

Zippering around the globe

YKK GROUP Environmental and Social Report 2005

Seeking harmonization between abundant and healthy lives
for all humankind and the environment





YKK management principle : "YKK seeks corporate value of higher significance"



Seven keywords encompass the fundamental ideas behind the YKK Group management principle. We seek to be a company that provides happiness to our customers, that is well regarded by society and that gives pride and satisfaction to our employees. The keywords customers, employees and society represent these goals, while products, technology and management symbolize the means by which we fulfill them.

Fairness is at the root of all our efforts to realize the meaning of the other keywords, and is our basis for making management decisions when values and customs differ.

The YKK Group seeks to realize corporate value of higher significance, endeavoring to continuously improve quality with each of these seven aspects.

In addition, we seek to be a business that even more people will recognize as being a truly international company that can be trusted to be reliable in every interaction with individuals and society while creating new value through technology and expertise.

Striving to be a business that the world always needs.

The YKK group specialties of fastening and architectural products are directly related to the creation of clothing and shelter, fundamental necessities for human life. Over our 70 years of history, our work has been deeply connected with human lifestyles and we have constantly focused on supporting them. To put it simply, this is the challenge of manufacturing.

Corporate value can be thought to be something that is first recognized when a business responds effectively to the needs of its customers and the market. Since demands change in every era and between countries and age groups, a business must develop by anticipating those demands and following up on them.

I believe that the products provided by the YKK Group should be accepted by everyone as being kind to both people and the earth. For this reason, not only strength, but also gentleness and beauty are necessary parts of our business. We will continue to pursue the challenge of manufacturing by fusing power and beauty with the technology and expertise that makes them possible.

Environmental management is the duty of every enterprise that conducts business on this earth.

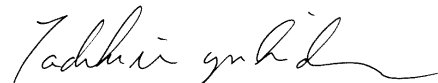
In September 1994, we established the YKK Group Environmental Charter and, since then, the entire group has been working together to protect the environment. By promoting environmental protection measures in every business area at every stage from product design and manufacturing to disposal, collection and recycling, we have established thorough environmental management systems and have continued to contribute to the creation of a sustainable economy and society.

In February this year, the Kyoto Protocol went into effect, establishing legally binding quantitative commitments for each country to reduce emissions of greenhouse gases. The YKK Group treats global warming as a worldwide problem and is taking countermeasures in every part of the group including our businesses in developing countries.

Our intention is to keep working to further increase our corporate value as a business that continually earns more trust from more people. We hope that you will not hesitate to send us your opinions and thoughts about our endeavors.

July 2005

President
YKK Group



Tadahiro Yoshida



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About this report

This report details the YKK Group's efforts on behalf of the environment and society and focuses primarily on our activities during the 2004 fiscal year (April 1, 2004 – March 31, 2005). Sections on the environment and society provide details on specific efforts of the YKK Group in Japan and abroad. In addition, a data section includes itemized environmental impact data for YKK Group sites in Japan and for our main facilities abroad.

The YKK Group published its first Environmental Report in 2000, making this the sixth such report.

We would like your guidance to improve our future environmental protection activities and environmental reports, so we have included a questionnaire at the end of the report. We would be pleased to receive your candid opinions.

The next publication is scheduled for July 2006.

YKK Group enterprises covered by this report

- YKK Corporation manufacturing, development and management
- YKK AP Inc. manufacturing, development and management
- Other domestic group companies
- Main overseas production sites (Plants that have already obtained ISO 14001 certification)

The YKK Group has been able to develop to this point because of our unwavering commitment to the Cycle of Goodness.

No one prospers unless he renders benefit to others. We call this belief the "Cycle of Goodness" and have conducted our business in pursuit of this ideal since we first became a company. We must unfailingly endeavor to innovate with creativity and provide new value to the world. Our efforts to create good return to us after their effects reverberate through society. By carrying our corporate philosophy wherever we go throughout the world, we have been able to achieve great growth to reach our current scale.

At the YKK Group, we always share the following beliefs.

"If at first you don't succeed, try, try again." Even failure is a good thing. If high goals are set and pursued, failure is inevitable. We had this experience when we sought to develop higher quality fasteners and tried to develop our own fastener manufacturing machinery to replace the foreign made equipment that we had relied upon. We failed miserably time after time, but we never gave up and, as a result, YKK's productive abilities evolved rapidly. The important thing is to believe in yourself and keep trying. Getting a result eventually is what is important. If at first you don't succeed, try, try again. The YKK Group has kept this spirit constantly since the beginning.

"Become a local." When we expand our operations to countries outside of Japan, our intentions are not to cut costs by using inexpensive local labor. We plant roots in each country, build our understanding of the local market so that we can respond to its needs and expand our business locally. We also return our profits to the local economy. In addition, in order to further our growth, we seek to become an enterprise where talented people of each country will want to work. This is how we "become a local."

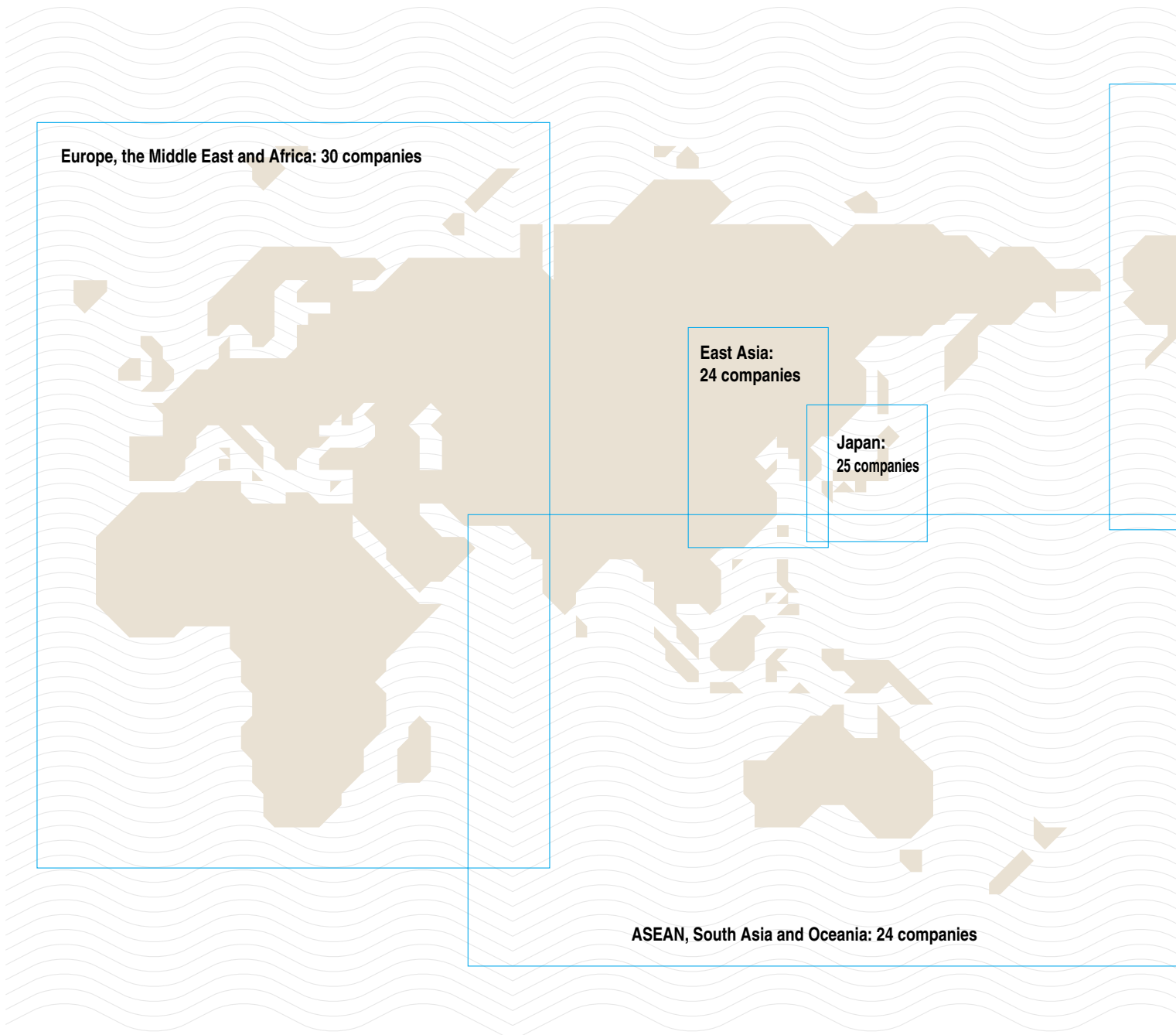
"Start at the source." Throughout the history of the YKK Group, our enthusiasm for "providing ever better products to the people of the world" has grown continuously. The development of our own manufacturing machinery is one aspect of this and taking on the creation of our own dies reflects this commitment. We even pursue the direct development of our parts and raw materials. In order to raise the level of quality and productivity to meet our ideals, we must be involved in every stage from the acquisition of raw materials to delivery of the final product. In other words, we start with the sources of our products in order to fulfill our goals and spare no expense in the pursuit of our ideals. The depth of our commitment underlies the strength of YKK Group manufacturing abilities.

"Train battlefield veterans." Learning theory and established practices is important. Academic understanding alone, however, is not enough to foster the creative innovation needed to break through the barriers that will eventually be encountered. Rather than becoming masters of fencing school rules, we need to become expert swordsmen capable of responding with adaptability to any situation through battlefield experience. This is the YKK Group approach to personnel development. By gaining a variety of experience in real work situations, knowledge steeped in reality is cultivated. The ability to solve complex and unanticipated problems is gained in the field. The YKK Group entrusts important work to our young employees for exactly this reason.

Continuing to be a business that is loved by people, loved by society and loved by the earth.

Since our first expansion abroad in 1959, the YKK Group has pursued its business activities as one member of local society by thoroughly adapting to local methods, from the hiring of employees and the procurement of raw materials to the sales of products and the return of profits.

In addition, we are active in various local efforts, including education and community revitalization and the promotion of international exchange.



123 companies in 70 countries/regions
(25 companies in Japan, 98 companies in other countries)

Business areas and relations with society

YKK Group principles in the global expansion of business

The YKK Group has been advancing internationalization for nearly half a century and we have been lauded as one of most successful Japanese businesses abroad. We have built our overseas businesses by overcoming culture and language differences and upholding the YKK Group principles in every foreign endeavor.

Our first principle is "localism." Return local profits to the community. Hire local people, train them, promote them and entrust management of the business to them. These practices are why we have been accepted in every country where we have established businesses.

Our second principle is "quality first" on a global level. The YKK Group's total vertically integrated manufacturing system is not limited to Japanese domestic operations. Our manufacturing system is transplanted every time we establish a new local plant abroad. One of the YKK Group's great strengths is our ability to produce and provide products of the same high quality all around the world.

Our third principle is "solve environmental problems from a global perspective." Coping with the environmental problems of the borderless societies of the modern age requires that our group as a whole has a unified direction and makes coordinated efforts. We identify the issues facing each region and make efforts to solve them while enhancing the entire group's capability to respond to environmental problems by sharing these measures with every region and promoting parallel progress.

YKK Group Environmental Policy Committee Chairman
YKK Corporation Representative Director and Vice Chairman
Kiyoshi Taie



With our deep commitment to local communities, the YKK Group pursues business activities as one member of each regional society and is actively involved in regional vitalization, education, international exchange and other activities.



Water aid

YKK Taiwan Co., Ltd. A typhoon on September 11, 2004 caused disruption of the water supply in Chungli City, Taoyuan. We helped provide water to the residents who lived near our plant and received a letter of thanks from the governor of Taoyuan for our efforts.



Regional medical care support

YKK Zipper Philippines Inc. Since 1999, we have been providing free health checkups to the residents who live in the region around our plant. When needed we also provide treatment and medicine. In the first year, about 270 people received checkups, but at present, the number has grown to 650.



Charity fundraising

YKK Zipper Shenzhen Co., Ltd. Employees raised money for victims of the December 2004 Sumatra Earthquake. 457 donors contributed a total of 7791.50 yuan, which was sent to the afflicted countries through the Baoan regional government.



Park cleaning

YKK Singapore Pte. Ltd. On November 27, 2004, we conducted volunteer cleaning of Singapore's West Coast Park. Employees and family members, wearing matching T-shirts, worked in small groups in a fun game-like competition to gather as much garbage as possible with the winners determined by the weight of their collection.



Beautification efforts

P.T. YKK Zipper Indonesia For about 15 minutes every Thursday at the beginning of work, every employee participates in early morning cleaning of our industrial park. We began this activity at the start of 2004 with the motto of "creating an environment that is always clean" in order to increase employee awareness of the environment. At present, this just occurs on company grounds, but we anticipate that these activities will eventually spread to include the families of employees and the neighborhood communities where they live.



Macon Cherry Festival support and cooperation

YKK (U.S.A.) Inc. Since 1973, Macon, Georgia has planted cherry trees as part of an effort to beautify the city and, in 1983, the city began to hold a festival to celebrate the beauty of the trees. The number of events throughout the Cherry Festival has grown to about 500 and it attracts about 600,000 people annually, making it one of the 100 largest events in the USA. YKK (U.S.A.) provides the headquarters building and has otherwise continuously supported the Cherry Festival and contributed to the regional community.



Scholarship program

YKK Nederland B.V. In 1982, we established the YKK Fund in the city of Sneek. The main purpose of this foundation is to send scholars and graduate students from various fields, including anthropology, economics and dance, to study in Japan. So far, this program has sent 7 exchange students to Japan.



Environmental studies

YKK India Pvt. Ltd. With the intention of contributing to the regional society, we invite junior high and high school students and teachers to our plant for tours. An environmental officer gives a lecture about environmental issues, and we explain the environmental efforts made by our Indian company, which include the separation of wastes, 5S cleaning and organization, and wastewater treatment systems, to the students in an easy-to-understand manner.



Childcare facility volunteers

YKK Korea Co., Ltd. In November 2004, we volunteered at a home for children, helping with painting, facility cleaning and bathing the children among other efforts. Since then, we have continued to visit the facility every month, helping clean the interior and spending time playing with the children.



Donation of computers

P.T. YKK Zipper Indonesia When we replaced our computers, we donated 14 of our old ones to 6 elementary schools in the local Cibitung area. In addition, our staff provided instruction in the use of the computers. This project was proposed by one of our staff in the hopes of making even a slight contribution to increasing the level of education in Indonesia.



Support of local education

YKK Metal ve Plastik Urunleri Sanayi ve Ticaret A.S. When a local Cerkezkoey city elementary school created a computer laboratory, we donated computers and desks. At the opening ceremony in October 2004, the mayor of Cerkezkoey attended and expressed his thanks to YKK, saying, "A business making a contribution to a local school is a very significant thing. This should become a good model for the future."



Support of sister city exchanges

YKK AP America Inc. When we first started business in the city of Dublin, Georgia, we brought many local employees to the YKK AP Inc. Tohoku Manufacturing Plant (Sanbongi, Miyagi Prefecture) for training. Exchange began with this and a sister city relationship was established in 1998. Every year since then junior high and high school students from Dublin and Sanbongi have participated in homestay exchanges with YKK AP employees hosting some of the students.

Contributions to society (abroad)



Tree planting campaign proposal

YKK Do Brazil Ltda. As a part of our overall environmental preservation efforts, we made a proposal to municipal agencies for a vegetation effort in the Sorocaba River watershed, which is in the same region as our plant, and undertook the planting of saplings. This was not merely a memorial planting. We took on the responsibility of caring for the trees for three years after planting, tending them on a regular basis as they grew rapidly.



Desert tree-planting project cooperation

YKK Egypt S.A.E. In Egypt, the government is actively promoting revegetation and has designated 9 revegetation promotion areas (11,680,000 m²) in its plans. Japan and many other European and American countries are participating in these efforts. YKK Egypt is one of a small number of companies that are participating at the corporate level and all our employees are taking part in tree planting activities.



Participation in tree planting efforts

YKK Zipper Shenzhen Co., Ltd. On June 5, 2004, World Environment Day, the Shenzhen City Greenery Committee held a tree planting effort at the Shenzhen Hongshulin Beach Park. YKK Shenzhen organized 37 people and participated in this activity. Through these efforts, we were able to raise the environmental protection awareness of all our employees.



