Tohpe Corporation

Company Profile

Business Description
Manufacture and sales of paints, functional coatings, road marking materials, guidance marking materials for people with visual impairments, and chemicals, and business related to painting and coating projects

We were established as Toa Paint K.K. in 1915. We became a member of the Zeon Group in 2013. We manufacture, sell, and provide painting services for various types of paint, and operate a chemicals business based on acrylic rubber. We are participating in a project to manufacture powder paint in Vietnam, and are supplying stable quantities of products to the domestic market. We have been constructing a plant in Thailand to manufacture functional coatings, which is scheduled to begin operation this year.

No. of Employees
As of March 31, 2018: 330 (276 men, 54 women)

Company Policy (Executive Message)

1. Transform Tohpe into a vigorous, energetic company that puts health and safety first.
2. Contribute to society by providing high-quality products and services that satisfy customers’ requirements.
3. Take up the challenge of implementing a coordinated, company-wide transformation to turn Tohpe into an organization that is able to respond to market needs in a timely manner.

Health and Safety, Quality, and Customer Service Capabilities

Safety Initiatives

Policy
Build systems to put safety first and ensure compliance.

Specific Initiatives
• Report all near-miss accidents and identify hazardous locations and conditions at all plants
• Prioritize countermeasures for organic solvent odor control and static electricity as well as related education in the three plants that manufacture paints
• Conduct “2S” (sort, straighten) activities in workplaces at the Ibaraki, Mie, and Kyushu plants
Environmental Impact Reductions

Policy
Reduce the amount of waste sent to landfills
Reduce atmospheric emissions of organic solvents
Reduce electricity consumption intensity

Specific Initiatives
1. Reduce waste sent to landfills for final disposal
   Reduce production losses, inventory, and waste products
2. Reduce atmospheric emissions of organic solvents
   Develop environmentally friendly paints
3. Routine environmental countermeasures
   Eco-cap campaign, recycling of stationery supplies, greening campaign (green curtains)

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

<table>
<thead>
<tr>
<th>Tohpe Corporation</th>
<th>FY 2014</th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substances subject to the PRTR Act</td>
<td>No. of substances</td>
<td>22</td>
<td>27</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Consumption (tons)</td>
<td>8,020</td>
<td>7,764</td>
<td>7,517</td>
</tr>
<tr>
<td></td>
<td>Emissions (tons)</td>
<td>60</td>
<td>58.5</td>
<td>116.5</td>
</tr>
<tr>
<td>Industrial waste</td>
<td>Amount generated before compacting (tons)</td>
<td>2,445</td>
<td>2,337</td>
<td>2,262</td>
</tr>
<tr>
<td></td>
<td>Amount sent to landfills (tons)</td>
<td>111</td>
<td>117</td>
<td>136</td>
</tr>
</tbody>
</table>
| Water resource consumption (1,000 m³)
  (industrial water + groundwater + waterworks) | – | 26.4 | 29.6 | 26.5 |
| CO₂ emissions (tons) | 8,279 | 9,600 | 9,508 | 9,352 |
| Energy consumption (crude oil equivalent, kL) | 4,296 | 4,013 | 4,079 | 3,975 |

Relationship with Employees

Policy
Develop employees to take action and effect change while thinking fc

Specific Initiatives
• QC circle activities
• MD activities
• In-house English classes
• Taimatsu (Torchlight) activities
• Workplace interactive planning activities
Relationship with the Local Community

Specific Initiatives

1. Blood donations
We conduct an annual blood donation campaign at the Mie and Ibaraki plants.

2. Disaster risk reduction
Employees at the Ibaraki and Kyushu plants participate in firefighting drill competitions organized by local fire departments every fall.

3. Community beautification activities
Employees at Mie Plant participate in community cleanups once a year.
Employees at Ibaraki Plant clean the area around the plant once a month.
The Kurashiki Plant participates in cleanup activities, and also erects awareness-raising banners to support the local community’s “Traffic Safety Week” activity.

4. Sports events
Employees at Ibaraki Plant participate in sports competitions organized by the Kogashi Industrial Association to strengthen our interaction with the local community.