

V • Environmental management systems

ISO 14001 certification acquired and applied

ISO 14001 (Environmental Management System) certification is indispensable as an international enterprise. We are promoting the acquisition of this certification for all of our businesses as a means to achieving goals and assuring the implementation of environmental reforms.

Environmental action targets

● Complete ISO 14001 certification for all of our main facilities throughout the world by the end of fiscal 2003

○ Results of fiscal 2002

As an internationally expanding global enterprise we are promoting the establishment of environmental management systems in accordance with the international environmental management standard ISO 14001. With our environmental management systems, we are undertaking the creation of mechanisms that can handle environmental risks with certainty. In fiscal 2002, five more domestic facilities and thirteen facilities abroad achieved certification, bringing the YKK Group total to 43. Four YKK architectural products plants received certification, completing the certification of all of our main domestic production facilities.

○ Continuing efforts

We are seeking to achieve certification for our other domestic facilities, including offices and sales locations. By the end of fiscal 2003, our main sites abroad will also receive ISO 14001, completing the certification of all of our main facilities.

◆ Rate of ISO 14001 acquisition by number of employees as of March 2003

	Domestic	Overseas	Total
Fastening products (manufacturing divisions)	79% (100%)	63%	64%
Architectural products (manufacturing divisions)	63% (90%)	43%	59%
Machinery and engineering	100%	—	100%
Research and development	100%	—	100%
Management, Affiliated companies	28%	0%	22%
Group total (manufacturing divisions)	67% (92%)	59%	63%

○ YKK Korea Co., Ltd. ISO 14001 Certification

YKK Korea Co., Ltd passed its final ISO 14001 inspection in October 2002 and received certification.

YKK Korea's environmental goals and management plan include reduction of water consumption, energy conservation, and the conservation and reuse of other resources.

First of all, the company conducted regular study groups to raise the awareness and understanding of the staff. With "harmony with the environment" as their highest objective and "giving future generations a clean environment" as their slogan, they undertook many difficult tasks, including establishing goals for each manufacturing process.

In Korean dining tradition, the customs of providing more food than can be consumed and leaving some at the end of a meal have been considered virtuous. So, adapting to the concepts of conservation, resource use reduction and harmony with the environment has actually been fairly difficult.

In practice, since reducing water use has severe effects on product quality, we set up recycling equipment. For the water treatment, we promoted knowledge and techniques that put precedence on improving the quality of the exhaust water, rather

than reducing the amount of chemicals used for its treatment. Employees not only became more conscious of the environment, but also seemed to become more aware in a wider sense. When the plant received ISO 14001 certification, employees said things such as, "I had never thought that our work was connected to the environment, so it was a new discovery for me" and "I learned that many small things add up to big results."

The employees plan to continue to make concerted efforts to implement and develop their environmental management system beyond the requirements for the certification.



Group internal environmental auditing

We have implemented group internal audits by experts in the company who support, advise and assist in improving the environmental performance of the entire group, including environmental risk management and the strength our system for legal compliance.

Environmental action targets

● Implement internal environmental auditing for our main facilities around the world

○ Achievements of fiscal 2002

The YKK Group Environment Committee has implemented group internal environmental audits since 1994. Every plant and office conducts voluntary internal environmental audits based on their environmental management systems.

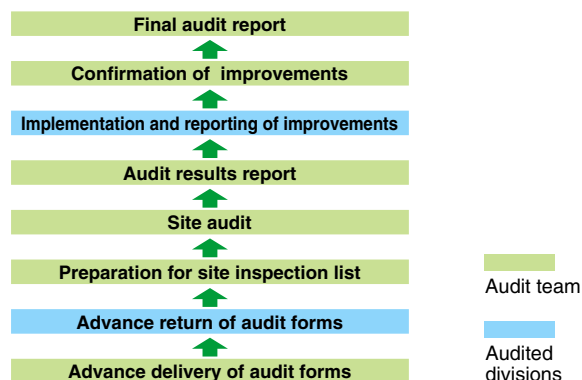
For group internal environmental audits, company experts confirm that they meet the YKK Group's fundamental directives and policies for environmental management and that they are managing environmental risk.

In 2002 internal environmental audits were conducted at 3 domestic plants. Even though we found that they were earnestly undertaking environmental improvement efforts and responding to environmental risk in accordance with their ISO 14001 certified environmental management systems, we determined that there were areas where they were not completely meeting the YKK Group environmental management fundamental directives and fundamental policies. In addition to announcing the audit results at the audited plants and giving explanations about necessary reforms, a report was made to the environmental policy committee that will be used in reevaluating YKK Group environmental efforts.

○ Continuing efforts

Internal environmental auditing is considered to be an important part of the whole YKK Group's efforts to promote environmental improvement. In the future we intend to implement internal environmental audits for all of the YKK Group's operations throughout the world as a part of our efforts to fulfill our environmental policies.

◆ YKK Group internal environmental auditing process



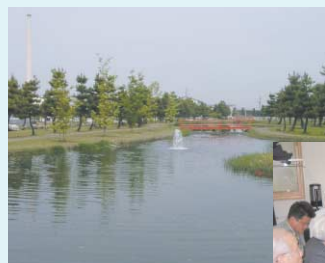
○ Audited facility manager

Observations of Tohoku Plant Manager Hiroyuki Yamaguchi

At the Tohoku Plant, we have sought to live harmoniously with the area since starting operations and have worked to achieve a park-like plant with water and vegetation. We had an opportunity to reevaluate our practices up until now when we received the YKK Group internal audit. Having experts in environmental fields from other parts of the YKK Group check our daily environmental efforts and provide us with a variety of advice and assistance, also gave us a chance to align our approach to the environment with the YKK Group and raise the level of our own efforts. I have no doubt that this process will also help us when the time comes for inspection for renewal of our ISO certification.

Since the Tohoku Plant handles a variety of materials, including aluminums, woods, resins, and glasses, I think that we have to overcome some extra difficulties and make additional efforts to protect the environment. However, if we

can fully overcome these difficulties, I am sure that this accomplishment will give us great ability as a plant. This year we are also going to try to achieve zero emissions.



Water park using plant exhaust water



During an audit