Georgia environmental blue ribbon

YKK (U.S.A.) Inc. In cooperation with a partnership program (evaluation of enterprise environmental efforts) of the Georgia Pollution Prevention Assistance Division (P²AD), we were lauded as an environmentally excellent business. YKK (U.S.A.) was evaluated highly for its environmental management system implementation, for strict adherence to all state regulations, for community environmental efforts, for starting a green procurement program, for supporting other enterprises and for cooperating with the P²AD in additional environmental efforts. For these and other achievements, we received a blue ribbon, the highest evaluation.



Minister of Foreign Affairs Commemorative Award for 150 years of Japan-US relations

YKK Corporation of America Relations between Japan and the USA began in earnest after Commodore Perry arrived with his fleet on July 8, 1853 and the Treaty of Kanagawa was signed on March 31 the following year. In commemoration of these historic events, the Ministry of Foreign Affairs honored organizations and individuals with strong records of promoting Japan-US relations from both countries with Minister of Foreign Affairs Awards. The YKK Corporation of America received this award for its highly evaluated efforts since establishment in Georgia, including contributions to the local community and the activities of the Japanese Chamber of Commerce of Georgia.



Rajiv Gandhi National Quality Awards

YKK India Pvt. Ltd. The prestigious Rajiv Gandhi National Quality Awards given by the Bureau of Indian Standards were established in 1991 to honor former Prime Minister Rajiv Gandhi who championed the importance of high quality. Not only quality, environment and safety, but also the conditions of corporate management, customer service and contributions to society are judged in giving these awards. YKK India operates quality and environmental management systems that are thoroughly embraced by our employees. These activities and their results were evaluated highly and resulted in our receiving this award.

Contributions to society (domestic)



Cleaning efforts

At every plant, we continuously conduct cleaning around public facilities and along roads that employees use to commute. Our efforts at our Kurobe sites have been lauded by local citizens. The government, the elders association and local businesspeople have joined us in undertaking this regular effort.



Union volunteer efforts

Our employee union plans volunteer activities at a local nursing facilities, including sheet changing, window cleaning and wheelchair maintenance. In 2004, this was carried out 19 times in different areas. In addition, union members are invited to participate in local efforts including cleaning and support of wheelchair racers. We are implementing activities in which many employees can support and learn with the people in our communities.



YKK Fastening Awards

The YKK Fastening Awards is a unique student fashion design contest that focuses on hook and loop fasteners, buckles, snaps, buttons and other fastening products. With the goal of discovering and supporting new talent, we provide the winner with prize money and runners-up with support materials for their creative efforts until they graduate.



JSEC

The High School Science and Technology Challenge of the Japan Science & Engineering Challenge (JSEC) (sponsor: Asahi Shimbun, support: Ministry of Education, Culture, Sports, Science and Technology) is a contest in which high school students must exercise their originality and creativity. YKK supports the JSEC philosophy of cultivating the younger generation, which will bear responsibility for Japan's future, and we have been providing special cooperation since 2004.



Youth soccer

The Japan U-12 Football Championship has been held every year since 1977 with the goals of deepening interest and understanding of soccer in children, who are the future of Japan. Since 1980, the YKK Group has supported this event that raises their skill levels while cultivating healthy minds and bodies. YKK Group employees throughout the country contribute to community interaction and building the excitement of the Championships by participating in organization and support groups, gatherings and award ceremonies.



Dedication to Citizen Welfare Promotion Prize

YKK Rokko Corporation received the 2004 Dedication to Citizen Welfare Promotion Prize from Kobe City. Kobe awards this prize to an individual or organization that has a superior record of contributions to the improvement of citizen welfare. YKK Rokko received this prize for our highly evaluated contributions to the welfare of the disabled. In the 5 years since our establishment as Kobe's first special case subsidiary company, we have achieved these by employing disabled people.

Providing products and services in diverse fields.



Spacesuits

YKK fasteners are used in space exploration projects including those of the U.S. National Aeronautics and Space Administration (NASA).

At 2:56 am (Japan time) on July 21, 1967, the Apollo 11 mission brought the first humans to the surface of the moon. The spacesuits for that mission used YKK airtight fasteners.

The temperature on the surface of the moon changes drastically over the course of 24 hours, rising to 120°C in the day and sinking to -157°C at night. Furthermore, since outer space is a vacuum, people cannot survive if the air escapes the spacesuit, making airtight fasteners essential.

YKK technology was a great strength in this giant step for humankind into a new era.

Akashi Kaikyo Bridge

The Akashi Kaikyo Bridge that connects Japan's largest island, Honshu, from Kobe to Shikoku via Awaji Island is the largest, longest suspension bridge in the world. Fasteners made with YKK's advanced technological capabilities are used in this bridge to endure the harsh climate conditions of the Seto Inland Sea.

Beneath the Akashi Kaikyo Bridge gutter is a "road expansion and contraction runoff conduit," a roughly 30-meter long rubber sheet that can cope with expansion and contraction of the road.

By collecting runoff water, this conduit prevents garbage and the like from falling into the sea. However, since regular maintenance is necessary to remove the accumulated garbage, watertight, airtight fasteners (Proseal) that can be opened for cleaning to remove garbage have been included at 2-meter intervals.

Improving the efficiency and convenience of this type of work also contributes to environmental protection.

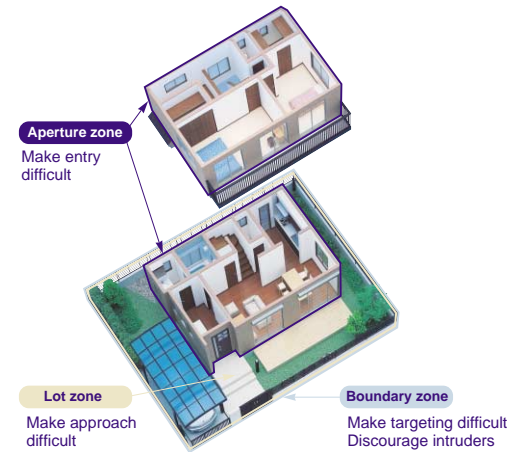
Oil fences

The 1997 Nakhodka oil spill in the Sea of Japan, the 2002 grounding of a cargo vessel in the Hitachi Port of Ibaragi Prefecture and other oil spills happened one after another. Accounting for all the environmental destruction and impacts on ecosystems of these accidents is impossible.

Considering the devastating potential impacts of these types of disasters on ecosystems, countermeasures must be prepared in advance to prevent the spread of the damage. In these cases, oil fences that are linked using YKK fasteners can protect and rescue the ocean from danger.

Oil spills caused by accidents often spread over large areas and usually fall under the jurisdiction of multiple government agencies. In these cases, each agency brings its oil fences to the afflicted sea area and can link them with sturdy fasteners. In this way, flexible response to the unpredictable spread of pollution is possible.

Provision of products and services that contribute to society



Emergency units

As the number of refugees who are the victims of earthquakes and other natural disasters, wars and other conflicts has increased, the need to provide aid rapidly has also grown. For this reason, YKK AP has fused the technologies cultivated by our fastening and architectural products businesses to develop comfortable temporary emergency units.

With easy to use fasteners as joints, each unit can be connected freely, from small rooms to extended spaces that are partitioned into rooms.

Our emergency units were used by a medical group to create a tent hospital in a Jordanian refugee camp during the Iraq War. When the Niigata Chuetsu Earthquake struck, we provided them to the Niigata Prefectural Tokamachi Hospital through the doctors of the NGO Humanitarian Medical Assistance (HuMA).

On October 26, 2004, our emergency units won the prestigious Good Design Award of the Japan Industrial Design Promotion Organization.

Universal design

Age, sex and hand size are among many factors that affect how easy something is to use. Universal design is an approach that tries to plan and design things so that any person of any age can use them with ease.

The YKK Group seeks to make products that contribute to the creation of environments that allow every person to live comfortably.

One product that exemplifies this is YKK AP's R's70FL that eliminates level changes at the bottom of sliding door frames, allowing smooth and safe passage on a flat floor.

The comma-shaped bead (*magatama*) button is a fastening product designed for people who lack the finger strength or otherwise have difficulty closing standard buttons. This fastener can be closed simply by turning it with the flat part of a finger. Since it does not require the use of the fingertip, this design is also useful for women who want to protect their long fingernails from damage.

Crime prevention

In an era when the sense that safety is the norm is crumbling, YKK AP provides effective anti-crime measures for safe home life.

We have prepared countermeasures for three zones used as intrusion routes.

The aperture zone, which includes doors and windows, has three main vulnerabilities – breaking of window glass, being left unlocked and breaking of door locks. Countermeasures, including the installation of electronic locks and button locks and confirmation systems around doors, increase the time needed to break in, causing hesitation and discouraging potential intruders.

Installation of cameras and sensor lights and other countermeasures discourage approaching the lot zone.

In the boundary zone at the edge of the lot, non-contact key systems for gates, fences and other places make targeting difficult.

The YKK Group listens to the opinions of our customers and constantly seeks to provide the high-quality products they demand by using our unique creativity and proven technological abilities. We seek to be an enterprise that always delivers products that promote the highest level of comfort for society and individual lifestyles.



Quality assurance structure

How we think about our customers: We consider every consumer to be a person with a unique lifestyle who can evaluate our products. We listen to the opinions of our customers at face value and always make customer satisfaction our top priority.

Customer opinions, which are promptly transmitted to the relevant divisions, are valuable in improving product development, product quality and other enterprise activities.



In-house production of various parts starts with their dies

How we think about quality: In order to provide and guarantee the highest quality to our customers, the YKK Group continues to be committed to our total vertically integrated manufacturing system. From raw materials to final production, we undertake every stage of manufacturing, including the development of our own production equipment, even though most manufacturers would procure this from outside sources.

At the beginning of the 1950s, we developed our own fastener manufacturing machinery, ending our total reliance on imported products from the United States. Since then we have devised and developed a variety of production machinery so that now all of our technology related to manufacturing, from dies to computer systems, are made in house.



The same fastening machine models developed in-house are used by every YKK business worldwide

In addition, we seek to maintain a global standard for all of our customers around the world. In order to do this, we are endeavoring to develop production lines that will lead to the creation of consistent global-class quality and are distinguished by the guiding concept of "one world, same technology, same machinery, same quality."

Product Liability (PL): When a product has something wrong and causes damage or injury, civil law regulations require three things to be proved – that a human injury or material damage occurred, that there is a cause and effect relationship between that damage and the purported cause, and that the occurrence of damage was intentional or due to negligence.

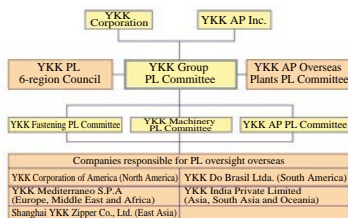
However, the Japanese Product Liability Act (put into effect in July 1995) rules made it possible for a user to prove merely that the product has a defect in order to seek reparations from a manufacturer, making it easier to hold them liable.

One of the fundamental principles of the YKK Group is to provide consumers and users with even safer products. The YKK Group established the Product Liability Committee to promote PL measures holistically and to fulfill this duty to society as an enterprise.

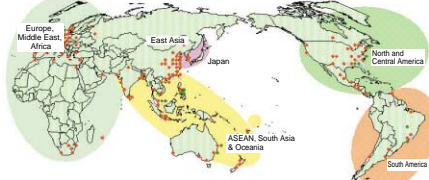
Within this committee, we have also established YKK product liability subcommittees for fastening, machinery and architectural products. These committees work tightly on a global level with our overseas companies in a six-region global structure to promote product liability countermeasures actively in every aspect of our businesses.

What does product liability mean to YKK Group employees?

Through the efforts of each employee, "We provide our customers with products that they can use safely and with a sense of security."



YKK Group product liability committee organization



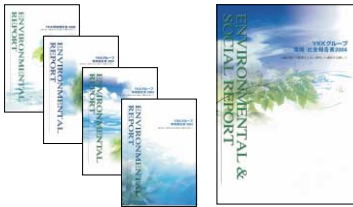
YKK Group product liability six-region global structure

Relationships with our customers

Through strong communication with our customers, the YKK Group strives to increase mutual understanding and advance future business activities.

Personal Information Help Desk (in Japanese)

Tel: +81-3-3864-2119 Hours: 9:00 AM – 5:30 PM weekdays



Protection of personal information: The YKK Group believes the customer and business partner data that we use in our business is valuable information that must be protected for the personal privacy of individuals. We adhere to all standards set by laws and regulations related to the protection of personal information. We are also developing our own rules and systems in consideration of international trends as part of our efforts to protect personal information, which is one of our important duties as a business.

Provision of information through Environmental and Social Reports and our web site:

Since 2000, we have been publishing an environmental report every year. In 2004, we changed the name to the Environmental and Social Report and added activities on behalf of society to the contents of the information that we make public. Since these reports are available on our web site, past editions are also available to the public.

<http://www.ykk.com/english/corporate/eco/index.html> (in English)

<http://www.ykk.co.jp/japanese/corporate/eco/index.html> (in Japanese)



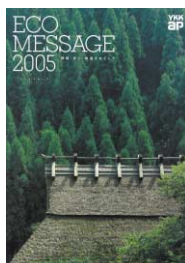
Participation in Eco-Products Exhibition 2004: Eco-Products Exhibition 2004, sponsored by the Japan Environmental Management Association for Industry and the Nihon Keizai Shimbun, Inc. with the theme, "ecological lifestyles for the earth and ourselves," is the largest general environmental exhibition in Japan. The YKK Group exhibited environmentally friendly products that are useful for society and individual lifestyles at this event to show one aspect of our eco-products vision. We introduced the energy conservation and recyclability features of our products to many visitors in a quiz format.

We also explained to elementary, junior high and high school students in a tour format how the use of eco-products can reduce environmental impacts.



Participation in China International Housing Industry Exhibition: The 4th China International Housing Industry Exhibition, sponsored by the Ministry of Construction of the People's Republic of China was held in Beijing from July 1–4, 2004 at the China International Exhibition Center. YKK AP presented a booth on the theme of designing and providing products with a total quality management system used from conception to construction.

In addition to exhibiting a range of products with functions and designs suitable for enhancing comfort in the diverse hot and cold regions of China, we gave demonstrations to allow visitors to observe the high quality of our products.



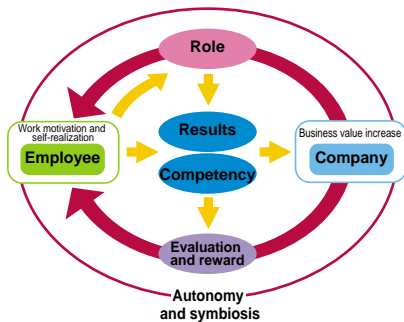
Eco Clover environmental label product publications: In addition to our Clover Mark environmental label, which is in accordance with self-declared environmental label standards (ISO 14021), we established the Eco Clover mark for products that comply with even higher in-house standards than our earlier eco-products. We also published a pamphlet, an Introduction to Eco-Products and Eco Message, an eco-products information magazine.

YKK: good for people and the earth

At our main business centers, we hold business explanation conferences to promote communication with YKK and explain our company operation conditions to local residents, government agents, elected officials and other concerned parties once per year.

The YKK Group espouses a personnel affairs philosophy of autonomy and symbiosis. We seek to be a company where employees work autonomously, but share mutual respect and help each other, forming a strong organization that continuously provides new value to customers and contributes to society.

Personnel affairs system overview



Personnel system: Based on the philosophy of autonomy and symbiosis, we have created our personnel system to provide tools so that each individual can respond appropriately to strategies and directives in the constantly changing business environment and, by planning to achieve increased results, create even greater value.

In fiscal 2000, we introduced a merit-based system for all employees with measurable goals for results and competency. Achievement of these goals can be measured through communication between superiors and their staff. A highly transparent structure is used in order to make evaluations fair and acceptable. Evaluation results also allow some degree of variation from a standard according to position in order to base rewards fairly on the work. We are trying to run our personnel system as a tool that brings out the best in every employee.

•Personal business plan (management evaluation system)

Goal-setting and evaluations for managers are conducted in open business presentations.

Managers develop their annual business plans in accordance with the roles that they are expected to fill, establishing achievement goals and their strategies and techniques for achieving them. They then give a presentation of their plans to their superiors and officers in related divisions for evaluation. The evaluators consider whether each plan is suitable for the division's strategies and directives. They also evaluate the suitability of the level of difficulty and provide advice on how to achieve the goals. Evaluation presentations are also conducted in an open manner with input from multiple perspectives for fair evaluation.

Since colleagues also attend these business presentations, each employee is able to evaluate their own level and gain confidence in the fairness of their own evaluations.



