

REVACS Corporation

CSR REPORT 2012



Agricultural experience was held in September 2011 with the participation of employees staff, family members and clients. Visitors harvested rice plant and vegetables to experience and realize the prodigality of nature, farmers' hard labor as well as importance of food.



REVACS Corporation

English version available only on our website

Corporate Information

Company name : REVACS Corporation

Address : 2-1-16, Naruohama, Nishinomiya, Hyogo, Japan

Date established : March 26, 1974

Representative : Kenichi Akazawa, CEO

Paid-in capital : 81,000,000 yen

Employees : 37* (as of March 2012)

Sales amount : 1,433,373,931 yen (FY2012)

URL : <http://www.revacs.com>

Business description :

Collection/ transportation of industrial waste
Intermediate treatment (shredding & drying)
Collection/ transportation of specially controlled industrial waste
Comprehensive recycling business of the waste
Environmental consultancy
Recycling of industrial waste

Group Companies:**

Relief Corporation

<http://www.relief.revacs.co.jp>
Personal mementos organizer
Residential environmental developer
Domestic waste disposer (Nishinomiya)

Daikyo Corporation

<http://www.d-aikyo.co.jp>
Grease trap cleansing
Domestic waste disposer (Itami)

*Two temporary workers are included

**Being in the different business area from ours, group companies are not detailed in this report. For their information please refer to respective webpages of theirs at the URL as stated above.

Editorial Policy

Policy :

This report was edited in reference to "Guidance on Social Responsibility (ISO2600:2010)" developed by ISO in November 2010. We organized the 7 core subjects of the Guidance (1: Organizational governance 2: Human rights 3: Labor practices 4: The environment 5: Fair operating practices 6: Consumer issues 7: Community involvement and development) into four items of 'Organizational governance/ Fair operating practices', 'The environment', 'Human rights/Labor practices' and 'Community involvement and development/ Consumer issues'. Our website carries English version of the reports for the readers outside Japanese speaking countries. (English version is available only as computerized edition.)

Object of the report

REVACS Corporation (across the board)

Period covered

FY 2011 (April 2011—March 2012)
(part of FY 2012 activities is included)

Date of issue

Oct. 2012 (previous issue: Oct. 2011/ next issue: planned in Oct. 2013)
(Title and position in the article is of the time when it was written)

Area covered

Environmental, social and economic aspects of our activities

Guidelines referred to

- GRI "Sustainability Reporting Guideline (G3.1)" (2011 version)
- Ministry of Environment "Environmental Report Guideline" (2012 version)

Awards

- FY2011 : Sustainability Report Award of “15th Environmental Report Awards/Sustainability Report Awards/ 2011”, sponsored by Toyo Keizai Inc. and Green Reporting Forum**
- FY2011:Nishinomiya Tech Prize sponsored by Nishinomiya City**
- FY2010:** CO₂ Minus Project Award, sponsored by National Federation of Industrial Waste Management Associations
- FY2009:** Chairperson’s Award of “6th Eco-Products Awards 2009” , sponsored by Eco-Products Awards Steering Committee
- FY2009:** Sustainability Report Award of “13th Sustainability Report Awards/ 2009” , sponsored by Toyo Keizai Inc. and Green Reporting Forum
- FY2008:**” 7th Japan Environmental Business Awards /2008” , sponsored by Mie Prefecture, Japan Environmental Business Awards committee
- FY2007:** “11th Environmental Communication Awards/2007” , sponsored by Ministry of environment and Global Environment Forum (GEF)
- FY2006:** Grand prix of “4th Partnership Awards/2006” , sponsored by NPO partnership support center
- FY2006:** “10th Environmental Communication Awards/ 2006 , sponsored by Ministry of the Environment and Global Environment Forum (GEF)
- FY2006:** “10th Environmental Report Awards/ 2006, sponsored by Toyo Keizai Inc. and Green Reporting Forum

Noteworthy event

Placed in the “Collection of environmental reporting practice (2010)” published by Ministry of Environment

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CEO's Message

We would like to express our deepest condolence and sympathy to everyone who was affected by the Great East Japan Earthquake and Tsunami. We hope and pray for the earliest possible recovery of the affected area.



Kenichi Akazawa

Chief Executive Officer
REVACS Corporation

REVACS's Financial Standing

The Waste Disposer Evaluation System saw a substantial revision in FY 2011, and “Good-standing waste disposer qualification system” was newly implemented.

The new national evaluation system includes requirement of “sound balance sheet”, where the capital adequacy ratio in any of the latest three business years to be above 10%. REVACS's capital ratio decreased in 2007 and 2008 because of the increased cost depreciation attributable to the construction of new plants. We are on the road to recovery, but at the end of term in March 2012, the capital adequacy ratio was 7.6% falling short of the benchmark. However, we meet the rest of benchmarks, and we are making effort to achieve the target level of “10%” to be qualified as early as possible.

About CSR Report

We have been disposing of industrial waste since the 1960s. With our long experience, we provide services to ‘reduce’, ‘reuse’, ‘recycle’ and ‘properly dispose’ of waste. Through our services, we help the world with environmental conservation and formation of as well as with efforts to contribute to the welfare of the local society as a corporate citizen. And here we have prepared and present the 11th edition of the annual report, CSR Report 2012, in order that all the people involved may understand our ideas and activities.

Sense of Social Responsibility Required of Business Proprietor

The disposal business is the social basis of the industry and its proprietors themselves have to be aware of their social responsibility and the responsibility in the formation of sustainable society. And upon this awareness it is important for them to contribute to the industrial society, through cooperation with the people involved from the public administration, local community or NPO or through information disclosure. As one of such proprietors, and as a company to seek the trust and security of the society, we attach importance to operate in cooperation with our most important of the stakeholders, i.e. our partners.

Meanwhile, we are aware of the possibilities of having large environmental load should any accidents occur at a treatment facility. We are determined to make continuous effort to reduce environmental load, to properly manage and administrate facilities, and, to prevent possible accidents realizing that accident is the largest of the environmental load or destruction.

Lastly, we welcome your frank opinion of the present issue, partly for the good of the staff who did their utmost efforts in editing. Your continued support and cooperation will be greatly appreciated.

H I G H L I G H T S

2011 Highlights

May Customer Satisfaction Survey was conducted …P.43

A survey aiming at a better and quality service was conducted by an external research institution, Environmental Consultants Co., Ltd. (EBC)

June 2011 The 2nd In-house business school was opened

With a slogan of “Bringing up 10% of employees to be entrepreneurs!”, the 2nd in-house business school (BRAIN2011) was opened with the cooperation of GLOBIS Corporation. It aims at cultivation of basic abilities of participants so that they can be active in the future as specialists and leaders in waste disposal business.



July 2011 Environmental learning class was given to the students of Kansai University …P.40

Dai-ichi Junior High School. We give environmental learning classes to pupils and junior high school students in the neighboring districts, regarding them as future consumers. Since FY2008 we have given the class to the students of Kansai University Dai-ichi Junior High School to motivate them for environmentally friendly consumption behavior.

September 2011 Agricultural Experience/Sato-yama Event …P.37

In the farm land of Kabutoyama Nogyo-juku, we sponsor an event to experience farming and sato-yama. We invite not only people from REVACS group but also from our clients. In FY2011, we received as many as 47 visitors including 29 from outside the group.

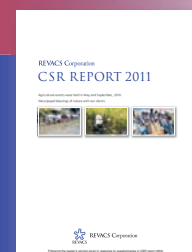
November 2011

“E.Manager.neo”, a waste management data sharing system applying cloud-type SFA (sales force automation) was awarded with “NISHINOMIYA APPLIED PRIZE” in “NISHINOMIYA TECH AWARDS 2011–Nishinomiya award for excellent business institutions 2011”.



February 2012 Prize of excellence in “Sustainability Report Award” was awarded

Our CSR Report 2011 was given the prize of excellence in the sustainability report section of the “15th Environmental Report Awards/Sustainability Report Awards 2011” co-sponsored by Toyo Keizai Inc. and Green Reporting Forum. Our stance of constructing a picture of CSR accompanied by a positive information disclosure seems to have been acclaimed. It is the third award for us to receive following the “10th Small-and-medium-sized business award” and the “13th Prize of excellence”.



March A talk with Ms. Kawaguchi of Daiwa Institution of Research Ltd., on CSR in business management

http://www.revacs.com/press/2012/04/csarno28_1.html

CEO Akazawa had a talk with Ms. Mariko Kawaguchi of Daiwa Institution of Research Ltd. (Managing Director, Head of ESG Research Department), who is knowledgeable about CSR. The 28th issue of “Alterna” (a business information magazine on environment, CSR and kokorozashi) featured the talk. The theme was “CSR strategy as the trump card in business”. The article makes readers understood that REVACS’s steady efforts made in publishing CSR Report, consumer education, or approaches toward ISO26000 certification and consideration for multi stakeholders have all converged with its CSR strategy.

Our Mission and Principle

Business activity starts from, and bases on, what is called mission, principle or vision. In order to materialize such idea we have clarified what is required of our partners* and expressed it in the code of practice.

(* “Partners” means our staff, employees and all other people who work with us for the customers.)

Mission

We strive to form sustainable society through waste disposal service that can be relied on with sense of security by all stakeholders and to contribute to the benefit of partners, customers and society.

Vision

We aspire to be the best law-abiding and the most active company to disclose information. We strive to be a “resources provider” that turns waste into resource through intermediate processing and supply it to the society (market).

Management Principle

1. Contribution to the partners

We return the profits to the partners in order that they can find satisfaction in work, realize their value and enjoy quality life. We understand the merit of having employees of various characters with us and try to provide and manage a work place where everyone can work at ease. We recognize that the progress of our partners is needed before anything else, and provide them with “opportunities to learn” and “opportunities to participate in”.

2. Contribution to the customers

To always provide customers with faire and profitable plan, we establish an appropriate business model consisted of facility (hardware) and partners (software) required by the society.

3. Contribution to the society

We are conscious of our responsibility for our impact on the society and the responsibility which we have to bear for the society. We always keep it in mind to perform what is needed by the society in reliable manners as a corporate citizen who plays a role in forming sustainable society.

Code of Practice

1. Do the job with pride and sense of responsibility.

Do not forget that we are paid for our service, and always tackle the task earnestly with pride so that you can always meet the client's requirement.

2. Maintain self-initiative and yet maintain cooperativeness.

Remember that balanced self-initiative, or a mind to think about and practice what one has to do at this moment, and cooperativeness, or an attitude to think of others and tackle the task in cooperation with others, are required of us.

3. Positively challenge the task

Do not be contented with current conditions, but keep tackling a new task. Keep it in mind that “the more seriously you grapple with the task, the more rewarding the work will become.”

4. Be ready to adapt to any circumstances ('Survival of the fittest' is not a synonym of 'Jungle law')

Be sensitive to the changes in circumstances, and keep on your effort to flexibly adapt to various (or difficult) situations without being trapped in the past success and failure or custom.

5. Secure fair profit

Build an awareness that we have to secure fair profit so as to meet the expectation of the people whom we have to protect and thus establish our operational base for the prosperity in the future.

Corporate Social Responsibility (CSR)

Our perspective of CSR and our action in line with it is schematized as shown in the following chart.

We can say that the corporation has a social responsibility to become an entity necessary for the society, to have the society evaluate its activity and, to operate in line with the sustainability of both the society and the business itself.

We draw up business plans and implement them based on the corporate principle, or basic philosophy of, say, mission while responding to the changes in social condition or needs. In the business aspect, we are naturally responsible to pursue the profit, but mere pursuit of the profit can make the business difficult to survive. In this regard, our activity has to be efficiently proceeded through innovation on the one hand, and at the same time it needs to be fair, especially in view of compliance and transparency.

