

Coordination with Local Communities and Promotion of Contribution to the Society

The NGK Group is concerned about social issues in all nations and regions. We engage in social contribution activities in response to needs in each region in an aim to become a corporate citizen trusted by local communities.

Basic Approach

The NGK Group promotes social contribution activities based on the following concepts.

Focus of Activities

Centered on people and education, the environment and community involvement.

Company Activities and Employee Involvement

- NGK provides employees with opportunities to experience activities.
- NGK proactively encourages individual activities to engender employee satisfaction and a sense of confidence in the company.

Information Disclosure

NGK promotes an understanding of activities and provides activity information to inculcate a social contribution mindset among employees.

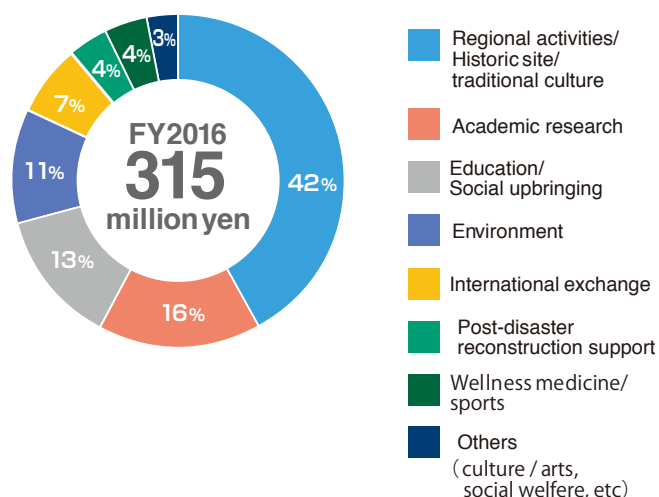
Social Contribution Activity Promotion System

At the NGK Group, social contribution activities are promoted under the leadership of the Social Contribution Subcommittee, which is chaired by the general manager of the General Affairs Department and reports to the CSR Committee.

NGK collects reports from Group companies in and outside of Japan on their activities. In fiscal 2016, a total of 88 reports were received.

Social Contribution Activity Promotion Status

	FY2013	FY2014	FY2015	FY2016
Social contribution expenditures	348 million yen	331 million yen	346 million yen	315 million yen
Number of social contribution programs	9	8	9	10
Number of collaborations with NPO/NGO	3	5	4	4



Provision of Scholarships and Living Assistance to International Students

NGK conducts ongoing support activities launched in 1997 with the establishment of the NGK Foundation for International Students. The Foundation provides housing and scholarships to International students visiting Japan with the aim of contributing to human resource cultivation that fosters the development of an international community. These activities were launched as a way of expressing gratitude for the warm support extended by regional communities around the world to NGK's expatriate employees and their families when NGK first advanced into the global market back in the 1930s. Our activities are conducted in the hope that the students will feel glad that they came to Japan and develop a fondness for the country. In fiscal 2016, we provided housing to 40 students from eight countries, and scholarships (non-repayable) to 20 students from 11 countries.

For more details:

> The NGK Foundation for International Students

<http://www.ngk.co.jp/english/csr/philanthropy/>



NGK International House, housing for international students

Exchange between Supported Students, Communities and Employees

NGK organizes a variety of events and programs to provide opportunities for grassroots international relations between supported students, regional communities and employees. Major projects include language classes taught by international students, starting 2000, and cross-cultural exchange meetings where international students introduce their native countries, from 2006.

In fiscal 2016, we held Chinese and Korean language classes and 12 cross-cultural exchange meetings, for each of which 12 students from different countries took turns playing host. In these events, participating students and local residents enjoyed lively interactions. The cumulative total number of participants reached 920 in fiscal 2016.