Leadership training in Europe

Development as a global company: Until now, as we expanded our business overseas, the YKK Group has built personnel systems to suit each country, region and business environment. In recent years, as globalism has progressed, our belief in planting local roots and returning profits to the region of business has not changed, but we have been examining how personnel affairs can better correspond to global management.

We are planning to implement worldwide standards and systems for management staff at our overseas companies in order to hire the best people around the globe and support their career development through promotion and flexibility on an international level.

Challenge training	<ul style="list-style-type: none"> • Logical thinking • Creativity development • Business coaching • Strategic conceptualization
E-learning courses	<ul style="list-style-type: none"> • Environmental management • Information security • Personal information protection laws

Employee education: Since our foundation, we have respected each employee's personal drive and spurred employee maturation by actively entrusting responsible work to younger employees. As the YKK Group expands its business on a global level, the places where we are active, and the places where we cultivate our employees, are expanding. In order to support and promote employee growth through work in all of these places, we conduct education for a variety of knowledge and skills. In addition, we are promoting the localization of management at our overseas companies and putting energy into educating local staff.



President Yoshida speaking at a training session for newly assigned section heads

Diversity and equal opportunity: We are promoting the realization of fair evaluations and work opportunities that correspond to each individual's will and ability, regardless of nationality, age or gender. In particular, we are actively working to promote the activity of women who were limited by past practices and other work conditions. Based on proposals made by a committee comprised primarily of women, we are undertaking reforms to promotion programs and workplace environments. In recent years, women have become much more active, including increased promotions to workplace leadership positions and overseas assignments. We are also working on strengthening systems that support both work and family life as a means to create conditions that encourage this activity. Furthermore, the YKK Group as a whole is actively promoting the hiring of the disabled, and in 1999 we established YKK Rokko Corporation, a special case subsidiary company of printing business, as a symbol of our commitment.

System	Details
Parenting work system	<ol style="list-style-type: none"> 1) Short-term employment 2) Flexible working hours 3) Combination of above <small>One period until the end of April after a child has reached the age of 3</small>
Childcare absences	Up to 10 days per year
Use of maiden name	Acceptable except for legal documents
Caregiver leave	<ol style="list-style-type: none"> 1) Up to 1 year for 1 period 2) Up to 180 days in increments

Creating an environment where it is easy to work: In order to create an environment where it is easy to work, we have established a Secretariat for Comfortable Work Promotion that monitors labor conditions, listens to employee concerns, and plans workplace reforms. We also have counseling services handled by outside specialists to deal with issues such as health, personal concerns and sexual harassment.



YKK Business Support Inc.
Ayumi Takahashi

Comments from an employee who is using our parenting work system

I returned to the workplace in February 2005 and am using the parenting work system. I am very thankful for these conditions because they allow me to work with both a stable mind and body. I know that I can maintain the time I need for childcare and that this will not affect my work duties.

Since I have a limited amount of office time to do my work, I have really become aware of the importance of time. This has been a good chance to rethink how I can complete my work efficiently.

Respect for individuals is one YKK Group management principle. We believe that elimination of labor accidents and prevention of health impairment are important roles of our company. Managers and other employees work together actively on efforts to fulfill these, deliberating safety and hygiene issues, providing suitable guidance and other follow-up after health examinations, assuring workplace safety and promoting staff health.

Safety and hygiene slogan for fiscal 2004

Don't depend on others for safety. Don't leave it to them.
Your concern for safety makes the difference.
Assure safety with accurate knowledge.

Efforts to eliminate labor accidents: After continuing to reduce labor accidents for many years, in the last few the YKK Group has held the rate steady (reference, p. 32).

We are now encouraging our employees to shift their basic attitude toward labor accident prevention from "no accidents" to "no danger" by implementing potential risk assessments and labor safety and hygiene management systems. The YKK Group sustains the reduction of labor accidents through people (safety and hygiene education), objects (fundamentally safer machinery) and management (labor safety management systems).



• Promotion of potential danger assessments

Considering the fact that all sources of danger have latent energy that could cause harm, the YKK Group risk assessment methods include the planning and implementation of potential danger assessments.

We make the evaluation standards clear and work to prevent low evaluations and oversights for every task, even those that may only occur once per year.

• Safety and hygiene education

The reduction of labor accidents and the use of fundamentally safer machinery have caused dangers to become less visible. As sources of danger are forgotten, the ability to recognize potential dangers for what they are declines. In other words, sensitivity to danger becomes weaker.

We are implementing experiential, hands-on education to raise the level of employee awareness about safety by letting them directly feel and understand the great potential harm that sources of danger hold.



Experiential, hands-on education – vapor explosion

• Work safety and hygiene management system receives certification (YKK Taiwan Co., Ltd.)

In August 2004, as a result of pursuing the goals of promoting employee health and making the workplace easier to work in, YKK Taiwan received Occupational Safety & Health Management System (OSHMS) certification, which is Japan Industrial Safety and Health Association (JISHA) compliant.

Following a declaration of our intention to achieve this certification in January 2004, we began the process to acquire it, including goal setting, explanatory meetings for all employees, requests for labor union support, preparation of documents and records and education activities. In addition, we have included close-call reporting, danger anticipation actions, risk assessments and other efforts that are groundbreaking by Taiwanese standards. As a result of our efforts, in July the certification inspection occurred, and in August, we became the first overseas business site to receive JISHA-compliant OSHMS certification.



Inspection in plant

Efforts to maintain and promote health: Since good health is indispensable for employees to live full social and work lives, health promotion is an important aspect of our business. As one means of promoting health, we are making it possible for all our employees to receive medical checkups (reference, p. 32).

Furthermore, based on employee checkup results, we provide follow-up medical exams and suitable health education to prevent lifestyle, mental and other illnesses.



Mental health care booklet

• Mental health care

This age has been called the era of stress. To combat stress, the YKK Group promotes the maintenance of the mental health of our employees.

In order to protect employee mental health, we believe that appropriate measures are necessary not only in the workplace, but that support for families is also important. In order to provide accurate understanding of mental illnesses to employees and their families, we distribute to every employee a booklet about mental health that was written to be read with the family. Furthermore, in order to realize line-care, which is advocated by the Japanese Ministry of Health, Labor and Welfare, we are also implementing mental health care education for managers.

• Health creation classes

The YKK Group actively promotes health maintenance and improvement activities to help every employee have a happy and healthy working lifestyle. In particular, we are making efforts to prevent and manage lifestyle diseases by implementing classes for weight loss, quitting smoking and other health issues.



Weight loss class

Words from weight loss class participants

I learned a great deal about calories and exercise from participating in this class. Now, I check my weight every single day to see if I have gained any and if I have, I rethink my eating habits and make an effort to burn more calories. The class gave me more self-control. (Male employee, 50s)

By myself, even when I tried to lose weight, sooner or later, I lost my will, so it was hard to continue. This time, though, knowing that I will have a consultation, I have been able to continue. In June, I lost 6 kg, but I am still far from normal weight, so I hope that I will be able to continue participating in this class. (Female employee, 30s)

I have been thinking that I needed to do something for a while, so this was good chance. The key points were explained very clearly, so it was easy for me to put them into practice. (Male employee, 20s)

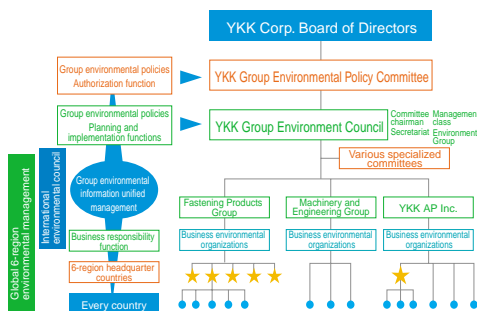


Since we established the YKK Group Environmental Charter in September 1994, the YKK Group as a whole has been working to protect the environment. This Environmental Charter expresses our fundamental philosophy, which includes our desire to create harmony between the environment and the healthy and abundant lifestyles of people and our commitment to work to protect and improve the environment in all of our business activities.

Relationship of YKK Group business with the environment

Since we established the YKK Group Environmental Charter in September 1994, the YKK Group as a whole has been working to protect the environment. This Environmental Charter expresses our fundamental philosophy, which includes our desire to create harmony between the environment and the healthy and abundant lifestyles of people and our commitment to work to protect and improve the environment in all of our business activities.

YKK Group Environmental Management System: In order to clarify our commitment to society to protect the global environment as an enterprise, in 1994, we made "promotion of business activity that is in harmony with the environment" our top priority and established a unified group environmental policy based on the YKK philosophy. Believing that it is essential to approach environmental problems with a global perspective, we are implementing a six-region environmental management system that makes simultaneous progress possible in every part of the world.

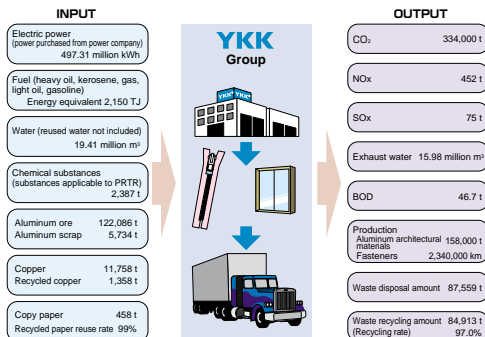


Fundamental directives and policies of environmental management: Having made our environmental pledge, the YKK Group has made contribution to the creation of a sustainable society as our fundamental environmental management directive for the mid-term. We have also set four fundamental mid-term environmental management policies in order to reduce the environmental impacts of our main businesses, architectural products and fastening, and are pursuing environmental action targets in accordance with them.

○ Fundamental environmental management policies

1. Respond and contribute to the green market
2. Make environmental impact reduction management even more thorough
3. Build and utilize our global environmental management system
4. Promote communication about the environment

Environmental impact mass-balance of YKK Group domestic plants/offices (Fiscal 2004)



Environmental impacts of our enterprises: Manufacture of fastening and architectural products requires large amounts of energy and chemical substances and produces CO₂ and waste materials.

In addition to proactively incorporating the most advanced energy efficient equipment, switching to fuels with reduced CO₂, NO_x and SO_x emissions, and using substitutes for harmful chemical substances, the YKK Group is promoting appropriate use of resources and the achievement of zero emissions (no landfill disposal). We are working to reduce the environmental impact of raw materials by increasing use of internally-produced scraps, aluminum foil, sash scraps, sawdust, recycled chips, recycled copper and other recycled materials from the marketplace.

Every fiscal year we set, implement and evaluate environmental action targets to pursue our four fundamental environmental management policies.

Fundamental environmental management policies	Environmental action targets	
Responding and contributing to the green market	1) Development and provision of eco-products and services for the green market	<ul style="list-style-type: none"> • Promotion of development and provision of eco-products • Publication of information about eco-products
	2) Use of environmental label	<ul style="list-style-type: none"> • Creation and use of self-declared environmental labels in every business by the end of fiscal 2006
	3) Promotion of green procurement (Promotion with business partners)	<ul style="list-style-type: none"> • Procurement of environmentally friendly materials manufactured at plants with low environmental impact • Promote with business partners
	4) Reduction of volume and facilitation of recycling of wrapping and packaging materials	<ul style="list-style-type: none"> • Reduction of packaging materials use (volume reduction, size decrease, reuse) • Promotion of recycling collection of wrapping and packaging materials
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 by 1% annually at all main production sites • Introduction of clean energy • Transportation efficiency improvement; modal shift promotion; promotion of use of regional ports
	2) Promotion of the 3Rs (reduce, reuse, recycle) and reuse of resources between different types of business with the goal of achieving zero emissions	<ul style="list-style-type: none"> • Aim to achieve zero emissions at main production sites worldwide by the end of fiscal 2005
	3) Chemical substance risk reduction	<ul style="list-style-type: none"> • Continuous promotion of use reduction and appropriate management of harmful substances at all main production sites worldwide
	4) Reduction of environmental impact of Group assets	<ul style="list-style-type: none"> • Pollution evaluation of YKK properties • Inspection and appropriate storage of machinery that contains small amounts of PCBs
Building and using a global environmental management system	1) Acquisition and utilization of ISO 14001 certification	<ul style="list-style-type: none"> • Acquisition of ISO 14001 certification throughout every part of the YKK Group
	2) Utilization of environmental accounting system	<ul style="list-style-type: none"> • Application and utilization of environmental accounting system
Promotion of environmental communication	1) Hold global group environmental conference	<ul style="list-style-type: none"> • Management of global environmental data sources
	2) Publication of environmental data	<ul style="list-style-type: none"> • Continued publication of environmental report • Entry in environmental exhibitions • Preparation of environmental education system
	3) Symbiotic relationship with global society	<ul style="list-style-type: none"> • Promotion of social activities

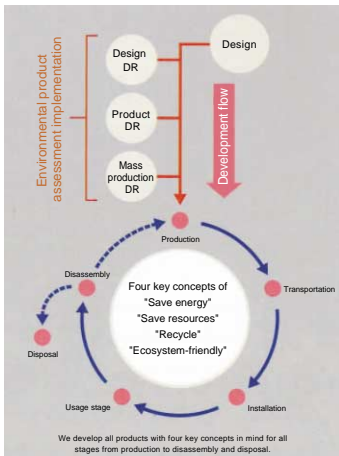
Environmental action targets and achievements

Fiscal 2004 targets	Fiscal 2004 achievements	Evaluation
<ul style="list-style-type: none"> Implement environmental product assessment of 100% of new products developed and new development items Promote publication of eco-products on the Internet 	<ul style="list-style-type: none"> Achieved 100% rate of environmental product assessment for new products developed and new development items Publication of new environmental efforts, mainly related to our fastening business, at YKK Amazing Snow Field 	○
<ul style="list-style-type: none"> Strengthen and utilize eco-products catalog 	<ul style="list-style-type: none"> Posting of information about environmentally friendly products on the YKK AP web site 	○
<ul style="list-style-type: none"> Implement inspection of chemical contents of products procured from 285 suppliers (32% of the total value of purchased products) 	<ul style="list-style-type: none"> Inspection of chemical contents of products procured from 417 suppliers (81% of the total value of purchased products) 	○
<ul style="list-style-type: none"> Utilize wide area recycling system 	<ul style="list-style-type: none"> Collection and reuse system for waste materials using a wide area authorization system 	○
<ul style="list-style-type: none"> Reduce CO₂ emissions at main domestic plants by 1% from previous year Participate in the Japanese Ministry of the Environment's Prototype Project of Voluntary Domestic Emissions Trading Scheme 	<ul style="list-style-type: none"> 1.6% reduction of previous year level; 22.7% reduction of 1990 level Participated in the Japanese Ministry of the Environment's Prototype Project of Voluntary Domestic Emissions Trading Scheme 	○
<ul style="list-style-type: none"> Clarify and reevaluate definitions of waste Increase recycling rate further 	<ul style="list-style-type: none"> Waste definitions reevaluated Recycling rate of 97% (0.4% increase over previous year) 	○
<ul style="list-style-type: none"> Establish chemical substance management guidelines 	<p>Related guidelines published</p> <ul style="list-style-type: none"> ○ Chemical substance management guidelines ○ PRTR calculation guidelines ○ MSDS database operation management guidelines 	○
<ul style="list-style-type: none"> Begin ground pollution inspections of YKK properties Begin inspection of PCB-containing machinery 	<ul style="list-style-type: none"> Implemented at 50 sites in Toyama Prefecture Storage and inspection of subject machinery completed at main manufacturing sites 	○
<ul style="list-style-type: none"> Achieve certification of non-production sites and new overseas outposts 	<ul style="list-style-type: none"> 9 overseas sites received new certifications 	○
<ul style="list-style-type: none"> Research environmental accounting methods for internal use 	<ul style="list-style-type: none"> Training for internal environmental accounting conducted by outside instructors 	○
<ul style="list-style-type: none"> Hold second global environmental conference 	<ul style="list-style-type: none"> Global environmental conference held for each type of business (Sept. and Dec. 2004) 	○
<ul style="list-style-type: none"> Publication of environmental report Entry in environmental exhibitions Educational tools and system prepared 	<ul style="list-style-type: none"> Publication of YKK Group Environmental & Social Report 2004 (Jul. 2004) Items entered in Eco-Products Exhibition 2004 (Dec. 2004) and Toyama Fair (Oct. 2004) Eco Information, an environmental information database for employee use, established (Feb. 2005) 	○
<ul style="list-style-type: none"> Promotion of social activities 	<ul style="list-style-type: none"> Volunteer environmental activities in every region Environmental education events held 	○

The YKK Group contributes to the creation of a sustainable society through its products and services.



