Zeon Chemicals Yonezawa Co., Ltd.

Introduction to Zeon Chemicals Yonezawa Co., Ltd.

[Establishment]
1996

[Business content]
Manufacture and sale of perfumes and pharmaceutical and pesticide intermediates, manufacture and sale of RIM blended solutions

[Status in recent years]
Has conducted commissioned research for Zeon Corporation since 2006.

Company Policy (Executive Message)
We as the fifth Zeon Group plant both stably provide customers with excellent quality products and develop new products and technologies to proactively meet the challenges of responding to changing market conditions. We will continue to offer products that meet customer needs in the future.
Also, as well as implementing corporate safety first activities, we actively participate in events such as chemistry experiments and the Snow Lantern Festival, contributing to the local community.

Safety Initiatives

[Policy]
Sticking to the basics, we promote a stable, safe and comfortable workplace

[Concrete efforts]
Increased sensibility through practical education
In fiscal 2015, we implemented an alkyl aluminum* combustion and explosion experience in cooperation with the fire department and the chemicals manufacturer.
In a safe area, we were able to let employees, Zeon Group employees and firefighters see first-hand ignition due to spontaneous combustion in air and combustion and explosion due to water.

President Kouichi Miyagi

* Alkyl aluminum
A type 3 hazardous material that ignites due to moisture in the air and combusts and explodes rapidly if exposed to water.
**Efforts to Reduce Environmental Impact**

[Policy]
Continue zero emissions and promote environmental impact reduction activities

[Concrete efforts]

1. **Continue zero emissions**
   - We have continued to send zero industrial waste to landfill since February 2012.
   - We thoroughly separate waste generated in the production process, and conduct resource recycling and thermal recycling.

2. **Promotion of activities to save resources and energy**
   - We are actively engaged in efforts to reduce our power use to reduce our CO₂ emissions.

3. **Environmental Data**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Substances covered by PRTR law</td>
<td>Number of substances</td>
<td>5</td>
<td>4</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Consumption (tons)</td>
<td>1,897</td>
<td>1,773</td>
<td>1,642</td>
<td>1,759</td>
</tr>
<tr>
<td></td>
<td>Amount emitted (tons)</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
</tr>
<tr>
<td>Industrial waste</td>
<td>Amount generated (before volume reduction) (tons)</td>
<td>186</td>
<td>187</td>
<td>202</td>
<td>206</td>
</tr>
<tr>
<td></td>
<td>Amount sent to landfill (tons)</td>
<td>0.4</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Water resources (Industrial water + Ground water + Waterworks) consumption (1,000 m³)</td>
<td>14</td>
<td>10</td>
<td>9</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>CO₂ emissions (tons)</td>
<td>940</td>
<td>1,017</td>
<td>1,151</td>
<td>1,421</td>
<td>1,815</td>
</tr>
<tr>
<td>Energy consumption (crude oil equivalent, kL)</td>
<td>505</td>
<td>439</td>
<td>490</td>
<td>591</td>
<td>762</td>
</tr>
</tbody>
</table>

* Due the full operation of new experiments, our CO₂ emissions and energy use has increased due to increased electricity usage.

---

**Quality Assurance Efforts**

[Policy]
Zero quality claims

[Concrete efforts]
The trend in quality claims has been from zero claims in fiscal 2014 to one claim in fiscal 2015. This one claim occurred at the beginning of the fiscal year and was due to insufficient communication and reporting. In fiscal 2015, as part of the countermeasures taken in respect of the claim that occurred, we identified the source of the claim as an activity to prevent recurrence, and implemented measures in respect of matters that could be expected to cause faults in order to prevent future claims.
Relationship with Employees

[Policy]
Vision: Develop a corporate culture that promotes taking on challenges and rewards those who do, develop human resources who take on lofty goals, conduct improvement and reform activities on a daily basis.

[Concrete efforts]
1. Training of multi-operators
Conduct multi-operator training so that the four plants can be stably and securely operated.
Since it consists of a small group, we conduct planned relocation and work to improve their competence.

2. Changes in the personnel system
Aiming to create a culture that rewards those who take on challenges, the existing qualification ranks and promotion conditions were reviewed and a new personnel system was brought in.
We will develop human resources that aim for higher qualifications and take on the challenge of reform and innovation themes.

Living Together with the Local Community

[Policy]
Promoting compliance activities to meet the expectations of society

[Concrete efforts]
1. Participation in the Yamagata Prefecture experiment classroom
We exhibited an experimental craft booth for the “2015 Youth Science Festival in Yamagata.” We made air fresheners with the children by adding Zeon synthetic fragrances to water-absorbent resin containing colored water.

2. Participation in the Uesugi Yukidoro-matsuri (snow lantern festival)
The Uesugi Yukidoro-matsuri symbolizes the local residents’ prayer for peace, and is held every year. As a part of our activities as a member of the community, we participate every year by creating two snow lanterns.