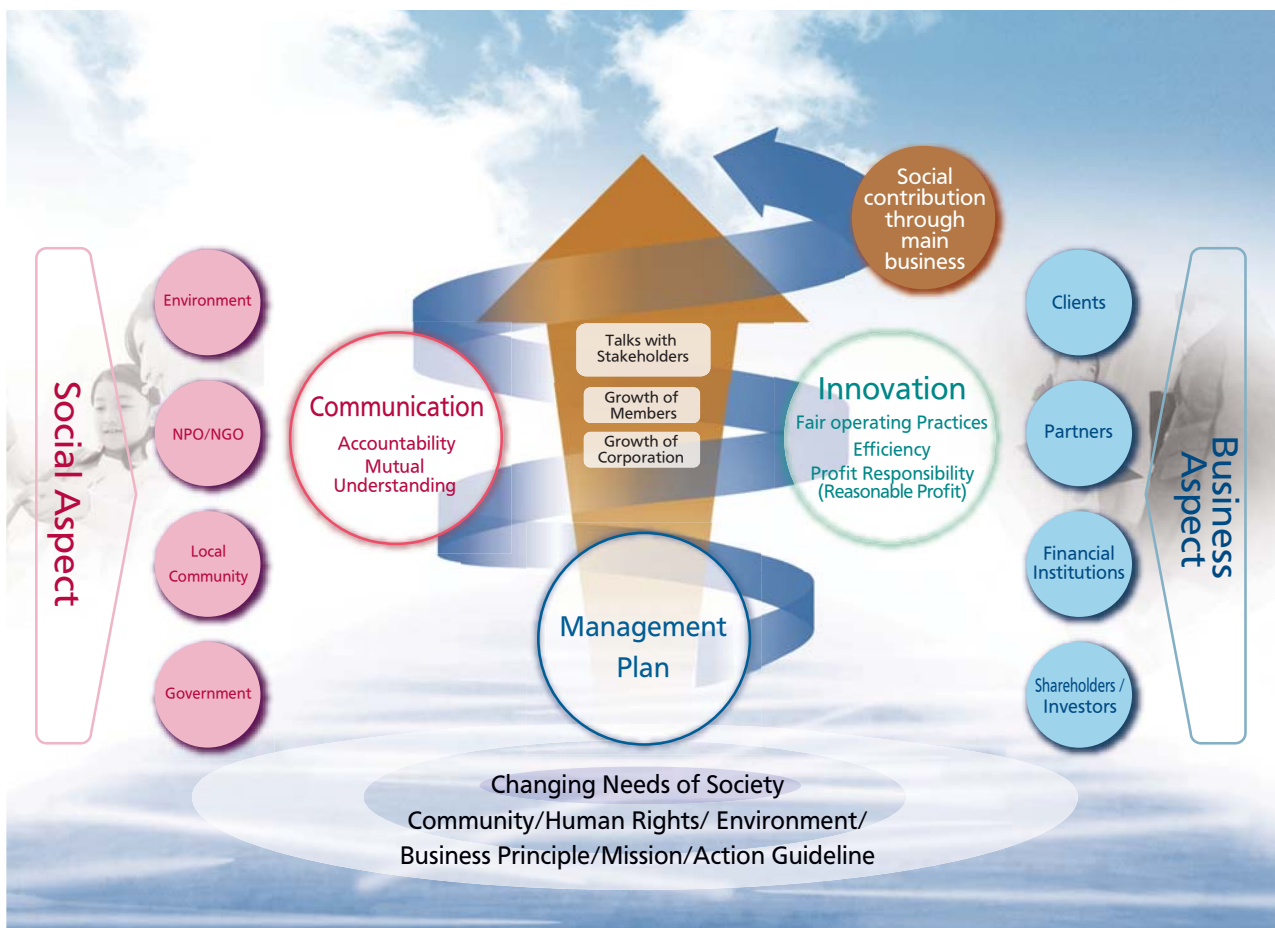
In the social aspect, we actively disclose information through our website and other communication tools to introduce our business and philosophy to the public.

Also, to avoid being self-righteousness, we have direct talks with stakeholders as well as holding the third-party committee to have our company evaluated. The various opinions given in the committee have been taken in our activities for further stepping up.

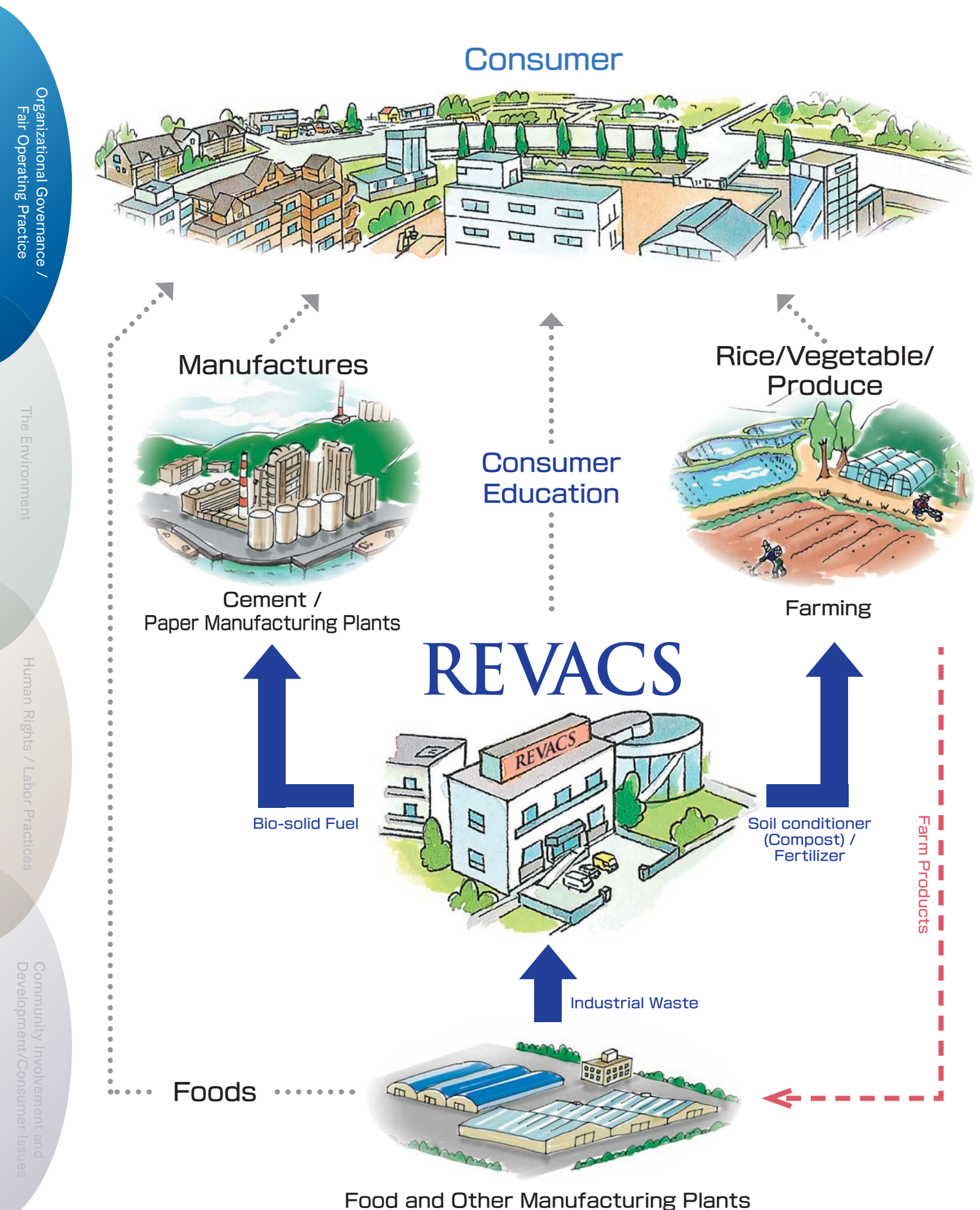
We believe the synergistic effect of our efforts both in the business- and the social -aspect will result in our contribution to the society through our primary business toward the formation of sustainable society.

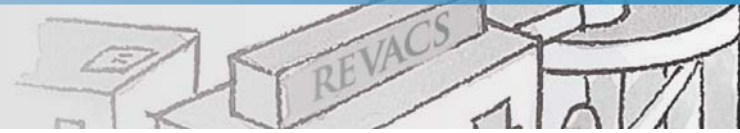
Also we believe such an effect can be further increased and enriched as members in corporation and corporate entities themselves grow up.

Continuous efforts toward sustainable improvement of society and business



REVACS' s Role in Recycling-oriented Society





REVACS recycles 90% of collected industrial wastes as new resources after appropriate intermediate processing.

For example, sludge or animal and plant residues from food manufacturing/processing plants are recycled as a biomass resource after drying at REVACS' s facility. About half of the biomass resource thus generated is used by farmers as material for fertilizer. And agricultural products are in turn processed in the food manufacturing to complete a circuit of material recycling.

Likewise, waste container board is sorted out and shredded at REVACS and revives as cardboard, while, metal scrap such as steel or aluminum is reprocessed into new resource. In case of waste plastics, whose material recycle (i.e. reuse as material) is difficult, they are mainly utilized as heat energy (i.e. fuel) in paper manufacturing. Also waste food, which is reprocessed at an affiliate of ours, is used as animal fodder for cattle and pigs.

The other half of biomass which REVACS produces is used as fuel at the cement plant. It is used as alternative of the oil or coal for boilers, and the ash is used as a material for cement production.

Plants take in carbon-dioxide in photosynthesis when they grow. For this reason the total amount of carbon-

dioxide in nature does not increase when organic substance is burned. This concept is called carbon neutrality.

As a matter of course, use of this biomass fuel as an alternative to fossil fuel will result in reduction of carbon-dioxide emission.

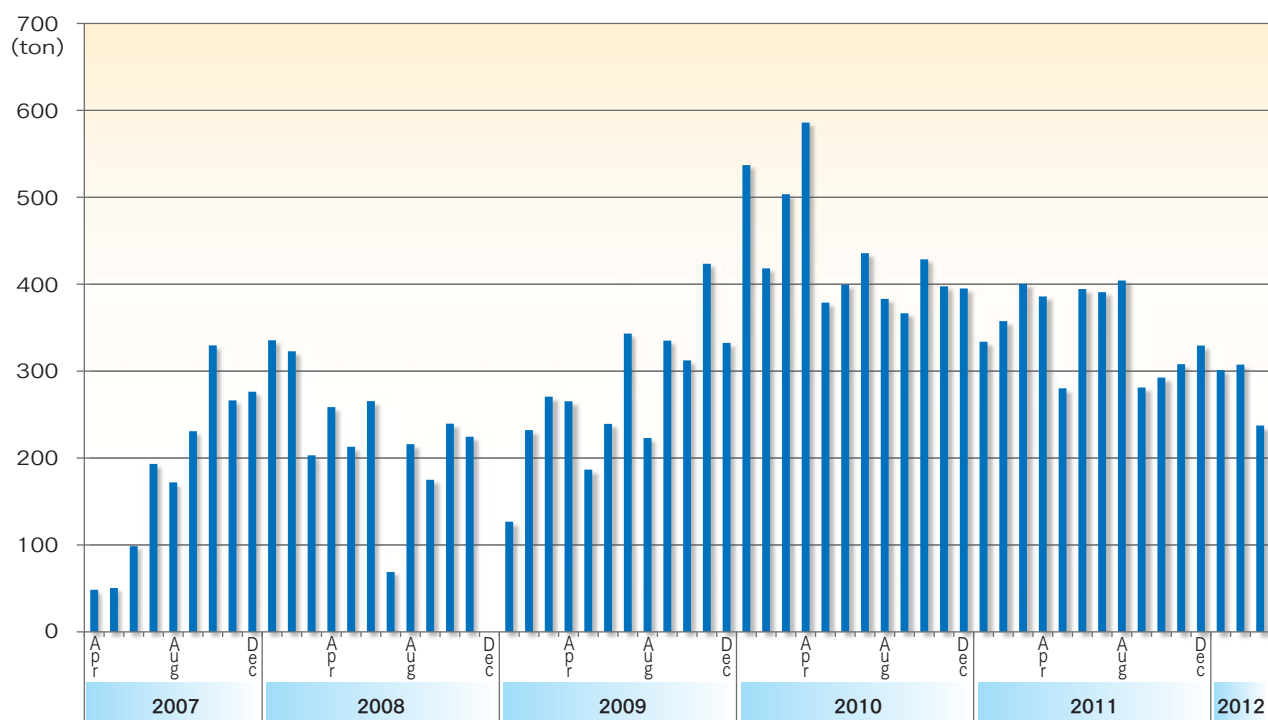
In FY2011, 1,502 tons of biomass resource produced by REVACS was used as fuel and thus contributed to the reduction of carbon-dioxide emission by 1,960 tons.*1)

After the Great East Japan Earthquake, solar energy and wind power energy is drawing more and more attention as new renewable energy source that do not involve fossil fuels as shown by the institution of Renewable Energy Promotion Law. REVACS would like to further improve our technique hoping a value of our biomass resource (fuel), which is made of once disposed waste, will also be acknowledged as a new energy source.

