Introduction to Zeon Yamaguchi Co., Ltd.

[Establishment]
October 1992

[Business content]
Civil engineering, water treatment and construction machinery, conservation materials and equipment construction

[Status in recent years]
・Zeon Corporation Tokuyama Plant analysis, logistics, building construction
・Involved in a wide range of businesses as described below.
・Construction work at government agencies and private companies, solar power system construction, soil, water and atmospheric environmental measurements

[Number of employees]
Number of employees as of end March 2016: 66 (Male: 47 Female: 19)
Hiring in fiscal 2015: New graduates: 0, mid-career 1 (female)

Company Policy (Executive Message)

・Corporate philosophy
We have awareness and pride as ZEON Corporation Group company employees, and contribute to the local community. And, we aim for our employees to say they are happy they work for Zeon Yamaguchi Co., Ltd. and make friends.

・Motto
(1) Ensure safety and quality
(2) Approach things in all sincerity
(3) Firmly believe

・Enterprise Blueprint for 2020
The regional businesses will aim to strengthen the environment while the businesses in the group will strengthen technology and skills, and in combination will become a stable company firmly rooted locally.
Safety Initiatives

[Policy]
All employees will work together to achieve zero accidents and disasters
  • Occupational accidents: Goal zero
  • Faults in company vehicles, number of accidents: Goal zero

[Concrete efforts]
  • Occupational accidents, faults in company vehicles, number of accidents: Goal zero
  • Implementation of safety education together with Tokuyama Plant
  • Five teams (five people per team) participated in zero accidents, zero faults 150-day contest

Efforts to Reduce Environmental Impact

[Policy]
Fiscal 2015 Environmental goals
  • Understanding the use of toxic reagents used in analysis and future countermeasures
  • Promotion of green procurement of office supplies
  • Office photovoltaic power generation system for power saving

[Concrete efforts]
  • Conducted a situation analysis of usage of hazardous chemicals, planned activities for 30% reduction in amount of nitric acid used in fiscal 2016
  • Amount of green procurement of office supplies 194,000 yen per year, an increase of 167% year-on-year.
  • Power generation in fiscal 2015, 6,213 kWh (98% year-on-year), sold electric power 1,153 kWh (90% year-on-year)

Environmental Data
Industrial waste generation and landfill increased from fiscal 2014, but this is due to surplus earth from land work at the Zeon Corporation Tokuyama Plant (improvement of carbon nano-tube plant construction area, hydrant piping burial). We separated soil that could be reused to minimize the amount sent to landfill.
Environmental Data

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<thead>
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</thead>
<tbody>
<tr>
<td>Substances covered by PRTR law</td>
<td>Number of substances</td>
<td>40</td>
<td>40</td>
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<tr>
<td></td>
<td>Consumption (tons)</td>
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<td>0.0</td>
<td>0.0</td>
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<tr>
<td></td>
<td>Amount emitted (tons)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Industrial waste</td>
<td>Amount generated (before volume reduction) (tons)</td>
<td>135</td>
<td>207</td>
<td>225</td>
<td>4,018</td>
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<tr>
<td></td>
<td>Amount sent to landfill (tons)</td>
<td>18.2</td>
<td>1.4</td>
<td>0.8</td>
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<tr>
<td>Water resources (Industrial water + Ground water + Waterworks) consumption (1,000 m³)</td>
<td>0.2</td>
<td>0.3</td>
<td>0.2</td>
<td>0.2</td>
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<tr>
<td>CO₂ emissions (tons)</td>
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<td>11</td>
<td>12</td>
<td>11</td>
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<td>Energy consumption (crude oil equivalent, kL)</td>
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<td>5</td>
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<tr>
<td>Electric energy consumption (1000 kWh)</td>
<td>—</td>
<td>—</td>
<td>53</td>
<td>21</td>
<td>23</td>
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</table>

Quality Assurance Efforts

[Policy]
Quality policy: Aim to improve customer satisfaction. Create “better products, more accurately, more safely” together with colleagues with a sense of professionalism using a quality system that is always effectively improved.

- A rank claims occurrence: Goal 0
- “Tell everyone” * Occurrence: Goal 5 or less

* “Tell everyone” Initiative to share information about misoperation cases internally to prevent recurrence

[Concrete efforts]
- A rank claims occurrence: Result 0
- “Tell everyone” * Occurrence: Result 3

Living Together with the Local Community

[Policy]
Plan to develop a CSR-oriented corporate culture

[Concrete efforts]
Every year, volunteers from Zeon Yamaguchi join volunteers from the Tokuyama Plant and local residents in a cleanup effort on the Higashi River, which flows near the plant, and neighboring parks and roads. Employees also take part in local sports events, including a 24-hour relay marathon and the Shunan road-relay race, which helps foster friendly relations with other participants, helping to increase company recognition.
● Cleanup activities at Higashi River

Participants  Before  After

● Shunan road-relay race

A timed 16.8 km race in five laps of 3.2 km, we finished in 15th place of 24 teams with a time of 1 hour 11 minutes (4 minutes faster than last year).

Participants

● 11th Shunan 24-hour relay marathon in Yamaguchi

Each team of 15 members runs the 1.6 km circuit course 206 times (329.6 km). Amid 137 teams taking part, our team finished in 28th position.

Scene at the start and participants  Breaking of the decorative ball after 200 laps

● Trafficking eradication campaign

The "trafficking eradication campaign" was held in October 2015 at Tokuyama Station

We have a deep relationship with customs, due to our involvement with customs clearance, and we actively participate in the campaign.

In order to heighten awareness of the illegal import and export of weapons, narcotics, and fake brand-name products, in addition to relevant agencies such as customs, coastguard and police officials, the character of customs, "custom-kun" and
the Coast Guard character "umin" also participated by distributing leaflets about the prevention of smuggling, deepening the understanding of the general public. This year, Mr. Kajiyama, a registered customs specialist in the logistics division joined again as a member of the Moji customs registered customs specialist division.

- Advertising publications, etc.
We advertise in the local Shunan City and Kudamatsu City public relations magazines, and placed adverts in programs at local sports and cultural events in order to inform as many local residents as possible that we do water quality examinations, demonstrating our environmental projects.