifications and JIS standards, but also to designs that take into consideration usability, ease of assembly and installation. Of course, design is also important for a product to be chosen by customers, so we analyze trends at the Design Center, Product Research & Development Division and collaborate on an ongoing basis to incorporate their results into product research and development. I believe that our track record in sales, including our ability to deliver high-quality products on schedule and respond quickly to any problems or requests, is what builds trust with our customers.

Technical facilities that form the basis of the monozukuri process

Our strengths in terms of intellectual capital stem from the cycle of development, evaluation, verification, technical proposals, and communication that forms the foundation of YKK AP's monozukuri process. The YKK AP R&D Center, Value Verification Center, and Partners Support Studio in Kurobe City, Toyama Prefecture, serve as bases for these activities (see Figure 1). The YKK AP R&D Center is a hub of technology and expertise where we conduct in-depth research and knowledge development in specialized fields to develop high-quality products. The Value Verification Center conducts "user verification" using user monitors and "field verification" that reproduces the natural environment. Finally, the Partners Support Studio presents proposals aimed at addressing the issues of professional users, based on our technology and product quality. Here, we use full-scale model homes to exhibit our products and conduct performance tests, allowing our business partners to experience our quality and technology firsthand while exchanging opinions and information.

In addition, we have transferred some of the functions and personnel of the YKK AP R&D Center to the YKK 60 Building in Tokyo for the purpose of collecting information related to research and development, facilitating smooth collaboration with joint research partners, and discovering new partners. We have already transferred functions related to the development of advanced products for the Residential and Exterior Businesses, and are conducting product development in collaboration with the R&D Center in Kurobe.

Strengthening collaboration between global R&D sites

YKK AP has also strengthened its global research and development system. Our R&D centers conduct research and development in the warm climate of Japan, the cold climate of Germany, and the hot and humid climate of Indonesia (see Figure 2). Information specific to these different climates is compiled and shared to develop products optimally suited to each region. In addition, in 2023, YKK AP Technologies Lab (NA) in the U.S.A. established "xTech Lab (cross-tech lab)," a research & development center for the digital field. We also dispatch employees from our Technical Research Division to conduct surveys, research and development relating to advanced digital technologies, and quickly incorporate the information gathered into the development of products and production lines.

Promoting technological innovation through open innovation

Our vision, "Evolution 2030," includes "Contribute to the Global Environment" as one of its policies. We believe that accelerating development and promoting innovation are essential for developing new technologies and materials that will be key to realizing decarbonization and a circular society.

Speeding up development in this way requires strengthening coordination between development, manufacturing, and sales. We are reducing the amount of "rework" in development by thoroughly implementing front-loading, which involves cross-departmental coordination from the early stages of development and establishing a system geared toward mass production. The YKK Group also has a Technology & Innovation Center (TIC) that serves as a research and development division for both the Fastening and AP businesses. Themes to be tackled are shared on a regular basis, and a cooperative framework has been established whereby the TIC conducts basic research and YKK AP's research divisions conduct applied research.

To promote innovation, we are collaborating with 31 universities and research institutes and 14 companies to conduct research and development, drawing on leading examples from overseas, including material recycling technologies aimed at realizing a circular society.

In addition, in order to accurately demonstrate the performance of YKK AP products and enable customers to make quantitative comparisons when selecting products, we are also conducting standardization activities. These include the development of international ISO standards for measuring sunlight shading performance in windows, as well as JIS standards for assessing the thermal performance of curtain walls and the condensation prevention performance of windows in Japan.

We will continue to combine the knowledge and skills of YKK AP to promote technological innovation.

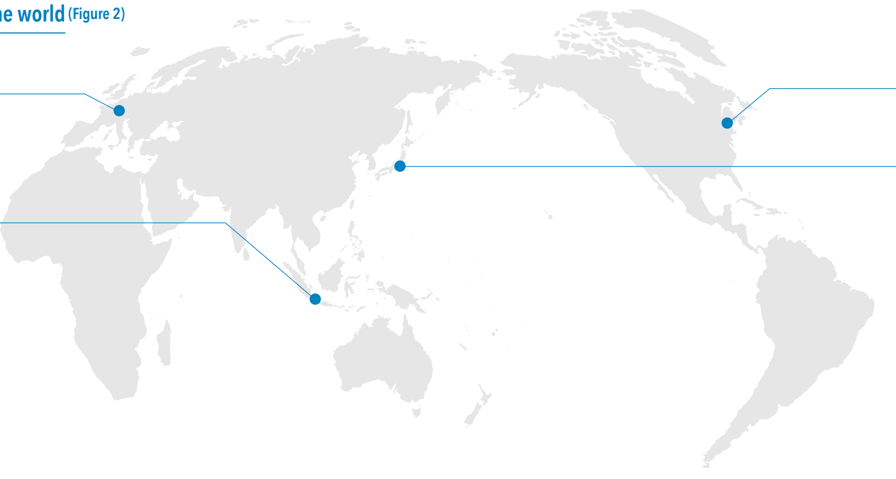
Development and technology research sites (Figure 1)

Value Verification Center
Product evaluation & verification
- Verification from users' perspectives
- Field verification
- Analysis & simulation

Partners Support Studio
Quality, technology, and engineering proposals
- Identifying issues and requests from professional users
- Proposals for solving issues

YKK AP R&D Center
Creation of technological information and product development
- Accumulation and aggregation of findings and data
- Joint research toward solving issues

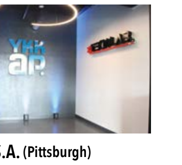
Research, development and verification around the world (Figure 2)



Germany (Wuppertal)
Surveys and research on advanced European window technology
- Investigation/research on innovative European technology
- Research on advanced technology aimed at higher added value

Indonesia (Tangerang)
Research and development of windows for hot and humid areas
- Research and summary of climate and culture, construction conditions, and standards
- Passive design research for hot and humid areas, research on windows and doors

Japan (Kurobe, Tokyo)
In-depth technology capabilities at the Technology Headquarters
- Co-creation of advanced themes
- Research and development of core technologies, materials, manufacturing, products, and installation methods
- Collaboration with the Value Verification Center and the Partners Support Studio
- Integration and sharing of the results of each Center



U.S.A. (Pittsburgh)
Research and development in the digital field
- Surveys, research and product development in digital elemental technologies
- Development of digital and global human resources

Major examples of collaboration with universities, research institutes, and companies

- **KANDENKO**
Development of systems including installation technology and electrical components for Building Integrated Photovoltaics (BIPV)
- **Daito Trust Construction, NTT Docomo Ventures, Chubu Electric Power, etc.**
Launch of a cross-industry platform to develop and implement in society a model for early detection of sudden health issues and disease risks in living spaces
- **Tohoku University**
Establishment of a joint research program for next-generation aluminum resource recycling
- **University of Toyama**
Participation in an aluminum recycling research and development project involving industry, academia, government, and the private sector
- **Carnegie Mellon University, U.S.A.**
Joint research on the development of installation techniques using robot and IT technologies and on improving productivity

Feature 1: Evolution of Monozukuri Systems for Value Creation

Activities and structure of YKK AP's intellectual property department

YKK AP's intellectual property activities are premised on the basic policy of "contributing to the prosperity of our customers and business partners and contributing to society by encouraging the creation of intellectual property that generates new value while respecting the intellectual property of others, and by protecting and utilizing such intellectual property to promote the development of our business." In accordance with the YKK philosophy — CYCLE OF GOODNESS®, we conduct intellectual property activities from four perspectives: ensuring business continuity, leveraging business advantages, energizing intellectual property creation activities, and optimizing intellectual property costs to support our sustainable growth and value enhancement as a company.

YKK AP's intellectual capital (FY2024 results)

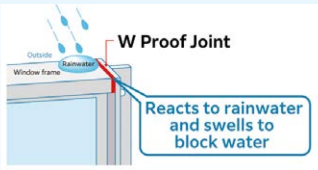
- R&D expenses: **11.9 billion yen**
- Patents held: **1,517**
- Design rights held: **981**

Four perspectives on intellectual property activities

(1) Ensuring business continuity	• Strict avoidance of infringement on others' intellectual property • Early consideration and implementation of measures to resolve intellectual property issues
(2) Leveraging business advantages	• Differentiation from other companies' products and services through the protection and utilization of intellectual property
(3) Energizing intellectual property creation activities	• Building a foundation for creating new value through intellectual property training seminars and invention promotion activities
(4) Optimizing intellectual property costs	• Cutting down on unnecessary applications • Discarding of intellectual property rights that contribute little to business

Enhancing brand value by trademarking technology

One example of protecting and utilizing intellectual property to leverage our business advantages is our unique "W PROOF JOINT" technology, which prevents water leakage from window frames. By trademarking the technology itself, we differentiate ourselves from other companies and demonstrate our technical capabilities to our customers.



Certification as a "gold product safety company" extended

The Ministry of Economy, Trade and Industry (METI) recognizes companies and organizations for exceptional efforts in product safety through the Product Safety Award (PS Award). We received the highest award, the Minister of Economy, Trade and Industry Award, in the large manufacturing and importing companies category in FY2010, FY2014, and FY2017, and have been certified as a "gold product safety company" since 2017. In the follow-up audit conducted in January 2023, our new initiatives aimed at achieving higher levels of product safety, such as promoting product safety together with our business partners at the Value Verification Center and other company facilities, were assessed and our certification was extended.

In addition, YKK AP was selected as a site visit destination for FY2024 by the Product Safety Community, an initiative organized by METI for PS Award winners, and welcomed visits from METI and PS Award winners in March 2025. In addition to the Value Verification Center and Partners Support Studio, we introduced YKK AP's on-site product safety measures through facilities such as the Product Safety Learning Area, which is a permanent facility located at the Kurobe Ogyu Plant. Going forward, we will continue to demonstrate exemplary conduct as a leader in product safety measures.

PS Awards
Product Safety
Ministry of Economy, Trade and Industry, Japan

◆**Certification as a "gold product safety company"**
(Ministry of Economy, Trade and Industry)
November 2017
*Certification extended in January 2023

(Left) Inspection at the Partners Support Studio. (Right) In the Product Safety Learning Area, employees develop their awareness of product safety through experiences such as watching videos, as well as actual use of defective products and improved products

Intellectual Property Topics

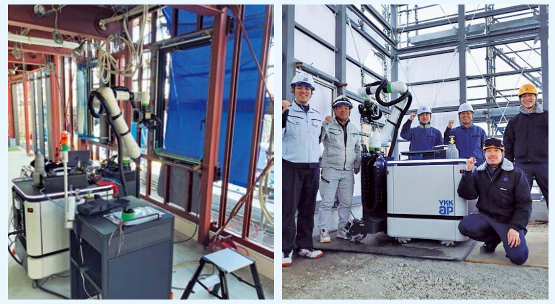
Demonstration testing of BIPV

We have formed a business alliance with KANDENKO Co., Ltd. for the development and promotion of Building Integrated Photovoltaics (BIPV), which makes use of the windows and walls of buildings. Following a demonstration test conducted in front of Akihabara Station Square from July to October 2024, another demonstration test was conducted at the Sapporo Snow Festival in February 2025, confirming the effectiveness of the technology in various conditions, including environments surrounded by buildings and snowy conditions. From April 2025, have also been conducting demonstration testing within Haneda Innovation City.

Demonstration testing lab established in Haneda Innovation City

Development of "MABOT," a window installation robot for non-wooden buildings

In September 2024, YKK AP developed "MABOT," a window installation robot for non-wooden buildings (commercial buildings). MABOT is a series of robot systems that move autonomously and work alongside installation technicians, contributing to improved safety and productivity at construction sites and reducing the need for human labor. In February 2025, with the cooperation of YKK AP Group Installation Cooperative members IIZUKAKOGYO Inc. and TRUST CO., LTD., we began demonstration testing for window frame welding and inspection at actual construction sites. We will continue to develop and validate the system for practical use.



(Left) Automatic welding clamp robot "Welfixer 01." (Right) Field demonstration testing conducted in collaboration with installation cooperative companies

Received the Trademarks for Humanity Award from the U.S. Patent and Trademark Office

YKK AP AMERICA is committed to addressing environmental issues by developing products with strong heat shielding, thermal insulation, and ventilation performance, and by reducing CO_2 emissions throughout the entire manufacturing and distribution process. In particular, as part of our product development strategy, we registered the trademark "enerGfacade®" in 2010 and have been developing a wide range of products, including entrances, storefronts, curtain walls, and balcony doors, under this sub-brand for sustainable products. In recognition of its provision of energy-efficient aluminum architectural products and company-wide efforts to address environmental issues, this trademark received the Trademarks for Humanity Award (sponsored by the U.S. Patent and Trademark Office) at the first awards ceremony, held in December 2024.