Utilization of wastes as renewable resources plays an important role in forming recycling-oriented society. What we can do may be limited, but we faithfully continue to tackle the recycling business in order to be a company required by the society.

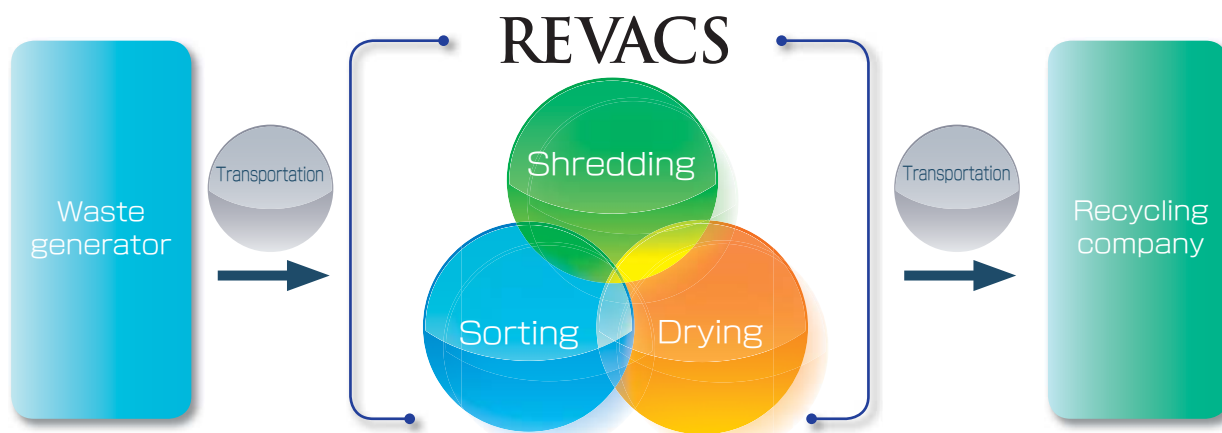
*1) :The heat release value of biomass is converted to the crude oil quantity required to generate equivalent amount of heat.

■Biomass resource production at REVACS



Business Flow

REVACS mainly engages in a successive service from collection/transportation of industrial wastes generated by manufacturing plants to their intermediate treatment (drying/shredding/sorting) and transportation to the recycling companies or facilities.



Group Company

Members of REVACS group (REACS, Relief, Daikyo) operate mainly in Kyoto, Osaka and Kobe areas in respective business lines. The group aims to offer reassuring and reliable service to clients.

Relief Corporation

Business line : Personal mementos organizer
Residential environmental developer
Domestic waste disposer (Nishinomiya)

Home city : Nishinomiya, Hyogo

Established : 2010

Number of employees : 98 (as of March 2012)

URL : <http://relief.revacs.co.jp>

Daikyo Corporation

Business line : Grease trap cleansing
Domestic waste disposer (Itami)

Home city : Itami, Hyogo

Established : 1976

Number of employees : 41 (as of March 2012)

URL : <http://www.d-aikyo.co.jp>

Description of Business

Collection and Transportation

The industrial waste's physical form varies from liquid to solid. We choose appropriate vehicle according to the type of the waste or client's mode of business for safe and reliable transportation.



▲ Lorry with detachable container system



▲ High-pressure vacuum car



▲ Flat-bed truck

Lorry with detachable container system	11 units
High-pressure vacuum car	2 units
Flat-bed truck	1 unit
Dump truck	1 unit

Drying Process

Organic waste from food processing factory is dried and recycled as compost, fertilizer or bio-solid fuel at the client's request. Bio-solid fuel is usable as a fuel for boilers at pulp or cement plant.



▲ Organic waste



▲ Drying facility



Bio-solid fuel

Used as fuel for boilers in pulp or cement plant



Fertilizer material

Used as fertilizer material

※ Bio-solid fuel is a kind of biomass fuel made of organic sludge. It bears carbon neutrality, i.e. a characteristic that does not emit any new countable CO₂ when it is burned. (heat release value : 18.8MJ/kg)

Treatment capacity	90.9m ³ /day(24hrs)	Licensed item	Sludge, waste oil, waste acid, waste alkali, animal and plant residues.
Treatment system	Continuous drying	Date of installation	May 1, 2007

Shredding Process

Solid waste such as plastics is shredded and sorted out to reduce its volume.

Treatment capacity	50 tons/day(8hrs) authorized treatment capacity 94 tons/day
Licensed item	Waste plastics, paper, wood, fiber, lumber, meal, glass, concrete, ceramics and potteries, bricks, etc.
Date of installation	February 10, 2006



Separating / Sorting Process

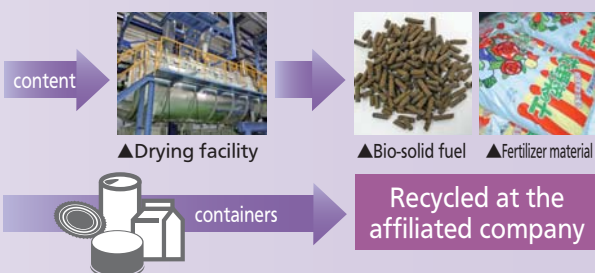
Outdated beverages and other liquid waste are separated into content (liquid) and containers(bottles etc.). The former is made into biomass resource at the drying facility, and the latter is made into new resource at the affiliated company.



▲ Beverage waste



▲ Shredding facility



Load Transfer and Storage

REVACS maintains stockyards for load transfer and storage to process waste smoothly, we have two stock yards.

◇ Reverse Management Center

Capacity	735 m ³	Date of installation	March 11, 2008
Licensed item	Sludge, waste acid, waste alkali, waste plastics, animal and plant residues, steel scrap, refuse glass, concrete waste, ceramics waste		



◇ Stock yards in the shredding building

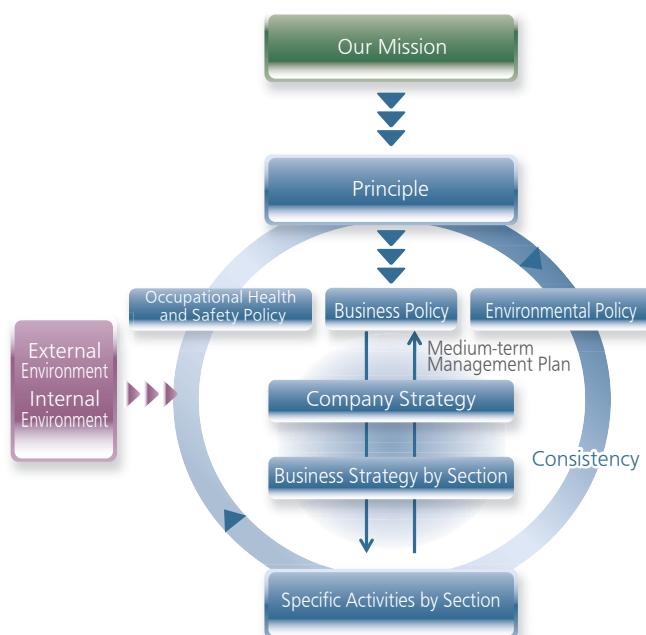
Capacity	221 m ³	Date of installation	February 10, 2006
Licensed item	Waste oil, cinder, sludge, waste plastics, paper scraps, waste wood, waste textiles, plant and animal residues, scrap rubber, waste metal, refuse glass, concrete waste, ceramics waste, scoria (mining waste), demolition debris, soot and dust.		



To achieve long-term plan to realize our vision, we set and implement medium-term management plan every three years. Medium-term plan is executed in consideration of exterior or internal environment in conformity with our vision, environmental policy, and Occupational Health and safety policy and in a manner it is reflected on every section's activities.

Under the 5th medium-term management plan (FY2007-2009), which aims "to become a fuel supplier", we saw a certain result such as establishment of Bio Solid Fuel business and fulfilling of accountability to stakeholders.

In the 6th medium-term management plan (FY2010-2012), we are tackling upgrading of conventional services, reduction of greenhouse gas, and further, study of new business for the next growth under a theme of "in pursuit of higher cost performance".



Status of the 6th Medium-term Management Plan

	The 5 th Plan (FY2007-2009)	The 6 th Plan (FY2010-2012)	The 7 th
Theme	<ul style="list-style-type: none"> Establishment of fuel supplying business (Bio Solid Fuel) Enhanced accountability and disclosure Promotion of occupational health and safety activities 	<ul style="list-style-type: none"> Improvement in cost performance Reduction of greenhouse gas emission Study of new business for the next growth 	
Target	<ul style="list-style-type: none"> Sales 1,304.62 million yen Operating profit 60.33 million yen Operating profit ratio 4.6% (FY2009 result) 	<ul style="list-style-type: none"> Sales 1,514.00 million yen Operating profit 120.00 million yen Operating profit ratio 7.9% (FY2012 target) 	

2011 Activities

Major policies in the 6 th Medium-term Management Plan	Major activities in 2011
<ul style="list-style-type: none"> Improvement in processing efficiency through improvement of facilities and operation procedure; cost reduction Commercialization of bio-solid fuel. Expansion of service area and business line Enhancement of human resources through seminars and substantial education or hiring of new graduates. Study of new energy-creating business 	<ul style="list-style-type: none"> Energy cost reduction through improvement in operational efficiency (reduction of greenhouse gas emission) P.22 Up-lifting of service level (Customer satisfaction survey) P.43 Introduction of the 3S activity (sorting-out, neatness, cleanliness) P.32 Opening of a business school P.32 Execution of the hiring new graduates P.35 Commencement of the study and survey of new business

Voice of the Consulting Accountant



Mr. Shigeki Taenaka
President, Taenaka CPA Office
Certified Public Accountant
Licensed Tax Accountant

Since I came in contact with REVACS 20 years ago, I have really felt CEO Mr. Akazawa's thinking about business management is up-to-date with a perspective for the future as shown not only in this CSR Report but also in economic considerations. Naturally creation of a financial statement is a responsibility of the manager himself, but surprising fact is that few of the managers in small and medium-sized business are conscious of it. While Mr. Akazawa has a keen interest in financial aspects, which is apparent in the pointed questions he often asks of us.

REVACS adopted consolidated taxation system as REVACS group in the period ended in March, 2012. I take it as a proof of his high state of consciousness. I greatly expect REVACS of a significant advance in business including financial aspect through comprehensive management of REVACS group to make a leap forward.

Voice of Stakeholder



Mr. Takayoshi Kato
Consultant
Change Management Consulting Dept. (Osaka),
Corporate Strategy Consulting Division
Mitsubishi UFJ Research and
Consulting Co., Ltd.

Many companies are drawing their concern in the creation of economic value as a result of the enterprises challenge to tackle the social problems and methods of approaching it. However, it is the case that the number of the companies which can realize it is limited.

In such a condition, REVACS is special in that you keep challenging new business which the society calls for with a sense of urgency. Promotion of the efficiency of the resource (sludge) makes a good example. As for the CSR activities, you have not ended up with mere slogan, but you have executed it with objectives and through action for a long year. You are well aware of the social responsibility, or on top of it, you are rather imposing a new norm on yourself while tackling new business. It may be a proof of your high awareness.

Today, there are factors which can affect the profit of the business such as global surge of fuel cost and slumping economy. It is required of REVACS to assess internal and external environment as heretofore and skillfully steer the company to increase the profit.

You emphasize progressive spirits, social responsibility, maintenance and increase of profit. Any of them is a target normally difficult to achieve, and yet you take on them in balance. We expect and trust REVACS's challenge will turn out to be a success.

Outline of 2011

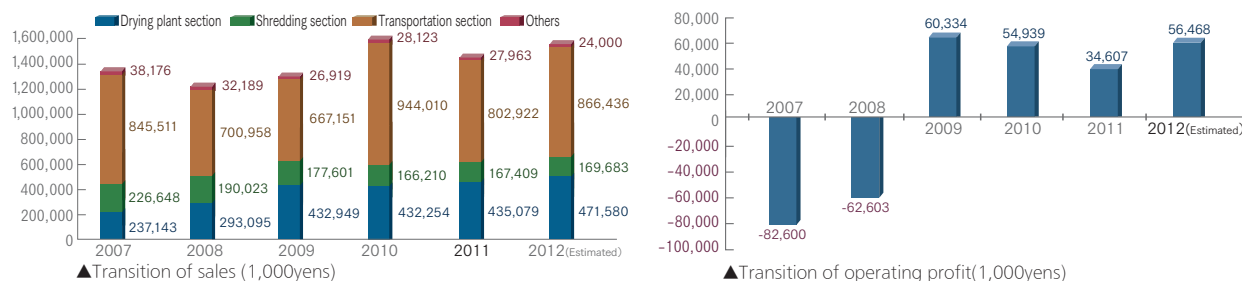
The graphs below show the transition of our business performance since FY 2007, when the drying facility was constructed, and a forecast for FY2012.

