

## Environmentally Conscious Production

### Reducing Environmental Impact during Production

In addition to producing environmentally conscious products and products useful to preserving the environment, Kawasaki is making sincere efforts to prevent global warming, conserve energy, and reduce waste materials during the manufacture of these products as well, and we strive to reduce any further impacts on the environment.

#### Activities to Prevent Global Warming

Global warming is believed to have been brought about by the increase in emissions of greenhouse gases such as carbon dioxide, and quelling its advance is deeply related to energy-saving activities.

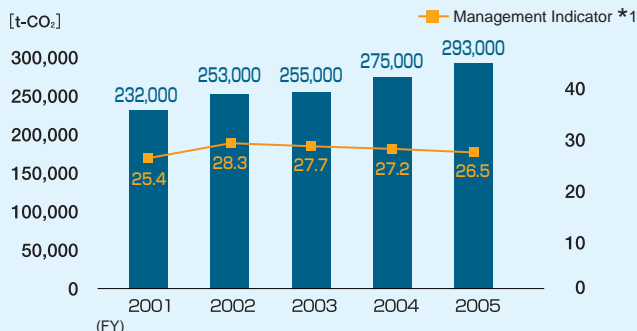
The first way our corporation contributes to these activities is by the reduction of GHG emitted when the products we provide our put to use made possible by our top-class technologies in areas such as energy conservation, and for this reason we concentrate our efforts into such activities as the development of these technologies.

Meanwhile, in working toward the reduction of GHG produced within our group during production, we have set a goal beginning in 2003 to reduce emissions by 6% of 1990's level by FY 2010, and we continue to strive for further energy conservation measures like putting cogeneration systems in operation for our Akashi and Gifu Works.

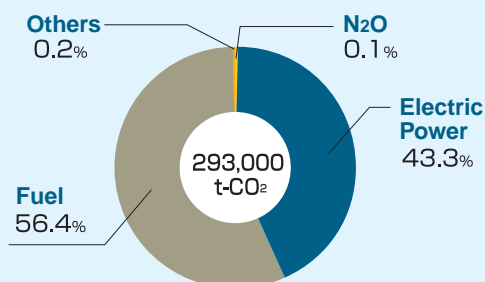
Based on events such as the increase in the amount of our corporate activities, the increase in trial operations, and unfavorable purchased electricity conversion factors (arising from stoppages at nuclear power plants), however, our GHG emissions took an upswing in spite of our efforts listed above.

We will continue from hereon to enact our activities to reduce energy through our previously formulated conservation measures.

#### Amounts of Greenhouse Gas Emissions (CO<sub>2</sub> equivalent)



#### Breakdown of Greenhouse Gas Emissions (FY2005)



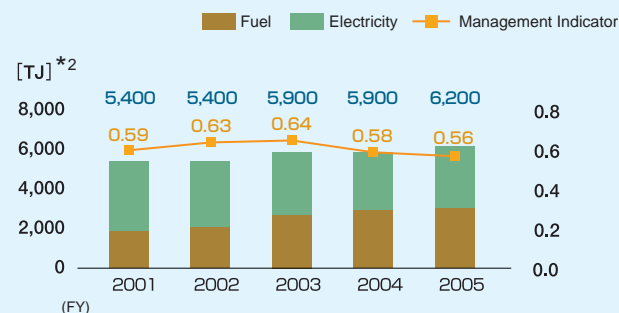
#### Energy-Saving Activities

Parallel to our efforts to prevent global warming, we have established the four levels of activities to conserve energy shown below to make the energy conservation measures assumed by each operation more effectual. In spite of these efforts, the total amount of energy shows a similar upswing to the results concerning greenhouse gas shown on the left.

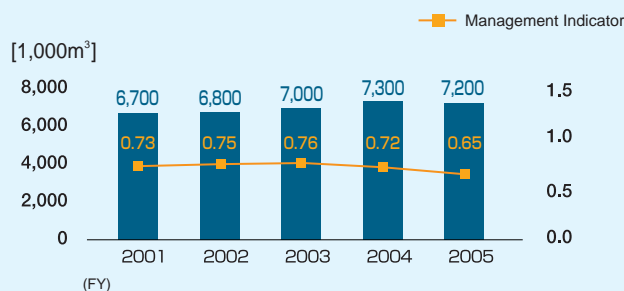
- LEVEL 1** Activities to save electrical power, curtail power use, etc.
- LEVEL 2** Activities to employ energy-saving operations.
- LEVEL 3** Activities to renovate production facilities.
- LEVEL 4** Activities to modify large-scale production facilities and production methods.

The use of water, on the other hand, has remained at the same level as a result of our efforts to reduce water usage through the prevention of leaks and recycling measures.