The award ceremony held at the U.S. Department of Commerce Auditorium

YKK AP showcases its development capabilities in Jakarta, Indonesia

In January 2025, the YKK AP R&D Center (Indonesia) participated in the "Seminar on Sustainable Housing, Buildings, and Cities" held in Jakarta, Indonesia (organized by the Japan International Association for the Industry of Urban Development, Building and Housing, among others). This seminar is a forum for sharing the knowledge, technology, and services of Japanese companies with the aim of making Indonesia's cities sustainable and livable. YKK AP R&D Center (Indonesia) hosted a business seminar and panel exhibition. At the seminar, the YKK AP R&D Center announced that research and development is underway on products suitable for hot and humid areas, taking into consideration factors that affect ventilation performance, such as building design and resident behavior.

The General Manager of the Research Division at YKK AP R&D Center (Indonesia) takes the stage

Feature 2:

Human Resources as the Foundation for Sustainable Growth and Organizational Strength

Human Capital Strategy

Yuka Murakami
Vice President,
Head of Human Resources Department

Since FY2022, Murakami has served as the head of the Human Resources Department, responsible for all human resources-related matters. In accordance with our philosophy of encouraging employees to embrace change and take on new challenges with a positive attitude, she is reviewing our human resources strategy and implementing various personnel measures.

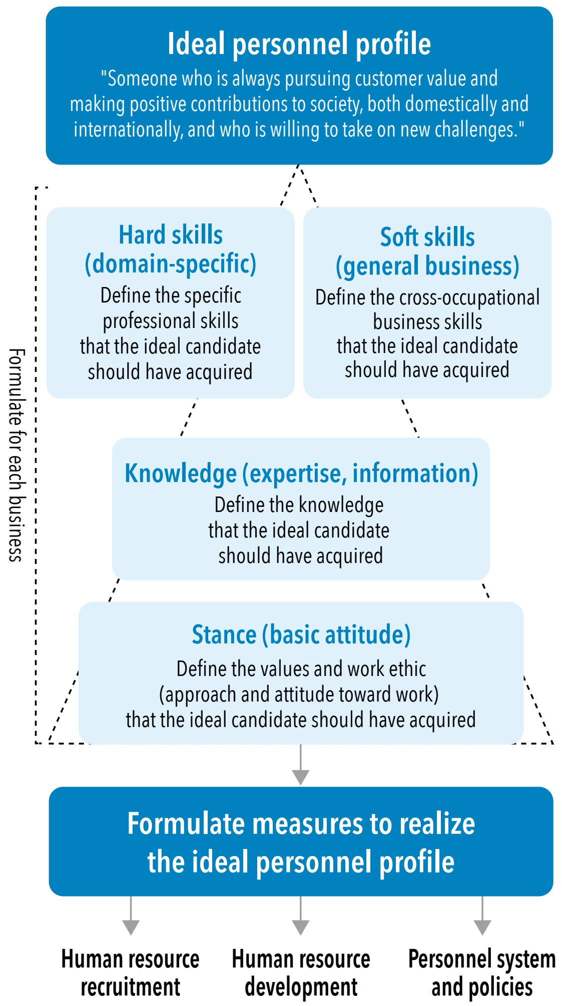
The key to realizing "Evolution 2030" is human resources and our future human resources strategy

Realizing the "Evolution 2030" Vision requires moving on from the mature market cultivation phase in our management strategy. In order to create new markets, businesses, and value, it is necessary to restructure all our business plans and internal infrastructure, and the driving force behind this will be our human resources. I believe that developing and managing innovative human resources who can work globally with a broad perspective is essential for maximizing the potential of each and every employee and leading to the growth of the company.

In accordance with this view, we have formulated a "HR Strategy Roadmap" for the period from FY2024 to FY2030. The profile we are looking for is someone who is always pursuing customer value and making positive contributions to society, both domestically and internationally, and who is willing to take on new challenges. To achieve this ideal, the 7th Mid-term Management Plan aims to implement business-specific capability requirements in line with business strategies. At the same time, we will develop skill maps to visualize the gap between the personnel we require and the current state of our workforce. These will be used as a basis for implementing data-driven recruitment strategies, strengthening training systems, and promoting personnel allocation to maximize our organizational capabilities.

At the core of our human resources strategy lies YKK philosophy — CYCLE OF GOODNESS®, and the "Forest Management" philosophy advocated by YKK's founder Tadao Yoshida. "Forest Management" is the idea that, just as there are thick trees with many rings accumulated through experience, there are also young trees with thin trunks, tall trees, and short trees. Each type of tree has its own characteristics, and each works to its own particular strengths, moving forward together. This is the very essence of diversity and inclusion, which enables all employees to perform to the best of their abilities regardless of age, gender, educational background, nationality, or experience, and it forms the bedrock of our human resource development policy. By upholding these universal philosophies and principles and translating them into specific measures based on the current business environment, business issues, and human resource issues, we aim to achieve sustainable enhancement of corporate value.

Process for setting personnel requirements



Realizing fulfilling work and a pleasant working environment to "Prioritize Employee Well-Being and Engagement"

While laying the foundation for our human resources strategy in this way, we are also "Prioritizing Employee Well-Being and Engagement," which is an important issue in "Evolution 2030." We believe that achieving a situation where every employee feels a sense of growth through their daily work, finds fulfillment, and is motivated to perform to the best of their ability will drive sustainable growth for the company. To achieve this, it is essential that the company not only provide an environment, but also foster a culture and implement measures that enable employees to take the initiative in designing their own careers and to grow through challenges.

In FY2025, we updated one of the items related to human resources in our materiality from "Establishment of a fulfilling workplace environment" to "Fulfilling and employee-friendly workplace." In order to make workplace more fulfilling, we will enhance our support for autonomous career development, provide challenging work opportunities, and strengthen our efforts to ensure fair assessment and feedback. In terms of an employee-friendly workplace, we will keep improving the environment as we have done in the past, while promoting and expanding the use of systems that support diverse working styles. We believe that the synergistic effect of achieving improvements in terms of both fulfilling and employee-friendly workplace will lead to increased engagement, individual growth, and ultimately to improved productivity and innovation across the entire organization.

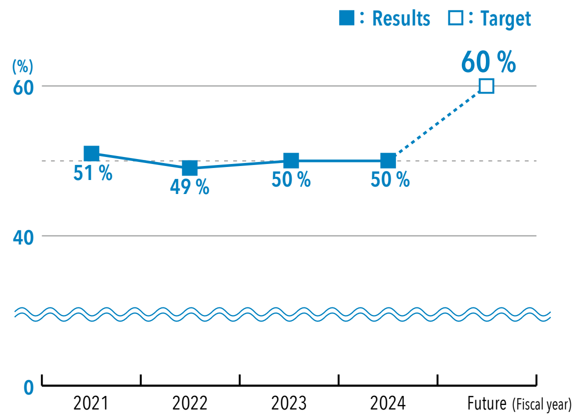
Creating an environment where everyone can continue to play an active role regardless of age is also an important part of our human resources strategy. The YKK Group abolished mandatory retirement in FY2021 to enable motivated and capable employees to carry on putting their knowledge and experience to good use. Our hope is that this will enable the transfer of technical skills and expertise possessed by experienced senior employees to the next generation, and that collaboration between different generations will create new value and enhance the vitality of the organization as a whole.

In FY2021, we replaced our existing employee satisfaction survey with an engagement survey. This survey has continued every year since, and we monitor the results as an important indicator. The YKK AP Group (Japan) has maintained a score of around 50% positive responses, and we will aim for 60% going forward. To achieve this target, we will engage in open dialogue between management and employees on the issues identified in the survey results, and carefully implement solutions one by one to steadily improve engagement.

The 6th Mid-term Management Plan put particular emphasis on initiatives to support autonomous career development. In addition to providing age-specific career training for all age groups, we continue to operate a common mentor system that allows employees to consult with mentors outside their departments about their careers. Currently, approximately 90 employees in Japan have volunteered to serve as mentors, and 95% of employees who have used this program report that they were satisfied. These measures play an important role in encouraging each employee to think deeply about their career and take the initiative in acting.

Furthermore, in order to foster an organizational culture where employees continue to take on challenges without fear of failure, it is essential to ensure a sense of psychological safety. To this end, we are implementing harassment prevention training, multifaceted evaluation and feedback for management, as well as strengthening consultation services and response systems to prevent problems before they arise and to identify and resolve them quickly, thereby promoting an open and communicative workplace environment. We will continue to "Prioritizing Employee Well-Being and Engagement" by listening sincerely to our employees and engaging them in dialogue as we strive to create a working environment where they can thrive and find fulfillment in their work.

Employee engagement



*Covers the YKK AP Group (Japan)

Feature 2: Human Resources as the Foundation for Sustainable Growth and Organizational Strength

Human resource development and training to realize our management strategy

YKK AP is implementing a human resources strategy based on "Prioritizing Employee Well-Being and Engagement," in accordance with the CYCLE OF GOODNESS®. We will improve employee engagement by making an employee-friendly workplace that offers both fulfilling work and a pleasant working environment, as well as enhancing our workforce by actively investing in talent. Furthermore, we aim to be a company that is sought out by a wide variety of people by providing growth opportunities that lead to value creation and business growth, and by implementing management that creates job opportunities.

Individual career development support

We support the autonomous growth of our employees by providing career training for all age groups and a shared mentor system that offers cross-departmental career counseling by mentors with wide-ranging job types and experience. In addition, we have established a comprehensive support system to promote employees' acquisition of public qualifications, including full subsidies for distance learning tuition fees and qualification allowances.

In May 2024, YKK AP opened an in-house university, Technical University of YKK AP (AP Tech), as a place for employees involved in manufacturing to acquire expertise in a systematic way. It offers four specialized courses: fabrication technology, production management, quality management, and IT. The first batch of participants consisted of 37 employees, who went on to pursue new career challenges such as job changes and university enrollment.

Furthermore, in May 2024, we opened a robotics school with the aim of further developing personnel skilled in the use of robots. Robotics instructors were selected from each department of the Manufacturing Division, and a total of 45 employees participated in FY2024.

Robotics school

YKK AP's human capital (FY2024 results)

- Employees in Japan: **13,337**
- Employees overseas: **4,915**
  (93 employees on overseas secondment)

Development of management personnel and global human resources

The Value Creation Academy, which aims to develop business leaders for the YKK Group, is a one-year program in which participants develop a deeper understanding of the company's Management Principle while learning about management strategy, financial accounting, marketing, and organization and human resource development. At the end of the program, participants present their proposals for addressing management issues. In FY2024, nine employees from YKK AP participated in the program.

We also have an overseas trainee program in which young employees are seconded to overseas companies for approximately six months to one year. In FY2024, we implemented an early secondment program for employees in their second year of employment, and three employees participated. In FY2025, we will increase the number of seconded employees to 11 and expand the program.

Meanwhile, in an effort to develop the next generation of business leaders who will lead YKK AP into the future, we continue to send employees to graduate schools and MOT/MBA programs in Japan and overseas, with three employees obtaining degrees in FY2024.

Furthermore, under the 7th Mid-term Management Plan, we plan to begin recruiting and training foreign personnel with a view to assigning them to overseas business sites in the future.

DALIAN YKK AP launched the "Blue birds Academy," a human resource development program for young employees, in FY2024. Approximately 15 division heads serve as instructors, teaching the basic knowledge necessary for management

A list of employee training programs is available on our website.
https://www.ykkapglobal.com/en/sustainability/society/hr-strategy/#training

Human resource development to create innovation

We are implementing digital IT literacy education with the aim of having employees acquire basic IT literacy, thereby improving work efficiency. In FY2024, we implemented an "Introduction to DX" program for all employees, with 81% completing the course. In addition, more than 2,000 employees have taken courses in spreadsheet software, data analysis, generative AI, and other topics. In addition, approximately 800 employees participated in courses aimed at acquiring digital and IT-related skills for self-improvement, which helped to advance basic understanding of digital transformation throughout the organization.

In addition, in FY2024, we supported practical classes held by Harvard University's Graduate School of Design (GSD) in Japan, with eight employees participating as associate members. Together with 11 GSD students, participants gained a deeper understanding of the rich water resources and landscape of the Kurobe River alluvial fan, and had the opportunity to gain new perspectives and insights beyond their usual work.

GSD students give presentations at the YKK 50 Building

Building confidence through learning at AP Tech

In May 2024, I enrolled in the Production Management Course at Technical University of YKK AP (AP Tech), the company's in-house university, and learned how to make data-driven improvement proposals for issues such as inventory management and uneven workloads in my department. I was also able to interact with colleagues from all over the country, which broadened my horizons and helped me develop the ability to speak up and make suggestions on issues.

Going forward, I would like to draw on the knowledge I have gained at AP Tech and my experience in the field by using data to identify waste in the production process and make improvements. In addition, I hope to build a system to collect and make visible, accurate, and easy-to-use data, and to act as a bridge between the manufacturing floor and staff divisions to optimize the entire manufacturing process, aiming for human resources who can produce high-value-added work.

