Zeon Yamaguchi Co., Ltd.

**Company Profile**

**Business Description**
Civil engineering materials, water treatment, construction machinery, conservation materials, equipment installation, measurement certifications, working environment measurements, Zeon Corporation product inspections, in-house logistics, product shipments, customs and bond processing for export goods.

Established in 1992 and located on the grounds of Zeon Corporation’s Tokuyama Plant, Zeon Yamaguchi mainly conducts analysis, logistics, and construction work within the plant. We are also engaged in a wide range of other business activities, including construction projects for government bodies and private companies, port gate construction, and soil, water, and atmospheric environmental measurements.

**No. of Employees**
As of March 31, 2018: 72 (52 men, 20 women)
Hiring in FY 2017: 6 (5 men, 1 woman)

**Company Policy (Executive Message)**

**Corporate Philosophy**
We contribute to the local community with the awareness and pride of Zeon Corporation Group employees. Our goal is to be happy to say we work for Zeon Yamaguchi, and to create friendships.

**Quality Policy**
In line with our goal of enhancing customer satisfaction, our professionally-minded personnel are constantly making use of our improved quality management system to create "better products, more reliably, and more safely."

* "better products" means always taking pride in the products that we manufacture, and meeting the standard of quality required by our company and by our customers.
* "more reliably" means winning customers’ trust by using first-rate technology and skills to deliver products on schedule.
* "more safely" means working constantly to enhance CSR awareness and safety awareness, ensuring that work is performed safely and securely.

**Enterprise Blueprint for 2020**
Through both regional businesses reinforcing their environment-related business and Zeon Group businesses reinforcing their technologies and skills, become a stable corporation rooted in local communities.

**Safety Initiatives**

**Policy**
Enhance the overall level of employees’ technical capabilities and skills and implement operational innovations, to create an enterprise the stability of which is founded on factory-floor excellence.

1. Occupational accident target: 0
2. Traffic violations and accidents in company vehicles target: 0  
3. Implement four-round risk prevention activities

Specific Initiatives
1. Occupational accidents: 0 lost-time accidents (0 at a partner company); Traffic violations and accidents in company vehicles: 0  
2. Safety education conducted together with Tokuyama Plant  
3. Four teams (five people per team) participated in a contest held over 150 days to have zero accidents and zero traffic violations, with all teams achieving the targets.  
4. Four members of the Hazard Prevention Trainer Committee underwent training at the Environmental & Safety Affairs Department of Zeon Corporation, and then disseminated what they had learned within Zeon Yamaguchi.

Environmental Impact Reductions

Policy
FY 2017 environmental goals  
1. Implement planned reduction of the use of hazardous reagents through environmental analysis (acetonitrile consumption target: 10% year-on-year reduction)  
2. Green procurement of office supplies (purchase amount: target ¥100,000 or more)  
3. Reduce office power consumption by using a solar photovoltaic power generation system  
4. Use eco-cars (environmentally-friendly vehicles) to reduce environmental impacts by increasing fuel efficiency (target: 30% year-on-year improvement in fuel efficiency for the types of vehicle concerned)

Specific Initiatives
1. Planned reduction of hazardous reagents through environmental analysis (acetonitrile consumption target: 10% year-on-year reduction)  
2. Amount spent on green procurement of office supplies: ¥138,000/year (93% of the previous year)  
3. Power generation by the solar photovoltaic power generation system: 6,463 kW (103% higher than the previous year); Amount sold back: 1,293 kW (113% higher than the previous year)  
4. Use of eco-cars (environmentally-friendly vehicles) to reduce the environmental impact by increasing fuel efficiency (target: 30% year-on-year improvement in fuel efficiency for the types of vehicle concerned)

Environmental Data
Our amount of industrial waste and amount sent to landfills have increased since FY 2014, which is due to excess soil from land work at Zeon Corporation’s Tokuyama Plant to prepare for construction of a carbon nanotube plant and to bury fire hydrant pipes. We separated soil that could be reused to minimize the amount sent to landfills.

Environmental Data  
* "0" indicates less than 0.5 tons, and "0.0" indicates less than 0.05 tons

<table>
<thead>
<tr>
<th>Zeon Yamaguchi Co., Ltd.</th>
<th>Substances subject to the PRTR Act</th>
<th>No. of substances</th>
<th>FY 2013</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Consumption (tons)</td>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td></td>
<td>Emissions (tons)</td>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td></td>
<td>Industrial waste</td>
<td></td>
<td>225</td>
<td>4,018</td>
<td>171</td>
<td>482</td>
<td>172</td>
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<tr>
<td></td>
<td>Amount generated before compacting (tons)</td>
<td></td>
<td>0.8</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td></td>
<td>Water resource consumption (1,000 m³) (industrial water + groundwater + waterworks)</td>
<td></td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
<td>0.2</td>
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</table>
### Relationship with Employees

**Policy**
Human resource development to build interpersonal and leadership skills

**Specific Initiatives**
1. Hold internal training for younger employees once a year, and training for managers twice a year
2. Send employees to participate in various seminars; cumulative total of 28 seminars
3. Acquisition of public qualifications by employees; passing rate of 41%
4. Launch and implement the ZΣ Activities, with at least two projects completed per year

### Relationship with the Local Community

Foster a corporate culture that prioritizes CSR.

**Specific Initiatives**

1. **Volunteer cleanups**
   Volunteers from Zeon Yamaguchi join volunteers from Tokuyama Plant and local residents in cleanups of the Higashi River, which flows near the plant, and neighboring parks and roads.
   - Four cleanups, with a total of 45 participants
     - As a result of having undertaken water quality surveys of the Nishiki River, Zeon Yamaguchi personnel have also participated in clean-up activities for other rivers.
     - Total number of participants: 2 employees

2. **Participation in community events**
   We operate a customs brokerage business, and as such have strong ties to the Customs Agency and participate in customs-related campaigns and other events. Two registered customs specialists participated in a campaign to eliminate smuggled goods held in front of Tokuyama Station.

### CO₂ emissions (tons)

<table>
<thead>
<tr>
<th>Year</th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>CO₂ emissions (tons)</td>
<td>12</td>
<td>11</td>
<td>12</td>
<td>11</td>
<td>6</td>
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<tr>
<td>Energy consumption (crude oil equivalent, kL)</td>
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<td>5</td>
<td>6</td>
<td>5</td>
<td>3</td>
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<tr>
<td>Electricity consumption (1,000 kWh)</td>
<td>53</td>
<td>21</td>
<td>23</td>
<td>21</td>
<td>13</td>
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</tbody>
</table>
3. Advertising in publications
To promote our environment-related business activities, we place advertisements in programs for cultural events in Shunan City, so that more local residents become aware of our water quality analysis services.

Ad placed in the local Koho Shunan publication in Shunan City