

CSR POLICY - YKK INDIA PVT. LIMITED



HEAD OFFICE

GURGAON

YKK INDIA PVT. LTD

Global Business Park

3RD Floor, Tower-A

Mehrauli – Gurgaon Road

Gurgaon 122002 (Haryana), India

Telephone : 0124-3924800

Fax : 0124-3924898~99

E-mail : info@ykkindia.com

Factory Address:

YKK INDIA PVT. LTD

Plot No. 699, Sector – 2 & Plot No.122, Sector-6 ,

HSIIDC Growth Centre,

Bawal District – Rewari, Haryana – 123501

Tel : (+91)(1284)269000,264273

Fax : (+91)(1284)269010

Our Foundation: YKK's Philosophy and Management Principle

Y K K Philosophy

CYCLE OF GOODNESS

"No one prosperous without renders benefits to others"

Our founder Tadao Yoshida believed that an enterprise is an important member of society that must coexist with the other elements of society and be recognized for the benefits it shares with society. He created the foundation for today's YKK: Corporate management that is considerate of mutual prosperity with society.

Management Principle

"YKK seeks corporate value of higher significance."



Seeking corporate value of higher significance, YKK will pursue innovative quality in the following seven areas.

Inheriting this foundation and expanding YKK as a global company, Tadahiro Yoshida made "fairness" the common basis for decisions and actions in a diversified organization, and he encouraged ceaseless effort for value creation.

We inherit the YKK Philosophy and Management Principle as our fundamental values.

Three Core Values



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Little Steps, Big Smiles

1. INTRODUCTION :

Corporate Social Responsibility is strongly connected with the principles of sustainability; an organization should make the decisions based not only on financial factors, but also on the social & environmental consequences. Therefore, it is the core corporate responsibility of “YKK India Pvt. Ltd. (YKK)” to practice its corporate values through its commitment to grow in a socially & environmentally responsible way, while meeting the interests of its stakeholders.

YKK recognizes that its business activities have wide impact on the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including customers, employees, suppliers, local communities & other organizations. The company endeavors to make CSR a key business process for sustainable development. Our company is committed towards aligning with nature; & has adopted eco-friendly practices. YKK is committed to undertake CSR activities in accordance with the provision of Section 135 of the companies Act, 2013 & related rules.

2. AIMS & OBJECTIVES:

- (i) To develop a long term vision & strategy for YKK’s CSR objectives.
- (ii) Pursue CSR programs primarily in areas that fall within the economic vicinity of the company’s operations to enable close supervision & ensure maximum development impact; & shall undertake proactive engagement with the stakeholders to actively contribute to the socio-economic development of the periphery/ community in which it operates.
- (iii) To develop the required capability & self-reliance of beneficiaries at the grass roots through Vocational training, educational programs specially for women

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of nearby villages in the belief that these are prerequisites for social & economic development.

- (iv) Emphasize on providing basic health care facilities to nearby village people.
- (v) Focus on education of children by uplifting the basic infrastructure of schools at Primary level in nearby vicinity of YKK.
- (vi) Using environment friendly & safe processes in production.
- (vii) Facilitate water conservation by reducing water consumption at the plants & taking up rain water harvesting projects.

3. Management Commitment

Our Board of Directors, our management & all of our employees subscribe to the philosophy of "Cycle of Goodness". We believe & act on an ethos of generosity & compassion, characterized by the willingness to build a society that works for everyone. **Our Philosophy, Management principle & Core values** are the driving force of our CSR policy.

4. Committee Composition

The CSR Committee shall be headed by the Board of Director/s of the company. The constitution/ re-constitution of the CSR Committee shall be done by the Board of Directors of the company from time to time as per the applicable requirements of the Companies Act, 2013.

5. Duties & Responsibilities of CSR Committee

- (i) Review of the CSR activities to be undertaken by YKK. The CSR Committee shall be guided by the list of activities specified in Schedule VII to the companies Act, 2013.
- (ii) Formulate and recommend to the Management about the CSR activities/programs to be undertaken by YKK.
- (iii) Recommend the CSR expenditure to be incurred on the CSR activities/programs.
- (iv) Implementation and monitoring of execution of the CSR activities.
- (v) Prepare an annual report of the CSR activities and submit such report to Board of Directors.

6. Committee Meetings

The CSR Committee shall meet as often as its members deem necessary to perform the duties and responsibilities relating to it.

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7. CSR Expenditure

- (i) YKK shall spend a minimum of 2% of its average Net profits in the immediately preceding three (3) financial years in accordance with companies Act, 2013.
- (ii) CSR Expenditure shall not include expenditure on an item not in conformity or not in line with activities which fall within purview of the CSR activities listed under Companies Act, 2013.
- (iii) The CSR expenditure may be incurred through any of the following modes :
 - (a) On its own or
 - (b) Through a registered trust or a registered society or a company established by the company or its holding of subsidiary or associate company under section 8 of the companies Act 2013 or otherwise subject to the rules as provided in the companies (Corporate Social Responsibility Policy) Rules, 2014 or any other rules /regulations as may be applicable from time to time,
 - (c) The company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committee of respective companies are in a position to report separately on such projects or programs in accordance with Companies (Corporate Social Responsibility Policy) Rules,2014.

8. CSR Activities- Projects

- (i) The core CSR team in YKK shall fulfill the company's CSR commitment.
- (ii) YKK shall promote CSR activities/ projects in the field of:
 - a. **Promotion of Education:** Uplifting of the basic infrastructure of Primary government school in nearby village, enhancing vocation skills among women through English speaking classes, computer course, sewing & embroidery classes. Selected women from vocational training center are recruited by YKK based on the requirement.
In Education, our endeavor is to spark the desire for learning & knowledge at every stage.
 - b. **Primary Health care facility:** YKK emphasize on providing basic health care facilities to nearby village peoples with special focus on organizing health checkup.

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In Health care, our goal is to render quality health care facilities to people living in the villages & elsewhere through our village primary health care Centre.

- (iii) YKK may also undertake other CSR activities in line with schedule VII.

9. Implementation of CSR activities:

All projects are identified in a participatory manner, in consultation with the community, literally sitting with them & gauging their basic needs. Based on a consensus & in discussion with the village panchayats, & other influential/ concerned persons, projects are prioritized.

Arising from this the focus areas that have emerged are Education, Health care, Sustainable livelihood, Infrastructure development, & espousing social causes. All of our community projects are carried out under the aegis YKK India's CSR initiative for community & rural development.

10. Compliance & Monitoring process

- (i) CSR committee shall review the progress & impact of various implemented CSR programs, to determine any further action plans that need to be undertaken.
- (ii) Appropriate documentation of the CSR policy, Annual CSR activities report, Budget & expenditure incurred on CSR activities will be prepared, reviewed & approved on a regular basis as required by the companies (Corporate Social responsibility Policy) Rules, 2014, as amended/ replaced from time to time, & should be reviewed by CSR committee.
- (iii) Any surplus arising out of CSR projects or programs or activities shall not form part of the business profits of the company.
- (iv) For CSR spend the preference to be given to the local area & areas around which the company operate for CSR spending.

Approved By –



Y. Kasai
(FM, YKK India Pvt. Ltd.)



N. Matsumoto
(MD, YKK India Pvt. Ltd.)