Number of participants in international programs

	Chinese language class	Korean language class	Cross-cultural exchange
International students	4	4	20
Local residents	24	24	23



Malian cultural exchange meeting (September 2016)



Indian cultural exchange meeting (October 2016)

Communication after Support Ends

To maintain relationships with supported International students after support ends, each year, we send out a New Year's greeting that includes a company status report to former participants and supported students. We also distribute "NGK International Friendship Club Members Cards" that include our contact information to International students after support ends. In fiscal 2016, we sent New Year's greetings with updates on the Foundation and NGK to around 300 students who have received support in the past.

Social Contribution Activities in Collaboration with Regional Communities and NPOs

Aiming to be a corporate citizen trusted by regional communities, NGK collaborates with regional communities and NPOs to engage in social contribution activities in response to regional needs. In addition, employee volunteers from NGK Group companies in Japan and around the world conduct a variety of social contribution activities rooted in their regional communities.



For more details:

> Read more about social contribution activities conducted by NGK from:

<http://www.ngk.co.jp/csr/social/stakeholder/activity/>

Social Contribution Activities by NGK

Support to areas hit by the Kumamoto Earthquake

For early recovery of power systems infrastructure in areas hit by the Kumamoto Earthquake, the entire NGK Group helped to manufacture and supply insulators and other related equipment. A monetary donation of 10 million yen was also offered to support disaster victims and regional restoration. In addition, donations were collected from employees, to which the same amount of money was added by NGK to offer matching gifts. Furthermore, food supplies and mineral water stockpiled at NGK Headquarters were delivered to the disaster-hit areas via NPO Second Harvest Japan.



Donating to an NPO from our emergency supplies

Offering workplace experience to junior high school students from Rikuzentakata City

In January 2017, NGK took part in the workplace experience program for junior high school students from Rikuzentakata City, Iwate Prefecture sponsored by the Nagoya City Board of Education. We welcomed two students at NGK's AC Plant and invited them to try setting in and removing from a kiln an in-process HONEYCERAM product. This program has been launched under a friendship agreement concluded in 2012 between the Boards of Education of Nagoya City and Rikuzentakata City, under which students in each city visit each other every year.



Cooperation to Handa Eco Tankentai (parent-child environmental site tour)

NGK provided cooperation to a local environment-themed fieldwork program for families. It is hosted by Handa City to provide children with opportunities to visit public and business sites that focus on environmental efforts. We welcomed a total of 20 children and their parents to our Chita Site and gave them a tour around the insulator plant. Young and adult participants alike showed particular interest in the process of insulators gradually being formed on spinning wheels.



Social Contribution Activities Conducted by Group Companies in Japan

Akechi Insulators participating in a local historical pageant as a volunteer

In May 2016, five volunteer employees from Akechi Insulators, Ltd. participated in the 44th Mitsuhide Festival, a samurai pageant held to glorify the popular warlord born in the region. In the event held around Nihontaishomura, a theme park in Ena City, Gifu Prefecture, three out of the five participants paraded down the street in costume, asking for cultural donations and selling lucky charms. The remaining two (on behalf of the company, which is a member of a local traffic safety association) joined the pedestrian traffic control force stationed along the parade route.



Soshin Electric collecting stamps to support women's empowerment initiatives

In August 2016, at Soshin Electric Co., Ltd., 13 female employees at the Tokyo Main Office's sales and administration divisions organized a donation campaign in support of the CITY OL-AID volunteer initiative hosted by City Living (informational magazine published by Sankei Living Shimbun Inc.). In the campaign, the volunteer employees worked to collect used stamps from in-house resources, setting up collection boxes and advertising the campaign within the company. Their efforts resulted in the collection of 779 g of used stamps in aggregate, which were sent to the magazine publisher. Collected stamps are sold to philatelists around the world, and resulting proceeds are contributed to fund childbirth assistance and women's empowerment activities in developing regions.



NGK Okhotsk participating in the Okhotsk Abashiri Marathon Race as a volunteer group

In September 2016, a group of employees from NGK Okhotsk, Ltd. participated in the 2016 Okhotsk Abashiri Marathon Race to compete in and give assistance to the local sports event. On the day of the race, about 2,000 runners, including those from Okhotsk, competed in fine weather along the scenic course, which includes views of the Okhotsk Sea and the World Heritage listed Shiretoko Mountains, and six volunteer employees assisted the race operation by guiding runners in the intended direction in the middle of the course.