Production Management Office, Material Production Department, Kyushu Plant, Manufacturing Division
Kazuma Tsuruta

GSD gave me a new perspective beyond architecture

I participated as an associate member in a practical class conducted by the Harvard University Graduate School of Design (GSD) in Kurobe City. As I learned about the water resources, topography, and history of the Kurobe River alluvial fan, this project made me aware of the deep connection between the natural environment and people's everyday activities. Knowing that landscape design encompasses not only the natural environment, but also culture and lifestyle, has greatly broadened my own perspective as someone who deals with architectural products. There are many points of contact between architectural systems and landscape design, and I feel that there is potential to create products and services with new value by being aware not just of architecture alone, but also of its relationship with the surrounding environment and nature. In the future, I would like to broaden my perspective beyond architecture to make more comprehensive proposals.

Construction Technology Office, Architecture and Wellness Technology Group, Technical Research Division
Tadahisa Akiyama

Feature 2: Human Resources as the Foundation for Sustainable Growth and Organizational Strength

Creating a workplace where a diverse mix of employees can thrive

In accordance with the "Forest Management" philosophy advocated by YKK's founder Tadao Yoshida, we promote diversity and inclusion, striving to create systems and environments where each employee can demonstrate their full potential based on the principles of autonomy and coexistence, regardless of age, gender, educational background, or other factors.

Initiatives to promote the active participation of women

Under our Diversity & Inclusion Declaration, we are actively working to support the career development of female employees. As a result, the number of women in management positions reached 148 in FY2024, achieving the target we had set. To keep up this progress, we have set a target of 200 female managers by FY2028 and are implementing various measures to that end (YKK AP (non-consolidated)).

In FY2024, we continued the "AP Women's Career Development Program," a support program aimed at fostering the next generation of female leaders to help women build long-term careers, with 201 employees participating.

In addition, we have launched a "sponsorship system" in which executive vice presidents act as sponsors for female employees, providing appropriate coaching and guidance to support their advancement through interviews and other means. This is a system designed to produce the next generation of managers who can contribute to the business. The first batch of participants consists of six female employees, and from FY2025 onwards, the program will evolve into the "AP Women's Career Development Program Premium," which aims to accelerate the development of female managers at the department head level and above.

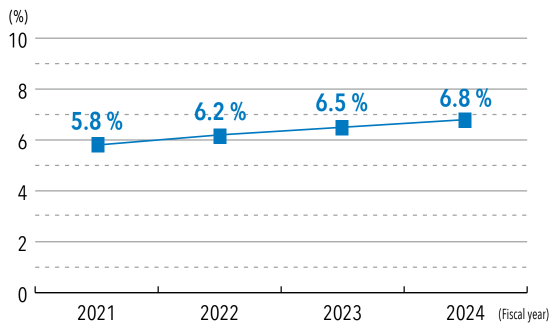
Other initiatives include the "AP FemCare Project" launched in FY2023, which involves providing "basic training on women's health" for all employees in Japan to improve literacy in women's health. In addition, we have introduced a "menstrual symptom relief program" for female employees who suffer from menstrual discomfort, which allows them to consult a gynecologist online and receive a prescription for low-dose birth control pills as needed. In this way, we are considering and implementing measures to maximize work performance by alleviating health issues specific to women.

Diversity & Inclusion Declaration

Based on the concept of "fairness," we will create new value through mutual recognition and acceptance of differences in age, gender, educational background, nationality, and disability, or other factors.

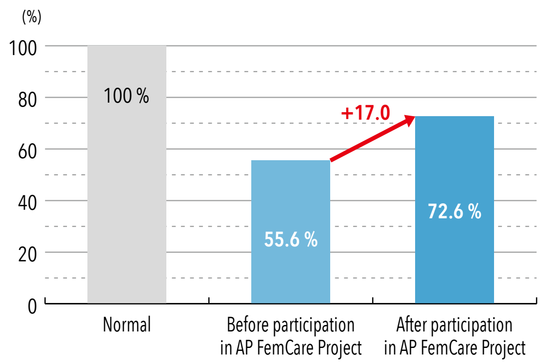
1. We aim to create a workplace where anyone can engage in their work actively and comfortably with motivation, regardless of generation.
2. We aim to cultivate female leaders who can make proposals and improvements utilizing diverse perspectives in the fields of sales, manufacturing, technology, and management.
3. We aim for a company that can respond to the demands of society through each employee's diverse values.

Rate of female manegers



*Covers the YKK AP (non-consolidated)

Work performance scores during menstrual discomfort



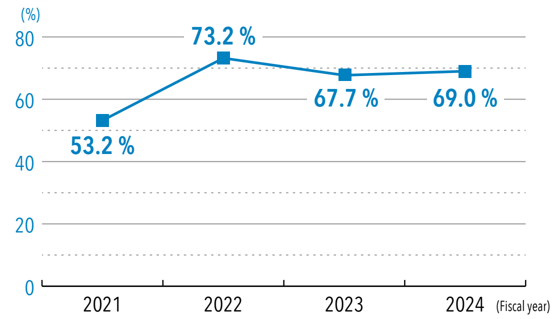
*Survey covered: Participants in the AP FemCare Project

Support for balancing work with caregiving and childcare

Creating an environment where every employee can thrive and find fulfillment in their work requires achieving a balance between work on one hand and caregiving or childcare on the other. In February 2025, YKK AP held its first "seminar on balancing work and caregiving." The aim is to alleviate employees' anxiety and help them effectively prepare for caregiving by providing them in advance with knowledge about balancing work and caregiving.

Meanwhile, in terms of childcare, we offer a "Childcare Leave Warm-up Program" (Petit MBA for Childcare Leave), the costs of which are covered by the company, as a form of self-development support during parental leave and upon returning to work. Furthermore, in order to promote the use of childcare leave by male employees, we agreed to participate in the "IKUKYU.PJT" initiative proposed by Sekisui House, Ltd., which began in FY2024. These measures promote a deeper understanding of childcare among employees and foster a culture of mutual support. The rate of male employees taking childcare leave in FY2024 was 69.0%, exceeding the national target of 50% for 2025.

Rate of male employees taking childcare leave



*Covers YKK AP (non-consolidated)

Growth achieved through harmony between work and family life

Since joining YKK AP in 1996, I have consistently built my career in sales. After studying in the U.S.A. for several years, I now supervise a sales team for window systems in Taipei City.
Working in such a high pressure and busy industry, time management is very important. I always remind myself to be positive and hardworking, but I try spend time with my family after work and not to bring work home with me.
YKK AP TAIWAN feels like a large family to me. Although everyone has their own job to do, we help each other all the time. We cooperate to accomplish every task.
That provides me with strong support in maintaining a good work-life balance and performing well in my job.

Sales Department, Taipei Branch Manager, Supervisor
YKK AP TAIWAN CO., LTD.
Olivia Lin

Drawing on cultural diversity to take on monozukuri that makes people shine

Since 2023, I have been assigned to YKK AP AMERICA as an employee in charge of production technology. YKK AP AMERICA has a culture of giving praise, and during meetings, reports are always accompanied by advice on how to improve and words of appreciation. This is a valuable opportunity for the entire team to identify common challenges and share the joy of achieving goals.
At one point, Machinery & Engineering Department equipment introduced at the Macon Factory posed language barriers due to its complexity. In response, we have been pursuing and improving "user-friendly facilities" by incorporating visual manuals and defining common language for equipment.
Since taking up this position, I feel that I have developed a broader perspective on monozukuri. I hope that we will continue to design equipment that takes into consideration cultural and individual characteristics, building systems and structures that maximize people's potential.

Residential Business Division
YKK AP AMERICA INC.
Mayu Kato

Feature 2: Human Resources as the Foundation for Sustainable Growth and Organizational Strength

Realizing a fulfilling and employee-friendly workplace

As in the past, we will continue to invest in improving the workplace environment while energizing individuals and organizations, aiming to create a workplace that is not only pleasant to work in but also provides a sense of fulfillment.

Initiatives for improving engagement

We hold roundtable meetings in Japan as a forum for dialogue between directors and employees. In FY2024, these meetings were held a total of 47 times at 40 locations nationwide, with a total of approximately 470 participants. By having management visit each location and engage in two-way communication, the meetings promote understanding of company policies and foster new insights.

We also hold "Family Day" events where employees and their families are invited to the office, have a company-sponsored club system that provides opportunities for employees to interact outside of work, and hold lunch gatherings to promote communication and foster connections between employees, thereby enhancing employee engagement and contributing to work fulfillment.

"Family Day" held at the YKK 80 Building in March 2025

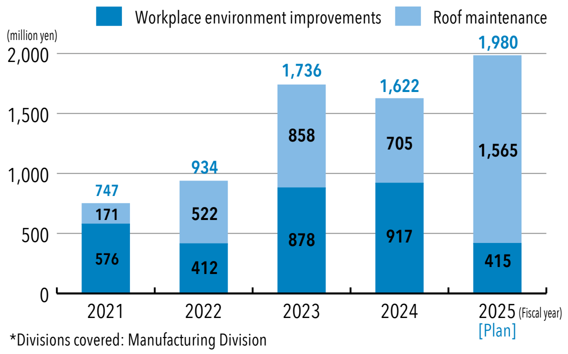
YKK AP AMERICA holds an annual National Sales Meeting where sales representatives from North America (the U.S.A. and Canada) gather to boost each other's motivation

Improvements to the workplace environment in manufacturing divisions

Our manufacturing divisions in Japan carry out planned environmental capital investments every year. In FY2024, we invested approximately 1.6 billion yen to improve the environment at each location, including restrooms, break rooms, cafeterias, and changing rooms. We will also continue investing in roof maintenance, which we began in earnest in FY2022, and will increase investment further from FY2025 to provide even safer and more comfortable working environments with improved thermal insulation performance.

In addition, we have established a Workplace Improvement Committee, in which plant and factory managers from across Japan meet every month to share issues and discuss solutions for improving the workplace environment.

Environmental capital investments



*Divisions covered: Manufacturing Division

(Left) Break room at the Kurobe Ogyu Plant. (Right) Cafeteria at the Kanagawa Factory. Both were renovated in FY2024

Introduction of a refresh leave system

In FY2024, we introduced a "sabbatical leave system" that grants five days of special paid leave to regular full-time employees, employees for supplementary work, and temporary contract employees who have reached certain milestones in terms of years of service. The aim is to allow employees to refresh mind and body by taking extended vacations, thereby increasing their motivation to work and encouraging them to remain with the company for the long-term. In the first year, approximately 70% of eligible employees took advantage of the system.

Respect for human rights rooted in the CYCLE OF GOODNESS®

In accordance with the YKK philosophy — CYCLE OF GOODNESS®, YKK AP considers respect for the human rights of all stakeholders involved in our business, including our supply chain, to be a vital part of our corporate social responsibility.

Initiatives to address human rights issues

The YKK AP Human Rights Policy, established in 2023, was formulated based on the core values of the YKK Group, while taking into account human rights issues related to YKK AP's specific business activities.

Our policy for addressing human rights issues is formulated from a company-wide perspective at the Sustainability General Meeting. Based on this policy, the Human Rights Working Group (WG) within the Compliance Committee and related divisions take the lead in promoting interdepartmental activities across the entire group, both Japan and overseas.

The Human Rights WG identifies human rights risks based on an assessment of the current situation, evaluates them using a matrix of impact and likelihood, and reflects the results in preventive and corrective measures to be taken by the relevant divisions.

Details of the YKK AP Human Rights Policy are available on our website.
https://www.ykkapglobal.com/en/sustainability/society/humanrights/

Respect for the human rights of YKK AP Group employees

In FY2023, we conducted human rights risk assessment consultations with employees in Japan (YKK AP (non-consolidated)), in FY2024, we held consultations with employees at affiliated companies in Japan and overseas, and in FY2025, we plan to complete consultations at all YKK AP Group companies.

The results of assessments conducted thus far have identified "long working hours," "harassment," "work-related accidents," and "leakage of personal information" as issues in Japan, while "long working hours" and "harassment" are also concerns overseas. We have established a governance system for these matters and have defined preventive and corrective measures to reduce risks, as well as conducting YKK Global Criteria of Compliance (YGCC) audits. In addition, we aim to ensure that each and every employee is aware of human rights, and we continue to provide e-learning training on business and human rights for all employees.

E-learning on business and human rights

Respect for human rights in the supply chain

As part of its corporate social responsibility, YKK AP promotes initiatives to respect human rights not only within the company but also throughout its entire supply chain. We request that our business partners comply with the YKK AP Human Rights Policy and promote CSR procurement based on procurement policies that include organizational governance and human rights. To this end, we are promoting human rights due diligence initiatives based on concluding agreements regarding our "Basic Transaction Principles," which clearly stipulate compliance with laws and regulations and fair transactions.