Sales in FY2011 decreased by 137 million yens over the previous year mainly due to the absence of a large order comparable to the spot order of 200 million yens which we received in FY2010. Apart from that, we had a sales increase of 60million yens attributable to the orders from conventional and the new clients.

Operating ratio of the drying plant, a major facility of ours, achieved 98% farther surpassing that of 88.5% in 2010.

Operating profit decreased by 20million yens over the previous year. It is mainly attributable to the hike of unit price of city gas used for our drying plant, the effect of which amounted to 19million yens.

In order to recover from the decrease in the sales and operating profit in 2011, in projecting FY2012 performance we took it in consideration of further efficient use of drying plant to increase the processing amount to and increase in the service quantity expected of the affiliated company as our major task to tackle.



Application of Consolidated Return System

On and after the term ending in March 2012 REVACS applied for the Consolidated Return System. We are going to thus promote group management and enhance an internal reserve through tax advantage.

Application for “Good-standing waste disposer qualification system”

REVACS fell short of being qualified in this system founded in 2011 as we could not meet one of the conditions which requires the capital adequacy ratio of above 10%: we had recorded a loss mainly due to entailing effect of the depreciation of the introduction of new plants in 2007 and 2008. We are going to reach 10 % and above in capital adequacy ratio by the term end in March 2014 to be qualified in the system.

For further details, please refer to the website (“Sanpai Net” *), where closing account of the latest three years are presented. *<http://www.sanpainet.or.jp>

Voice of the Main Bank



Mr. Toshio Benzaki
President,
Nishinomiya Branch,
Bank of Tokyo-Mitsubishi UFJ, Ltd.

The most remarkable thing with your CSR Report is that you are voluntarily disclosing cases of complaints and accidents accompanied by the record how the cases were dealt with or solved. REVACS has adopted a slogan, “Contribution to the client, society and partners” since its establishment. Your stance to positively disclose information of yourself will be a basis of gaining client’s trust. Also members of REVACS group are building business models which will be welcomed by the customers promoting the services properly grasping the needs of the society. This contribution to the society as a group seems to show REVACS’s true worth.

We are willing to support REVACS in the future as a member of your main banks. I pray for your further development.

Compliance

Rule in the management system specifies the relevant laws to be observed including environment-related laws and industrial health and safety-related laws. We are making efforts to abide by such laws. We annually check whether the reports have been submitted to the relevant authorities in time or whether the business has been properly run according to law. In FY2011 none of serious violation was found.

Environment- and industrial health and safety-related laws (in part)

Legal imperatives	Content
Waste disposal and cleaning act	Waste disposal standard; manifest; waste consignment contract etc.,
Air pollution control act	Emission standard of NOx, SOx, dust etc.,
Sewerage act	Discharging standard of water to sewerage etc.,
Noise regulation act; Vibration regulation act; Offensive odor control act	Noise, vibration and odor standards
Environmental conservation agreement	Methods and frequencies of measurement of air pollution and odor
Act on the rational use of energy	Requirement of energy consumption report; appointment of a person in charge
Act on promotion of global warming countermeasure	Assessment of greenhouse gas and reporting
Industrial safety and health act	Measures to secure safety; appointment of safety and health promoter and its dissemination; cleansing practice
Ordinance on prevention of anoxia	Measurement of oxygen concentration; regular stock of protective equipment and escaping tool and their checkup etc.,
Fire and disaster management act	Preparation of a fire fighting plan, training and checkup of the fire prevention equipment

Voice of the Corporate Lawyer



Mr. Ken Ueda

Lawyer
Sakura Law Office

Regulation on organized crime exclusion is enforced in every prefectural and city government strongly urging business enterprises and citizens to refrain from any relations between organized groups of gangster.

Against such a background, it has become common to stipulate a clause to exclude an involvement of antisocial organization such as gangsters. To be concrete the following clauses have to be included: (1) a clause to express and confirm that the company itself is not a member of antisocial organization and (2) a clause to retain the right to cancel the contract without reservation in the case the business acquaintance or the customer was found to be a member of antisocial organization.

However that kind of judgment is often difficult to make. Yet there is some complementary information in addition to the one from 'police organization' or 'organized crime exclusion promotion center', e.g. information whether the customer has successive financial deals with the bank or whether he has an account at a securities company.

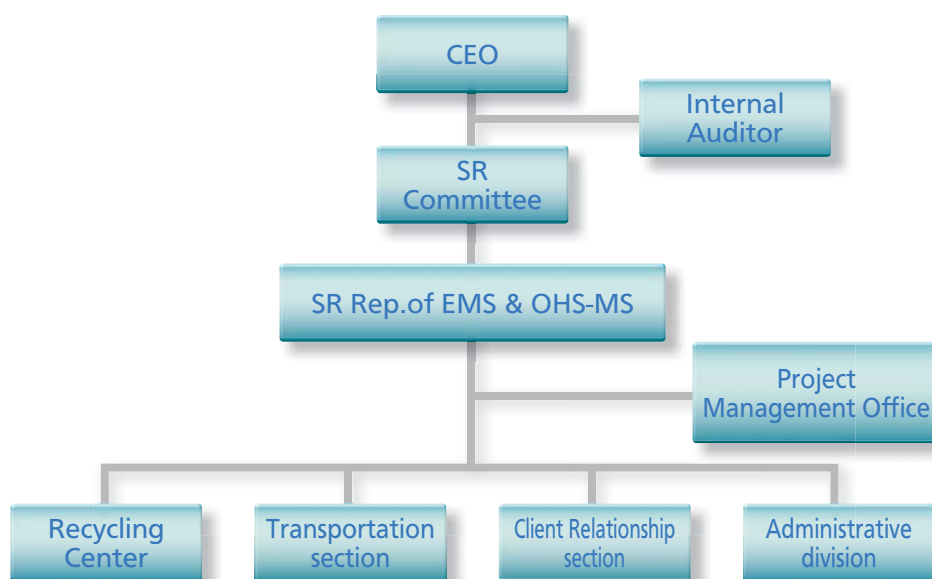
REVACS is developing the business in higher order imposing self-regulation, to say nothing of strict compliance. But it can happen that you are requested to have a deal by an antisocial organization. In such a case it is important that you reject it in a body using every legal countermeasure and with the advice and help of the police and the lawyer. I am looking forward to realization of "a business with the highest compliance and transparency in Japan"

Management System

Our business is directly involved in the environmental issue. In this regard we acquired ISO14001 certification of environmental management system in September 2000. Further, regarding disasters or accidents as the largest of environmental destruction, we obtained integrated certification of OHSAS18001 in occupational health and safety management system and ISO14001. We are operating under these systems as our management system.

We regard a year's operation as a course of PDCA cycle. At the end of the fiscal year, all employees give evaluation of environmental effect and risk assessment for the operation in the next FY and set the objectives and targets for it. The objectives are drawn up by sections, and the annual program (i.e. 'PLAN') is made concerning "What has to be done by whom, when and how to achieve the objectives."

Each section carries out the plan (i.e. 'DO'), and the operation is reviewed in the monthly SR committee, in-house audit or external audit to see whether it is properly done (i.e. 'CHECK'). In December, the annual operation is reviewed (i.e. management review) where the policy, objectives, target and other elements are examined whether they need to be modified or not (i.e. 'ACTION'). In this way we are continually improving the management system.



▲ISO14001 certificate



▲OHSAS18001 certificate

How to Cope with Emergency

In the management system a procedure to cope with emergency such as accidents or fire is laid down as a system so that one can take an appropriate measure to cope with, or to prevent disaster by following it. Every piece of incoming information may it be a complaint of the client, not to speak of a report on accident, is transmitted to the management representative and the CEO, and we judge whether or not any corrective or preventive actions is required according to its cause or content. Later, we check whether such actions were effective or not.

▲Record of communication

▲Report on accident

SR(Social Responsibility) Committee

In order to properly run the management system, monthly SR committee is held to grasp the proceeding of the program (plan). The monthly SR committee makes it possible for us to review the adequacy of means or to find and adjust (or introduce a remedial measure) causes or conditions which hinder the achievement as needed.

The committee consists of all members of the board, managerial staff and a representative of the labor union. Through the SR committee, all relevant information is shared by the representatives of whole sections, which in turn is shared by the whole employee through each section's meetings.



Patrol by Top Executive

Monthly CEO patrol is practiced as stipulated in the management system.

It is checked and recorded whether procedure manuals are duly observed or whether the work place is kept neat and tidy enough for one to work efficiently. The patrol is done without advance notice. In FY2011, there were 44 items of indications and advices.



Internal and External Audit

Two biannual internal audits and one annual external audit are conducted to evaluate the effectiveness of integrated management system which adopts ISO/ OHSAS and its performance.

The results of FY2011 audits were as shown in the table below.

We have invited Mr. Sasa, an expert environmental auditor, to our internal audit team for an objective judgment since 2008.

	1 st internal audit (Jun. 2011)	2 nd internal audit (Feb. 2012)	External audit (Aug. 2011)
Major nonconformity	0	0	0
Minor nonconformity	0	0	0
Observation	6	0	1
Opportunity of improvement	11	4	5
Noteworthy effort	4	2	2



▲Internal audit (Jun. 2011)



▲Internal audit (Feb. 2012)



▲External audit (Aug. 2011)

Objectives, target and achievement of the management plan for FY2011 are as follows

	Objective (FY2010-2012)	Target (FY2011)	Achievement(FY2011)	Result	For reference
Environment	Reduction of CO ₂ emission by work unit	<ul style="list-style-type: none"> Reduction of CO₂ emission in energy utilization by work unit <<Targets of each work unit>> Recycling Center... Electricity consumption 88.0kWh/t City gas consumption 70.0m³/t Transportation section...Mileage 3.82km/l Office...Electricity consumption 45,270KWh/year 	<ul style="list-style-type: none"> Recycling Center • Electricity • 80.9kWh/t • City gas • 66.1m³/t Transportation section • Mileage • 3.66km/l Office • Electricity • 44,967kWh/年 	○ ○ × ○	P.26 P.26 P.26 P.29
	Pursuit of Safe and reliable waste management service	<ul style="list-style-type: none"> No complaint from customers and surrounding areas Compliance with voluntarily set discharging water quality standard at the waste water treatment facility 	<ul style="list-style-type: none"> The number of complaints: 0 Voluntary standard was complied with 	○ ○	P.46 P.28
Occupational Health and Safety	Creation of safe and secure work environment for the partners(with no occurrence of labor accident)	<ul style="list-style-type: none"> No accident No accident to suspend operation No accident that does not call for suspension of operation Year-on-year reduction of property damage by 50%(or 4 cases) of FY2010 result 	<ul style="list-style-type: none"> The number of accidents Accident with suspension of operation: 3 Accident without suspension of operation: 1 Property damage : 9 	× × ×	P.46
Social Contribution/Communication	Continual efforts to gain trust and sense of security of every stake-holder	<ul style="list-style-type: none"> Continued Evaluation by an external auditor Upgrading and expanding the relationships with stake-holders in communication activities 	<ul style="list-style-type: none"> External auditor was implemented in in-house audits Third-party panel meeting was held Student stake-holders' meeting was held Agricultural event was held inviting customers Environmental study session was held in collaboration with clients 	○	P.16 P.50 P.42 P.41 P.37 P.40

The objective and target for FY2012 is as follows

	Objective(FY2010-2012)	Target (FY2012)
Environment	Reduction of CO ₂ emission by work unit	<ul style="list-style-type: none"> Reduction of CO₂ emission in energy utilization by work unit << Targets of each work unit >> Recycling Center...Electricity consumption 80.1kWh/t, City gas consumption 65.4m³/t Transportation section...Mileage 3.66km/l Office...Electricity consumption 45,270KWh/year
	Pursuit of Safe and reliable waste management service	<ul style="list-style-type: none"> No complaint from customers and surrounding areas Compliance with voluntarily set discharging water quality standard at the waste water treatment facility
Occupational Health and Safety	Creation of safe and secure work environment for the partners (with no occurrence of labor accident)	<ul style="list-style-type: none"> No accident No accident to suspend operation No accident that does not call for suspension of operation Year-on-year reduction of property damage by 50%(or 4 cases) of FY2011 result
Social Contribution/Communication	Continual efforts to gain trust and sense of security of every stake-holder	<ul style="list-style-type: none"> Continued Evaluation by an external auditor Upgrading and expanding the relationships with stake-holders in communication activities

Voice of External Auditor



Mr. Toru Sasa

Representative director,
Sasa Environment Examination
Office, Ltd.
CEAR registered environmental
lead auditor

[Views of auditor about the internal audit on Environmental/ Occupation Health and Safety management system]

FY2011 internal audit was held twice in June 2011 and February 2012. I took part in the internal audit as an external auditor, a neutral position, the same as last year. We found none of nonconformities, 6 observations, 15 advices and 6 noteworthy efforts through a year period. REVACS' s execution of the two management systems compares favorably with any other companies in the business area and it is judged to be steadily improving.