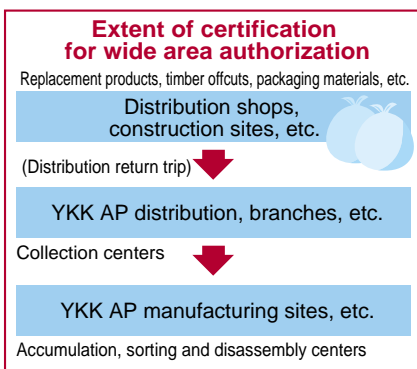
Eco-products vision: We are developing a vision for the provision of eco-products that are kind to the environment. By considering factors including high environmental functionality, user safety and sense of ease, and lifestyle comfort when developing products, we are contributing to the creation of a sustainable society. High environmental functionality means meeting the ecological standards that society expects, including long product life, energy conservation, noise prevention, use of materials that reduce environmental impacts and ease of recycling. User safety and sense of ease factors include non-inclusion of harmful substances, sick-house countermeasures, anti-crime measures and other provisions that help people use our products with a sense of security. Lifestyle comfort factors include universal design, ease of daily product care, remodeling, user specific features and other measures to support the comfort of each customer's unique lifestyle.



Environmental product assessment: We undertake environmental product assessment as a tool to promote the development of eco-products. We are pursuing the development of eco-products with minimal environmental impacts by conducting evaluations at every design review stage during planning, prototyping and mass production. We evaluate whether each product design has been made with consideration for energy and resource conservation, recycling and ecosystem factors for every stage of the product lifecycle, from production and distribution to use and disposal.

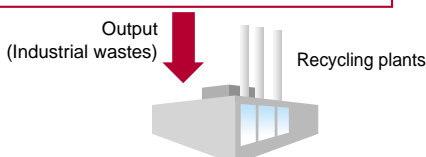
Green procurement: In addition to our efforts to steadily reduce environmental impacts and avoid environmental risks by working cooperatively with our suppliers, the YKK Group is establishing Green Procurement Guidelines with the goals of using them as indicators for environmentally friendly product development.

We will conduct questionnaire surveys of our suppliers and create a database of the results that will be useful in allowing easier selection of materials and parts that have low environmental impacts at the stages of product development and design and that reduce the amounts of harmful substances contained in final products.



Wide area authorization system for waste collection and reuse: On April 22, 2005, the Ministry of the Environment gave YKK AP wide area authorization system certification for our special system for processing of wastes over a wide area in accordance with waste processing and cleaning laws.

By actively utilizing this wide area authorization system, we will be able to contribute more to both improving service and the creation of a sustainable society by recycling the composite architectural materials and packaging that result from new construction, renovation and other popular building activities. We will begin the processing in the seven prefectures of Kyushu first, but we plan to expand the same system to all of Japan in fiscal 2006.

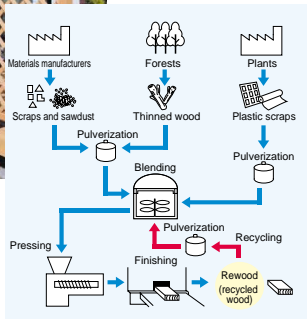


Responding and contributing to the green market

Examples of products with high environmental functionality that were born from our Eco-Products Vision



YKK AP



Rewood production flow

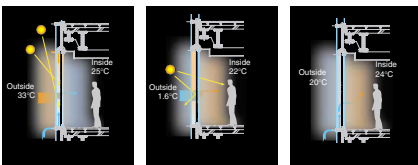
Rewood (recycled wood): Rewood is a nonformaldehyde product made by combining wood powder with polypropylene that is easy on the Earth and people. This new material, made exclusively by YKK AP, has the feel of natural wood and is strong, durable and considerate of human health and the environment.

The raw materials for Rewood are waste products from materials manufacturers and waste plastic from plants. At time of disposal, Rewood products can be pulverized and recycled to make new Rewood materials. Since the manufacturing process uses melted material pressed in a mold, no glue is used, and thus no harmful formaldehyde is used. Furthermore, the high density of Rewood makes it resistant against scratches, cracking from sunlight exposure and day-night temperature changes, and warping and rotting from water absorption. In addition, Rewood includes wood scraps and sawdust that give it the warm feel of wood.



YKK AP

Double skin façade system concept



Summer

Winter

Spring and fall

A light-blocking blind in the air space cuts out sunlight and the heat generated rises and exits through the upper ventilation apparatus to the outside.

The upper ventilation apparatus is closed, creating a dual pane glass structure that retains heat, improving insulation effectiveness.

By opening the inner sash, outside air can enter directly, improving the interior environment.

Double skin façade system: Since the ancient past, Japan has had a variety of techniques to deal with the country's high temperature and humidity conditions. Creating a comfortable environment by using the power of nature is possible. For example, the *engawa*, the veranda of traditional Japanese houses, prevents the summer sun from directly striking the interior of the house, while with its doors closed in the winter, it envelops the building in an insulating air layer that effectively helps retain interior heat.

Recently, many building exteriors use much transparent glass. Since window and aperture areas are easily affected by the seasonal climate, we would create features like *engawa* ideally, but lack of space and other issues makes this difficult.

From this idea, though, double skin technology that creates a thin buffer layer of air was born. By circulating outside air between two skins using the power of nature, we have achieved the effectiveness of an entire *engawa* in a narrow (about 300 mm deep) space. With this technology, air-conditioning units by windows become unnecessary, providing great energy conservation. At YKK AP, we seek to use the wisdom of our forerunners to create modern technologies that make comfortable environments possible.

NATULON® recycled materials fasteners and ReEarth™ biodegradable fasteners: Plastic products have made our lives more convenient, but when they are no longer needed they become garbage and, if burned, emit dioxins and contribute to global warming. YKK is working to develop products that contribute to solving these types of environmental problems.

Since NATULON® fasteners are made of recycled polyester materials, they are suitable for recycling after use and can be reused in a sustainable resource cycle system. This fastener, which can be used in apparel, bags and other goods, is also compliant with the Green Procurement Law.

ReEarth™ is a biodegradable fastener comprised of corn and other plant materials. After use, natural microorganisms break it down into water and carbon dioxide, returning the materials to nature.



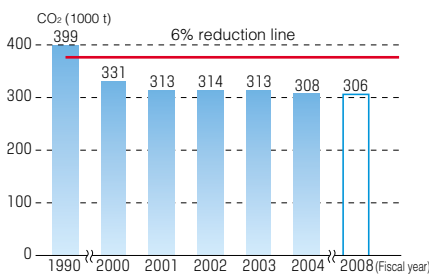
YKK: good for people and the earth

We are developing aluminum extrusion form materials for automobile frames that contribute to the reduction of CO₂ emissions by reducing the weight of cars and improving gas mileage.

Environmental impact reduction management—Preventing global warming

We are actively pursuing energy conservation measures, including the incorporation of high efficiency equipment in new and reformed plant facilities, reform of industrial processes in order to deal with energy consumption due to production fluctuations, and preparation of new management standards to promote efficient facility operation. By improving transportation efficiency, we are also striving to achieve earth friendly transportation and delivery.

Transition in CO₂ emission amounts (YKK Group main domestic production sites)



Achievements of the 2004 fiscal year: As a result of the effectiveness of our energy conservation activities and the introduction of high efficiency equipment at each of our work places in conjunction with their environmental management systems, we have already cleared our goal of reducing CO₂ emissions by 6% compared to our fiscal 1990 level. In fiscal 2004, we reduced emissions by an additional 1.6% from the previous year's level.

Furthermore, as part of our participation since 2003 in the Ministry of the Environment's Prototype Project of Voluntary Domestic Emissions Trading Scheme, our fiscal 2003 results were examined by an outside party. As a result, our way of measuring the data and our calculation methods were judged to be suitable. In response to this evaluation, we investigated the status of our data at our businesses abroad in order to unify our measurement methods. From now on, we will endeavor to reduce our emissions as a unified global effort.



CDM lamp with reflective plating 400-watt mercury bulb
175-watt CDM bulb

Energy conservation by changing light bulbs (Kurobe Makino Plant): Since our Kurobe Makino Plant usually operates on a three-shift schedule, a large amount of electricity is used for lighting. In fiscal 2003, this plant used 1,734 MWh, about 7% of the total energy consumption.

To reduce this, we changed 450 lights from 400-watt mercury lamps to 175-watt ceramic metal halide (CDM) lamps with reflective plating that are both brighter and more energy efficient. By making this change, we reduced electricity use by 730 MWh in one year and will recover the installation costs in 2.8 years from the savings.



Energy conservation committee and easy-to-reach light switch

Energy conservation committee (YKK Vietnam Co., Ltd.): At YKK Vietnam, labor costs were 10% of the total production costs while electricity costs were 12%, making electricity more expensive than labor. In addition, expansion of the building caused fixed electricity costs to increase 30%. In recent years, the number of hard-working Vietnamese women participating in company activities has increased and women make up the majority of the energy conservation committee that we started to promote proactive efforts to save energy and fulfill our corporate duty to society by working to stop global warming.

Since creation of this committee, we have been pursuing a variety of efforts to conserve energy, including the creation of stickers and posters to raise energy conservation awareness, locking air-conditioning units and placing explanatory stickers so that only authorized people can adjust the settings. We have also reconsidered fluorescent lighting placement and promoted turning off unneeded lighting, installed easy-to-reach switches to allow use of lighting only where needed and put in electricity meters for each industrial process to allow careful monitoring of electricity consumption.



Wastewater pump temperature sensor and controller

Installation of a temperature controller for the wastewater pumps (YKK Singapore Pte. Ltd.):

In the past, we operated the pump every day, regardless of the temperature, to comply with wastewater temperature standards for sewerage output. In order to reduce energy consumption by the pump cooling blower, we have now installed a sensor so that it operates only when the wastewater temperature exceeds the standard of 44°C. By doing this, we reduced energy consumption to 60% of the previous year. Furthermore, we will recover the cost of the equipment in 1.6 years, making it a very cost effective measure.

Environmental impact reduction management—Zero emissions

Striving to achieve a zero emissions rate by turning waste materials back into resources

YKK Group definition of zero emissions

- [1] Waste recycling rate of 97% or more
- [2] Sustained for at least 3 months from the month of achievement
- [3] Clarification of recycling methods and receiving parties

*Covered: Anything that is no longer needed regardless of value or associated costs

Our approach to zero emissions: Eliminating landfill disposal of garbage generated by our business activity is a fundamental policy of the YKK Group. We are continuing our efforts to achieve this goal of zero emissions at our main operations around the world by the end of fiscal 2005.

As a next step, we are seeking to reduce the total amount of waste generated and improve the quality of our recycling methods to further minimize our environmental impacts.

Achievements of fiscal 2004: In October 2004, the YKK Group revised our definition of zero emissions and began new efforts to achieve them. In the past, we did not include ordinary wastes handled by local governments, special harmful substances and other wastes that were difficult to recycle, but we have revised our definition of waste to include "anything that is no longer needed regardless of value or associated costs" in order to make it more transparent to outside observers.

In fiscal 2004, our waste generation increased to 88,000 tons, 11.2% more than the previous year. The main causes of this increase were greater production of multilayer glass and the dismantling of structures at the Kurobe Plant.



Dye sludge

Bricks

However, we increased our recycling rate to 97%, 0.4% greater than the previous fiscal year. We raised our recycling rate through various measures, including enhanced in-house recycling of wood chips and scrap by the installation of continuous pulverizing processors, material recycling by separation of plastics and increased handling by existing recycling routes.

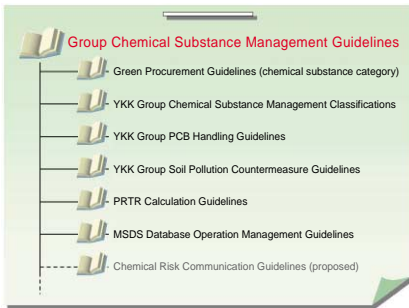
Recycling of dye sludge (YKK Taiwan Co., Ltd.): The main waste (500 tons/year) produced by YKK Taiwan is dye sludge that results from processing dye wastewater. In the past this was disposed of as landfill, but as a result of our efforts to develop new recycling routes, in November 2004, we were able to begin recycling all this waste as raw material for the creation of bricks. As a result, YKK Taiwan's total recycling rate grew greatly from 55% to 67%.



Thinner recycling machines

Reuse of washing thinner (YKK India Pvt. Ltd.): We use washing thinners in coating equipment to alter colors during the coating process. These used thinners had been disposed of as waste, but, in recent years, the amount of washing thinners used has increased as small lots with multiple colors have become more common. In order to reduce environmental impacts, we installed two thinner recycling machines, which also resulted in reducing costs.

Strict compliance with laws and agreements underlies our efforts, but we are also striving to reduce environmental risks through such efforts as appropriate management of chemical substances, regional environmental preservation of soil, groundwater, the air and entire watersheds as well as by preventing environmental accidents.



Chemical substance management system

Achievements of fiscal 2004: We created Group Chemical Substance Management Guidelines in order to handle the chemical substances of the entire group. In addition, we include guidelines for soil inspection and PCB problem countermeasures and other issues to complete our chemical substance management system.

In fiscal 2005, the entire group is adopting this system and will use it to further reduce environmental impacts and risks from chemical substances.



Elimination of chrome in paint
Before elimination (left) and after (right)

Eliminating lead and chrome in solder and paint: The Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS) Directive, issued by the European Parliament and the Council of the European Union, prohibits the use of heavy metals and other harmful chemical substances in electrical and electronic equipment sold within EU member countries beginning in July 2006.

The paint and solder materials that our Machinery and Engineering Group purchase include lead and chrome. In order to eliminate these substances, we have been working in cooperation with our suppliers to test alternatives since fiscal 2004.



Storage warehouse for equipment that contains small amounts of PCBs

PCB Countermeasures: The Law Concerning Special Measures against PCB Waste established in 2001 requires the appropriate disposal of Polychlorinated biphenyl (PCB) by the end of fiscal 2016. We are managing and storing transformers, condensers and other equipment that contain PCBs in accordance with the law and will handle them appropriately by participating in disposal plans established by local government agencies.

We also created our own guidelines for handling equipment that contains small amounts of PCBs in fiscal 2003.

In fiscal 2004, we conducted inspections on the status of PCBs contained in equipment owned by our YKK Group businesses in Japan. We have established a system of centralized storage for equipment found to contain small amounts of PCBs from all our domestic sites. In fiscal 2005, we are continuing inspections and undertaking careful storage as part of our cautious handling of PCBs.

Environmental impact reduction management—Environmental risk management



Exhaust gas combustion equipment at YKK Italia

Installation of exhaust gas processing equipment (YKK Italia S.p.A.): Air pollution caused by organic chemical substances is both an issue in Japan and a serious problem faced by the entire world.

In order to reduce volatile organic substance emissions, YKK Italia installed exhaust gas processing equipment for its coating equipment in November 2004. This equipment collects the gas emitted from 4 coating machines and burns the organic substances at a high temperature of 800°C. Relative to the laws of the province where it is operated that allow emissions of 20 mg/Nm³, our measured value of 9.6 mg/Nm³ is a good result.



Rainwater harvesting equipment at YKK India

Installation of rainwater harvesting equipment (YKK India Pvt. Ltd.): Land subsidence and groundwater depletion caused by the pumping of groundwater are serious problems.

YKK India has installed rainwater harvesting equipment that collects the rainwater that falls on the site and uses it to recharge the groundwater. A tank inside connects to a buried pipe that speeds the permeation of rainwater into the ground. We will continue to sustain groundwater resources by expanding this type of equipment and through other water conservation efforts.



Fire extinguishing equipment for duct fire prevention (center)

Duct fire prevention: If oil, paint or other substances adhere to the inside of exhaust ducts, a flame or spark that enters can cause a duct fire.

Our Fastening Products Group has installed disaster prevention equipment that exceeds domestic legal requirements. Dampers and fire extinguishing equipment for ducts prevent duct fires. At our Dalian plant in China, we have also installed exhaust fans for coating equipment to prevent the accumulation of solvents and paint in ducts.