In FY2024, we conducted a questionnaire survey of 111 major Japanese suppliers, incorporating external expertise and taking into account risk factors commonly found in supply chains such as child labor, forced labor, and long working hours. As a result, although no direct cases of human rights violations have been identified at this point, we recognize the importance of revising the questionnaire to gain a more detailed understanding of the current situation and of continuing to monitor and take preventive measures against potential risk factors.

In FY2025, we will expand the scope of the survey to include the suppliers of Japanese affiliated companies, and in FY2026, we plan to include the suppliers of overseas affiliated companies. The survey results will be analyzed in order to implement prevention and mitigation measures.

Feature 3:

Building a Solid Foundation to Protect Trust and Confidence

Risk Management Strategy

Midori Sato

Vice President,
CRO
(Chief Risk Management Officer)

As CRO since 2024, Sato is responsible for risk management for YKK AP as a whole. She works not only on improving resilience in the event of incidents, but also on creating mechanisms to prevent risks and providing effective training.

Strengthening risk management as a "defensive measure" to support business growth

We are strengthening risk management to achieve a "resilient business foundation" which we have identified as part of our materiality (priority issues). Based on risk prevention, forecasting, and control, we are implementing risk management through five committees (Quality, Trade Management, BCM, Information Security, and Technology Asset Management) that establish and implement regulations. In addition, we are enhancing resilience by supporting business divisions in their risk activities based on specialized knowledge and expertise, preparing and training on BCPs (business continuity plans) during normal times, and establishing a governance system for emergency situations.

Formulation of the 7th Mid-term Risk Management Policy

The 7th Mid-term Risk Management Policy calls for "enhancing risk management throughout the AP Group to implement our management and business strategies." In order to implement the "offensive" strategy of business expansion based on the "Evolution 2030" vision, it is also extremely important to maintain strong "defensive" measures. We will contribute to sustainable growth and the enhancement of our corporate value by identifying and assessing business risks, taking measures to address them, and monitoring the implementation through a PDCA cycle.

One mid-term issue is the urgent need to implement risk management measures for each affiliated company, including those overseas, as their number continues to increase each year. In FY2024, we conducted risk training for managers at overseas companies. In FY2025, we will further strengthen monitoring of and collaboration with affiliated companies, as well as supporting the promotion of risk management.

In addition, it was discovered in FY2024 that some fire prevention equipment manufactured and shipped by YKK AP in the past had undergone flame shielding performance tests using test specimens that differed from the specifications in the application, and had been certified by the Minister of Land, Infrastructure, Transport and Tourism. We recognize this as a very serious matter that affects our reputation as a company, and we will continue to thoroughly educate our employees on fire resistant products while also introducing audits into the product development and manufacturing processes. We will implement thorough risk management to ensure that no similar incidents occur ever again.

Setting materiality and indicators

We have established five materiality indicators to evaluate the effectiveness of risk management. "Rate of participation in risk-related training" is an indicator (FY2028 target: 95%) for raising the risk awareness of every employee in order to prevent cyberattacks and phishing emails, which have been on the rise in recent years, as well as misconduct and violations of laws and regulations. "Number of locations that have formulated BCPs" serves as an indicator to confirm whether BCPs are being properly developed and implemented at all Japanese and overseas sites. "Number of serious quality and product liability incidents," "number of serious cyber incidents," and "number of serious violations of laws and regulations" are indicators for showing that our day-to-day efforts are leading to reduced risks.

Risk training conducted for managers at overseas companies
(YKK AP R&D Center)

Identification and countermeasures for key risks

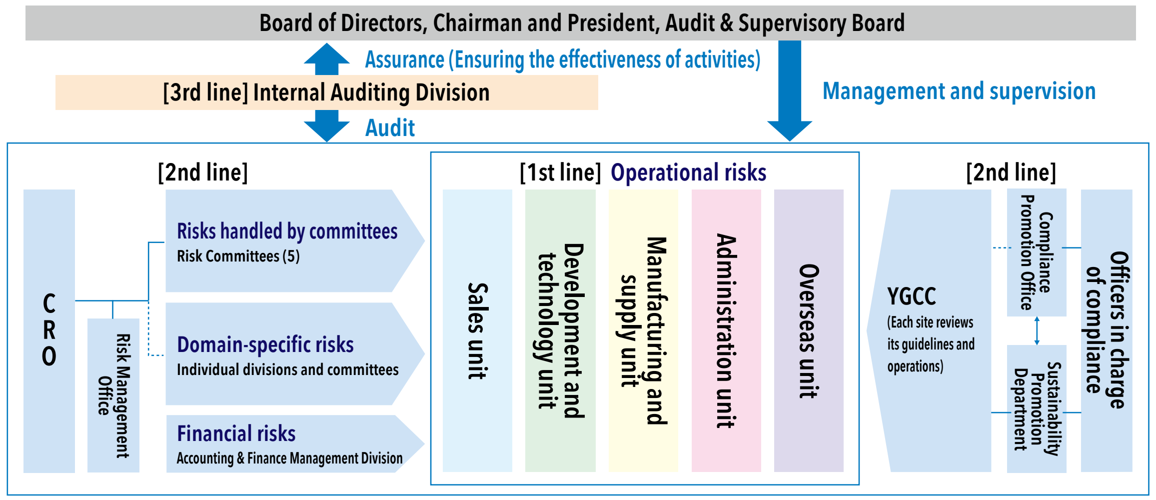
In FY2024, we reviewed our process for identifying key risks and, in addition to consultations with risk management departments, conducted risk surveys of business divisions and interviews with senior management to identify and analyze risks. In evaluating risks, we determine the level of risk based on the likelihood of occurrence and impact, as well as reputational risks and internal and external factors. This is then used as a basis for discussion and decision-making by the Board of Directors to identify key risks.

For FY2025, we have identified 27 categories of key risks, including system failures, cybersecurity, major natural disasters, product defects, and recalls. We will prioritize the allocation of business resources to these areas and implement measures to develop systems and countermeasures.

Our risk management promotion structure

YKK AP's risk management promotion structure is based on a three-line model. The five basic units (Sales, Development and technology, Manufacturing and supply, Administration, and Overseas) serve as the first line, taking the lead in risk management activities. Risk management departments and committees, which serve as the second line, support the first line with their specialized knowledge and expertise. The Internal Auditing Division, which serves as the third line, audits the effectiveness of the risk management activities of the first and second lines. Furthermore, by allowing self-checks of risk management activities based on the YKK Group's compliance standards, the YKK Global Criteria of Compliance (YGCC), we are clarifying the roles and responsibilities of each person and division in charge of conducting these activities, thereby enhancing their effectiveness.

Risk management/Compliance Advancement Structure



BCM (Business Continuity Management) initiatives

We are working to acquire the appropriate business continuity capabilities necessary to respond to major emergencies. To this end, we are enhancing our organizational strength through repeated training and preparation to enable rapid initial response and implementation of BCPs based on an all-hazards approach, covering large-scale natural disasters, supply chain disruptions, cyber incidents, and the spread of infectious diseases.

The first basic policy is "Prioritize human life, ensure safety, and prevent secondary disasters." In FY2024, based on the scenario of a major earthquake directly under Tokyo or a Nankai Trough earthquake, we conducted joint training exercises involving manufacturing and sales operations across different areas, briefings for sales managers, and training exercises with Kurobe, which will serve as a backup base for the local disaster response headquarters in the event of a disaster in the Tokyo metropolitan area. Measures will be considered for each location to address issues identified during the training, and these will be reflected in BCP revisions and future training. We are also conducting initiatives that involve external contractors such as truck drivers and cafeteria staff in evacuation drills.

Joint training between the disaster response headquarters in Kurobe and the Tokyo metropolitan area
(YKK AP 30 Building)

Details of Risk Management are available on our website.
https://www.ykkapglobal.com/en/sustainability/governance/risk-management/

Feature 3: Building a Solid Foundation to Protect Trust and Confidence

Compliance Strategy

Jumpei Ishii

Executive Chief Specialist
Legal Counsel
Head of Compliance Promotion Office,
Legal & Intellectual Property Department

Ishii works as a lawyer for YKK and YKK AP, handling legal affairs. In 2018, he studied abroad at the School of Law at the University of California Berkeley, U.S.A., and passed the New York State Bar Examination. In 2022, he was appointed as Executive Chief Specialist and Legal Counsel. From 2025, has also been serving as the head of the Compliance Promotion Office.

Strengthening compliance based on the YKK philosophy — CYCLE OF GOODNESS®

Compliance in the YKK Group refers to "not only observing laws and regulations and internal rules, but also complying with the social norms expected of us in the course of our corporate activities."

To realize compliance management, we have established a Compliance Committee consisting of five units (Sales, Development and technology, Manufacturing and supply, Administration, and Overseas) to strengthen monitoring of compliance with rules, regulations, and guidelines.

In addition to regular compliance training for officers, all employees receive at least two hours of compliance training per year on topics such as curbing long working hours, eliminating harassment, preventing bribery, and complying with subcontracting laws.

For persons heavily involved in compliance work, we also provide education in specialized fields led by the relevant specialized departments and committees (HR, purchasing, occupational health and safety management, trade management, information security, technical asset management, the environment, etc.).

Standards for compliance activities "YKK Global Criteria of Compliance"

YKK AP has set out the YKK Global Criteria of Compliance (YGCC), the YKK Group's compliance standards based on the YKK Philosophy and ISO 26000, and is working to instill them at its locations in Japan and overseas.

We regularly carry out YGCC audits such as self-inspection and internal audits, and have standardized monitoring items to improve the effectiveness of the audit process and ensure continuous improvement.

Whistleblowing system

The YKK Group operates the "YKK Group Whistleblowing System," which allows individuals to consult with/report to consultation desks inside and outside the company anonymously regarding behavior that violates laws, work regulations, or internal rules. Efforts are underway to ensure that all users are aware of this system. In addition, the principle of whistleblower protection prohibits the disadvantageous treatment of any individual for making a consultation.

In FY2024, we established a Basic Policy on Customer Harassment based on the YKK AP Human Rights Policy. In addition to establishing a customer harassment consultation desk, we conduct training for employees to learn about customer harassment and methods for dealing with it.

Number of whistleblowing cases

Fiscal year	2021	2022	2023	2024
Cases	42	49	59	71

*Total number of inquiries received by the Japan consultation desk regarding the YKK AP Group (Japan)

Customer harassment training reinforces response skills through role-playing

Details of Compliance are presented in our Sustainability Data Book.
https://www.ykkapglobal.com/en/sustainability/activities-data/data/governance/#section02-01

Feature 3: Building a Solid Foundation to Protect Trust and Confidence

Environmental Management Strategy

Hiroaki Shigezumi

Head of the Environment & Facilities Department

As Head of the Environment & Facilities Department, Shigezumi is responsible for planning, drafting, and executing the company's environmental and facility policies. He believes that it is important to contribute to the environment and reduce environmental impact throughout the entire product life cycle.

Promoting environmental management that leads to sustainable growth

YKK Group has established the "YKK Group Environmental Vision 2050," which maps out the long-term orientation of our environmental initiatives. Under this vision, YKK AP has established a goal for 2050 of "achieving zero environmental impacts in our business activities throughout the entire product lifecycle." This fiscal year, we have formulated the 7th Mid-term Environmental Business Plan, setting targets for the period from FY2025 to FY2028. Among these, we have identified key environmental issues related to our business activities as materiality indicators.

Challenge to achieve a 100% aluminum recycling rate

In the 6th Mid-term Environmental Business Plan, which ended in FY2024, we set three indicators as KPIs: "CO_2 emissions (Scope 1 and 2)," "waste emissions (manufacturing sites)," and "water use (manufacturing sites)," and worked to improve them. We achieved our targets for CO_2 emissions and water use, but we fell short of our waste emissions target due to an increase in the volume of high thermal insulation windows handled and the resulting increase in glass waste generated during the manufacturing process. In addition to these indicators, the 7th Mid-term Environmental Business Plan will also focus on increasing the "recycled aluminum usage rate[*1]."

The use of recycled aluminum and green aluminum as raw materials[*2] is highly effective in reducing CO_2 emissions and contributes to both resource recycling and decarbonization. We will work to resolve environmental issues throughout the value chain and use this to drive business growth.

An effective environment promotion system

As the system for promoting these activities, the "YKK AP Environmental Policy Board Committee," chaired by the president, formulates and approves environmental policy and strategy from a management perspective once a year. Under that policy, the "YKK AP Environment Committee" implements the environmental policy in individual divisions. The manufacturing, sales, and development divisions hold meetings four times a year, and the overseas division holds meetings twice a year to confirm the progress of environmental policies. In order to enhance the effectiveness of our environmental policies, we also conduct internal environment audits every year. In addition, we have acquired ISO 14001 certification at all locations in Japan and at 11 locations overseas, and are continually working to increase the level of environmental management.