However there are points yet to be improved. For example, although the waste water discharged from the recycling center was improved in terms of stabilized pH control (degrees of acid and alkali), which was requested in the previous audit, as a result of good management of water treatment facility, improved operation and monitoring and revised measuring method, another issue of fluctuated BOD (biochemical oxygen demand) concentration requires to be proceeded with countermeasures. As to atmospheric emission, NOx emission out of the drying facility was in a favorable condition. However, deodorization management of the facilities of the center overall is advised to be continued step-by-step. Occurrence of accident seems to be decreasing. For the better Occupational Health/safety management, I hope the5S movement to be well established and further safe work environment be realized continuously taking measures against the factor that might invite a close call or near-miss happening.

REVACS's Voice

Voice of Executive VicePresident, Representative of Management System



Masato Akazawa

Executive VicePresident,
Representative of
management system
REVACS Corporation

FY2011 passed without occurrences of serious accidents thanks to the cooperation and help of the partners working together. On the other hand we had a case where it could have turned out to be an accident of serious injury if one had taken one wrong step. We will try hard with keener sense of tension to prevent the accident from occurring.

This April, five new recruits joined us. Some their parents are of the same age as mine, and when it comes to a high school graduate she is 18 years old (only a year older than my daughter!). I have worked so far to execute my job in a way that I can be proud of it to my children. Now, with these young employees in the immediate circle, the same feeling occurred to me for them.

I believe it is my duty to realize a work place where he or she can work with a sense of security, and a company which everyone can work with pride. When our business activities are implemented with such a view, it will eventually lead us to the trust of clients and the community and their sense of reassurance toward us.

Disclosure for Stakeholders / Accountability

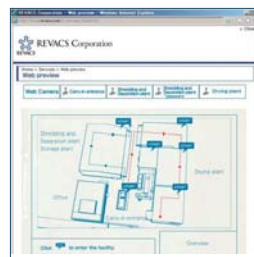
We utilize various communication tools to have exterior stakeholders understand us. To execute accountability, and in part, to brush up our ways of operation and activities through the communication with stakeholders we actively send out information.

Website

On our website you can find not only information on the company or on license but also visual information, where the sight of waste processing at our facility can be monitored real time through the web camera (refer to P.42). The monitored image is open to everyone. Inside view of the facility is also introduced in moving image on the same website so as you can see the structure of the facility while staying far away.



▲Website



▲Animation on the website

CSR Report

Since FY2001 the report has been compiled by our staff and distributed to the stakeholders. The title of the report changed reflecting the content to be reported, which goes as follows: Environmental Report (2002-2005), Environmental and Social Report (2006) and CSR Report (2007-). We will continue to present our activities and relevant information in a comprehensible manner.

The report has been awarded various prizes. “CSR Report 2011” which was issued last year was honored with Prize of Excellence in Sustainability Report Awards section at the “15th Environmental Report Awards/Sustainability Report Awards”.



“Sanpai-Net”

“Sanpai-Net” (industrial waste information net) run by Industrial Waste Management Enterprise Development Foundation is so structured as to conform to the transparency standard of “Good-standing waste disposer qualification system”, in which REVACS has been uploading its information since 2005.

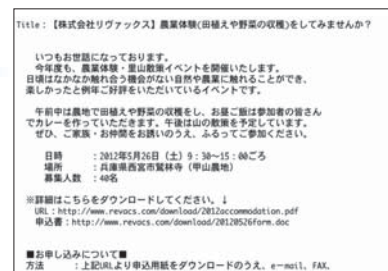
The information disclosed is classified in roughly 8 categories including license, details of facilities, financial statements etc. We are disclosing information in all the categories.

Sanpai-Net: <http://www.sanpainet.or.jp/>



e-mail News

e-mail News is one of the tools to present our activities. Latest news on our activities is transmitted at an interval of about a month to those whom we exchanged business card with. (3,000copies)



In-house Information Sharing / Accountability

We believe information disclosure and accountability to the employees is also an important social responsibility beside the disclosure to outside stakeholders. We disclose information and give explanation so that the employees have proper understandings of the vision and orientation of the company or the position it is in, which will in turn breed a feeling of participation or responsibility to the company in them. In this way, we aim at creation of a climate where everyone can find it easier to raise questions or make proposals.

Briefing Meeting

Monthly meeting to report sales and profit performances, which is meant for not only managers but also staff and temporary workers, is held.

In the meeting total or departmental balance of payments or problems, if any, are reported. The meeting is not a mere occasion of reporting, but an opportunity of discussion across the departments and posts where CEO or a section leader responds to an opinion or a question of an employee.



Daily Information Sharing

Information in the daily sales report, recycling center report and daily accounting report is shared by the managements and the whole staff. Daily report contains every kind of information: the former two include complaints from clients, problems with the facility, and the latter daily sales and cost performances or their predicted figures.

Daily accounting report is updated every working day to make it possible to grasp the transition of the sales or ups and downs of the cost real time. Sharing such information we can immediately detect risks or problems to find out solution or work out effective measures.

Daily Meeting

To prevent human errors in operation from occurring we hold a daily meeting to confirm the following day's work. Representatives from the transportation section in charge of collection and transportation, recycling center engaged in intermediate treatment and client relationship section meet to verify the detail of the work and the points to notice.

The meeting also functions as an opportunity to take up the problems in daily work or daily account and seek their solution with the cooperation of the sections concerned.



Environmental Policy

We are committed to the preservation of our global environment and formation of a recycling-oriented society through our services upon the cognition that we work in an environmental business area to reuse, recycle and process and dispose of the wastes.

1. We are aware of our social responsibility and properly dispose of waste in compliance with environmental regulations and other requirements.
2. We strive to conserve resources and energy in carrying out our business.
3. We contribute to the industrial world through effective use of limited material resources by reusing and recycling waste, and also to a prolonged use of landfill of solid waste as an important industrial resource.
4. We, as a corporate citizen of Environmental Learning City Nishinomiya, practice environmental sustainability through communication based on our spirit of partnership with the local community.
5. Based on the understanding of the Environmental Policy, we construct environmental management system and endeavor to reduce pollution. We set objectives and targets and regularly review them to improve our work.
6. We have our Environmental Policy get across all the employees of ours and affiliates' who work for us. We also disclose this policy upon request.

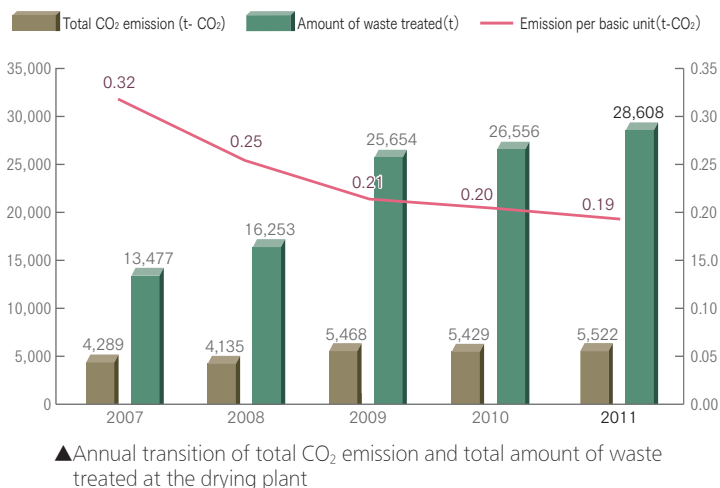
October 1, 2009

Kenichi Akazawa
CEO, REVACS Corporation

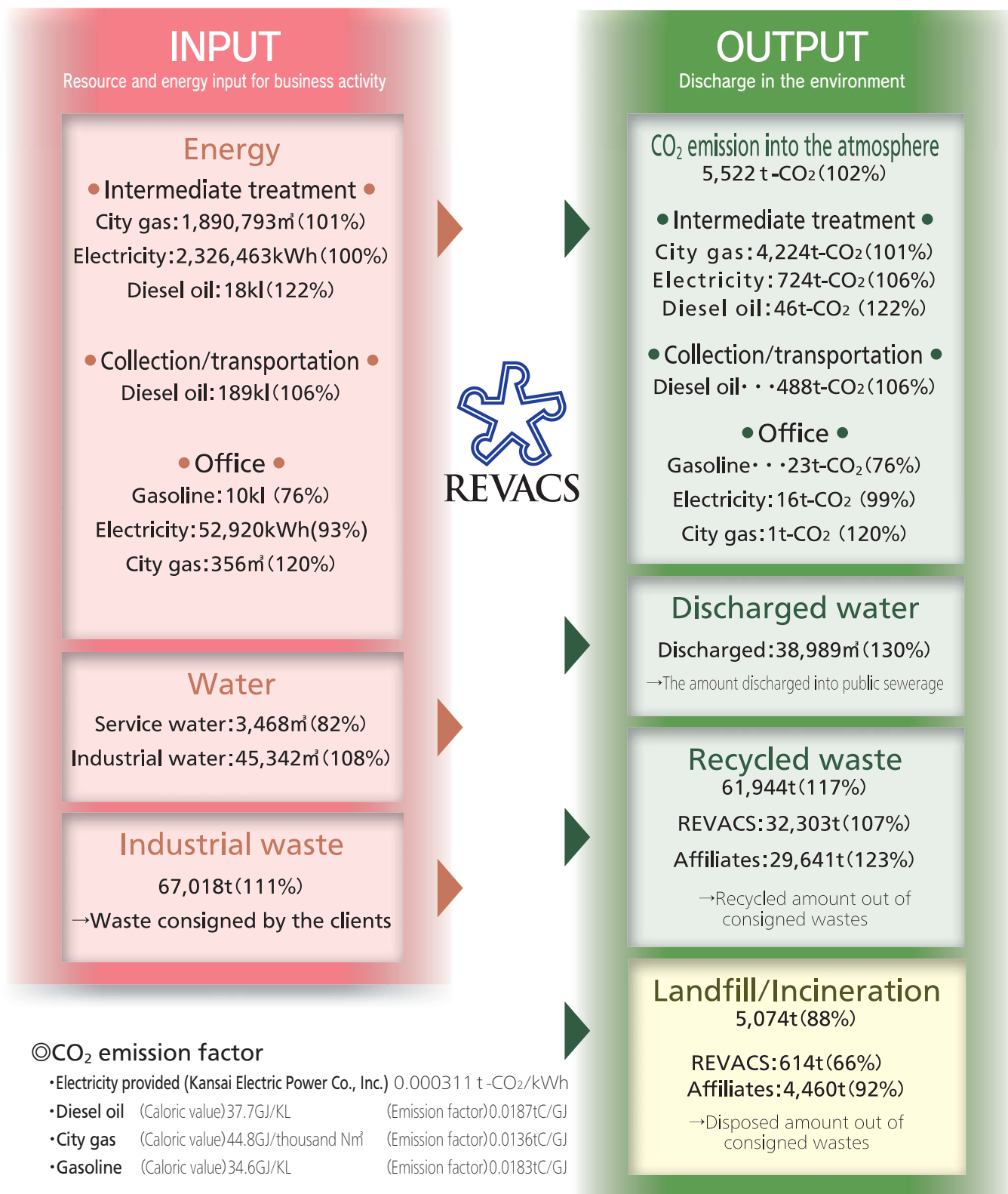
Transition of CO₂ Emission

Graphs show annual transition of total CO₂ emission and total amount of waste treated in the drying plant and CO₂ emission per ton since 2007, the year the drying plant began its operation. In 2011, total CO₂ emission slightly increased by 1.7% over the previous year marking 5,522t-CO₂, and amount of waste treated markedly increased by 7.7% over the previous year marking 28,608t. While emission per basic unit decreased by 5% or 0.19t-CO₂.