Environmental impact reduction management—Soil inspections



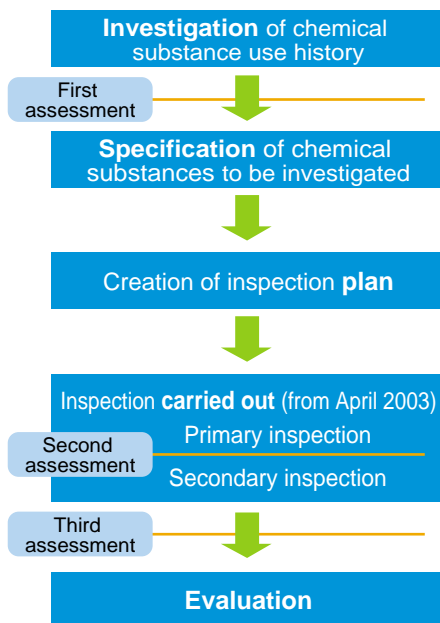
Boring inspection

Soil Contamination Countermeasures Law: If soil becomes polluted with harmful substances, direct contact with that soil, drinking groundwater polluted by contaminants leached from the soil and other contact can cause harm to human health.

This type of soil pollution was rarely identified in the past, but in recent years, with redevelopment of business industrial sites and other activities, soil pollution from heavy metals and volatile organic compounds has become apparent.

In response to the growing strength of society's demand to establish countermeasures and worries about the effects of soil pollution on human health, the Soil Contamination Countermeasures Law was established in Japan on May 22, 2002. In order to assure public safety and peace-of-mind, this law specifies implementation of soil contamination countermeasures including investigating soil contamination conditions, and emergency measures related to stopping health damage to people from soil contamination.

Soil inspection process



Soil inspection report: The YKK Group considers soil preservation to be an important business risk management issue from the perspective of both regional environmental preservation and land asset value maintenance.

On February 15, 2003, the Soil Contamination Countermeasures Law came into effect.

At that time, the YKK Group was not immediately made subject to the law, but we created the YKK Group Soil Contamination Countermeasures Guidelines and voluntarily began inspections. We decided to begin with our properties in Toyama Prefecture, the region where our business began. In fiscal 2002, before the Law went into effect, we undertook land overview inspections and land use history investigations. Then, in fiscal 2003 and 2004, we initiated soil analysis inspections (including boring inspections) in accordance with the standards of the Soil Contamination Countermeasures Law.

As of now, none of the sites that we have inspected requires soil decontamination. We have reported these results to the Toyama Prefectural government. (For details, please see p. 38.)

We plan to continue our voluntary efforts on a national level based on our experience of conducting inspections in Toyama.

Implementation of soil inspections at YKK India (February 2004): In consideration of the future, we are undertaking voluntary soil inspections. Based on the soil inspection methods that YKK used in Japan, we investigated the history of land use and chemical use at our company, identified substances to be measured and selected inspection locations before beginning. We intend to continue making inspections on a regular basis.

Groundwater inspection report: Depending on regional characteristics, some YKK Group plants use groundwater for daily use as well as industrial use. Since 1999, we have been regularly conducting voluntary groundwater inspections at these plants as one aspect of soil contamination assessment.

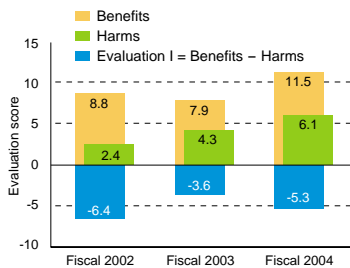
In our investigations, we measure not only substances that we currently use, but also substances that we used in the past. All items measured have been within environmental standard levels. (For details, please see p. 37.)

Technology Development Center efforts on behalf of the environment and society

Degree of environmental impact of research themes

Evaluation I (Benefits – Harms) x Evaluation II (Potential extent)

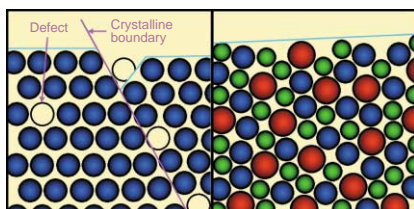
Evaluation I		x	Evaluation II	=	Degree of environmental impact
Benefits	Harms				
[1] Energy conservation [2] Resource conservation [3] Waste reduction etc.	[1] Harmful substance use [2] Valuable resource use [3] Odor countermeasure need etc.		Impacts on society Significance of the results Likelihood of realization		



Degree of environmental impact of research themes: At the Technology Development Center, we pay attention to the benefits and harms to the environment that our research themes might have and assign points to each factor. By deducting harmful evaluation points from beneficial evaluation points, we reach a score for Evaluation I. We also calculate a score for Evaluation II that includes the research theme's potential extent, including impacts on society, the significance of the results and the likelihood of realization. Together these two categories allow us to calculate quantitatively the degree of environmental impact of all our research themes and rank them for oversight.

Looking at the changes from fiscal 2002 to 2004 in the average environmental impact values of our research themes, as expressed by Evaluation I, the value has gone up and down, but over this same period, the average beneficial value has increased from 2.4 points to 6.1 points. In short, positive influences on the environment have increased. For Evaluation II, impacts on society, themes related to the medical field have very positive scores, as in the example described below.

The Technology Development Center will continue to conduct environmental impact evaluations of research themes at the beginning of each fiscal year and as new themes are established. We will pursue research and development with consideration for the environment by continually tracking these changes.



Typical atomic structure of metal (Crystalline metal) Atomic structure of metallic glass (Non-crystalline metal)

Development of ultra-precise metallic glass gear: The YKK Group is participating in the New Energy and Industrial Technology Development Organization (NEDO) Metallic Glass Formation Project along with the Tohoku University Institute for Materials Research, the R&D Institute of Metals and Composites for Future Industries (RIMCOF), laboratory of Tohoku University, Namiki Precision Jewel Co., Ltd. and the Gunma University Faculty of Engineering. As a result of our collaborative efforts, we have succeeded in developing the world's smallest geared motor (1.5 mm diameter) using super-small metallic glass gears.

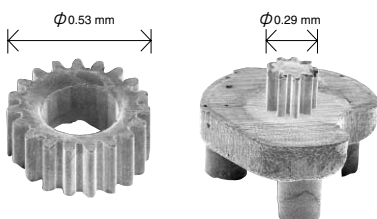
Metal normally has a crystalline structure in which the atoms are neatly arranged, but the metallic glass that YKK developed with the Tohoku University Institute for Materials Research is like glass and does not have a crystalline structure even though it is metal. This substance is strong and difficult to bend, and does not easily swell or shrink. Since it does not shrink easily when hardening from a liquid state, this material very accurately recreates the shape of the mold used when forged. Utilizing the features of metallic glass, the Technology Development Center has been working to develop ultra-precise forging technology and we have been able to make super-small gears as a result.

We believe that this micro-gear motor will be used to power medical equipment, including endoscopes and catheters, for treatments that occur inside the human body. In addition, if applied in small portable medical pumps, insulin delivery devices for diabetics that could be attached to the body at all times and other non-intrusive treatments could be made possible. This could reduce the need to make trips to hospitals and improve peace-of-mind. Advanced diagnosis and treatment without increasing patient suffering is no longer a dream.

We have great expectations for the use of this technology. We believe that research themes such as this will have positive impacts on advanced medicine and are our way of contributing to society.

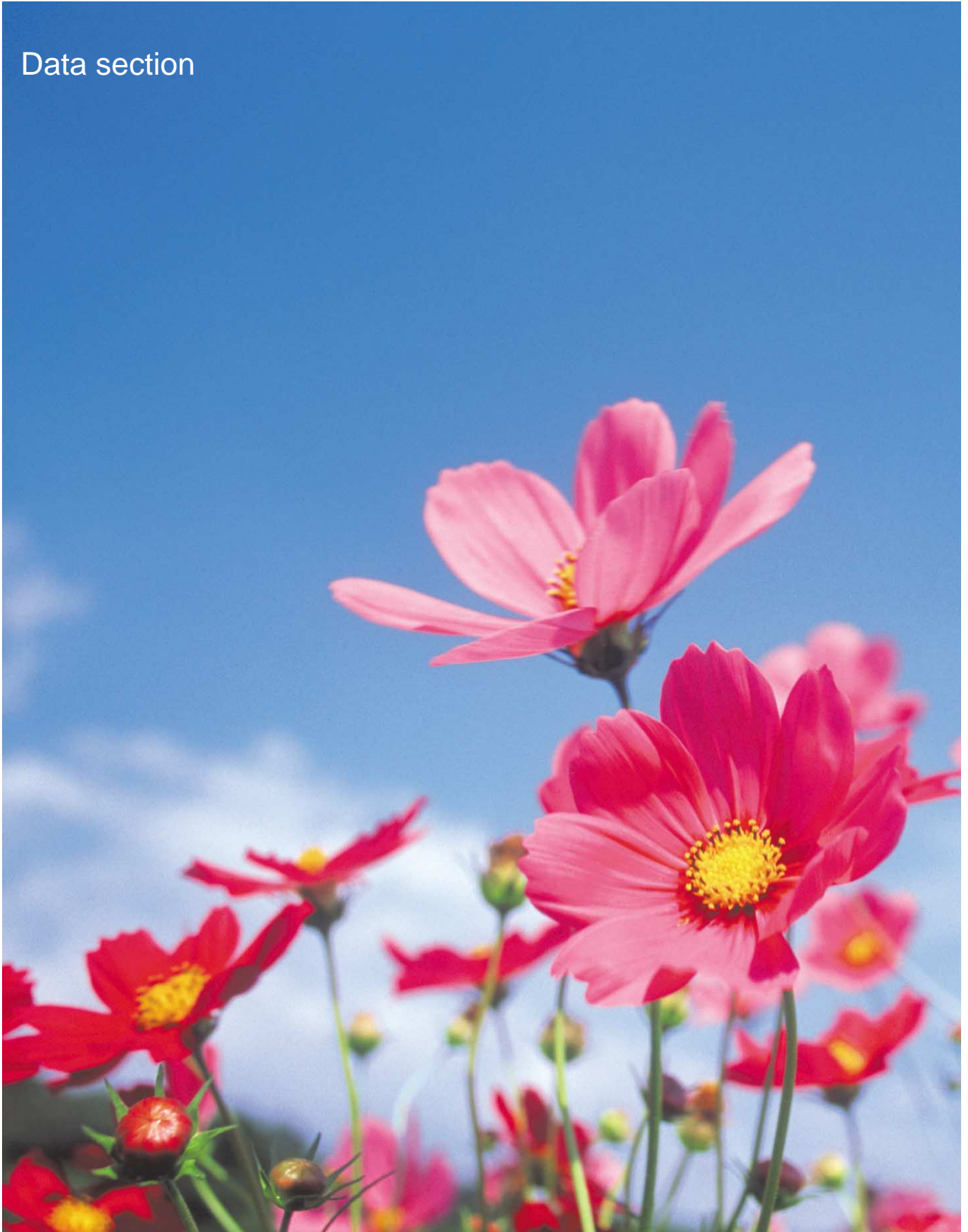


World's smallest gear motor created using ultra-precise metallic glass gears

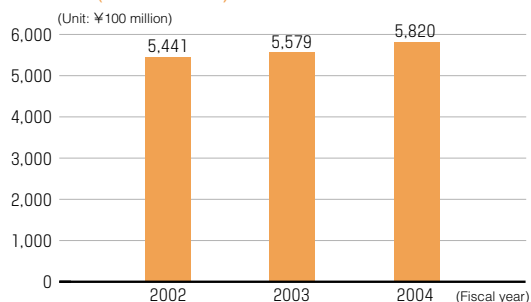


Planetary gear Sun carrier Super-precise metallic glass gears

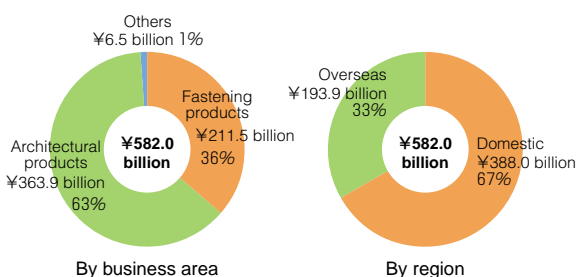
Data section



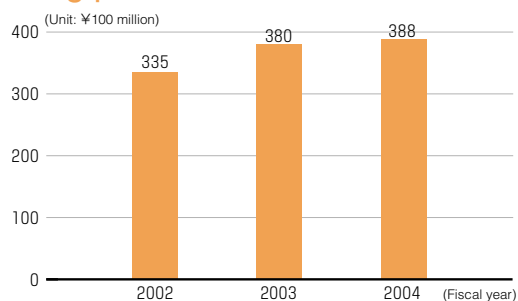
Net sales (consolidated)



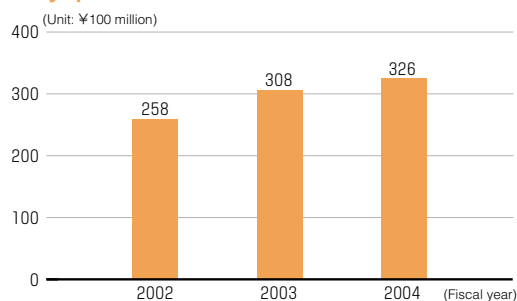
Net sales by sector (consolidated)



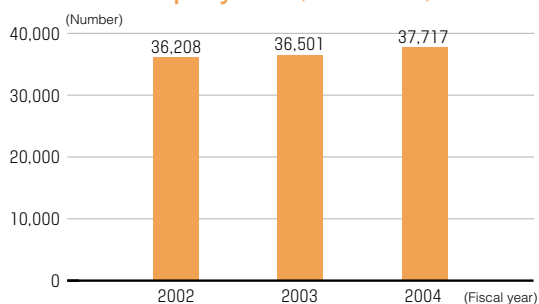
Operating profit (consolidated)



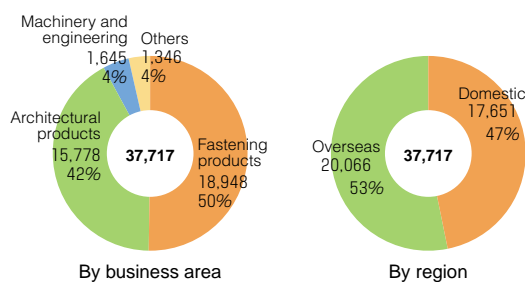
Ordinary profit (consolidated)



Number of employees (consolidated)



Employee distribution by sector (consolidated)



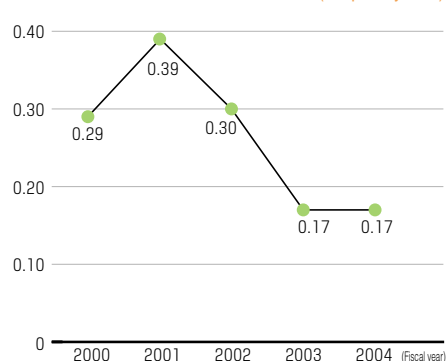
Personnel, health care, occupational safety and hygiene * YKK Group Japanese companies

Fiscal 2004 record

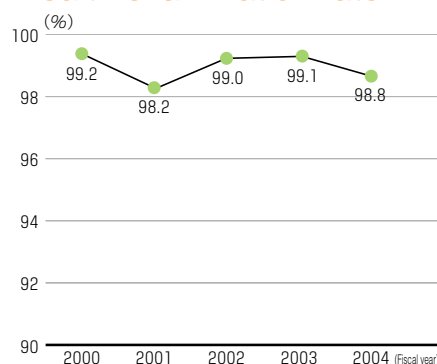
(As of the end of March 2005)

Average age	40.0	
Average length of employment	18.0 years	
Proportion of men and women	Men: 69%	Women: 31%
Average working hours	YKK : 1,713 hours	YKK AP : 1,745 hours
	Other businesses : 1,536 hours	
Number of early retirees	759	
Rate of use of paid holidays	22.6%	
Number of parenting leave users	157	

Work accident statistics (frequency rate)



Health examination rate



Accident and damage occurrences (fiscal 2002–2004)

Date of occurrence	Type	Details	Location	Response
Jan. 20, 2003	Fire	Fire occurred when putting thinner into a roll coating machine, burning the protective cover and other parts	Kurobe	Extinguished rapidly onsite
Mar. 8, 2004	Fire	Contact with nearby parts caused sparks that ignited paint residue that had adhered inside the exhaust fan	Kurobe	Extinguished rapidly onsite
Oct. 20, 2004	Typhoon damage	Trees on site fell and fences were damaged	Namerikawa	Removal and repair
Oct. 20 and 26, 2004	Typhoon damage	Plant roof was damaged	Kurobe	Repair
Jan. 11 and 12, 2005	Power outage	Snow accumulation on power lines caused power stoppage	Kurobe	Restoration work by electric power company