*1 As defined by the Japan Sash Manufacturers Association (in Japanese only)
https://www.jsma.or.jp/documents/enviroment/environment/tabid196.html
*2 Green aluminum as raw materials: Aluminum ingots manufactured using renewable energy at the smelting stage, thereby reducing CO_2 emissions

Environmental policy targets and indicators

Theme		Indicators	FY2024 Results	FY2025 Plan	FY2028 Plan	FY2030 Targets	Goals for FY2050
Environment issues	Climate change	Scope 1 and 2 emissions	271 kt CO_2 -37 %	244 kt CO_2 -43 %	149 kt CO_2 -65 %	86 kt CO_2 -80 %	Zero CO_2 emissions in the product and monozukuri lifecycle
		Scope 3 emissions	2,021 kt CO_2 -19 %	1,975 kt CO_2 -21 %	1,838 kt CO_2 -26 %	1,746 kt CO_2 -30 %	
	Resource recycling	Recycled aluminum usage rate	56 %	60 %	71 %	100 %	Use of renewable materials (low carbon, recyclable)
		Waste emissions	18.7 kt -9 %	18.4 kt -10 %	14.7 kt -28 %	12.3 kt -40 %	
		Waste emissions per unit of intensity	33.4 t/billion yen	31.4 t/billion yen	21.0 t/billion yen	–	
	Water conservation	Water use	8.14 million m^3 -34 %	7.94 million m^3 -37 %	7.60 million m^3 -40 %	7.35 million m^3 -42 %	Maximal reuse of water
		Water use per unit of intensity	1,499 m^3/100 million yen	1,371 m^3/100 million yen	1,076 m^3/100 million yen	–	
	Biodiversity	Number of social contribution activities	217	At least two per site	–	–	Monozukuri in harmony with nature and local communities

*Covers the YKK AP Group (Japan and overseas), base year is FY2013 (FY2016 for waste). However, the recycled aluminum usage rate is based on the YKK AP Group (Japan)

The YKK AP Environmental Management Policy and environmental promotion system are presented in our Sustainability Data Book.
https://www.ykkapglobal.com/en/sustainability/activities-data/data/environment/

Feature 3: Building a Solid Foundation to Protect Trust and Confidence

Addressing climate change

YKK AP is working to reduce CO_2 emissions and address climate change in all of its business activities.

This initiative is being promoted by the Carbon Neutrality Project, led by the head of the Manufacturing Division. This project consists of seven working groups involving young engineers, and is promoting the formulation of a carbon neutrality technology roadmap and initiatives based thereon.

Aiming to achieve, relative to FY2013, a 80% reduction in Scope 1 and 2 and a 30% reduction in Scope 3 by FY2030, we will accelerate capital investment and technological development while reviewing each platform for products and monozukuri.

Furthermore, the popularization of high thermal insulation products will reduce the amount of energy used for heating and cooling, contributing not only to YKK AP's carbon neutrality but also to that of society as a whole.

Scope 1 and 2 initiatives

We are working to reduce the amount of fuel and electricity used in our manufacturing processes and offices. The Machinery & Engineering Department, which is responsible for developing manufacturing equipment, is improving the energy efficiency through standardization and the adoption of energy-saving technologies. In terms of fuel, we are switching from liquid fuels to natural gas. Furthermore, with a view to the future, we are developing and testing the use of hydrogen and other gases in gas burners.

We are also working on energy creation from renewable sources, such as solar, hydro, and wind. As of FY2024, we have increased the amount of renewable energy installed to nine times the FY2021 level. This accounts for approximately 7% of YKK AP's total electricity consumption.

In order to measure our progress in reducing CO_2 emissions, we are also developing a database that tracks energy consumption by facility and manufacturing site and visualizes CO_2 emissions.

As of FY2024, we have reduced Scope 1 and 2 emissions by 37% relative to FY2013 levels.

Scope 3 initiatives

Scope 3 emissions account for the majority of the CO_2 emissions associated with YKK AP's business activities across the entire supply chain. Of these, emissions from material procurement for products account for 80% of the total. In particular, the procurement (mining, smelting, and overseas transportation) of aluminum ingots has a significant impact, and the utilization of recycled aluminum will have the greatest impact in achieving carbon neutrality.

We have already achieved a 100% internal recycling rate, and our next challenge is to expand the utilization rate of market-obtained recycled materials (recycled raw materials such as aluminum scrap recovered from the market). Since market-obtained recycled materials contain a variety of metals, we are focusing on improving separation technologies for extracting only high-quality aluminum.

The Shikoku Plant, which introduced a dedicated aluminum recycling furnace in FY2023, reached a recycled aluminum usage rate of 80% by the end of FY2024.

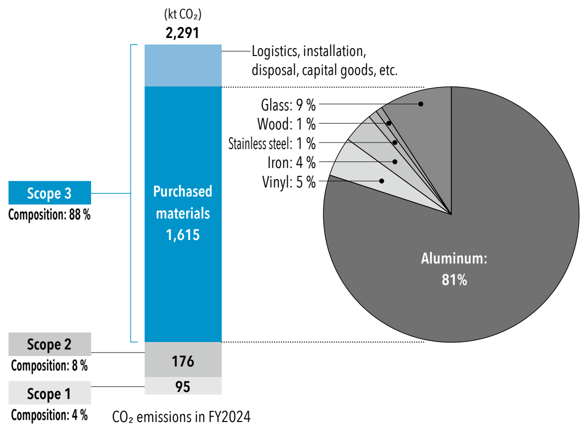
We are involved, as the lead company, in the "Creation of a Toyama Resource Recycling Society Model," an industry-academia fusion hub concept project to revitalize aluminum-related industries in Toyama Prefecture, led by the University of Toyama. In this way, we are working to accelerate in-depth technical development of aluminum recycling through collaboration between industry, government, academia, and the private sector. From April 2024, a joint research course with YKK AP is being offered at Tohoku University to promote research aimed at realizing an aluminum recycling-oriented society.

We are also working to secure green aluminum raw materials by using green energy at the stage of smelting aluminum from bauxite, as well as to improve logistics efficiency by introducing double-trailer trucks and joint shipping. With respect to our business partners, we have circulated Green Procurement Guidelines and chemical substance management guidelines, and we also conduct a CSR survey based on environmental perspectives.

As of FY2024, we have reduced Scope 3 emissions by 19% relative to FY2013 levels.

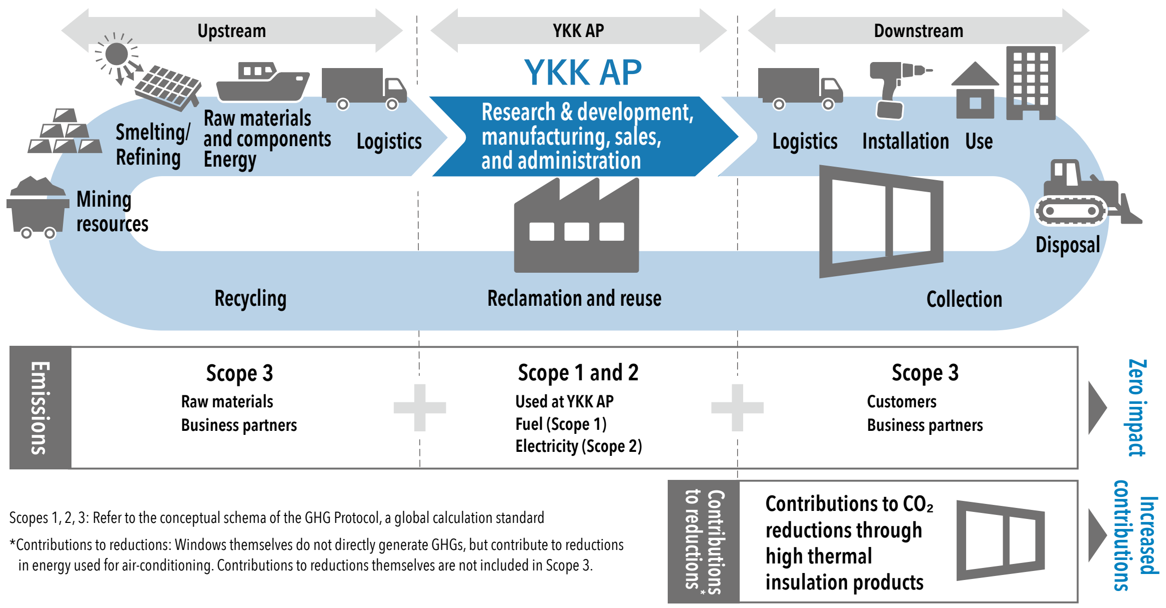
Breakdown of YKK AP's CO_2 emissions (FY2024)

In the supply chain as a whole, material procurement (smelting, etc.) under Scope 3 accounts for a large proportion of emissions, and aluminum materials account for a large proportion of these.



*Covers the YKK AP Group (Japan and overseas)

Lifecycle of YKK AP products and CO_2 emissions



Scopes 1, 2, 3: Refer to the conceptual schema of the GHG Protocol, a global calculation standard

*Contributions to reductions: Windows themselves do not directly generate GHGs, but contribute to reductions in energy used for air-conditioning. Contributions to reductions themselves are not included in Scope 3.

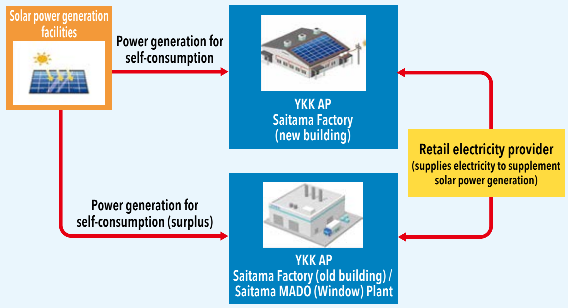
Environmental Topics

Expanding the use of renewable energy

We are promoting the introduction of self-consumed renewable energy on our own premises, and have achieved a total of 16,200 kW of solar power generation at 11 locations in Japan and overseas. With the expansion of renewable energy, surplus electricity is generated, and in FY2024, we started operating a "surplus electricity sharing on-site PPA" in the Tokyo metropolitan area. We have also established a system to fully utilize 100% of the electricity generated by solar power at the Saitama Factory (new building) by supplying it to the Saitama Factory (old building) and the Saitama MADO (Window) Plant. This initiative is expected to reduce CO_2 emissions by 512 tons per year. In addition, a large solar power generation facility has been installed at the Namerikawa Plant.

In March 2025, we introduced large storage batteries at our Kyushu Plant, and plan utilize surplus electricity during peak usage hours and at night. In addition, we are promoting demonstration tests of energy generation facilities tailored to regional characteristics, such as wind power and hydroelectric power generation utilizing water used in manufacturing processes. In FY2024, we achieved a reduction of 12,000 tons in CO_2 emissions through the introduction of renewable energy.

Illustration of operation of the "surplus electricity sharing on-site PPA"



Large solar power generation facility installed at the Namerikawa Plant

Feature 3: Building a Solid Foundation to Protect Trust and Confidence

Disclosure of information under the TCFD recommendations

In 2019, YKK AP endorsed the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and in 2021, it received "Well below 2° C" certification from the SBT (Science Based Targets) initiative, an international organization. YKK AP assesses the impact of its business activities in terms of both climate-related risks and opportunities, and reflects them in its Management Strategy.

Governance

YKK AP has a Board of Directors as the decision-making and oversight body for important matters such as management policy, an Audit & Supervisory Board as the company's auditing organization, and has introduced an Operating Officer System to help the company promote the execution of business and operations.
In particular, sustainability issues are addressed by the "Sustainability General Meeting," chaired by the president, which conducts cross-functional activities by formulating policies from a company-wide perspective and rolling them out to related divisions and affiliated companies in Japan and overseas.
The "Environmental Policy Board Committee," which is chaired by the president and has jurisdiction over the environmental area within the Sustainability General Meeting, formulates and approves environmental policies and strategies, including on climate change, from a management perspective, and monitors their progress. The "Environment Committee" rolls out these environmental policies and strategies to our manufacturing and sales sites in Japan and overseas, and confirms how they are being implemented through mutual internal environment audits.

Strategy

In line with the TCFD recommendations, we are identifying and assessing the significant risks and opportunities that the issue of climate change poses to the AP Business.