Decrease in emission per basic unit is attributable to more efficient than ever operation of the facility. Hence minor increase in total CO₂ emission (1.7%) in spite of substantial increase in total amount of waste treated (7.7%). We continue to efficiently operate the facility to further reduce greenhouse gas emission through our services to preserve a thing of increasing preciousness...energy.



The following chart shows the input of resource energy in the process of collection/transportation and intermediate treatment of industrial waste by REVACS and its output in the environment. For the conservation of our limited resources, we tackle an effective use of resource in terms of both input and output.



(Source) • Act on promotion of global warming countermeasure

• On the disclosure of actual emission factor/adjusted emission factor in FY2010 by individual electricity utilities company". (Press release, January 17, 2012. Ministry of Environment)

• Appendix 1(Article 3-related) of enforcement ordinance, "Act on promotion of global warming countermeasure"

Material Flow of the Waste at REVACS (FY2011)

Amount of waste dealt with: 67,018 t (11% year-on-year increase)

30,177t

Sludge/animal and plant residue



Food scrap or muddy substance originates in water treatment plants and other organic wastes

Waste beverage



Outdated or rejected beverage originates in food manufacturing plants or warehouses

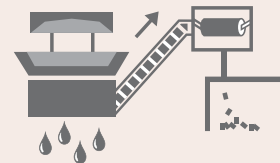
Drying process

Liquid waste is first put to the concentration process, and in a muddy stage it is thrown into the drying machine. The drying procedure is completed in about 4 hours.



Content

Separating process



Packaging material (cardboard) and beverage wastes are sorted out at the Reverse Management Center. Beverage is sorted by the package type (bottles, drink boxes etc.) and the content (juice etc.)

The content undergoes drying process, and the package is recycled at the affiliates' facilities.

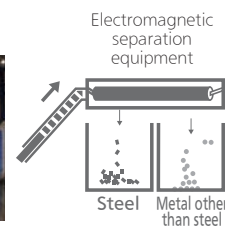
Shredding process

Sorting



Mingled spray cans, steel cylinders and other hazardous substances in the waste are carefully deleted one-by-one by hand.

Shredding



By shredding the waste, the bulky waste's volume is reduced with the metal attachment is removed and recovered.

Waste plastics



Waste plastics and metal scrap

3,323 t

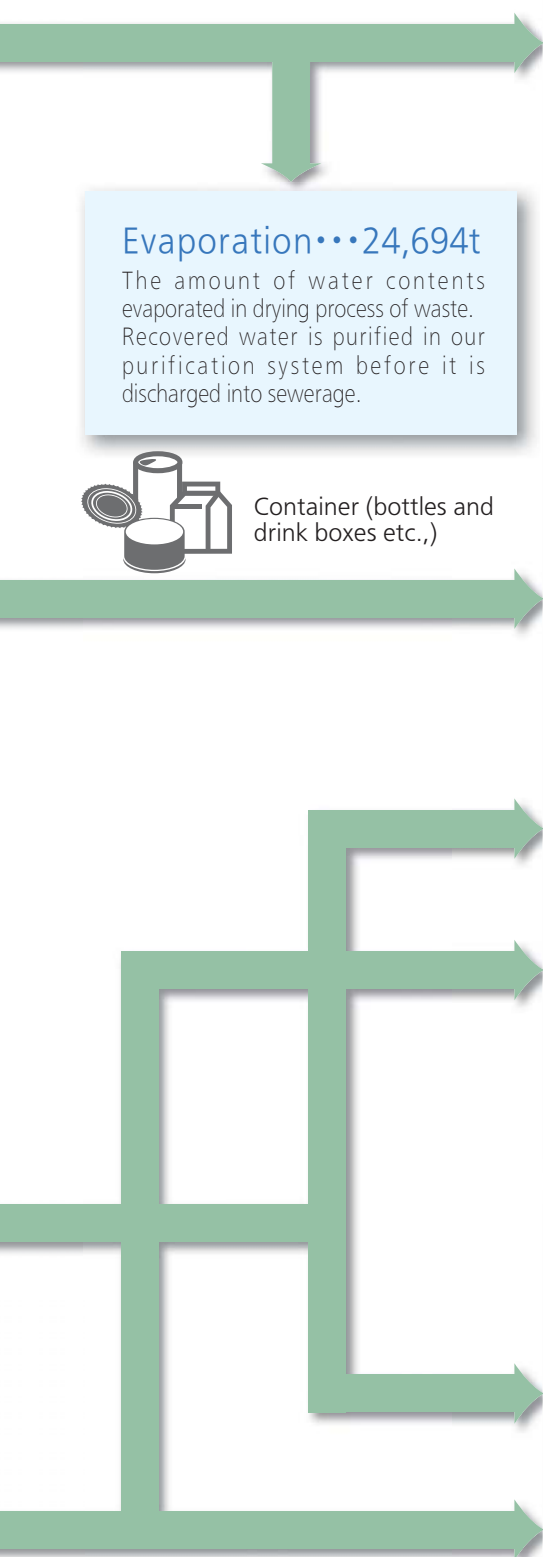
Waste treated or disposed by our affiliates

Sludge, animal and plant residue, waste acid, waste alkali, waste plastics, metal scrap, wood waste, cinder, soot and dust etc.,

33,518 t

Recycling at the affiliates'

The waste is transported to the relevant recycling company according to its type, form and nature.



Evaporation...24,694t

The amount of water contents evaporated in drying process of waste. Recovered water is purified in our purification system before it is discharged into sewerage.



Container (bottles and drink boxes etc.,)

Recycled amount after drying process 3,914t

Bio-solid fuel (BSF).....1,502t

Biomass fuel made of dried organic wastes. It is recycled as fuel for boilers in the manufacturing plants of cement or paper. (Calories: 18.8MJ/kg)



Fertilizer material.....2,332t

Organic sludge and plant and animal residues are used as fertilizer or compost material.

Thermal recycle (Foreign object)...80t

Waste is incinerated and its heat energy is utilized.

Recycling by the affiliates

33,336t

Fertilizer.....19,508t

Organic sludge and plant and animal residues are used as fertilizer or compost.



Sludge

Fuel.....3,869t

Plastics, waste oil, waste liquid are used as fuel for the manufacturing plants of cement or paper.

Roadbed material4,917t

Inorganic sludge is dried and used as roadbed material.



Thermal recycling.....2,529t

Waste is incinerated and its heat energy is utilized.

Recycling as material1,529t

Some are recycled as the material.

Fodder.....376t

Food residues are used as fodder material.

Other recycling608t

Incineration.....583t



Landfill disposal.....4,491t

Waste is reclaimed in a regular treatment facility or a controlled landfill site according to its type.

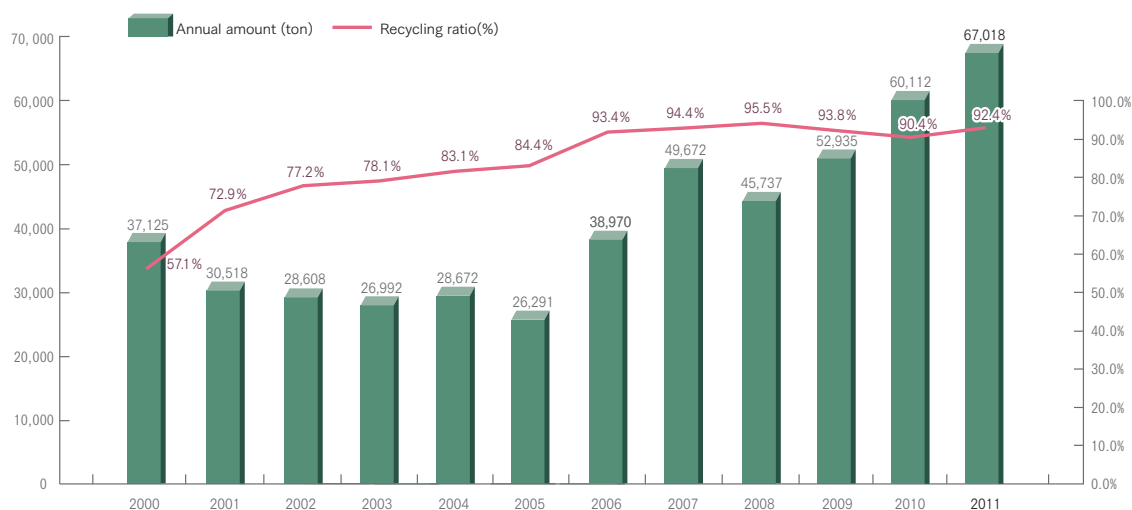


Recycling Ratio at REVACS

The amount and the recycling ratio of industrial waste handled by REVACS in 2011* were as shown in the following chart. Since the renewal of the shredding plant (2006) or installation of the drying plant (2007) the recycling ratio has been exceeding 90% level.

We will further strengthen our efforts in sorting the waste as well as coordination with the affiliates for the utilization of earth's limited resources, and for the sustainable use of the landfill site, which is precious resource itself, to eventually meet the clients' needs who are tackling the recycling of industrial waste.

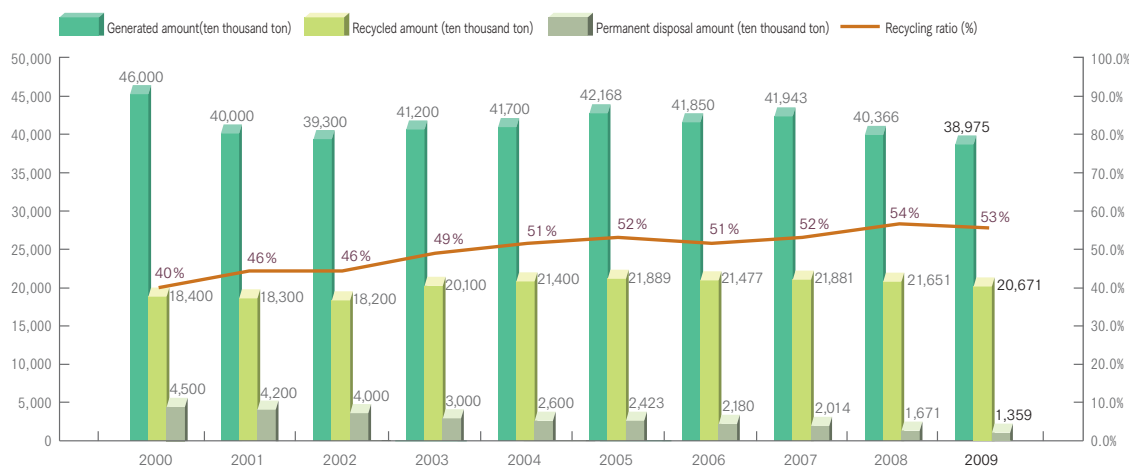
※Recycling ratio: ratio of the waste which was recycled out of total amount handled



▲Annual amount and recycling ratio of the industrial waste handled by REVACS

Status of Industrial Waste in Japan

Nation's total amount of generated industrial waste is hovering at 400 million ton level according to Ministry of Environment. The amount of recycled waste tends to be on the increase while that of the permanent disposal is on the decrease. We may well say that a practice of recycling is gaining ground in the industrial sector.



▲Amount of nation's industrial waste occurrence, recycling and permanent disposal

Source: 'Status of industrial waste and its disposal', Ministry of Environment(Data processed by CSR Report)

Energy Consumption at Recycling Center

At the Recycling center, i.e. shredding plant and drying plant, we use electricity, industrial water and city gas.

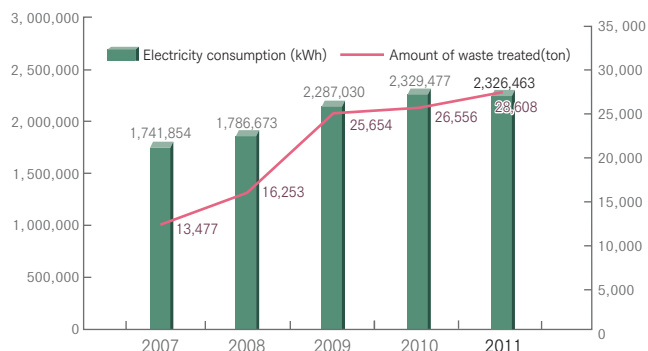
The graph shows transition of annual electricity consumption since center's foundation in 2007. Power consumption tended to increase as the amount of waste increases, but electricity required to treat a ton of waste decreased by 37 % compared with that of the first year (2007).