Community complaints (fiscal 2002–2004)

Date of occurrence	Location	Details	Response
Nov. 29, 2002	Kurobe Makino Plant	Even late at night (12:00–1:00 a.m.), noise from the plant does not stop	Reduced power of aluminum dust collector fan and changed the duct shape
Dec. 5, 2002	Kurobe workplace Aramata district	Bad smells come out of the exhaust vent of the experimental kitchen and green waste composting facility	Explained experimental kitchen and green waste composting to the local residents and suspended use of the exhaust vent facing that area
Jul. 6, 2004	Kurobe workplace Ekko district	Drivers going to and from the YKK AP Ekko manufacturing site are reckless and extremely dangerous	Improved traffic manners of the drivers through the responsible sections and asked city environmental department to remove and repair items that we judged to impede movement
Jul. 15, 2004	Kurobe workplace Sports ground	During the period when rice plant flowers bloom, I wish the night lighting times of the sports ground were consistent	Asked heads of sports teams to strictly abide by the regulations to assure compliance with established hours
Aug. 4, 2004	Kurobe Makino Plant Neighboring roads and private homes	Leaves falling from trees clog the roadside gutters and fall into private gardens	Checked site and ordered tree pruning
Oct. 19, 2004	Road used for commuting	Since this is a route used by children to go to elementary school, drivers should stay below the speed limit and be directed to use other roads	YKK Group Central Traffic Safety Committee made thorough efforts to improve employee traffic manners

Latent risks and prevention

As of March 2005

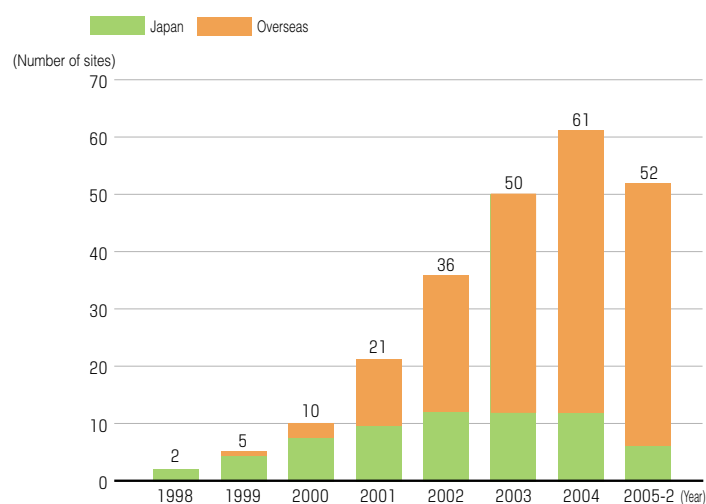
Risk type	Plant	Possible causes of explosion if there is a fire	Possible causes of explosion or leakage if there is an earthquake	Possible causes of leakage if a river floods or an embankment is breached
High-pressure gas	Tohoku	Liquid nitrogen: 2.1t, liquid argon: 3.8t, liquid ammonia: 1.0t		
	Kurobe	LPG: 26.0t, liquid nitrogen: 11.8t, liquid argon: 5.8t, liquid ammonia: 1.0t, liquid carbon dioxide: 3.3t		
	Shikoku	LPG: 4.5t, liquid nitrogen: 7.6t, liquid ammonia: 2.0t, R134a: 1.0t		
	Kyushu	LPG: 65.2t, liquid nitrogen: 2.0t, liquid argon: 3.5t, liquid ammonia: 2.0t		
Dangerous substances (Heavy oil, kerosene, lubricating oil, hydraulic oil, etc.)	Tohoku	510 kl		
	Kurobe	2,469 kl		
	Shikoku	346 kl		
	Kyushu	382 kl		
Facilities susceptible to explosions if flooded	Tohoku	Melting furnace, boiler, concentrated sulfuric acid tank, hot-air drying furnace, incinerator		
	Kurobe			
	Shikoku	Melting furnace, boiler, concentrated sulfuric acid tank, hot-air drying furnace		
	Kyushu			
Pharmaceuticals (Main pharmaceuticals subject to the Poisonous and Deleterious Substances Control Law)	Tohoku	Sulfuric acid: 69kl, sodium hydroxide: 54kl, hydrochloric acid: 0.9kl		
	Kurobe	Sulfuric acid: 148kl, sodium hydroxide: 129kl, hydrochloric acid: 18.7kl, ammonia: 14kl, Cyanide (solid): 1t, cyanide (liquid): 230kl		
	Shikoku	Sulfuric acid: 34kl, sodium hydroxide: 17kl, hydrochloric acid: 18kl, ammonia: 2kl		
	Kyushu	Sulfuric acid: 96kl, sodium hydroxide: 28kl, hydrochloric acid: 6kl, ammonia: 5kl, cyanide (solid): 0.47kg, chromic acid: 30kl		
Prevention	All business locations	To understand latent risks, we are implementing disaster training simulations and thorough facility disaster prevention measures.		

Cooperation in local disaster prevention (provision of disaster prevention equipment)

As of March 2005

Plant	Equipment for emergency use						Local cooperation	
	Oil adsorbing mats (Number)	Oil counteractive (Liters)	Oil fences (Number)	Sandbags (Number)	Alkali counteractive (Liters)	Acid counteractive (Liters)	Provision of refuge areas (Opening of sports grounds and other locations at times of disaster)	Provision of disaster prevention equipment (In response to requests)
Tohoku	200	180	1	50	100	100	Yes	Yes
Kurobe	3,470	2,158	6	526	990	920	Yes	Yes
Shikoku	300	24	0	300	180	180	Yes	Yes
Kyushu	90	100	0	60	60	60	Yes	Yes

Record of ISO 14001 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 2004 environmental protection costs (total for YKK Group businesses in Japan)

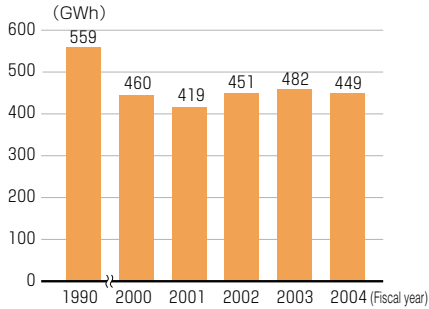
Unit: ¥1 million/year

Item		Contents of main initiatives	Equipment investment	Cost
Cost within business area	Prevention of pollution	Soil inspections, installation of aluminum sludge nickel removal equipment	169	729
	Conservation of the global environment	Energy conservation measures	633	639
	Recycling of resources	Waste reduction, zero emissions efforts	30	1,038
Business area internal cost total			832	2,407
Upstream/downstream cost		Creation of recycling system	0	66
Management activities cost		ISO 14001 maintenance/management cost, environmental exhibition, environmental report, environmental analysis, tree planting	3	436
R&D cost		Development of eco-products	9	697
Social activities cost		Cooperative volunteer activities with local communities	1	65
Environmental damage cost			0	0
Other costs		Inspection and management of fire extinguishing equipment	2	37
Total			848	3,707
			Fiscal 2003	540
			Fiscal 2002	568
			Fiscal 2001	592
			Fiscal 2000	1,345

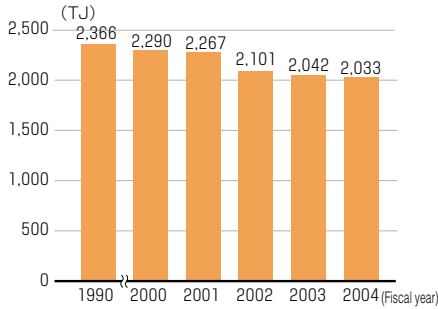
	Environmental equipment investment			Environmental costs		Sales (Unit: ¥100 million)	Total equipment investment (Unit: ¥100 million)
	(Unit: ¥100 million)	Sales ratio (%)	Equipment investment ratio (%)	(Unit: ¥100 million)	Sales ratio (%)		
Fiscal 2004	8.5	0.2	4.1	37.1	1.0	3,880	209
Fiscal 2003	5.4	0.1	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
Fiscal 2000	13.5	0.3	4.4	40.3	1.0	4,056	307

Changes in energy use by type (total for main YKK Group production sites in Japan)

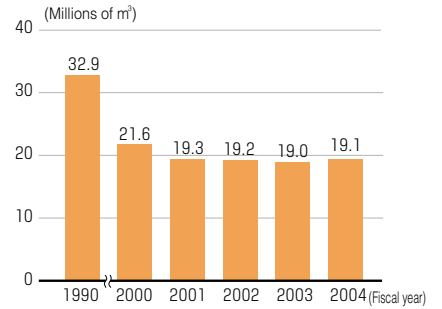
Electric power



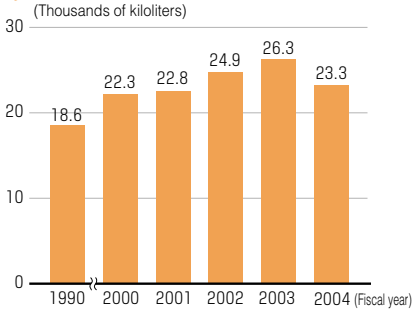
Fuel total (calorie equivalent)



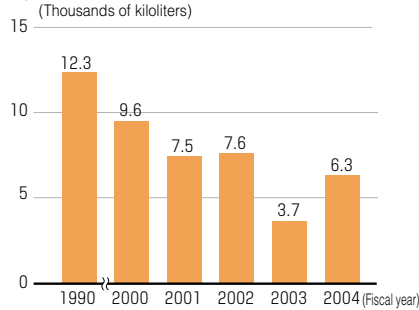
Water



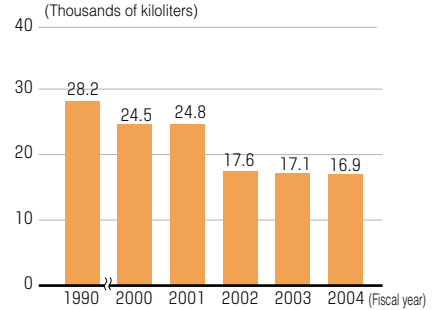
Heavy oil A



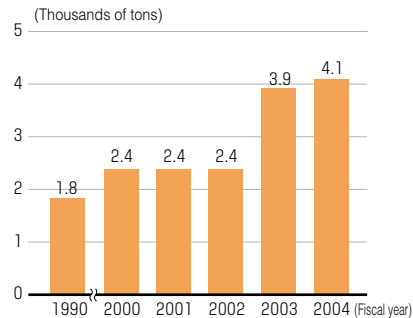
Heavy oil C



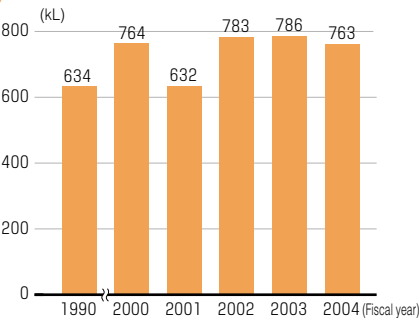
Kerosene



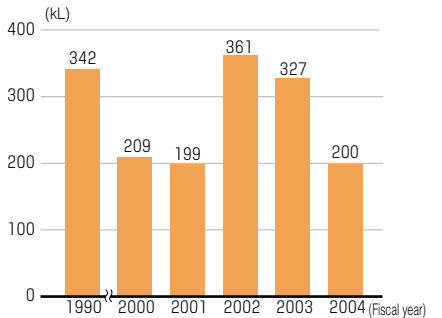
LPG



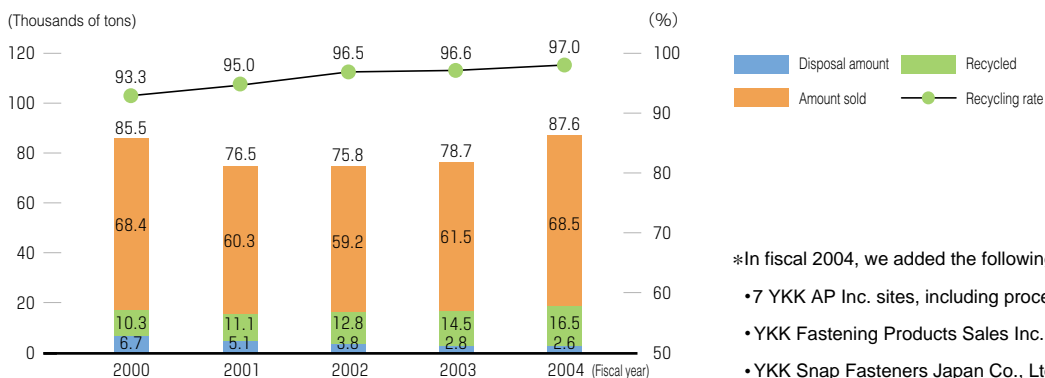
Light oil



Gasoline



Changes in waste production and recycling rate



*In fiscal 2004, we added the following business sites to our calculation totals:

- 7 YKK AP Inc. sites, including processing plants
- YKK Fastening Products Sales Inc.
- YKK Snap Fasteners Japan Co., Ltd.

Environmental impact information

Atmosphere

Equipment	Plant	Soot [g/Nm ³]					Nitrogen Oxides [ppm]				
		National emissions standard	Municipal agreed value	Voluntary emissions standard	Highest value measured in fiscal 2004	Assessment	National emissions standard	Municipal agreed value	Voluntary emissions standard	Highest value measured in fiscal 2004	Assessment
Boilers	Tohoku	0.25	0.20	0.19	0.021	Acceptable	230	230	225	87	Acceptable
	Kurobe	0.30	—	0.01	<0.01	Acceptable	180	—	54	54	Acceptable
	Shikoku	0.30	—	0.25	0.07	Acceptable	250	—	225	110	Acceptable
	Kyushu	0.30	0.30	0.29	0.05	Acceptable	250	170	160	90	Acceptable
Incinerators	Tohoku	0.25	0.25	0.24	0.063	Acceptable	250	250	245	200	Acceptable
Diesel engines	Shikoku	0.10	—	0.09	0.03	Acceptable	950	—	900	840	Acceptable
	Kyushu	0.10	0.10	0.09	0.05	Acceptable	950	950	900	560	Acceptable
Foundry melting furnaces	Tohoku	0.30	0.10	0.09	0.034	Acceptable	200	200	195	105	Acceptable
	Kurobe	0.20	—	0.10	<0.01	Acceptable	180	—	120	74	Acceptable
	Shikoku	0.20	—	0.18	0.004	Acceptable	200	—	180	29	Acceptable
	Kyushu	0.30	0.30	0.29	0.01	Acceptable	200	170	160	61	Acceptable
Foundry retention furnaces	Kurobe	0.20	—	0.28	0.01	Acceptable	180	—	175	27	Acceptable
	Shikoku	0.20	—	0.18	0.003	Acceptable	200	—	180	66	Acceptable
Foundry isothermal furnaces	Tohoku	0.25	—	0.23	0.005	Acceptable	180	180	175	150	Acceptable
	Shikoku	0.25	—	0.20	0.01	Acceptable	180	—	170	100	Acceptable
	Kyushu	0.25	0.20	0.19	0.01	Acceptable	200	170	160	100	Acceptable
Extrusion heat processing furnaces	Tohoku	0.25	—	0.23	0.00	Acceptable	230	180	175	42	Acceptable
	Kurobe	0.20	—	0.19	<0.06	Acceptable	180	—	175	120	Acceptable
	Shikoku	0.20	—	0.18	0.01	Acceptable	180	—	160	68	Acceptable
	Kyushu	0.20	0.03	0.02	0.003	Acceptable	180	150	140	15	Acceptable
Surface processing hot air furnaces	Tohoku	0.25	—	0.23	0.002	Acceptable	230	230	225	41	Acceptable
	Kurobe	0.20	—	0.19	0.01	Acceptable	230	—	175	43	Acceptable
	Kyushu	0.20	0.20	0.19	0.002	Acceptable	230	200	190	28	Acceptable

Water quality

Units: mg/l (except pH)