Type		Financial impact on the business	Measures
Transition risks	Reputation	Loss of corporate value due to delay in responding to public demands, such as carbon neutrality	With the head of the Manufacturing Division as project leader, the Carbon Neutrality Project was launched in FY2021, and seven working groups were established with the participation of young engineers, with initiatives underway in each group. In FY2023, the target year for achieving carbon neutrality was moved forward from FY2050 to FY2040, demonstrating the increased urgency of our initiatives.
	Market	Increased costs due to energy resource depletion	We are promoting the introduction of high-efficiency equipment (manufacturing equipment, lighting, and air conditioning) with the aim of reducing energy consumption per unit of production by 1.3% or more per year over the medium- to long-term. In addition, we are implementing various measures to reduce energy consumption, such as the use of renewable energy, reductions in air leaks, and reductions in waste heat.
Physical risks	Urgent	Increased damage from natural disasters, supply chain fragmentation	In preparation for disaster and risk occurring, we have formulated BCPs at all locations in Japan and overseas. In addition, after reviewing and updating the Business Continuity Management (BCM) Code to ensure prompt implementation of BCPs, we are working to ensure it is thoroughly instilled across functional axes and on a regional site basis. In addition to purchasing materials from multiple suppliers, understanding and improving the supply chain, and securing inventories of critical management items in case of emergencies, the research and development, manufacturing, and purchasing divisions work together to set up alternative sources of supply. These efforts, which take business continuity planning (BCP) into account, begin as early as the product development phase.
	Chronic	Restrictions on business activities due to water shortages caused by reduced rainfall	Water is used for cleaning and cooling in our production processes. In some areas, there is a risk of water use restrictions due to drought, and we are working to reduce water use by reviewing water intake for industrial use and implementing multi-level use of water, recycling, and reclamation.
Opportunities	Products/ Services	Increased demand for high thermal insulation products	The "APW" vinyl window series delivers high thermal insulation performance across the board, and includes the "APW 430," which is among the top-performing windows in this regard. In FY2024, we launched a new wooden window, "APW 651," which combines high thermal insulation properties with aesthetic appeal. By expanding sales of high thermal insulation products like these, we are not just helping to reduce energy consumption, but are also improving indoor thermal environments and providing comfortable living spaces.
		Increased demand for carbon-free and recycled-resource products (e.g., recycled aluminum)	Since recycling aluminum requires less energy, CO_2 emissions can be significantly reduced to only about 3% of those required to produce new aluminum ingots (new metal) from bauxite. We will promote decarbonization by expanding the reuse of used aluminum sashes and other materials recovered from the market and by obtaining green aluminum ingots smelted using renewable energy sources. To realize this goal, we are introducing an aluminum recycling furnace and developing technologies to separate out impurities.

Risk management

Business risks as a whole are assessed and reviewed once a year, prioritized by "severity" and "likelihood of occurrence," and each risk is managed by the relevant committee or division. Climate change-related risks (natural disasters, inadequate response to environmental regulations, etc.) are also identified as key risks and incorporated into the management process, with policies developed and monitored on a global basis by the Environment Committee and the BCM Committee.

Indicators and targets

In order to achieve carbon neutrality, we have set medium- to long-term goals certified by SBTi and formulated an environmental action plan to achieve them in conjunction with our mid-term business plan. In addition, under the "Evolution 2030" Vision announced in March 2023, we have brought forward our targets to reduce the company's own CO_2 emissions by 80% in FY2030 and by 100% in FY2040 (both relative to FY2013). Progress with respect to these indicators and targets is disclosed in the Integrated Report and the Environmental Report.

Indicators		Targets
Scope 1 and 2	Reductions in YKK AP CO_2 emissions	80 % reduction by FY2030 (relative to FY2013)
Scope 3	Reductions in CO_2 emissions in the supply chain	30 % reduction by FY2030 (relative to FY2013)
During product use	Increased contributions to CO_2 reductions	220 % reduction by FY2028 (relative to FY2020)

*Covers the YKK AP Group (Japan and overseas)

Resource recycling (circular economy)

YKK AP is working to develop products that take into account resource recycling and establish a system to provide products with low environmental impact. Applying the "Sustainable Design Guidelines" during product development, we evaluate and improve products with respect to the following five items: "visualization of CO_2 emissions," "standardization of packaging materials," "visualization of environmentally hazardous substances," "ease of disassembly and separation," and "sustainable design guidelines and evaluation methods."

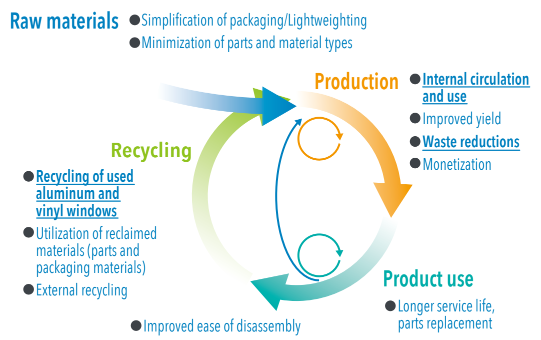
We are also actively working to improve the recycling rate for the vinyl produced during the process of manufacturing vinyl windows, as well as after use. We have installed crushing and sorting machines at each of our vinyl window manufacturing sites to reuse scrap materials as raw materials for vinyl profiles and parts for insulating glass. As a result, the internal recycling rate (scrap material reuse) has reached 67% as of the end of FY2024.

We also participate as a member of the "Vinyl Window Recycling Committee," which is formed mainly of industry associations, and are working as part of an industry-government-academia collaboration program to establish a system for collecting and recycling vinyl windows after use. In addition to promoting the installation of machinery to crush and sort the collected vinyl, the committee is also discussing the standardization of quality and acceptance conditions in the collection process. If successful, this will bring us closer to mass production using recycled vinyl.

We also implement 3R activities to reduce, reuse, and recycle waste. For example, in FY2021, the Kurobe Ekko Plant began operating an RPF (Refuse-derived Paper and Plastics densified Fuel) production facility. This allows waste plastics, used paper, wood waste, and other waste materials to be converted into a valuable resource, and 225 tons of RPF were produced and sold in FY2024.

Waste emissions in FY2024, including both Japan and overseas, are down approximately 9% from FY2016 levels.

The circular economy approach



(Left) Vinyl scraps produced during vinyl window manufacturing. (Right) A vinyl profile made from reused vinyl scraps (gray parts are recycled materials)

Environmental topics

Enhancing a stable supply system for green aluminum raw materials

YKK AP aims to achieve a 100% recycled aluminum usage rate by FY2030, while at the same time increasing the use of green aluminum. As part of our efforts to strengthen procurement of green aluminum raw materials, in December 2024 we increased our capital in Nippon Amazon Aluminium Co., Ltd. As a result, our transaction volume for aluminum ingots produced by Albras Co., Ltd., which is responsible for smelting in Brazil, is expected to increase approximately two-fold. Our overseas companies are also promoting procurement of green aluminum raw materials from the neighboring countries where they are manufactured.

Green aluminum ingots produced by Albras

Feature 3: Building a Solid Foundation to Protect Trust and Confidence

Water conservation

We are working to conserve water resources with the aim of achieving sustainable water use. Water is mainly used in production processes such as aluminum surface treatment, cleaning, and cooling, and we are striving to reduce water intake by promoting multi-stage use (reuse of the same water for multiple purposes) and recycling, as well as to prevent pollution of wastewater by using stricter voluntary control standards.

Nearly half of YKK AP's overall water use is attributable to aluminum surface treatment. In FY2024, we conducted a demonstration experiment to treat and reuse water used for surface treatment at the Shikoku Plant. Meanwhile, the Namerikawa Plant has installed a cooling unit for water circulation and has begun reusing used water for cooling.

In October 2024, in recognition of these efforts, YKK AP was certified as a "Water Cycling ACTIVE Company" under the "Water Cycle Company Registration/Certification Program" established by the Cabinet Secretariat Headquarters for Water Cycle Policy.

Cooling unit at the Namerikawa Plant

Biodiversity

To achieve the goal of "symbiosis with nature" set forth in the YKK Group Environmental Vision 2050, we are promoting initiatives to minimize biodiversity loss and environmental impact throughout the life cycle of our business activities, based on the global goal of "halting and restoring biodiversity loss by 2030 (Nature Positive)."

We are also actively engaged in cleanup activities and greening at our key locations in Japan and overseas. YKK AP INDONESIA has been conducting mangrove conservation activities in the Tangerang area since 2015, and in December 2024, the company received a CSR award by the Tangerang Regency Government in recognition of its longstanding efforts. In FY2024, 217 initiatives were implemented in Japan and overseas, including coastal cleanup activities at DALIAN YKK AP, tree planting activities at ERIE ARCHITECTURAL PRODUCTS, and cooperation in the release of landlocked salmon at the Tohoku Plant.

(Left) YKK AP INDONESIA employees plant mangrove saplings every year. (Right) Release of landlocked salmon at the Tohoku Plant in cooperation with the local community

Supported initiatives and groups, certifications

Climate change
◆ **Task Force on Climate-Related Financial Disclosures**
(Financial Stability Board)
May 2019

Climate change
◆ **SBT**
(SBT initiative)
February 2021

Resource recycling
◆ **Japan Partnership for Circular Economy**
(Ministry of the Environment, Ministry of Economy, Trade and Industry, Keidanren)
October 2022

Environmental management
◆ **Minister of the Environment-certified "Eco-First Company"**
(Ministry of the Environment)
April 2023

Climate change
◆ **GX League**
(Ministry of Economy, Trade and Industry)
April 2023

Resource recycling
◆ **Circular Partners**
(Ministry of Economy, Trade and Industry)
February 2024

Water conservation
◆ **Water Cycling ACTIVE Company**
(Cabinet Secretariat Headquarters for Water Cycle Policy)
October 2024

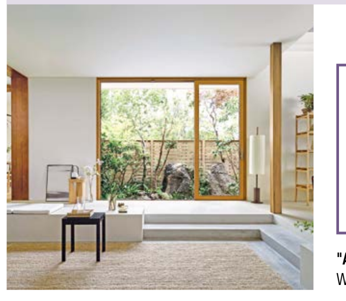
Residential Business

Strengths of the business

- **A wide variety of high thermal insulation windows for healthy and comfortable living**
- **Disaster prevention and mitigation products with a focus on safety and security that support the building of earthquake- and typhoon-resistant homes**
- **An enhanced lineup of products for remodeling windows and doors in the private areas of condominiums and single-family houses**
- **Implement account management to deliver tailored product proposals for each business partner**

Senior Vice President,
Head of Residential & Exterior Business Division/
Head of Residential Division

Chikara Nakamura



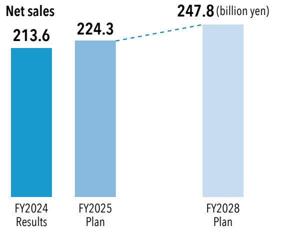
Main products

◎Windows ◎Entrance doors/sliding doors ◎Interior doors/partitions
◎Window shutters ◎Remodeling windows/doors ◎Quake resistance retrofitting
◎Window and door products for home builders (prefabrication)
◎Doorways and windows for modular bathrooms

"APW 651" sliding wooden patio doors with triple insulating glass
We contribute to a carbon-free society through the use of wood, a renewable resource derived from nature.

Market environment and challenges

In 2024, the number of new housing starts for apartment complexes increased, reflecting higher demand for rental units. On the other hand, sales for single-family houses remained sluggish due to the impact of rising house prices and an increasing inventory of ready-built homes, resulting in a slight year-on-year decline overall. In the home remodeling market, the continuation of the Advanced Window Renovation Project, a government subsidy schemes involving remodeling with thermal insulation, helped to maintain the same level of activity as the previous year. Going forward, we expect new commercial opportunities to be created in response to social issues, such as energy conservation in housing and the reuse of stock housing. In order to respond to such changes in the market, we will further focus our efforts on product development and organizational structure building.



Number of sales sites: 89 **Number of manufacturing sites: 16**

*As of April 2025

Summary of business results for FY2024

Aggressive sales promotion activities and expansion of sales channels were undertaken to capture demand generated by the government subsidy schemes. In the new build market, we sought to raise order unit prices through upgrades to high-performance thermal insulation windows and simultaneous proposals for window and door products, exterior and interior architectural products, and other items. However, due to the ongoing weakness of the market environment, net sales were 99% of the previous year's level.

Future business strategy

In FY2025, to further expand the renovation business, we will establish a new dedicated division, the Renovation Sales Management Department, to deal with large retailers such as hardware stores and home electronics retailers, and establish a sales structure and engineering system to support it. We revamped the wood interior product lineup for the first time in 20 years, launching a new series, "Smayell" in June. Furthermore, we will enhance our competitive advantage and strengthen sales growth with the new "Uchi Remo" inner window product launched in July. In addition, we will reduce operating costs in sales by consolidating and eliminating sites to increase sales productivity and improve revenues.

As we move toward FY2030, we will grow the renovation business into a new pillar of our business by introducing new products and expanding our sales channels. In addition, we will continue to enhance the value of windows and doors by further promoting the shift to vinyl windows. This will involve strengthening product appeal, penetrating the market for wooden windows, and commercializing YKK AP's panel units with windows. Furthermore, we will work to achieve sales growth in interior architectural products. Amidst concerns about factors such as continued soaring material prices, YKK AP will continue taking decisive action to revise prices according to the situation, thereby maintaining appropriate selling prices and profit levels. We will also continue to undertake streamlining measures through business process re-engineering and the digital transformation.