In FY2011, we could reduce electricity consumption than in the previous year notwithstanding the year-on-year increase in the amount of industrial waste treated thanks to enhanced efforts to efficiently operate the center's facilities.

FY2011, industrial water and city gas consumption in FY2011 was as follows:

Industrial water 45,342m³ ;

City gas 1,890,793m³



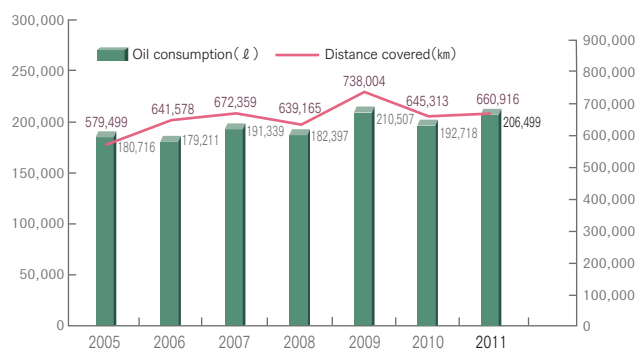
▲Transition of annual electricity consumption



▲Thermal insulator (jacket)

Energy Consumption by the Vehicles

Diesel oil is used as fuel for vehicles which are used to collect and transport the waste and heavy equipment (forklifts and scrapers) used in intermediate treatment. Total diesel oil consumption increased in FY 2011 registering 206,499 liter, which was attributable to the increased distance covered by the vehicles. We are going to improve the mileage practicing eco-driving and periodical checkup of the vehicles.



▲Fuel consumption and distance covered

Leakage Prevention of the Waste

The concrete floor of shredding plant is entirely covered with iron plate to prevent waste from leaking. We have stock pile of sand bags ready to stuff up the sewage discharge point should the leakage be expected in a natural disaster.

When transporting waste of high moisture content watertight container equipped with gaskets is used. The gaskets are regularly renewed to prevent leakage from occurring.



REVACS takes various measures to reduce environmental load, and practices periodical measurement of odor, water quality or air pollution in compliance with laws or environmental preservation agreement. In FY2011, we could clear the regulation standard in every measurement item for the second year in a row.

Odor Prevention Measures

We take steps to prevent odors from generating from the wastes we handle in each section. In the shredding plant, four units of activated carbon-based deodorizers are installed. The yard to hold sludge or plant and animal residues is equipped with shutters which are normally closed except when the waste is brought in or brought out. The drying plant has a deodorizing furnace to incinerate concentrated odor, and, a cleaning equipment to neutralize the odor of low concentration with chemicals. The results of our odor measurement conducted based on the REVACS-Nishinomiya Environmental Preservation Agreement are as follows.



▲Deodorizing equipment



▲Deodorizing furnace



▲Chemical cleaning equipment



▲Holding yard with shutters

Odor measurement (Date: Oct. 18, 2011)

Offensive odor substance	Regulation standard	East side	West side	North side	South side
Ammonia	1	<0.3	<0.3	<0.3	<0.3
Methyl mercaptan	0.002	<0.0005	<0.0005	<0.0005	<0.0005
Hydrogen sulfide	0.02	<0.0005	<0.0005	<0.0005	<0.0005
Methyl sulfate	0.01	<0.0005	<0.0005	<0.0005	<0.0005
Dimethyl disulfide	0.009	<0.0005	<0.0005	<0.0005	<0.0005
Trimethylamine	0.005	<0.0008	<0.0008	<0.0008	<0.0008
Acetaldehyde	0.05	<0.004	<0.004	<0.004	<0.004
Propionaldehyde	0.05	<0.004	<0.004	<0.004	<0.004
N-butyraldehyde	0.009	<0.0008	<0.0008	<0.0008	<0.0008
Isobutyl aldehyde	0.02	<0.002	<0.002	<0.002	<0.002
N-valeraldehyde	0.009	<0.0008	<0.0008	<0.0008	<0.0008
Isovaleraldehyde	0.003	<0.0004	<0.0004	<0.0004	<0.0004
Isobutanol	0.9	<0.05	<0.05	<0.05	<0.05
Ethyl acetate	3	<0.1	<0.1	<0.1	<0.1
Methyl isobutyl ketone	1	<0.05	<0.05	<0.05	<0.05
Toluene	10	<0.5	<0.5	<0.5	<0.5
Styrene	0.4	<0.01	<0.01	<0.01	<0.01
Xylene	1	<0.05	<0.05	<0.05	<0.05
Propionic acid	0.03	<0.0005	<0.0005	<0.0005	<0.0005
N-butyric acid	0.001	<0.0005	<0.0005	<0.0005	<0.0005
N-valeric acid	0.0009	<0.0005	<0.0005	<0.0005	<0.0005
Isovaleric acid	0.001	<0.0005	<0.0005	<0.0005	<0.0005
Odor concentration	30	< 10	< 10	< 10	< 10

Water Pollution Control

Water used or originated in the waste treatment process at the center is discharged into public sewerage after being treated in our water treatment facility. To prevent an occurrence of water pollution we installed pH meter with continuous monitoring device. And we weekly inspect the water to be discharged from the treatment facility. We also conduct voluntary inspection of water quality concurrently with the municipal monthly inspection.

Analysis of heavy metal content in water (May 30, 2011)

Measurement item	Unit	Regulation standard	Result
Water temperature	℃	≦ 45	20.2
pH	—	5.0 ~ 9.0	7.4
Cadmium	mg/ℓ	≦ 0.03	<0.005
Cyanide	mg/ℓ	≦ 0.3	<0.1
Lead	mg/ℓ	≦ 0.1	<0.01
Hexavalent chromium	mg/ℓ	≦ 0.1	<0.02
Arsenic	mg/ℓ	≦ 0.05	<0.01
Total mercury	mg/ℓ	≦ 0.005	<0.0005
Total chromium	mg/ℓ	≦ 2	<0.02
Copper	mg/ℓ	≦ 3	<0.01
Zinc	mg/ℓ	≦ 5	<0.01
Soluble iron	mg/ℓ	≦ 10	<0.1
Soluble manganese	mg/ℓ	≦ 10	<0.1
Animal and plant oil concentration	mg/ℓ	≦ 30	<1
Mineral oil concentration	mg/ℓ	≦ 5	<1



▲Water treatment facility



▲Consecutive pH monitor

Water inspection by Nishinomiya City (FY2011)

	Regulation standard	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Water temperature	—	20	21	23	30	28	25	25	22	17	11	12	13
pH	5.0 ~ 9.0	6.8	6.4	7.3	7.1	7.3	5	7.9	7.1	7.5	7.5	7	6.8
BOD	600mg/ℓ 以下	240	22	270	510	36	310	8	13	22	3	23	4
SS	600mg/ℓ 以下	320	9	8	13	<1	<1	<1	4	9	4	3	7

Air Pollution Control

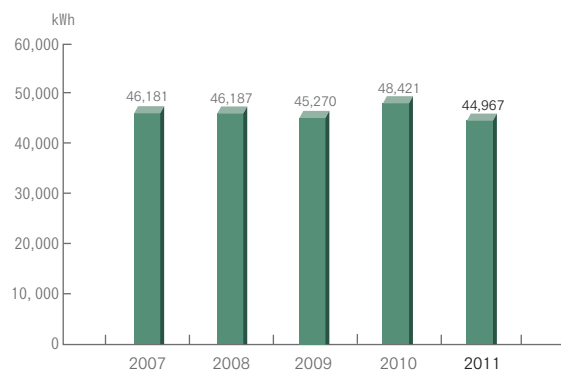
Under the environmental agreement between Nishinomiya City and us, we survey air pollutant emission out of chimneys of the deodorizing furnace and the boiler biannually. In FY2011 we successfully met the standard as shown below.

Air pollutant measurement result (October 18, 2011 (I) and March 22, 2012 (II))

Item	Regulation standard		Unit	(I)	(II)	Average
Nitrogen oxide (NOx)	Emission standard	150	ppm	23	43	33
	Emission per hour	0.42	Nm ³	0.16	0.27	0.22
	Emission per year	6.2	ton	2.35	4.02	3.2
Soot and dust	Emission standard	0.05	g/m ³ N	<0.001	<0.001	<0.001

Electricity Consumption in the Office

In the office 44,967kWh was used in FY2011. Light was frequently turned off whenever lighting is not needed according to area-by-area circumstance. During the period between early May and end of September staff was encouraged to wear light attire (no-tie or no-jacket) while a cooling temperature being set higher, which we call 'Cool Biz campaign', in an effort to reduce electricity consumption.



▲Transition of annual electricity consumption in the office.

Office Work Waste

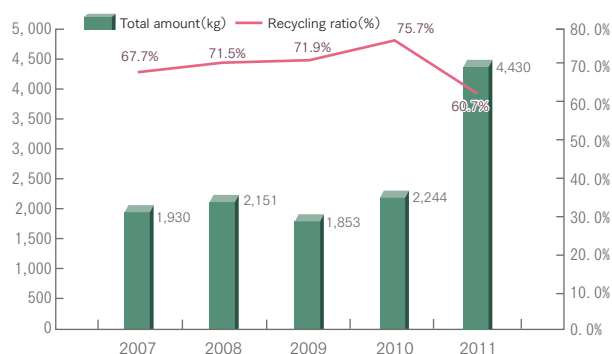
We discriminate recyclable wastes from the other. Total amount of office waste was 4,430kg in FY2011 and 60.7% of which was recycled. The sharp increase of the waste is attributable to mass disposal of unwanted objects conducted all at once in the 3S campaign (cf. p.32). Incidentally we sort out the waste into 8 categories.

○Recyclable:

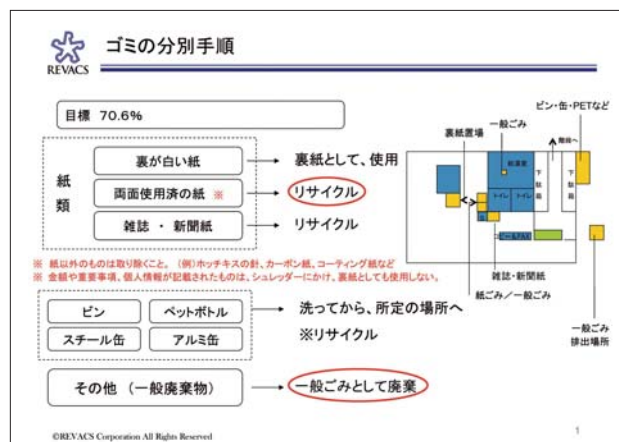
Paper (Copier paper both sides of which were printed (duplex), corrugated cardboard, newspaper and magazines), bottles, cans (aluminum, steel), and PET bottles

○Non-recyclable:

Coated paper and plastics



▲Transition of total amount of (office) waste disposed and recycling ratio



▲Instruction sheet for sorting the waste

Occupational Health and Safety Policy

Our management principle consists of “Contribution to the Partners”, “Contribution to the Customers” and “Contribution to the Society”. In other words we realize that our corporate social responsibility is to enable all the employees to enjoy amenities of life in good health and safety. Also, occupational accidents and injuries are “the biggest environmental destruction”. With these in mind we promote Occupational Health and Safety (OH&S) activity.

1. We comply with OH&S regulations and respect such requirement of customers, community and public organizations as we accepted as reasonable.
2. We strive to ensure the safety in all our business activities done on our own responsibilities.
3. We are aware that the waste management business has big potential risk, and strive to ensure the safety of transportation and to cause no occupational accidents at the recycling center or other sites.
4. We strive to secure, maintain and improve trust and security of customers through communication in good partnership.
5. We understand OH&S Policy and constantly work to improve our OH&S management system as a proactive measure to prevent occupational injury, accidents and illness identifying possible sources of hazard in overall service activities. We set objectives and targets of activities, and review them regularly for continual improvement.
6. We have our OH&S policy get across all the employees of ours and affiliates’ who work for us. We also disclose this policy upon request.

October 1, 2009

Kenichi Akazawa
CEO, REVACS Corporation

Risk Assessment and *Hiyari-Hatto*

As part of Occupational Health and Safety Management System (OHS-MS), all employees participate in “Risk Assessment” of overall work process once a year. In 2011, we picked up 288 items as possible sources of hazard, and 31 of them with higher risk-point were designated as objects of our specific risk countermeasure.

In risk management, we put priority in the removal of the work or action itself. We also put emphasis on other measures in the ascending order such as a physical means to keep away from risk source (e.g. installation of safety rack), educational training, and use of protective equipment at work.

