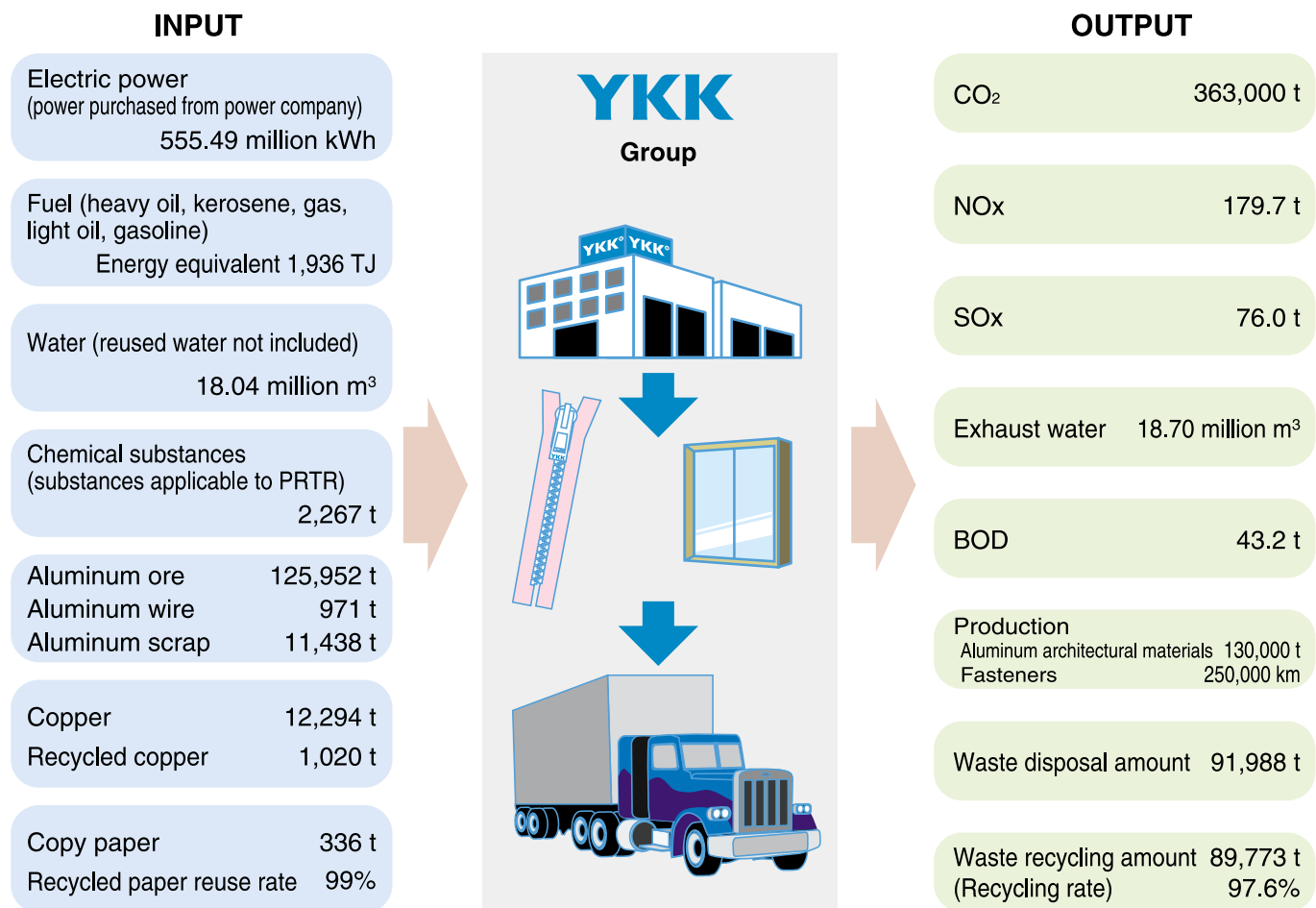


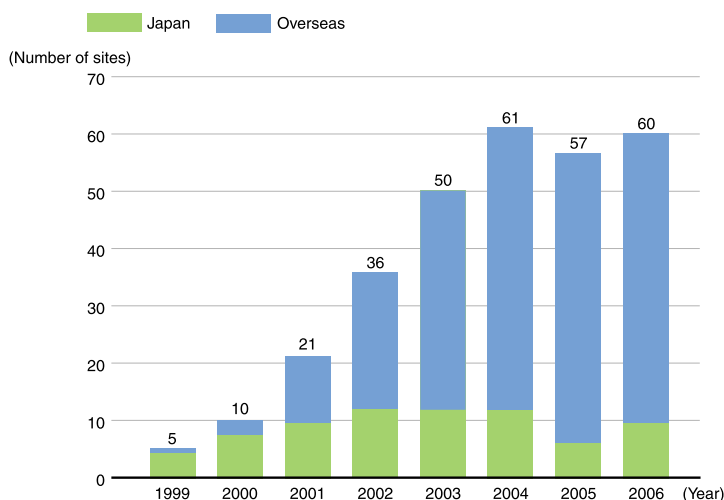
YKK Group domestic factories and offices environmental impact mass balance



Environmental action targets and achievements

Fundamental environmental management policies	Environmental action targets	Fiscal 2006 targets	Fiscal 2006 achievements	Evaluation
Developing and providing eco-products and services	1) Promotion of green procurement <ul style="list-style-type: none"> Green procurement guidelines Working with suppliers Increasing green procurement rates 	<ul style="list-style-type: none"> Implement management system for chemical substances in products 	<ul style="list-style-type: none"> Implemented management system for chemical substances in products 	○
	2) Use of environmental labels <ul style="list-style-type: none"> Eco-product standards Increasing eco-product rates 	<ul style="list-style-type: none"> Revise YKK Group eco-products vision Increase eco-product rates 	<ul style="list-style-type: none"> Revised YKK Group eco-products vision 	○
	3) Application of product assessments <ul style="list-style-type: none"> Application of product assessments 	<ul style="list-style-type: none"> Revise environmental product assessment guidelines 	<ul style="list-style-type: none"> Revised environmental product assessment guidelines 	○
Making environmental impact reduction management even more thorough	1) Countermeasures against global warming (greenhouse gas reduction, total energy use decrease, transportation efficiency improvement) <ul style="list-style-type: none"> Continuous reduction of total CO₂ emissions at main production bases Introduction of clean energy Transportation efficiency improvement 	<ul style="list-style-type: none"> Reduce CO₂ emissions at main domestic plants by 1% from previous year Respond to revisions to the Law Concerning the Rational Use of Energy and the Law Concerning the Promotion of the Measures to Cope with Global Warming 	<ul style="list-style-type: none"> 0.6% increase compared to the previous fiscal year, and 16.7% reduction compared to the 1990 fiscal year (2.1% reduction compared to the previous year on a per unit of sales basis) Conducted committee activities to respond to revisions to the Law Concerning the Rational Use of Energy and the Law Concerning the Promotion of the Measures to Cope with Global Warming 	△
	2) Promotion of the 3 R's (Reduce, Reuse, Recycle) and reuse of resources between different industries to increase the cyclical use of resources <ul style="list-style-type: none"> Improve quality of zero emissions Reduce total emissions and increase resource productivity and recycling rates Reduce packing materials 	<ul style="list-style-type: none"> Implement auditing of legal compliance related to waste products Maintain and improve zero emissions of waste 	<ul style="list-style-type: none"> Conducted auditing at all bases Continued to achieve zero waste emissions (97.6% rate of recycling) 	○