Social Contribution Activities Conducted by Overseas Group Companies

Siam NGK Technocera making donations to flood victims in southern Thailand

Siam NGK Technocera Co., Ltd. (SNTC) made donations to support victims of the massive flooding that hit southern Thailand in January 2017. In a bid to support victims, SNTC's volunteer workers organized an internal donation, collecting monetary contributions as well as medical and daily supplies and sending them to the responsible government agency.



Cherry tree planting to create a local scenic spot in Suzhou, China

NGK Ceramics Suzhou Co., Ltd. hosts a cherry tree planting campaign in Suzhou Taihu National Wetland Park every year. In fiscal 2016, its fifth year, the campaign was held on April 13, attended by 48 volunteer employees who worked to plant a total of 240 cherry seedlings. The company will continue engaging in local contribution activities.



Participating in a health-themed walk campaign in Virginia Beach

A group of employee volunteers from NGK-Locke Polymer Insulators (Team NGK) participated in a walk campaign in Virginia Beach. The event was hosted by the American Cancer Society to raise public awareness of the importance of mammography screening for early detection. As part of the campaign, a fundraising drive was held in the company ahead of the walk, collecting a total of more than 1,000 dollars.



Support for Volunteer Activities by Employees

The NGK Group proactively supports activities and provides information to create opportunities for employees to participate in volunteering outside the company.

Science Volunteer Activities

As a manufacturer, NGK engages in various activities to spark children's interest in science. In 1997, we started running in a science magazine a regular feature entitled NGK Science Site: Experiments at Home Series. We also launched a related webpage to post details of the featured experiments supervised by experts on a monthly basis. Each experiment is designed to excite children's interest in science by making use of readily available resources, such as PET bottles, batteries, vegetables and seasonings. Since 1998, the experiments introduced on NGK Science Site have been demonstrated at the Youngsters' Science Festival in Nagoya (hosted by the Japan Science Foundation) and other regional science events. Every year, NGK employee volunteers set up a booth to present a science lab. To date, a rough total of 40 sessions have been presented, attracting a cumulative total of 20,000 children and their parents.

 For more details:

> NGK Science Site:
<http://site.ngk.co.jp/>

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NGK Science Site receives an advertising award

NGK Science Site was given a gold prize in the magazine ad section at the 38th Japan BtoB Advertising Award (2017). The award was granted in recognition of the inspiring illustrations and descriptions of science and the design of experiments that use familiar household items. We will continue this activity to introduce new easy-to-work-on science and craft projects.

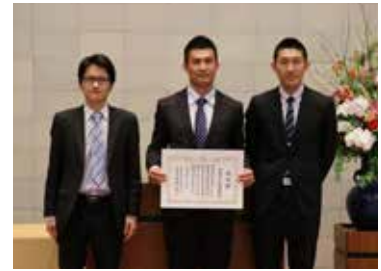


Cleanup Activities around Company Sites

As a member of various regional communities, the NGK Group proactively participates in cleanup activities around its sites. In fiscal 2016, these activities were conducted at all NGK sites and Group companies.

Also, the NGK Worker's Union has participated in cleanup activities around NGK headquarters and a nearby park for the past 25 years in cooperation with NGK Yu-Service Co., Ltd., and NGK Building Services, Ltd. In fiscal 2016, the activity was organized in Jinguhigashi Park, with a total of 556 employees participating in three sessions.

In March 2017, we were commended for these efforts with an award from the Nagoya City Urban Beautification Association. We received a certificate of appreciation from Nagoya City Mayor Takashi Kawamura, who also chairs the association.