TOPICS

In FY2024, the Residential & Exterior Business Division was established to consolidate our branch office structure. This integration has created synergies and promoted organic collaboration between the Residential Division and the Exterior Division. In the renovation business, we responded to the continuation of the government subsidy schemes by further enhancing our sales promotion activities to maximize its benefits and increase awareness of window remodeling.

Exterior Business

Vice President,
Head of Exterior Division,
Residential & Exterior Business Division

Akinari Kariya

Strengths of the business

- Fully coordinated proposal capability for buildings and exteriors
- Creating markets through proposal-based products for comfort in buildings and exteriors and garden space
- An extensive lineup ranging from high-end to consumer models

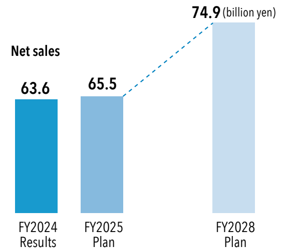
Main products

◎Balconies ◎Carports ◎Gates & fences
◎Terraces ◎Exterior materials

"PLAIN ROOF" aluminum-roofed carport
The simple, reliable, easy-installation design contributes to shortage of installation technicians.

Market environment and challenges

While new housing starts are decreasing year by year due to population decline and rising mortgage interest rates in Japan, the number of single-story houses and houses without balconies is on the rise due to the increase in smaller households and elderly households. In addition, due to the revitalization of the home remodeling market and soaring material prices, the market for wall exteriors which can be easily retrofitted to existing buildings, especially terrace roofs and balconies, has been stagnant, and the market for garden exteriors has also been shrinking.



Number of sales sites: 86 Number of manufacturing sites: 9

*As of April 2025

Summary of business results for FY2024

Sales of wall exterior products were lower than the previous year, but demand for folded-plate roof carports, which are designed to resist wind pressure and snow buildup, expanded to include non-snowy regions. Demand for flat-roof carports also grew, resulting in garden exterior product sales results exceeding market conditions and net sales of 101% of the previous year's level.

Future business strategy

In FY2025, we will strengthen our organization and structure in line with our sales channels under the policy of "Strengthening Proposals and Building a Revenue Structure through Product Appeal." In the new construction and exterior sectors, we will strengthen and expand sales of garden exterior products, with a focus on home builders, and wall exterior products, with a focus on sales channels. For custom-built homes, we will offer value-added proposals through "all-inclusive building and exterior designs." Meanwhile, for homes built for sale, we will promote proposals that integrate buildings and exteriors into a unified cityscape.

Heading toward FY2030, in accordance with the 7th Mid-term Management Plan, we will focus on strengthening product appeal to win orders for exterior construction from builders of homes built for sale. Our efforts will focus on developing unique products that combine function, design, added value, and new materials. We will also pursue the development of carbon-neutral, sustainable products, disaster prevention and mitigation, and easy installation products, as well as the improvement of our manufacturing system.

In terms of our supply system, we will advance relocating products previously concentrated at specific production sites to sites closer to demand areas. This strategic reallocation will help transform the revenue model of our manufacturing operations.

TOPICS

In FY2024, we established the Residential & Exterior Business Division to coordinate route and direct sales channels in the Residential Business and distributor channels in the Exterior Business. The divisional functions of the Residential and Exterior Businesses were integrated, allowing each division to specialize in strategic and policy planning and the implementation thereof. Through policy coordination and integration of divisional functions, we will work to further grow sales in the residential sector.

Commercial Business

Senior Vice President,
Head of Commercial Division,
Commercial & Global Curtain Wall Business Division

Hiroyuki Seguchi

Vice President,
Head of High Rise Building Division,
Commercial & Global Curtain Wall Business Division

Atsushi Harada

Strengths of the business

- Strong added value based on product appeal, including commercial windows and curtain walls
- Sales and proposal capabilities based on a nationwide sales network and experienced personnel
- Technical capabilities and responsiveness to handle high-difficulty projects

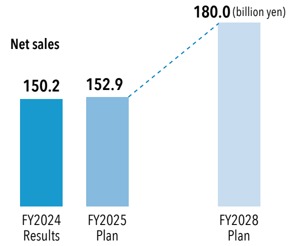
Main products

◎Commercial windows ◎Curtain walls (custom and standard)
◎Commercial entrances ◎Windows and doors for multi-family residences
◎Replacement products

Assembly of "APSWORD NEO-LB (GRAF method)" vacuum glass
We will help achieve a carbon-free society by promoting higher thermal insulation performance in the renovation sector.

Market environment and challenges

In the new commercial building segment, the market is shrinking due to a decline in the number of multi-family residences driven by the aging population and fewer households, as well as soaring material prices and a shortage of sash and curtain wall installation technicians. Meanwhile, in the renovated building sector, there is an increase in the number of existing multi-family residences approaching their prime remodeling years, and there is also growing demand for renovation of educational facilities to extend their service life and implement disaster prevention measures. We are working to uncover demand through new proposals that meet these needs.



Number of sales sites: 81 Number of manufacturing sites: 8

*As of April 2025

Summary of business results for FY2024

For multi-family residences in the commercial renovation sector, we have increased the number of branches specializing in renovations in metropolitan areas and actively taken advantage of the government subsidy schemes to propose high thermal insulation windows. Meanwhile, for educational facilities, the renovation business led the overall increase in revenue and profit as a result of proposal-based sales to local governments and similar bodies. Net sales were 107% of the previous year's level, boosted especially by orders for large-scale renovations of multi-family residences.

Future business strategy

In FY2025, we aim to expand our market share in the Commercial Business under the Commercial & Global Curtain Wall Business Division structure, which oversees the Commercial Division, the High Rise Building Division, and the Global Curtain Wall Division. By strengthening organic coordination between measures through organizational restructuring, we will create synergies that will help us build a solid revenue base. Although we are currently the market leader, we will continue to expand our business by strengthening the renovation business and further enhancing our sales activities aimed at major and mid-sized general contractors. In terms of product strategy, we will enhance our product lineups for mid- and high-rise multi-family residences in both new construction and renovation projects to promote higher thermal insulation performance for commercial windows and doors and realize a carbon-free society.

As we move toward FY2030, we will work on "Transform Our Revenue Models" in order to cope with shrinking markets and soaring material prices. By providing higher added value, we will improve the structure of the new construction sector and strengthen in the renovation sector. In addition, we will build a solid revenue base in the Commercial Business by enhancing our proposal capabilities. We will also focus on "Create Value Through Technological Innovation," aiming to realize a carbon-free and circular society by developing products and services and evolving our business processes through standardization, automation, labor saving, and the use of digital technology.

TOPICS

In September 2024, we held the "YKK AP Fair," an event to introduce YKK AP's product appeal and technical capabilities to customers and business partners. In the commercial sector, we introduced window installation robots, AI estimation systems, and Building Integrated Photovoltaics as measures to address the issues of labor shortages, operational efficiency, and environmental considerations. Based on the strong feedback we received, we will move forward with the practical application of these technologies.

Global Curtain Wall Business

Strengths of the business

- Ability to make proposals to realize highly challenging facades
- Technical responsiveness that enable us to solve various problems in building exteriors
- Process management capabilities to carry out large projects
- A flexible production system with four manufacturing sites around the world (North America, China, Thailand and Japan)

Senior Vice President,
Head of Global Curtain Wall Division,
Commercial & Global Curtain Wall Business Division

Kazuhiro Kitano

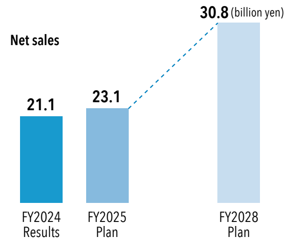
Main products

◎Curtain walls (CWs) and other products for commercial building facades (custom and semi-custom)

Installation example: Taipei Nan Shan Plaza
Factory-completed unitized CWs contribute to high quality and easy installation.

Market environment and challenges

In recent years, demand for green facades and renovations has increased in metropolitan areas, especially in developed countries. In emerging countries, urbanization is driving growing demand for newly built properties. In addition, the Asia region is seeing an increase in more complex and challenging exterior facades. Although there are some differences between regions, the overall market for this business area is expected to expand. On the other hand, there is no avoiding the impact of the uncertainty in the US tariff policy on the global supply chain.



Number of sales sites: 10 Number of manufacturing sites: 4
*As of April 2025 (overseas only)

Summary of business results for FY2024

We achieved profits exceeding those planned by sharing and optimizing project management methods with Thailand's YHS International and Siam Metal, in which we acquired shares in FY2023. In terms of supply, collaboration between manufacturing sites and horizontal rollouts have created synergy effects, such as increasing the speed of problem-solving at individual sites. As a result of strengthening global business operations in line with market trends, overseas net sales were 109% of the previous year's level, and orders also exceeded those of the previous year.

TOPICS

By allocating engineering personnel for design, project management, etc. in an optimal fashion on a global scale, we have been able to increase orders in the strong Taiwanese market. In addition, at YHS International, we strengthened the management structure by improving project management methods and introducing production and equipment technologies, thereby enhancing technical capabilities and increasing efficiency at manufacturing and installation sites.

Future business strategy

In FY2025, we will continue to strengthen our global business foundation by optimizing our project management methods and resources. In order to build a global supply system, our four CW manufacturing sites, comprising Erie Architectural Products in North America, YKK AP (SUZHOU) in China, the Namerikawa Plant in Japan, and YHS International acting as the keystone, will work together to improve project execution. We also aim to achieve sustainable growth by planning and executing entry strategies for each market and developing products and supply chains that are tailored to those markets' needs.

As we move toward FY2030, we will enhance our competitiveness in terms of winning orders by shifting from outsourced manufacturing to a YKK AP Group-internal supply system and establishing a flexible and resilient global manufacturing and supply system. Moreover, by deepening our revenue model through collaboration between manufacturing, sales, and engineering, and by reducing costs through the digitalization, we will further evolve our project operations. Then, we will build a track record in new markets and accelerate business growth by strengthening our engineering capabilities and establishing business models tailored to the characteristics and specification requirements of each area.

Aluminum Profile Business

Strengths of the business

- Providing high quality aluminum profiles based on our advanced technical capabilities, cultivated through the manufacturing of aluminum architectural products
- Integrated production from casting and extrusion to surface treatment at four manufacturing sites in Japan
- Strong manufacturing capabilities using large 14-inch (6,500 tons) and 10-inch (4,000 tons) extruders

Head of Aluminum Profile Division

Takeshi Teraki

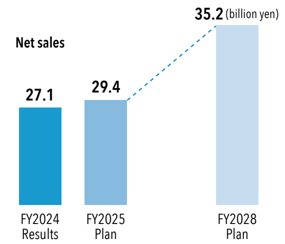
Main products

◎Components for machinery equipment
◎Auto parts
◎Architectural components
◎Sustainable products

Development of auto parts for EVs
We will contribute to energy conservation by developing components for electric vehicles (EVs).

Market environment and challenges

In the construction sector, which represents our largest market segment, conditions were difficult due to sluggish demand, the result of a slowdown in new housing starts and other factors. In the non-architectural components sector, although there is an increasing shift to EVs, demand in the transportation sector declined due to a series of production and shipment stoppages, a result of the certification testing scandal among car and truck manufacturers. On the other hand, demand in the electrical machinery and machinery sectors showed signs of recovery, driven by capital investment for semiconductor-related facilities and automation and labor-saving purposes.



Number of sales sites: 6 Number of manufacturing sites: 4
*As of April 2025

Summary of business results for FY2024

Although sales volume to the construction sector was lower than the previous fiscal year due to the slump in the new housing starts, overall sales volume was 101% of the previous year's level. This was driven by the start of mass production of new items for passenger cars and increased sales of material handling-related products. In addition to price revisions, there was also an increase in revenue due to higher market prices for aluminum ingots throughout the year, resulting in net sales that were 110% of the previous year's level.

Future business strategy

In FY2025, we will continue to revise prices and improve profitability through aggressive proposals of high value-added products. Over the period of the 7th Mid-term Management Plan, we will continue building a revenue base that is less susceptible to market conditions through further price revisions and the pursuit of higher value-added products suited to customer needs. We also aim to expand our business areas through new technological fields, such as establishing a brand for profiles made of recycled aluminum and acquiring orders for advanced components needed for the shift to EVs.

Landscaping Business

Business outline and future business strategy

YKK AP will undertake full-scale promotion of the landscaping business, which will take on the challenge of urban greening. In July 2024, TERAYAMA Inc. was welcomed into the YKK AP Group, followed by the establishment of YKK AP LANDSCAPE in April 2025. YKK AP LANDSCAPE is drawing on YKK AP's monozukuri expertise and collaboration with existing businesses to expand its operations in five areas: public parks, designated facility management, greening materials, commercial greening, and streetscape greening. To realize "cities that coexist with nature," we will focus on collaboration with Japanese and international experts and talent development, aiming to contribute to high-quality green spaces and the creation of a sustainable society.