	3) Chemical substance risk reduction <ul style="list-style-type: none"> Processing of negative assets Implementation of chemical risk management systems Reduction of chemical substance emissions 	<ul style="list-style-type: none"> Implement soil inspections (target: 65% complete) Respond to GHS (Globally Harmonized System of Classification and Labeling of Chemicals) 	<ul style="list-style-type: none"> Completed 75% of soil inspections Started labeling efforts based on GHS 	○
Building and using a global environmental management system	1) Promotion of global environmental efforts <ul style="list-style-type: none"> Hold group global environmental conferences Conduct unified management of global environmental data 	<ul style="list-style-type: none"> Hold 4th global environmental conference Review group environmental management auditing functions 	<ul style="list-style-type: none"> Held global environmental conferences for each business division (Sept., Dec. 2006) 	○
	2) Creation of environmental management systems <ul style="list-style-type: none"> Create an environmental management system that covers every part of the group 	<ul style="list-style-type: none"> Advance the creation of an environmental management system that covers every part of the group 	<ul style="list-style-type: none"> 1 site in Japan and 4 sites overseas received certification for the first time 	○
	3) Utilization of environmental accounting system <ul style="list-style-type: none"> Application and utilization of environmental accounting system 	<ul style="list-style-type: none"> Investigate and research environmental accounting methods for internal use 	<ul style="list-style-type: none"> Inspection and research of environmental accounting methods conducted for internal use 	○
Promotion of environmental communication	1) Two-way communication of environmental information <ul style="list-style-type: none"> Continuously publish environmental reports Entry in environmental exhibitions 	<ul style="list-style-type: none"> Publication of environmental report Entry in environmental exhibitions 	<ul style="list-style-type: none"> Publication of YKK Group Environmental & Social Report 2006 (Jul. 2006) Exhibited at Toyama Environmental Fair (Oct. 2006), Eco-products Tohoku 2006 (Oct. 2006), Ido Memorial Forum 2006 (Nov. 2006), an environmental education symposium (Nov. 2006) and Eco-products 2006 (Dec. 2006) Planned and implemented programs to increase the environmental consciousness of employees (Apr. 2006–Mar. 2007) 	○
	2) Enhancement of environmental education systems <ul style="list-style-type: none"> Preparation of environmental education system 	<ul style="list-style-type: none"> Educational tools and system prepared 	<ul style="list-style-type: none"> Set objectives and targets related to environmental education Reviewed environmental education systems and prepared educational tools 	○
	3) Symbiotic relationship with global society <ul style="list-style-type: none"> Promotion of social activities 	<ul style="list-style-type: none"> Promotion of social activities 	<ul style="list-style-type: none"> Volunteer environmental activities in every region Dispatched instructors to outside environmental seminars and other educational activities 	○