Participating in the Fukushima Sunflower Project

The NGK Workers' Union participated in the Fukushima Sunflower Project. Participants become "foster parents" to sunflowers by purchasing seeds, growing flowers from them, harvesting the seeds, and sending the seeds back to the project organizer. The project aims to help the people of Fukushima connect with the rest of the world, make sure the earthquake disaster is never forgotten, and create employment in the prefecture, including for those with intellectual disabilities. In 2016, sunflowers came into full bloom in the "foster parent" garden beds expanded from the previous year at NGK's Nagoya Site, producing a harvest of a 10.6 kilograms of seeds compared with 7.4 kilograms for 2015.

In June 2016, the union held a disaster preparedness seminar inviting the director of Team Fukushima, the NPO that hosts the Fukushima Sunflower Project. The event provided the attendants, totaling 83, with a meaningful opportunity to directly communicate with disaster victims, helping them in planning future support activities.



Interaction with Regional Communities

The NGK Group engages in dynamic interactions with local residents through opportunities such as plant tours and regional events, as well as through opportunities for direct dialogue, making an effort to incorporate the ideas and opinions received in Group business activities and CSR activities

Plant Tours

Interactions with Children and Local Residents

NGK attempts to interact with regional communities through plant tours to deepen interest in and understanding of NGK and manufacturing. In fiscal 2015 we conducted six plant tours at three sites for a total of 152 participants consisting of elementary school students and local residents.

Plant Tours in Fiscal 2016 (NGK)

	Tours	Participants	Details
Chita Site	2	79	Hosted a plant tour for local residents. Hosted a plant tour for families (Eco-themed tour) as part of the Handa City Environment Department-sponsored program.
Komaki Site	3	39	Hosted student visitors from Aichi Prefectural Kasugainishi Senior High School and Aichi Prefectural Seto Pottery Senior High School. Hosted a site tour for ward mayors and officers of the regional.
Ishikawa Plant	2	101	Hosted student visitors from Ishikawa Technical Senior High School. Hosted visitors from the NGK Safety Liaison Network.

Plant Tour for Local Residents at the Chita Site

In November 2016, NGK hosted a plant tour at its Chita Site to create an opportunity to interact with local residents, who are important stakeholders for the company. Following an overview of NGK given by Shuhei Ishikawa, the director and senior vice president of the company and general manager of the Chita Site, participants were taken around to see the rolling process at the metal plant and the production and inspection processes at the insulator plant. In a Q&A session held at the end of the tour, we answered various questions from participants about efficiency enhancing activities at manufacturing sites and pricing for insulators. The tour helped the local residents better understand NGK's production and business activities.



The tour was attended by 61 local residents



Visit to the insulator plant

NGK Summer Festival celebrating the 50th year at Komaki Site and the first-ever launch at the Ishikawa Plant

NGK holds the NGK Summer Festival at its Komaki Site in July every year. In fiscal 2016, marking its 50th year, the event drew local residents, employees and their families, totaling 2,200 people. President Taku Oshima also appeared dressed in yukata to offer a word of thanks to visitors for their continued support of the company. In August, the Ishikawa Plant hosted its first ever Summer Festival in celebration of the fifth anniversary of the plant opening in 2011. The event attracted a total of 800 visitors from the local community and the company, namely, employees and their families.



NGK and Energy Support Signing Naming Rights Agreements

In 2017, NGK renewed its naming rights agreement for Nippongaishi Sports Plaza (including Nippongaishi Hall, Nippongaishi Arena and Nippongaishi Forum, all located in Nagoya City, Aichi Prefecture), which was concluded in 2007. Also, in April 2016, Energy Support Corporation signed a naming rights agreement for Inuyama City Gymnasium (Inuyama City, Aichi Prefecture). Under this agreement the facility was named the “Energy Support Arena,” reflecting the sponsor’s wish to contribute to the sound development of local communities through promoting athletic activities. The NGK Group will pursue these sponsorship projects for public properties as part of local contribution activities.



Collaboration on Environmental Education

See the “Environmental Education and Communication” section.

 For more details

> Environmental Education and Communication

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