#### Total Energy Consumption



#### Water Consumption



\*1-Management Indicator: These figures represent the respective amounts of greenhouse gas emissions, total energy consumption, and water consumption as a ratio of sales volume.

\*2-TJ: terajoules (10<sup>12</sup>J)

## Receiving the Award in Recognition of 3R Promotion

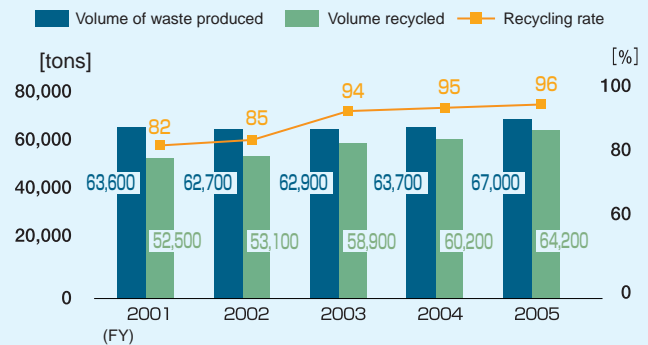
The Kawasaki Group immediately set to work on its zero emissions activities to prevent the creation of industrial waste and was the first in the field of heavy industries in Japan to achieve zero emissions at all of its production sites. This initiative was evaluated highly and in 2005 we were awarded with the Chairman's Award in Recognition of Reduce, Reuse and Recycling Promotion from the Japan Conference for the Promotion of Reduce, Reuse and Recycling.



## Waste Reduction Activities

We achieved zero emissions, a 100% rate for reusing and recycling waste generated from our works, in all of our domestic works in FY 2004. Even now we carry out the thorough sorting and recovery of wastes and maintain this system. Meanwhile, the total amount of produced waste has increased by approximately 3,300 tons compared to the previous year, mainly on account of the repercussions from the increase in our amount of business operations.

## Volume of Produced and Recycled Waste



## Efforts for Reducing Chemical Substances

Aiming to reduce the amounts of hazardous chemical substances handled and emitted by 2010, each works

determined critical items and reduction targets and started activities necessary to achieve them.

1. Reduce emissions of main volatile organic compounds (toluene, xylene, ethyl benzene) by 30%
2. Reduce emissions of dichloromethane by 50%
3. Reduce the amounts of hazardous heavy metals (lead, hexavalent chromium, cadmium) handled (30% reduction targets for hexavalent chromium and cadmium)

## Total of Chemical Substance Released and Transferred (FY2005)

tons

Govt.No.	Substance	Release into Air	Release into public Water Areas	Release into Ground	Release Subtotal	Transfers to Public Sewerage	Transfers as Waste
<b>Type 1 Designated Chemical Substances: 1,000kg or more handled annually</b>							
30	Bisphenol A	0	0	0	0	0	11
40	Ethyl benzene	280	0	0	280	0	8
43	Ethylene glycol	0.011	0	0	0.011	0	0.46
46	Ethylene diamine	0.062	0.022	0	0.084	0	1.6
63	Xylene	820	0	0	820	0	74
67	Cresol	0	0.098	0	0.098	0	0.083
68	Chromium and its trivalent compounds	0	0.039	0	0.039	0	7.8
100	Cobalt and its compounds	0	0	0	0	0	0.011
101	2-ethoxyethyl acetate	1.6	0	0	1.6	0	0.67
108	Inorganic cyan compound	0	0.0058	0	0.0058	0	0.3
145	Dichloromethane	80	0.0069	0	80	0.0002	4.4
177	Styrene	5.5	0	0	5.5	0	5.2
207	Water-soluble copper salts (excluding complex salts)	0	0.016	0	0.016	0	0.29
224	1,3,5-trimethyl benzene	2.6	0	0	2.6	0	0.081
227	Toluene	330	0	0	330	0	56
230	Lead and its compounds	0	0	0	0	0.0001	1.3
266	Phenol	0	0.0003	0	0.0003	0	4.8
283	Hydrogen fluoride and its water-soluble salts	0.29	1.2	0	1.5	0	6.4
309	Poly (oxyethylene) = Nonylphenol ether	0.086	0.0006	0	0.086	0	1.2
311	Manganese and its compounds	0.12	0	0	0.12	0	21
<b>Special Type 1 Designated Chemicals: 500 kg or more handled annually</b>							
69	Hexavalent chromium compounds	0.0023	0.008	0	0.01	0	4.1
179	Dioxins (mg-TEQ)	0.0001	0	0	0.0001	0	0
232	Nickel compounds	0	0.59	0	0.59	0	3.9
299	Benzene	0.008	0	0	0.008	0	0