Record of ISO14001 Certifications (total sites certified)



In February 2005, YKK AP unified 10 sites that had been independently certified into one organization, resulting in a reduction in the total site count.

Environmental accounting

◆ Fiscal 2005 environmental protection costs (total for YKK Group businesses in Japan)

(Unit: ¥1 million/year)

Item		Contents of main initiatives	Equipment investment	Cost	
Cost within business area	Prevention of pollution	Outfitting of wastewater processing facilities, emergency water tanks and other equipment	69	715	
	Conservation of the global environment	Energy conservation measures, including replacement of material preheating furnaces and dust collectors, installation of rapid dyeing equipment	117	246	
	Recycling of resources	Measures to reduce the amount and volume of waste products and further improve zero waste emissions	19	1,179	
Business area internal cost total			205	2,140	
Upstream/downstream cost		Creation of recycling system	0	264	
Management activities cost		ISO14001 maintenance/management cost, environmental exhibition, environmental report, environmental analysis, tree planting	21	556	
R&D cost		Development of eco-products	6	1,416	
Social activities cost		Cooperative volunteer activities with local communities	0	65	
Environmental damage cost			0	12	
Other costs		Fire-fighting equipment inspection and management, renewal of old interior piping for fire hydrants	31	42	
Total			263	4,496	
			Fiscal 2005	412	3,860
			Fiscal 2004	848	3,707
			Fiscal 2003	540	3,002
			Fiscal 2002	568	2,802
			Fiscal 2001	592	3,317

	Environmental equipment investment			Environmental costs		Sales (Unit: ¥100 million)	Total equipment investment (Unit: ¥100 million)
	(Unit: ¥100 million)	Sales ratio (%)	Equipment investment ratio (%)	(Unit: ¥100 million)	Sales ratio (%)		
Fiscal 2006	2.6	0.1	1.1	45.0	1.1	4,070	243
Fiscal 2005	4.1	0.1	1.7	38.6	1.0	3,958	236
Fiscal 2004	8.5	0.2	4.1	37.1	1.0	3,880	209
Fiscal 2003	5.4	0.1	2.1	30.0	0.8	3,795	254
Fiscal 2002	5.7	0.1	3.6	28.0	0.7	3,857	156
Fiscal 2001	5.9	0.2	2.7	33.2	0.9	3,852	218