Item	Plant	National water emission standards	Prefectural water emission standards	Municipal agreed value	Voluntary management standards	Highest value measured in fiscal 2004	Assessment
pH	Tohoku	5.8–8.6* ¹	5.8–8.6	6.5–8.5	6.7–8.0	6.7–7.7	Acceptable
	Kurobe	5.8–8.6* ¹	5.8–8.6	5.8–8.6	6.0–8.4	6.6–7.5	Acceptable
	Shikoku	5.0–9.0* ²	5.0–9.0	—	6.0–8.6	6.6–7.7	Acceptable
	Kyushu	5.0–9.0* ²	5.0–9.0	5.8–8.6	5.9–8.5	6.9–7.5	Acceptable
BOD	Tohoku	120* ³	120	20	12.5	11.5	Acceptable
	Kurobe	120* ³	15/10	15/10	8	1.5	Acceptable
COD	Shikoku	120* ⁴	25	—	20	19.5	Acceptable
	Kyushu	120* ⁴	120	20	19.5	18	Acceptable
	Tohoku	150	150	20	10	6.8	Acceptable
Suspended matter	Kurobe	150	120/100	50	30	11	Acceptable
	Shikoku	150	25	—	20	8	Acceptable
	Kyushu	150	150	20	19	9.1	Acceptable
	Tohoku	5	5	1	1	0.9	Acceptable
Oil	Kurobe	5	—	3	1	0.9	Acceptable
	Shikoku	5	3	—	2.7	<1.0	Acceptable
	Kyushu	5	5	5	4.5	<0.5	Acceptable
	Tohoku	—	—	—	0.15	0.11	Acceptable
Cyanide	Kurobe	1	0.5	0.1	0.05	<0.01	Acceptable
Nitrogen	Shikoku	60	—	—	35	20	Acceptable
	Kyushu	60	—	—	50	12	Acceptable
Phosphorous	Shikoku	8* ⁵	—	—	2	0.1	Acceptable
	Kyushu	8* ⁶	—	—	7	0.055	Acceptable
Hexavalent chromium compounds	Kurobe	0.5	—	0.1	Not detected	<0.02	Acceptable
	Kyushu	0.5	0.05	0.04	0.04	<0.005	Acceptable

*1, 3 are standards for emissions into rivers *2, 4, 5 and 6 are standards for emissions into the ocean

Dioxins

Equipment	Plant	Atmosphere (unit: ng/TEQ/m ³ N)			Assessment	Water quality (unit: ng/TEQ/m ³ N)		
		Emissions standard	Highest value measured in fiscal 2004	Assessment		Emissions standard	Highest value measured in fiscal 2004	Assessment
Waste incinerators	Tohoku	10	0.011	Acceptable	—	—	—	
	Tohoku	5	0.00023	Acceptable	—	—	—	
Aluminum melting furnaces	Kurobe	5	0.22	Acceptable	10	0.0065	Acceptable	
	Shikoku	5	0.0022	Acceptable	—	—	—	
	Kyushu	5	0.11	Acceptable	—	—	—	

PTRR calculations (main YKK Group plants in Japan)

Unit: t (Dioxins: mg-TEQ)

Substance number	Substance	Volume handled	Atmospheric emissions	Public water emissions	Soil emissions	Transfer to sewer system	Consumption	Disposal	Amount transferred out of business places
1	Zinc compounds (water-soluble)	3.9	1.4	0.0	0.0	0.0	0.5	1.9	0.1
9	Adipic acid bis (2-ethylhexyl)	19.0	0.0	0.0	0.0	0.0	16.0	0.0	3.0
40	Ethylbenzene	2.7	2.1	0.0	0.0	0.0	0.0	0.6	0.0
43	Ethylene glycol	10.8	0.0	0.1	0.0	0.0	7.5	1.1	2.1
63	Xylene	220.0	64.8	0.0	0.0	0.0	4.3	138.8	12.1
68	Chromium and trichromium compounds	24.1	0.2	0.0	0.0	0.0	23.5	0.0	0.4
69	Hexavalent chromium compounds	1.1	0.0	0.0	0.0	0.0	0.1	0.2	0.8
100	Cobalt and cobalt compounds	12.0	0.0	1.9	0.0	0.0	8.7	0.0	1.4
108	Inorganic cyanide compounds (not including complex salts and cyanate)	29.4	0.1	0.0	0.0	0.0	0.0	29.2	0.1
145	Dichloromethane	78.8	72.3	0.0	0.0	0.0	0.0	0.0	6.5
172	N, N-dimethylformamide	30.6	30.6	0.0	0.0	0.0	0.0	0.0	0.0
179	Dioxins (mg-TEQ)	—	5.0	0.1	0.0	0.0	0.0	0.0	1.7
227	Toluene	119.7	115.2	0.0	0.0	0.0	0.0	3.6	0.9
230	Lead and lead compounds	46.0	0.0	0.0	0.0	0.0	35.7	0.0	10.3
231	Nickel	175.0	0.5	0.1	0.0	0.0	174.2	0.0	0.2
232	Nickel compounds	35.1	0.0	5.2	0.0	0.0	26.8	0.0	3.1
270	Di-n-butyl phthalate	11.9	0.0	0.0	0.0	0.0	11.6	0.0	0.3
272	Bis-2-ethylhexyl phthalate	981.2	0.0	0.0	0.0	0.0	976.8	0.0	4.4
294	Beryllium and beryllium compounds	1.8	0.0	0.0	0.0	0.0	1.7	0.0	0.1
304	Boron and boron compounds	16.2	0.0	11.5	0.0	0.0	2.0	0.1	2.6
309	Poly (oxyethelene) = nonylphenol ether	3.1	0.1	1.9	0.0	0.0	0.1	0.6	0.4
311	Manganese and manganese compounds	94.5	0.1	0.0	0.0	0.0	86.4	0.0	8.0
2-78	Methylenebis (4,1-phenylene) = diisocyanate	467.3	0.0	0.0	0.0	0.0	441.6	0.0	25.7

* Calculations for substances that we handle 1 ton or more of per year (for Class I Designated Chemical Substances, the amount is 0.5 tons per year, with the exception of dioxins)

* Consumption amount: the amount consumed as a raw material and the amount contained in products

* Disposal amount: amount that has been transformed into other substances by incineration, reactive processing and other methods

Groundwater inspections

	Substance	Unit	* Environmental standard	Measurement results			
				Fiscal 2001	Fiscal 2002	Fiscal 2003	Fiscal 2004
Volatile organic compounds	Dichloromethane	mg/l	≤0.02	<0.002	<0.002	<0.002	<0.002
	Carbon tetrachloride	mg/l	≤0.002			<0.0002	<0.0002
	1,1-Dichloroethylene	mg/l	≤0.02			<0.002	<0.002
	Cis-1,2-Dichloroethylene	mg/l	≤0.04			<0.004	<0.004
	1,1,1-Trichloroethane	mg/l	≤1	<0.001	<0.001	<0.001	<0.001
	Trichloroethylene	mg/l	≤0.03	<0.001	<0.001	<0.001	<0.001
	Tetrachloroethylene	mg/l	≤0.01	<0.001	<0.001	<0.001	<0.001
Heavy metals	Cadmium	mg/l	≤0.01			<0.001	<0.001
	Cyanide	mg/l	No trace	<0.01	<0.01	<0.01	<0.01
	Lead	mg/l	≤0.01			<0.005	<0.005
	Hexavalent chromium	mg/l	≤0.05	<0.02	<0.02	<0.02	<0.02
	Selenium	mg/l	≤0.01	<0.001	<0.001	<0.001	<0.001
	Fluorine	mg/l	≤0.8			<0.5	<0.5
	Boron	mg/l	≤1			0.04	0.04

* Environmental standard: keeping the amount less than this standard is desirable for preservation of human health and protection of the human environment.

Soil inspections

Record of YKK Group land use history investigations (Toyama Prefecture)

No.	Land use type	Current use	Area	History of use of PRTR Designated Chemical Substances		Necessity of soil inspection	Evaluation
				Substances used	Evidence		
1	Residential	Plant	567,770	Cyanide, hexavalent chromium, copper, trichloroethylene, tetrachloroethylene, 1,1,1-trichloroethane, dichloromethane	Plating, paint, surface processing, dye, insulation injection, laminate, industrial heat processing, assembly	○	○
2	Mixed use	Bus garage, parking	60,306	—	Former rice field (aerial photo)	—	○
3	Mixed use	Parking	7,189	—	Former rice field (aerial photo)	—	○
11	Residential, mixed use	Bank, parking, other	15,349	—	Rice field converted to employee dormitory (aerial photo)	—	○
20	Non-potable water ditch	Part of stream	286	—	Normal stream	—	○
29	Residential, mixed use	Green space	2,465	—	Former bus garage	—	○
30	Residential, mixed use	Green space	1,202	—	Former Hokuriku Bank branch	—	○
33	Residential	Materials warehouse	2,016	—	Former rice field (aerial photo)	—	○
39	Mixed use	Empty lot (metal fence)	975	—	Former rice field (aerial photo)	—	○
4	Residential	Plant	242,655	Selenium, hexavalent chromium, 1,1,1-trichloroethane	Surface processing (airbrushing)	○	○
5	Mixed use, road, irrigation canal	Parking	24,241	—	Former rice field (aerial photo)	—	○
21	Irrigation canal	Culvert	45	Selenium, hexavalent chromium, 1,1,1-trichloroethane	Plant wastewater exclusive use	△	△
22	Public road	Road	913	—	Rice field converted to road (aerial photo)	—	○
6	Residential	Plant	52,197	Lead, 1,1,1-trichloroethane	Solder	○	○
7	Mixed use	Parking	1,097	—	Rice field converted to parking (aerial photo)	—	○
34	Mixed use	Green space	3,223	—	Former rice field (aerial photo)	—	○
37	Residential	Field	1,869	—	Former rice field (aerial photo)	—	○
	Mixed use	Field	77	—	Former rice field (aerial photo)	—	○
40	Rice field	Empty lot	492	—	Former rice field (aerial photo)	—	○
8	Residential, canal, other	Plant	101,034	Cyanide, hexavalent chromium, copper, trichloroethylene, tetrachloroethylene, 1,1,1-trichloroethane	Plating, paint, surface processing, ball chain, aluminum wire drawing	○	○
	Mixed use	Parking	3,302	—	—	—	○
	Residential	Parking	481	—	—	—	○
14	Residential, non-potable water ditch	Employee dormitory	5,977	—	Former Seiun Dormitory	—	○
15	Residential	Parking	965	—	Former rice field	—	○
9	Residential	Plant	186,881	Dichloromethane, 1,1,1-trichloroethane, cadmium, lead	Paint	○	○
17	Residential	Residential	1,184	—	—	—	○
23	Mixed use	Artesian well	1,394	—	Railway converted to roadway	—	○
24	Mixed use	Road	9,436	—	Employee housing converted to parking	—	○
25	Mixed use	Parking	5,072	—	Road since the past	—	○
26	Public road	Road	313	—	—	—	○
35	Mixed use	Empty lot	2,126	—	—	—	○
36	Forest	Field	16	—	—	—	○
	Residential	Pumphouse for former salt-making plant	91	—	Former rice field (memory)	—	○
10	Residential	Plant	337,151	—	Former rice field	—	○
12	Residential	Employee dormitory	5,709	—	Former rice field	—	○
13	Residential	Employee dormitory	19,974	—	Former rice field	—	○
16	Residential	Employee housing and dormitory	37,213	—	—	—	○
27	Residential, mixed use, forest	Landfill site for stable industrial wastes, pine forest, green space	19,497	—	—	—	○
28	Residential, mixed use, forest	Material storage site, recycling facility, other	72,313	—	Former plating and dyeing sludge place	△	○
31	Residential	Gasoline stand, repair shop	85	—	—	△	△
	Irrigation canal		3	—	—	△	△
32	Residential	Catering center	3,029	—	Former rice field	—	○
38	Rice field	Rice field	1,703	—	Former rice field (aerial photo)	—	○
41	Rice field	Fallow	259	—	Former rice field (aerial photo)	—	○
45	Residential	Plant, partially empty lot	549,890	Trichloroethylene, 1,1,1-trichloroethane, dichloromethane	Urethane injection, bay window, dye	○	○
46	Residential	Dormitory	17,077	—	Former rice field (memory)	—	○
	Residential, mixed use	Garage, residential	11,364	—	Outside inspection	—	○
	Residential	Plant	33,880	—	Confirmation by plant chief	—	○

Necessity of soil inspection: ○ Inspection necessary △ Inspection might be necessary — Inspection not necessary
 Evaluation: ○ No problems △ Inspection incomplete

YKK Group main domestic plants and plants abroad that have received ISO 14001 certification

		Property area (1000 m ²)	Total floor area of building (1000 m ²)	Types of business	Number of employees
Japan	YKK Corporation Kurobe Plant	718	551	Fasteners, T&P manufacture, precision machinery and die manufacture	3,154
	YKK Corporation Kurobe Makino Plant	104	53	Fastener metal materials manufacture	206
	YKK Snap Fasteners Japan Co., Ltd. Ageo Plant	12	11	S&B manufacture	192
	YKK AP Inc. Kurobe Materials Manufacturing Plant	299	263	Architectural aluminum frame materials manufacture	931
	YKK AP Inc. Kurobe Ekko Manufacturing Plant	221	154	Architectural parts manufacture	724
	YKK AP Inc. Kurobe Ogyu Manufacturing Plant	337	126	Architectural products finishing and assembly	597
	YKK AP Inc. Namerikawa Manufacturing Plant	667	195	Architectural products finishing and assembly	815
	YKK AP Inc. Tohoku Manufacturing Plant	729	369	Architectural products manufacture	1,391
	YKK AP Inc. Shikoku Manufacturing Plant	330	180	Architectural products manufacture	898
YKK AP Inc. Kyushu Manufacturing Plant	340	205	Architectural products manufacture	905	
North and Central America	YKK (U.S.A.) Inc.	1,226	223	Fasteners, S&B, T&P manufacture	775
	YKK Canada Inc.	57	29	Fasteners, S&B manufacture	151
	YKK AP America Inc.	838	72	Aluminum architectural materials manufacture	352
South America	YKK Do Brazil Ltda.	247	52	Fasteners, S&B, T&P manufacture	474
	YKK Argentina S.A.	40	8	Fasteners manufacture	84
East Asia	Shanghai YKK Zipper Co., Ltd.	106	97	Fasteners manufacture	1,260
	YKK Hong Kong Ltd.	14	143	Fasteners manufacture	588
	Dalian YKK Zipper Co., Ltd.	147	101	Fasteners manufacture	1,040
	YKK Taiwan Co., Ltd. (Fastening Products Division)	79	122	Fasteners manufacture	887
	YKK Korea Co., Ltd.	45	48	Fasteners manufacture	271
	YKK Zipper Shenzhen Co., Ltd.	105	104	Fasteners manufacture	1,300
	YKK Snap Fasteners Asia Ltd.	16	17	S&B manufacture	346
	Dalian YKK AP Co., Ltd.	60	34	Resin architectural materials manufacture	250
	YKK Taiwan Co., Ltd. (Architectural Products Division)	12	7	Aluminum architectural materials design and construction	92
YKK AP (Shenzhen) Co., Ltd.	112	36	Aluminum architectural materials manufacture	411	
ASEAN	P.T. YKK Zipper Indonesia	84	33	Fasteners, S&B, T&P manufacture	800
South Asia	P.T. YKK Zipper Indonesia Cibitung PPD plant	55	125	Fabric material for fasteners manufacture	520
Oceania	P.T. Zipco Indonesia	159	76	Fasteners and fastener parts manufacture	722
	YKK Singapore Pte. Ltd.	14	12	Fasteners manufacture	184
	YKK (Thailand) Co., Ltd.	146	30	Fasteners, S&B manufacture	424
	YKK Zipper Philippines Inc.	60	12	Fasteners manufacture	206
	YKK Vietnam Co., Ltd.	58	17	Fasteners manufacture	324
	YKK India Pvt. Ltd.	105	29	Fasteners manufacture	347
	YKK Lanka (Private) Limited	31	9	Fasteners manufacture	160
	YKK Bangladesh Pte. Ltd.	50	25	Fasteners manufacture	474
	P.T. YKK AP Indonesia	182	74	Aluminum architectural materials manufacture	808
	YKK AP Singapore Pte. Ltd.	14	10	Aluminum architectural materials design and construction	76
	Europe	YKK (U.K.) Ltd.	74	38	Fasteners manufacture
Middle East	YKK Stocko Fasteners GmbH.	49	23	S&B manufacture	265
Africa	Dynat Verschlusstechnik GmbH.	2	2	Fasteners manufacture	26
	YKK Deutschland GmbH.	56	20	Fasteners manufacture	172
	YKK France SARL	62	26	Fasteners manufacture	252
	YKK Italia S.p.A.	137	42	Fasteners manufacture	260
	YKK España S.A.	65	40	Fasteners manufacture	244
	YKK Hellas A.E.B.E	30	3	Fasteners manufacture	35
	YKK Metal ve Plastik Urunleri Sanayi ve Ticaret A.S.	67	38	Fasteners, S&B manufacture	330
	YKK Egypt S.A.E	17	6	Fasteners manufacture	70
	YKK Southern Africa (Pty) Ltd.	33	18	Fasteners, S&B manufacture	211
	YKK Portugal-Acessorios Para Vestuario, Lda.	20	5	Fasteners manufacture	66
	YKK Belgium NV.	21	4	Fasteners manufacture	34
	The New Zipper Company Ltd.	1	1	Fasteners manufacture	31
	YKK Nederland B.V.	24	7	Fasteners manufacture	46
	YKK Fasteners S.P.A.	15	6	Fasteners manufacture	54
	YKK Mediterraneo S.P.A.	50	25	Fasteners parts manufacture	171