Overseas AP Business

Senior Vice President,
Head of International Division
Tetsuya Onodera

Strengths of the business

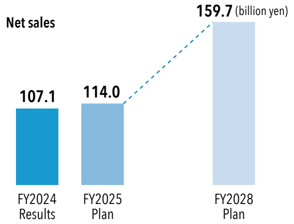
- Global operations in 12 countries and regions, primarily in North America, China, Asia, and Europe
- Product development tailored to the climate, features, and culture of individual countries and regions, combined with local manufacturing and sales systems
- A system for providing technical and manufacturing support from Japan

Market environment and business strategy

In North America, the commercial building sector was subdued due to sustained high interest rates and stricter lending standards at financial institutions. Meanwhile, the new housing starts in the residential market remained unchanged from the previous year. In China, the market contracted despite the introduction of measures to support house purchases, while in Taiwan, new housing starts increased. In Indonesia, economic stimulus measures such as tax incentives for home purchases were initiated, but the effects were limited.

Even amid this market environment, growth in net sales over the previous fiscal year was achieved in the commercial and Residential Business in North America, China, where a successful expansion of sales in the mid-price range housing market was achieved, Taiwan, where installation for existing orders proceeded smoothly, and Indonesia, which was driven by products for the mid-price range housing market.

The 7th Mid-term Management Plan calls for "Enhancing Profitability and Driving Further Growth of the Overseas Business," and we will expand sales segments and sales channels by strengthening product appeal. We will also continue exploring new markets such as with the establishment of YKK AP Europe in April 2025, as well as restructuring our business model in the ASEAN region.



Number of sales sites: 48 Number of manufacturing sites: 13
*As of April 2025

North America

Developing the business through the design, manufacture, and sale of architectural products, focusing on aluminum architectural products for commercial buildings and vinyl windows for residential buildings

Summary of business results for FY2024 and future business strategy

In FY2024, the North American building market faced a challenging environment, as commercial building starts declined from the previous year, but YKK AP AMERICA maintained the same level of net sales in its Commercial Business as in the previous fiscal year. In April 2024, we established a Los Angeles branch and factory to begin serving customers in the western area.

In the Residential Business, new housing starts remained steady, and the Macon Factory, an integrated production site, began full-scale operations, strengthening our ability to respond to increased sales in six southern states. At Erie Architectural Products, revenue remained roughly even year-over-year, reflecting some delays in material availability. However, profit increased, driven by ongoing efficiency improvements and favorable foreign exchange effects.

The 7th Mid-term Management Plan calls for "Developing a Next Generation Business Foundation & Accelerate Growth toward Evolution 2030." In the Commercial Business, we aim to expand sales in the eastern part of the U.S.A. by strengthening customer service and introducing new products. In addition, the Los Angeles branch and regional manufacturing sites will be utilized to establish a greater presence in the western part of the U.S.A., thereby promoting business development throughout North America. In the Residential Business, we will utilize the Macon Factory to strengthen sales in untapped areas in six southern states, and aim to grow sales by introducing hurricane-resistant products.

Products:
Windows and sashes, curtain walls, doors

"ProTek®"
Hurricane and explosion-proof compliance reduces damage to indoor environments.

China

Developing the business through multiple business sites, including design, manufacture and sales of window and sash products for the Chinese market, manufacturing vinyl profiles for the Japanese market, global manufacturing and supply of parts, CWs and window products and global procurement of materials and components

Summary of business results for FY2024 and future business strategy

In FY2024, new housing starts in China fell well below the level of the previous fiscal year, both in terms of numbers and sales. Although the market is showing signs of gradual recovery as a result of various deregulation policies put in place in September 2024, the situation remains uncertain. Despite these conditions, our business in China achieved an increase in both revenue and profit thanks to expansion in products for mid-price range housing and the renovation business. In July 2024, we established YKK AP (SHANGHAI) INTERNATIONAL TRADING with the aim of strengthening our procurement capabilities to expand our global business. We will procure materials, parts, and components in China by harnessing China's state-of-the-art technology and diverse supply chain. By supplying these products to our manufacturing sites in China, other Asian countries and Japan, we aim to enhance product appeal and cost competitiveness. The YKK AP brand is highly regarded in China, as evidenced by its selection for the "Desirable Architectural Products Brand Award" for more than 10 consecutive years.

The 7th Mid-term Management Plan calls for "Expanding Businesses with Domestic Demand and Establishing a Revenue Structure." As a priority measure, we will address businesses with domestic demand by leveraging the cost competitiveness of YKK AP (Jiangsu), an aluminum profile manufacturing site established in September 2024. In the mid-price range housing market, we will work to expand sales of anodized aluminum products, develop new customers, and expand sales in the renovation business, while at the same time developing the CW market.

Products:
Windows and sashes, curtain walls

"LD" Series
The LD Series offers thermal insulation performance that meets energy-saving standards and contributes to sustainable living.

Indonesia

Expanding the business by designing, manufacturing, and selling aluminum profiles and aluminum sashes, mainly to Indonesia and other Asian countries

Summary of business results for FY2024 and future business strategy

In FY2024, the luxury residence market saw a slowdown in demand due to a decrease in new housing starts, reflecting factors such as sustained high interest rates. Despite these circumstances, we were able to develop the mid-price range housing market by expanding sales not only of "NEXSTA," a core product for the high-end market, but also of "MADELA," a knockdown product for the upper mid-range market. We also grew new businesses targeting the upper mid-range market and the luxury residence market by starting production and sales of "GRANROOF," an aluminum carport in March 2024, and "FRONTERRA," a high-quality, factory-made wood/aluminum hybrid entrance door in May 2024. Combined with the development of new channels in sales of aluminum bar, net sales exceeded the level of the previous fiscal year.

The 7th Mid-term Management Plan calls for "Engaging in New Initiatives and Invest in Facilities to Create New Markets and Implement a Growth Strategy." In the window products we will expand the lineup of "NEXSTA" variants and penetrate the market by broadening the target segments for knockdown products. In addition, we plan to expand sales of new products such as aluminum carports and strengthen our one-building set proposals, including knockdown products, thereby achieving higher added value while expanding sales. Meanwhile, we will promote productivity improvements by upgrading our manufacturing infrastructure, such as by improving seismic resistance and efficiency at our factories.

Products:
Windows and sashes, entrance doors, exteriors, curtain walls

"NEXSTA"
With performance that surpasses industry standards, NEXSTA elevates indoor spaces and supports healthier, more hygienic living.

Taiwan

Expanding the business through the design, manufacture, and installation of custom CWs for super high-rise projects and replacement products for existing homes

Summary of business results for FY2024 and future business strategy

FY2024 saw the launch of "R'sNEO," a revamp of a product line with strong aesthetic appeal, in April 2024. Net sales exceeded those of the previous fiscal year due to increased market share in the luxury residence market, especially for high-value-added products, as well as the development of the south-central region and orders for large-scale projects. Orders, sales, and operating income also exceeded both the previous fiscal year and the planned targets due to cost reductions in our core product "YRB-A," as well as increased production and reduced manufacturing costs, achieved through streamlining of the production system.

The 7th Mid-term Management Plan calls for "Establishing Competitive Advantages For a Long Period by Creating New Markets and Building a Better Society in Taiwan as a Top Brand." We will expand the scale of our business by creating demand for further growth in Taiwan, expanding our product range, and strengthening our ability to handle super high-rise commercial building projects. In addition, we will increase production by developing new products, further streamlining production lines, and strengthening our production system.

Products:
Windows and sashes, curtain walls

"YRB-A"
Prevents rainwater from entering buildings during typhoons and other natural disasters, reducing damage to buildings and interiors.

India

Developing the business through our core businesses: extrusion and sales of aluminum profiles, and manufacturing and sales of aluminum window products

Summary of business results for FY2024 and future business strategy

In FY2024, the profile business enhanced the services offered to major customers. In the system business, which manufactures and sells aluminum window products, net sales were significantly higher than the previous fiscal year due to orders for large projects and increased influence in South India, a result of introducing products with high watertight performance.

The 7th Mid-term Management Plan calls for "Becoming a High Value, Single-Source Systems Firm." In the profile business, we will increase sales by expanding target areas and offering value-added proposals to customers, and in manufacturing, we will reduce costs and expand production capacity by updating key facilities and improving on-site logistics. In the system business, we will contribute to further improvement of living environments by offering more variants of our core products, strengthening our ability to respond to projects, and entering the major urban center market.

Products:
Windows and sashes, curtain walls, industrial products

"IWIN-S"
Contributes to improved living environments not only through the views it offers, but also through its excellent operability and watertight and airtight performance.

Singapore

Realizing total project management including facade design, engineering, procurement, and installation for super high-rise, high-difficulty buildings

Summary of business results for FY2024 and future business strategy

The business environment has been challenging due in part to a price offensive by emerging China-based CW manufacturers. On the other hand, we have received acclaim from our business partners for our excellent quality management and adherence to construction deadlines for large-scale projects such as the Singapore Central Boulevard Development, a new office building completed in FY2024, and the Singapore Land Tower, a renovated property.

The 7th Mid-term Management Plan calls for "Stabilizing the Singapore Business and Expanding into New Markets," and to this end, we will propose green buildings and strengthen sales for renovated properties and large new buildings. Moreover, in addition to using digital technology to improve the accuracy and efficiency of project management, we will also focus on human resource development to support sustainable growth.

Products: Curtain walls

Installation example: CapitaSpring
Greening the exterior of the building helps to improve the environment and enhance visual appearance.
Photo: CapitaLand

Award Topics

2024 May 24	Bhoruka Extrusions Private Limited	"IWIN" series receives GRIHA Council certification in the windows and doors category
July 1	PT YKK AP INDONESIA	"FRONTERRA" wins the Good Design Indonesia Award 2024
September 25	YKK AP Inc.	"APW 331/APW 431 Support Handle & Pull" wins the Special Jury Award at the 18th Kids Design Awards
October 16	YKK AP Inc.	Received the FY2024 Good Design Award for the "ELBEAUT Handrail Two-sided Support" and "ELBEAUT Handrail Frame-in Four-sided Support" balcony handrail products
October 30	YKK AP TAIWAN CO., LTD.	Selected as one of Taiwan's Trusted Brands
December 3	YKK AP AMERICA INC.	The "enerGfacade®" trademark received the Trademarks for Humanity Award
2025 January 6	YKK AP Inc.	"APW 651" wooden window with triple insulating glass received the Grand Prix at the 2024 Nikkei Superior Products and Services Awards Trademarks for Humanity Award
March 19	YKK AP CO., LTD.	Selected for the 14th consecutive time in the system windows category of the Desirable Architectural Products Brand Award

Company Outline

Affiliated Companies

Japan
YKK AP Okinawa Inc.
Pros Inc.
Iwabuchi Inc.
YKK AP Ruxy Inc.
Nitto Inc.
YKK AP Healthcare Inc.
RYUKYU YKK AP INDUSTRY CO., LTD
YKK AP Landscape Inc.*
TERAYAMA Inc.
Shiki Koubou Inc.

North America
YKK AP AMERICA INC.
ERIE ARCHITECTURAL PRODUCTS INC.
ERIE ARCHITECTURAL PRODUCTS USA, INC.
YKK AP Technologies Lab (NA) Incorporated

Europe
YKK AP Europe GmbH*

Asia
YKK AP (CHINA) INVESTMENT CO., LTD.
DALIAN YKK AP CO., LTD.
YKK AP CO., LTD.
YKK AP (SUZHOU) CO., LTD.
YKK AP (SHANGHAI) INTERNATIONAL TRADING CO., LTD
YKK AP (JIANGSU) CO., LTD.
YKK AP HONG KONG LIMITED
YKK AP TAIWAN CO., LTD.
PT YKK AP INDONESIA
YKK AP MYS SDN. BHD.
YKK AP (THAILAND) CO., LTD.
YKK AP CORPORATE SERVICES (THAILAND) CO., LTD.
YHS International Ltd.
Siam Metal Co., Ltd.
YKK AP VIETNAM COMPANY LIMITED
Bhoruka Extrusions Private Limited
YKK AP FACADE PTE. LTD.
YKK AP SINGAPORE PTE.LTD.

Memberships

Japan Sash Manufacturers Association
Japan Building Openings Association
Japan Construction Material & Housing Equipment Industries Federation
Association of Living Amenity
Japan Federation of Housing Organizations
Wooden Home Builders Association of Japan
Japan International Association for the Industry of Building and Housing
Japan - China Association for Building and Housing Industry
Japan Aluminum Association, etc.

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