Stakeholder Engagement

The business of Nikko Group is established on the relationship of trust with its stakeholders. Nikko Group, through continuous dialogues with its stakeholders, aims to gain their understanding regarding the direction it is pursuing and the path of its value creation, and along with contributing to the sustainability of society based on the stakeholders' understanding, it ultimately aims to realize a sustainable growth as a company.

Value co-creation with Stakeholders

Relationship with stakeholders and main channels of dialogue

	Relationship with stakeholders	Stakeholders' main interests	Main dialogue channels
Customers	Nikko Group is contributing to business expansion and productivity improvement at customers through the provision of products and services. At the same time, it contributes to the development of a prosperous society together with customers through the development of social infrastructure.	• Offering of high-performance, high-quality products • Service structure that offers safety and security • Appropriate price setting • Ability to propose solutions to issues • Response to technological innovation • Early restoration from natural disasters	• Daily sales and service activities • Various trade shows (participation to the 2021 MP Messe and N-EXPO 2021) • Offering of plant operator training • Journals (editing and publication of NAP NEWS and BP EYES) • Nikko website
Employees	Employees are the most valuable asset of Nikko. We focus our efforts on building an organization and nurturing our human resources so that we can quickly respond to all changes surrounding our business to make sustained contribution to society. We will strive to develop a workplace environment that offers job satisfaction by responding to the expectations of employees, who have diverse attributes and values.	• Respect to basic labor rights • Offering opportunities for growth and self-realization • Equal opportunities and fair evaluation • Creating a workplace that is very safe mentally • Ensuring safe operations and consideration for natural environment • Realization of work-life balance • Securing of diversity and workstyle options	• Intranet • Company newsletter (Tombo) • Target setting and progress confirmation, evaluation feedback • English and special skill training, autonomous and elective development seminars • Campaign to improve operating efficiency • Whistleblowing system • Allotting shares with restriction on transfer

		Relationship with stakeholders		Stakeholders' main interests	Main dialogue channels
Business partners	Materials suppliers	Nikko Group believes that it is essential to work on solving the social issues faced by its supply chain together with all business partners including material suppliers, sales agents, and contractors.	• Suppliers of outsourced products based on Nikko deszign (about 20 companies) • General materials suppliers (about 100 companies)	• Equal, fair transaction terms • Quality assessment • Centralized purchasing • Support for business succession, technology transfer	• Daily procurement activities • Quality improvement support • Factory, warehouse visits • Quality audit
	Tombo-kai (Sales agent network)		Members: 123 companies	• Proposal of new products • Support for seeking new sales channels	• Holding general meetings and subcommittee meetings
	Akitsu-kai (contractors' network)		Members: 195 companies	• Safe work environment • Advice regarding specialized skills and technologies • Securing stable work load over the long term	• Safety and health meeting
Local community, future generation		For Nikko Group to develop and grow, it needs to contribute to raising the sustainability of society. Nikko considers the realization of carbon neutrality as its responsibility towards future generations.		• Co-existence with local communities • Creation of employment • Contribution to local development • Preservation of the local natural environment • Safe operation	• Offering of grant-type scholarship to students from Hyogo Prefecture • Offering of research grants to researchers from Hyogo Prefecture • Support for disaster prevention education at primary and special needs schools (14 of them) within Akashi city (offering of disaster prevention tenugui towels) • Responsible responses to climate risks • Investment in SDG bonds issued by Hyogo Prefecture (endorsing the purpose of issuance such as the renewable energy project)
Shareholders, investors		Shareholders and investors, who offer financial capital, support the growth of Nikko Group and has the role of monitoring its management. We will further strengthen our relationships of trust with them through our efforts in improving corporate value and enhancing information disclosure.		• Improving our corporate value • Promotion of fair disclosure • Capital policy that is conscious of capital efficiency • Achievement of business returns that exceed the capital cost • Strengthening of initiatives towards ESG and sustainability, and enhancement of information disclosure • Improvement in effective governance	• General Shareholders' Meeting (attended by 5,081 people including online participants) • Financial results briefing sessions (four times) • Individual meetings with institutional investors (10 meetings with 18 investors)

The figures are results for FY 2021.