S&B manufacture: snaps, buttons, rivets and other metal parts manufacture

T&P manufacture: Hook and Loop Fasteners, fabric tape, buckles and other resin products manufacture

Site environmental impact information

(Results of fiscal 2004)

Power (1000 kWh)	Energy equivalent (GJ)	CO ₂ (t)	Total emissions (t)	Amount recycled (t)	Recycling rate (%)	Amount of paper used (t)	Water consumption (1000 m ³)	Exhaust water discharge destination	Leakage/ outflow accidents
95,743	222,315	51,038	9,901	9,772	99	50.8	2,409	River	None
38,799	33,026	16,800	563	533	95	1.8	757	River	None
4,464	29	1,685	181	96	53	6.0	30	River	None
96,648	437,286	65,860	18,658	18,308	98	16.5	7,598	River	None
30,439	37,598	14,043	672	570	85	10.8	732	Sea	None
14,568	20,268	6,868	348	348	100	27.4	239	River	None
15,120	32,575	7,859	3,907	3,532	90	32.4	325	River	None
82,664	273,818	49,920	19,076	18,836	99	21.0	3,601	River	None
35,538	429,036	42,933	13,290	13,290	100	19.0	1,422	Sea	None
35,490	547,143	51,104	14,980	14,943	100	17.0	2,100	Sea	None
114,625	159,309	51,182	2,648	1,503	57	13.0	722	Sewerage system	None
7,896	31,231	4,520	242	147	61	2.7	72	Sewerage system	None
27,088	145,537	17,402	2,286	1,782	78	8.5	246	Sewerage system	None
15,870	60,763	9,255	665	248	37	5.5	212	River	None
1,190	9,505	918	46	18	39	0.7	30	River	None
20,077	62,446	11,859	1,156	1,127	97	30.5	546	Sewerage system	None
14,382	47,044	8,600	626	356	57	18.4	228	Sewerage system	None
19,650	22,116	8,924	256	189	74	13.6	375	Sewerage system	None
66,696	120,200	33,724	3,506	1,945	55	32.2	1,208	River	None
10,021	29,647	5,481	522	146	28	5.4	112	River	None
29,728	158,460	22,054	2,043	2,030	99	11.2	591	River	None
3,300	14,012	2,207	—	—	—	0.4	84	River	None
5,354	1,653	2,126	1,166	987	85	2.2	33	Sewerage system	None
516	0	195	39	20	51	0.6	2	River	None
16,620	72,224	10,585	2,178	1,565	72	3.9	315	River	None
13,688	95,263	10,250	186	7	4	5.4	413	River	None
30,470	283,482	29,014	228	0	0	2.6	251	River	None
32,626	109,332	18,617	197	6	3	3.6	228	River	None
4,335	11,484	2,332	168	102	61	2.3	69	Sewerage system	None
7,547	14,627	3,853	120	116	97	5.7	131	Sea	None
2,667	13,219	1,944	108	57	53	4.4	73	River	None
4,960	20,606	3,298	82	68	84	5.5	133	Sewerage system	None
(8,584)	126,073	8,653	312	179	57	2.2	237	Sewerage system	None
2,074	9,770	1,457	15	9	62	1.2	37	Sewerage system	None
4,136	64,590	5,986	56	21	37	5.7	126	Sewerage system	None
26,016	149,867	17,211	1,611	1,566	97	3.9	273	River	None
506	0	191	—	—	—	3.0	6	Sewerage system	None
4,961	45,838	5,149	342	79	23	3.1	85	Sewerage system	None
3,838	244,902	14,047	348	233	67	8.1	35	Sewerage system	None
193	0	73	8	1	15	0.1	—	Sewerage system	None
3,812	30,939	2,966	179	179	100	3.3	82	Sewerage system	None
2,993	31,779	2,698	173	39	23	3.5	50	Sewerage system	None
8,953	131,960	9,894	267	258	97	—	331	River	None
9,781	23,983	4,896	627	303	48	6.7	120	River	None
528	3,994	438	1	1	91	0.1	2	Sewerage, underground	None
5,687	38,413	4,054	78	57	73	4.1	232	Sewerage system	None
1,977	7,400	1,111	7	7	100	—	58	Sewerage system	None
3,470	16,352	2,740	48	45	93	2.2	51	Sewerage system	None
751	3,763	469	31	16	50	1.1	22	River, sewerage system	None
165	1,375	157	35	0	0	2.0	0	Sewerage system	None
205	23	78	2	1	50	0.1	3	Sewerage system	None
427	5,144	415	31	17	55	0.8	5	Sewerage system	None
1,845	4,932	949	314	266	85	1.0	21	River	None
11,077	50,060	6,744	1,354	1,183	87	2.7	82	Sewerage system	None

The electric power used by YKK India is all generated by the company itself, so the amount of power generated is noted for reference in the Power column.
There were no accidents of leakage or outflow outside these plants.

A third party perspective on YKK efforts for the environment and society

Regarding the fundamental management stance: When considering the issue of corporate social responsibility (CSR), a perspective on globalized economic activities has become necessary. The YKK Group has developed internationally since early on and ever since foundation, it has always emphasized "becoming local" and this can be said to be linked to CSR today. The results can be seen in the positive evaluations and commendations that YKK has received in every area where it does business. In particular, the long record of favorable assessments in North America and Europe, where employment is valued highly, can be said to result from having an excellent attitude.

One issue now is that the Cycle of Goodness and the corporate principles have become ordinary slogans. The question is whether the younger generation and employees in every country around the world are thinking these through in the same way. Furthermore, the YKK Group has been divided into fastening, architectural products, and machinery and engineering companies that are each developing their own independent management systems. Even with this separate company format, the YKK Group should continue to grow with a shared spirit. In the future, while each maintains its own unique business characteristics and vitality, unity as a group is also desirable. I believe that working on CSR at the global level is one means of reinforcing this unity.

Regarding the Environmental and Social Report 2005: Publication of an Environmental and Social Report every year shows the intention to make improvements in the details. I noticed that this year the report consciously emphasizes a global perspective and that efforts have been made to include more information about overseas business. In particular, much weight seems to have been placed on introducing numerous social contribution activities abroad, making it clear that YKK is trying to have strong roots in every part of the world along with those in Japan. In addition, I felt that the idea that YKK products and services themselves can contribute to society is also an important perspective, and their introduction, with their own section in the report about social activities, was easy to understand.

I believe that the YKK Group can further improve the contents and systematically report on CSR activities by working on the following points in the future.

•Perspectives on the YKK Group's unique relationship with its employees

The fact that employees are also stockholders is a major feature of the YKK Group, which has never made its stock public. YKK does not simply share stock, but it also promotes the attitude that employees should have a strong sense of participation in management. Managers provide thorough reports about results to employees and talk together with them about the business. These efforts seem to be characteristic of the YKK Group. These most important stakeholders are the core force that is responsible for carrying out YKK business strategies. For this reason, consideration of employees exceeds just thoroughness with personnel affairs and occupational safety and hygiene. I hope that future reports will convey this way of thinking.



Interview with Committee Chairman Taie

•Systematic reporting on regional activities

This report introduces examples of social contributions around the world, but it shows nothing more than the results of efforts. I want to know more about the plans that the YKK Group uses to pursue localism in every region of the world and how they are unified, as well as more about the details and systems of implementation.

•Relationships between the strategies of the main two business areas and environmental and social efforts

At present, the differences and shared features of the efforts on behalf of the environment and society of two distinct businesses seem unclear. This issue is apparently already being considered and I hope that future YKK Group reports make it easier for outside readers to understand the relationships between the YKK Group businesses and their efforts for the environment and society.

Whether for global or domestic strategy, the environment and CSR are issues that cannot be ignored. I expect that the YKK Group will continue to build its efforts in these areas one step at a time.

So-Tech Consulting, Inc.
Chief Executive Officer Mizue Unno

Profile of Mizue Unno

After graduating from Chiba University Graduate School, she worked at a management consulting company until she founded So-Tech Consulting, Inc. in 1996.

University of Tokyo Graduate School of Frontier Sciences Guest Lecturer
Hosei University Graduate School of Environmental Management Guest Lecturer
CSR Management Promotion Forum Technical Advisor
Environmental Planning Society of Japan Director

YKK Corporation

■ Established	January 1, 1934
■ Capital	11,922,710,000 yen
■ Employees	3,396 as of the end of December 2004
■ Manufactured Products	Fastening products, precision machinery, equipment and molds
■ Head Office	1, Kandaizumi-cho, Chiyoda-ku, Tokyo, 101-8642, Japan Tel +81 (3) 3864 2000
■ Plants	Kurobe Plant, Kurobe Makino Plant



Fastening products: In addition to buttons, tapes and other fasteners used in clothes and bags, we provide a wide variety of fastening products that are used not only in clothing, but also for a wide range of applications, from shoes and bedding to medical goods and industrial materials.

Machinery and engineering: Fulfilling the needs of elemental technology and research and development, we concentrate the technology and expertise that we have cultivated over decades to provide the YKK Group's unique production machinery, systems, dies and other equipment to our plants around the world.

YKK AP Inc.

■ Established	July 22, 1957
■ Capital	10,000,000,000 yen
■ Employees	12,352 as of the end of December 2004
■ Manufactured Products	Architectural products
■ Head Office	1, Kandaizumi-cho, Chiyoda-ku, Tokyo, 101-8642, Japan Tel +81 (3) 3864 2200
■ Plants	Tohoku Manufacturing Plant, Kurobe Materials Manufacturing Plant, Kurobe Ekko Manufacturing Plant, Kurobe Ogyu Manufacturing Plant, Namerikawa Manufacturing Plant, Shikoku Manufacturing Plant, Kyushu Manufacturing Plant

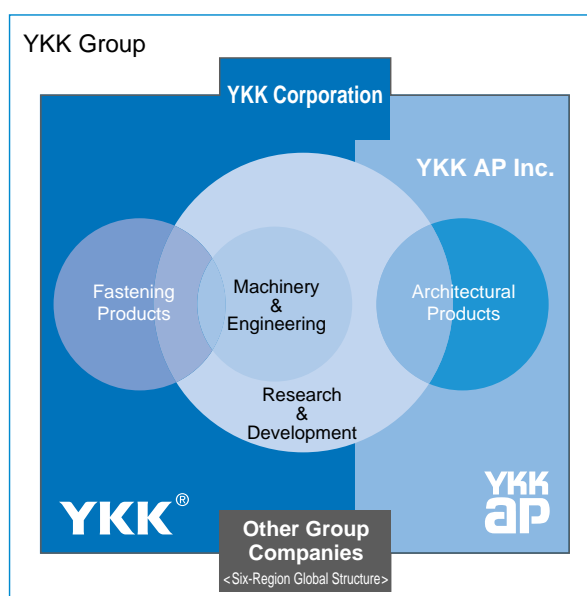


Residential architectural: We seek to provide people with greater comfort and new amenities for their lifestyles by providing a variety of products, from door sashes to exterior and outer building materials, made from aluminum, wood, resin and other basic elements, while pursuing the enhancement of fundamental features, and a rich variety of color, design options and functionality. Furthermore, we endeavor to provide appropriate responses to needs for barrier free architecture, insulated environments, recyclability and other new demands.

Building architectural: Using our unique total vertically integrated manufacturing system, global reach and the deep expertise that we have cultivated through numerous big projects, we provide thorough architectural service, from the development of components to manufacturing, construction and after-service for structures ranging from small and medium buildings to skyscrapers.

YKK Group

■ Group Companies	123 companies in 70 countries/regions
	1) YKK Corporation and other group companies (18)
	2) YKK AP Group companies (7)
	3) Overseas: 98 companies (298 facilities including 93 plants)
■ Employees	37,717 (17,651 in Japan, 20,066 abroad) * as of the end of December 2004





Let's stop global warming together

Team -6%

The YKK Group is the member of the Team -6%



YKK Group

YKK Corporation / YKK AP Inc.

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Tel: +81 (765) 54 8160 Fax: +81 (765) 54 8149
E-mail: kankyo@ykk.co.jp

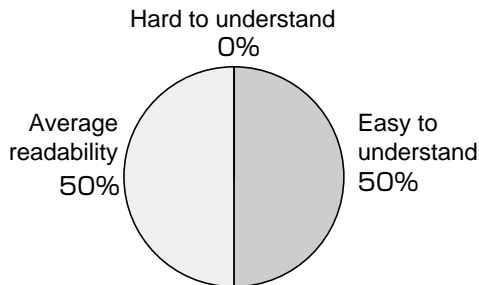
Published by YKK Group Environmental Council, July 2005



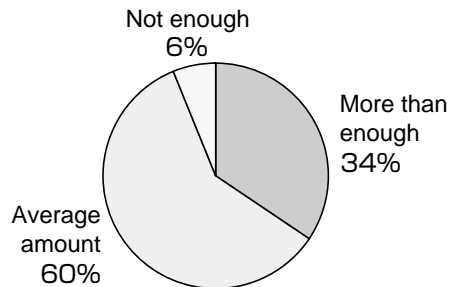
Environmental and Social Report 2004 opinions and survey results

As of March 2005, we had received 32 responses. We would like to thank everyone who took the time to submit them for their cooperation.

<Ease of understanding>



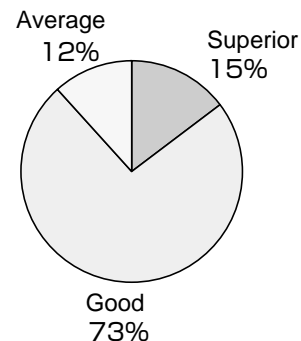
<Contents>



<Most interesting items> (Top 3 selected)

- Relations with society
- Environmentally friendly products development philosophy
- Zero emissions efforts

<Evaluation of activities>



<Main opinions and proposals from respondents>

- YKK Group philosophy was seen to have been clearly presented.
- Specific efforts were impressive.
- Hard image. Please use somewhat gentle expressions.
- The social report lacks objective numerical data.
- Please hold stakeholder meetings.

<Points that were responded to in this report and a remaining issue>

- Included many overseas examples to inform readers about our global activities.
- In the data section, we made information about personnel, labor, latent risks and other topics public.
- We will consider holding stakeholder meetings.

The YKK Group considers the attached questionnaire to be an important piece of communication with our readers.

We would continue to appreciate it if you send us your frank opinions and proposals.

Please give us your opinions and thoughts about the 2005 YKK Group Environmental and Social Report.

FAX: +81 (765) 54 8149 YKK Corporation Environment Group

Q1 What are your impressions of the environmental & social report?

1) Readability

[1] Easy to understand [2] Average readability [3] Hard to understand

Why do you think so?

2) Contents

[1] More than enough [2] Average amount [3] Not enough

Why do you think so?

3) What part of the report were you most interested in?

() Page (Item :)

Why?

4) How do you assess YKK Group activities?

[1] Superior [2] Good [3] Average [4] Below average [5] Complete failure

Why do you think so?

5) Please tell us in your own words what you think about the report and our environmental and social activities.

Write your comments here.

Q2 From what standpoint did you read the environmental & social report?

[1] Customer [2] Supplier [3] Government/administration [4] Environmental NGO [5] News media
[6] Person involved in environmental matters at company [7] Student
[8] Resident of local community where YKK Group company is located [9] Finance/investment
[10] Other (Please explain:)

Q3 How did you find out about this environmental & social report?

[1] Newspaper/magazine [2] Web site [3] Exhibition [4] YKK salesman
[5] Other (Please explain:)

Thank you very much for your cooperation.

If you would like to receive a copy of our 2006 Environmental and Social Report, please write your address here. (The next publication is scheduled for July 2006.)

The personal information that you provide with this questionnaire will only be used for the purpose of sending future reports and will be managed carefully.

Address : _____

Name : _____