

Zeon Chemicals L.P. (ZCLP)

Company Profile

Business Description

Manufacture and sales of synthetic rubbers, sales of other Zeon Group products

- **Manufactured and sold products:** Acrylonitrile butadiene rubber, acrylic rubber, hydrogenated nitrile rubber, epichlorohydrin rubber, Zeotherm®
- **Sold products:** Cyclo olefin polymer, styrene isoprene block copolymer, RIM (reaction injection molding) products, electronics materials

Established in 1989 from the purchase of the elastomer division of BF Goodrich Chemical Company combined with the new Zeon HNBR facility constructed the same year in Pasadena, Texas. The company operates mainly in North America, and is also expanding business in South America from the subsidiary Zeon do Brasil Ltda.



Kentucky Plant

Locations

Louisville, Kentucky; Hattiesburg, Mississippi; Pasadena, Texas

Subsidiary

Zeon do Brasil Ltda

No. of Employees

As of March 31, 2019: 305

Company Policy (Executive Message)

Hello, my name is Bob Barlow. I am President and CEO of Zeon Chemicals, LP, with responsibility for sales of Zeon manufactured products in the Americas. 2018 was a significant year for ZCLP; we posted our highest profitability in the history of the company. My message to each ZCLP employee in 2019 is: "Let's build on our success of 2018 and drive to even more successful results in the future in support of the SZ20 Plan." My challenge to ZCLP members again in 2019 is for ZCLP to lead by example in the following areas:

ZCLP R&D -- ZCLP is recognized as a technical leader with fast and effective R&D and Applications Development that anticipates what the market needs are.

ZCLP Production -- All North American Plants are running at full capacity and efficiency with competitive cost structures and supply chains. In addition, ZCLP is recognized as safety and quality leader with Zero OSHA Recordables, Zero Customer Complaints and superior environmental performance.

ZCLP Sales and Marketing -- ZCLP has fully functioning Zeon Sales and Marketing Operations in the U.S., Mexico and Brazil, leading full commercial integration with the rest of Zeon Group.



President and CEO Bob Barlow

Safety Initiatives

Policy

ZCLP's safety policy is to achieve safety excellence with zero OSHA Recordable injuries.

Specific Initiatives

During the annual safety awards ceremony for Zeon Group facilities held in Tokyo this year, two ZCLP facilities were recognized for their performance in 2017. Both the Mississippi Plant and the Texas Plant had zero accidents. This level of performance is a result of the emphasis on building a superior safety culture, embraced by the workers in these locations.

Environmental Impact Reductions

Policy

ZCLP's mission is to be a good neighbor in the neighborhoods in which we operate through superior environmental performance.

Specific Initiatives

An example of ZCLP's efforts in 2018 to improve environmental compliance involved the odor scrubber plant trial at KY Plant which was deemed a success in reducing acrylate odors. KY Plant plans to scale up the scrubber design and install in the coming year.

ZCLP Louisville campus which includes Corporate Administration, Corporate Technology, Research & Development and KY Plant implemented an environmental sustainability project in 2018 with the planting of 36 trees. The project has numerous benefits including odor reduction, aesthetics, expansion of Louisville's urban tree canopy and reducing the metropolitan heat island effect.

Environmental Data

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

Kentucky Plant		FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Substances subject to the PRTR Act	No. of substances	7	7	7	7	7
	Consumption (tons)	16,202	15,376	13,757	19,796	19,151
	Emissions (tons)	10	21	8	14	14
Industrial waste	Amount generated before compacting (tons)	344	532	551	587	671
	Amount sent to landfills (tons)	332	526	539	568	655
Water resource consumption (1,000 m ³) (industrial water + groundwater + waterworks)		1,014	685	722	779	829
CO ₂ emissions (tons)		33,570	32,329	31,368	32,107	30,877
Energy consumption (crude oil equivalent, kL)		11,017	10,323	9,755	10,219	9,723

Texas Plant		FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Substances subject to the PRTR Act	No. of substances	0	0	0	0	0
	Consumption (tons)	0	0	0	0	0
	Emissions (tons)	0	0	0	0	0
Industrial waste	Amount generated before compacting (tons)	36	41	42	38	72
	Amount sent to landfills (tons)	3.0	1.6	1.0	0.8	33.0
Water resource consumption (1,000 m ³) (industrial water + groundwater + waterworks)		252	188	228	261	261

CO ₂ emissions (tons)	10,712	10,520	9,651	11,165	11,165
Energy consumption (crude oil equivalent, kL)	3,150	3,099	2,837	3,306	3,306

Mississippi Plant		FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Substances subject to the PRTR Act	No. of substances	3	3	3	3	3
	Consumption (tons)	5,125	4,298	4,367	4,735	4,754
	Emissions (tons)	71	61	58	68	69
Industrial waste	Amount generated before compacting (tons)	42	97	128	93	20
	Amount sent to landfills (tons)	42	97	128	93	20
Water resource consumption (1,000 m ³) (industrial water + groundwater + waterworks)		132	166	124	157	157
CO ₂ emissions (tons)		16,045	14,777	13,923	14,853	14,853
Energy consumption (crude oil equivalent, kL)		6,452	5,999	5,624	6,087	6,087

Relationship with the Local Community

ZCLP's mission statement says that we will surpass the expectations of the community through world class innovation and excellence in all of our activities. During 2018, ZCLP re-branded its charity committee and renamed it Zeon's Helping Hands. Zeon's Helping Hands vision is to be an organization that values and supports employee involvement while fostering a spirit of community and goodwill within Zeon and fulfilling our responsibility to give back to our community. Our mission is to enthusiastically serve others while strengthening both our corporate community and the community in which we live. Zeon's Helping Hands focuses its giving and community projects on the following:

1) Education

We contribute to our local youth through STEM (science, technology, engineering and math), environmental, and literacy related educational programs, as well as work readiness programs, that inspire and prepare our youth to succeed in the future.

2) Community Outreach

We contribute to enhancing the welfare of our communities and neighbors by alleviating the impact of poverty, hunger, and homelessness.

3) Health & Well-being

We contribute to our hospitals, veterans, disease-related causes and promote the healthy living of our employees and neighbors.

4) Environmental

We contribute to sustainable programs or projects that help protect our natural resources.

Specific Initiatives

The R&D team selected a local charity called the Arrow Fund who rehabilitates and adopts animals who have suffered severe abuse and neglect and increase public awareness of animal cruelty and endorse and support animal protection efforts that encourage a more humane world for animals.

To raise funds, ZCLP employees participated again in the the Kentucky Derby Bed Race. The event planning was led by Una Goosey, Purchasing Manager, and the Kentucky Plant Maintenance team led by Dennis Guernsey fabricated a bed with the theme of "Z Nightmare before Christmas" that was piloted by Steven Blevins, Brad Haines, Eric Saunders, Trevor Elliott and Nick Langmesser. Although our finish in the race was not so successful, we did manage to pull off the 1st Place win for "Taste of the Tailgate" which was given to the company who had the best tailgate food of all the companies at the race. That was quite an accomplishment!

In addition to the bed races we had many other activities during 2018:

- Cane Run Elementary Back to School Event
- Summer Carnival
- Fall Festival
- Holiday Jingle Mingle
- Cane Run Elementary Holiday Bag Distribution
- Monthly Friday Jeans Day Donations
- Snacks for Donations
- Silent Auction
- Boys & Girls Club Volunteers
- Project Warm Volunteers

Overall, ZCLP contributed \$70K to various charities during 2018.

Thanks to employee contributions and Zeon Chemicals L.P Match we raised **\$23,237.15** for The Arrow Fund in 2018