We also practice interviews regularly to detect “Hiyari-Hatto” cases, or incidents which could have caused accidents or injuries. In 2011 we found 23 Hiyari-Hatto cases and assessed them.

02 Education / Training

Human Rights / Labor Practices

General Education / Specialized Education

At the beginning of every fiscal year, we give general education common to all partners in the whole sections as well as specialized education in each section. The former aims to get across the information of our environmental policy, occupational health and safety policy, our objectives and targets and relevant regal stipulations to all. While, the latter concerns the assessment of a potential effect the sections have on environment and risk assessment and specific educational program for the section, which is prepared basing on such assessments.

We also give the educational and training courses as shown below.

■ List of the educational / training courses (other than the general or the specialized education)

Content	Venue	Intended section	Dates
Use of protective equipment	In-house	Drying	Every month
Safety driving	In-house	Transportation	June
Oxygen starvation/hydrogen sulfide risks: OJT for licensed workers	External venue	Shredding plant; Drying plant; Transportation	June, July
Industrial waste administrator course	External venue	Client Relationship	August
Safety education for work on an elevated position	In-house	Client Relationship	August
Oxygen starvation prevention training	In-house	Transportation	September
Safety	In-house	Client Relationship / Administration	October
Eco-driving	External venue	Transportation	November
Eco-driving	In-house	Transportation	December



Emergency Drills

After the occurrence of the Great East Japan Earthquake on March 11, 2011 we included 'Tsunami triggered by earthquake' as a case of an emergency.

In consideration of REVACS' s geographical conditions on the reclaimed land on Osaka Bay, we revised our emergency procedure. We implemented how to react in the emergency in the specific cases, e.g. when one is in the office building, or outside the office or on a wheel, and how to contact with the company when the disaster has calmed down.

In regular emergency drills, we made the employees familiarized with above-mentioned procedure in the tsunami situation as well as the measures against fire.



Prevention of Oxygen Starvation and Hydrogen Sulfide Intoxication

Hydrogen sulfide generated by organic industrial wastes causes intoxication or oxygen starvation, the occurrence of which is expected inside the sludge storage tank. It is regarded as a great hazard source. And at our recycling center which practices maintenance of storage tank, monthly drills to put on protective instruments such as air-line respirators. At the transportation section whose staff cleans the tank at the client's yard, and also at the client relationship section whose representative engages in a pre-work inspection, we give drills to prevent oxygen starvation or hydrogen sulfide intoxication from occurring.



Opening of In-house Business School

With a slogan of “Bringing up 10% of employees to be entrepreneurs!”, the 2nd in-house business school (BRAIN2011) was opened. It aims at cultivation of basic abilities of participants so that they can be active in the future as specialists and leaders in waste disposal business.

The lectures were given on five occasions from June 2011 to September to 23 participants including executives, staff from the client relationship section, transportation section, recycling center and administrative staff who applied for this in-house program.

Through drills and case studies the school develops students’ knowledge or skills of “logical thinking”, “business strategy” and “business presentation”, which are required in various business scenes. The course was opened with the cooperation of GLOBIS Corporation, which runs the largest business school in Japan.

Incidentally, the 1st business school was held in 2006 with the participation of 26 employees from REVACS group.



Promotion of 3S Activity

We adopted “Office 3S Activity” as one the foci in implementing Occupational Health and Safety measures, and have made various efforts to promote productivity.

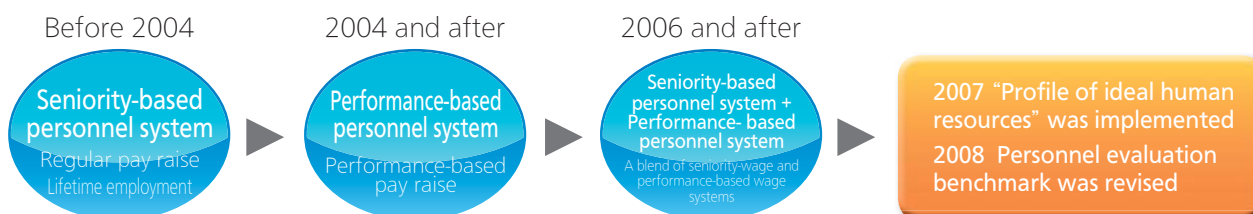
Forty-seven employees from REVACS group visited a nationally well-known company for its promotion of 3S activity to review the 3S programs of their own sections in REVACS group by defining factors involved in the 3S activity based on what they observed during the visit.

Objective actions in our activity is as follows: discriminate what is the necessary items from unnecessary ones; discard unnecessary items; give digital code to necessary items and keep them in the fixed position so as they can be easily accessed or picked up when necessary. We regularly clean up the office to maintain a clean worksite. Also, we modified the layout of the office considering the flow line so as staff finds it easier to work in.



Personnel Management System

In line with one of the management principle "Contribution to the Partners", we are striving for a realization of personnel management system where our partners can work with a sense of security and fully show their true abilities and where one's endeavor is properly valued. The personnel management system, as well as the business plan, has been revised so far depending on changes in external or internal environment.



Work-Life Balance & Diversity

In order to create an environment where the employees can work without worries with harmonious balance of work and private life, we also put an emphasis on the benefit program. Major programs include child-care leave, family-care leave, volunteer leave, congratulatory or condolence payments. We have such programs as to help self-development of the employees for skill up or career-development, e.g. supporting program for getting qualification or that of taking a course of a business school.

We would like to have as many types of human resources as possible working with us. We have implemented systems of gender-free recruitment, promotion to managerial post and equal payment. We will further continue our effort for a better system so that employees can work without undue worries and use their ability to the full extent.



MVP Employee and Length-of-Service Awards

To motivate the employees, we give MVP award biannually. In FY 2011, Shredding section of the Recycling center was awarded for its contribution to cost reduction in operation. We also award employees by their years of service by decades. In 2011 three people were commended (two for 20-years' service and one for 10 years' service).



▲MVP employees



▲Length-of-Service awardees

Sound Management-Labor Relations

REVACS' s labor union is under union shop contracts consisted of managerial staff of the company (manager or the equivalents) and other employees than the staff of labor management. Labor-management negotiations are held as needed. Representatives of the union attend monthly SR Committee meeting to regularly extend requests of the employees. Through exchanges and reporting at the SR Committee meeting Environmental & Health and Safety management is effectively implemented with the labor and the management cooperating.

REVACS's Voice

Voice of a Long-service Employee



Hiroki Hatai

Chief Manager, Client
Relationship section
REVACS Corporation

I have been working for 10 years for REVACS. In the ten years' service at the sites of waste disposal as a member of sales staff, I have witnessed the people in each client company were earnestly tackling the environmental issues, and I clearly realized the gravity of my responsibility and became keenly aware how important the role of waste disposing business is in the society. It was quite a meaningful decade for me as I have contacted many people and widen my experience.

I would like to thank earnestly not only the clients who gave me opportunities to serve but also everyone I met so far including staff of associated companies, and coworkers at REVACS.

Regrettably I have clients for whom I haven't had an opportunity to serve for their good and sometimes I feel lack of my ability for that. I will try to be of help with them. I pray for your continued help and guidance.

REVACS's Voice

Voice of REVACS Labor Union



Yuhki Yokoyama

Vice Chairman
REVACS labor union

REVACS labor union operates for the formation of work environment where employees can work safely and with a sense of security. Concurrently with the inauguration of round-the-clock drying facility, the working hour of the workers at the recycling center was altered to three shifts system. Naturally the change brought about previously unknown problems. And we have put through voices of the work site and asked for the improvement on occasion of the monthly SR Management Committee, which had been well accepted.

Three of the union executives were switched to new members in August 2011, where the two of them were composed of the staff from the round-the-clock drying facility for the first time. Although members who work in three shifts system used to find it difficult even to attend the union meeting, we are now determined to strive to create safe and comfortable work environment with the cooperation of labor and management.

04 Recruiting Activity

Human Rights / Labor Practices

Recruiting Activity

In FY2011 we hired eight employees including five new graduates and three mid-career recruits.. As for the recruitment of new graduates we had over 70 applicants for the offer of several* jobs. We held company information session in June 2011, in which CEO delivered a speech on our management principle and vision and extended his faith in students. Then our employees spoke concretely what is our work is like and how it is actually carried out (and how challenging it is). After the three interviews, i.e. the primary, the secondary and the executive's interviews, three staff and two technical workforces was hired.

While, as competent workforces for service and recycling sections we recruited three technicians mid-career.



▲Company information session



▲Initiation ceremony



▲Mid-career recruits

REVACS's Voice

Voice of an Employee Hired in Mid-career Recruiting



Kentaro Toyota
Recycling Center
REVACS Corporation

The first thing I was impressed after I started working in this company was the employees' stance of proceeding tasks and activities. Everyone in a group is ready to take part in planning and cooperate in the execution of the work.

Take an example of repair of various implements in the annual checkout. In other companies, it is a usual case that a boss makes a plan to make his men practice it. But here in REVACS, each worker is assigned to specific implements and he prepares a plan himself.

Also in case of untimely defect during regular operation, all the employees discuss it and begin the repair after making the execution plan. In other words we begin the action after everyone has recognized the source of risk to prevent occupational accident from occurring.

To our regret, we could not reduce the occurrence of accident to zero. But, I feel we can make our workplace free from labor accident as long as we keep going forward while building up our experiences under the scheme as mentioned above.

REVACS's Voice

Voice of a New-graduate Hired

**Keita Yamauchi**

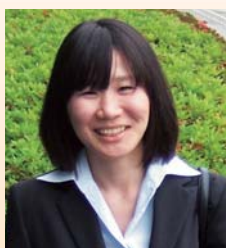
Client Relationship section
REVACS Corporation

I was searching for a job in engineering field. But, when I happened to know REVACS I became interested in this company as a student who belonged to the faculty related to environmental study. I learned that recycling at REVACS is not a mere disposal of waste by incinerating or reclaiming but an endeavor for its reuse, such as making it into fuel or a material for fertilizer, and I realized its importance and had an anticipation of its development for the future.

Soon after I began working for REVACS I was assigned to make a presentation about the company to the community people. As I had never experienced such a presentation, it took me a long time to prepare for it. So, when it was over I felt a sense of accomplishment. I face matters I am not familiar with day-after-day, but I would like to keep learning through the task I am given to grow day-by-day.

REVACS's Voice

Voice of a New-graduate Hired

**Yoshimi Kodaniguchi**

Client Relationship section
REVACS Corporation

One of the reasons I wanted to work for REVACS was its management principle which expresses contribution to partners. The idea of looking after one's own employees first in order to serve the society seems to be a matter of course, and yet few companies hold it as its principal.

REVACS is active in various social and community contribution. It is unusual for a medium-sized company. But, I realized after I was hired that such activity requires much preparatory work beyond expectation. Seeing this stance of the company I feel I am lucky to be its member. I will do my best to become an active workforce as soon as possible.

REVACS's Voice

Voice of a New-graduate Hired

**Saya Ishida**

Client Relationship section
REVACS Corporation

I wanted to find a job where I can contribute to environmental issue, and I chose REVACS because I was attracted by the company not for its contribution to the customers and society but also to its partners. In REVACS everyone always give plenty of thought on various problems and its cause as well as solution in his or her position, and sometimes, give advises and help each other. While working as a new recruit, I came to realize that a company is run in this way.

Though I have many things yet to learn about a job in the client relationship section, I will do my best adding up various experiences with the help of senior employees to be a full-fledged staff member as soon as possible.

Kabutoyama Agricultural Project

We have often dealt with wastes of animal and plants origin as we have many clients in the food manufacturing and processing business. We recycle annually 20 thousand tons of waste as compost. Under the circumstance, we have come up with an idea to offer, as part of our responsibility to the society, an opportunity to learn about food and its base, farming. To materialize the idea, we have been taking part, as a sponsor, in “Kabutoyama Agricultural Project” organized by Learning and Ecological Activities Foundation for Children (LEAF)

As we have not had any opportunities of being involved in the agricultural scene, the participation in this project provides us with a precious occasion to be acquainted with an agricultural site.

Kabutoyama Nogyo-juku

We have often dealt with wastes of animal and plants origin as we have many clients in the food manufacturing and processing business. We recycle annually 20 thousand tons of waste as compost. Under the circumstance, we have come up with an idea to offer, as part of our responsibility to the society, an opportunity to learn about food and its base, farming. To materialize the idea, we have been taking part, as a sponsor, in “Kabutoyama Agricultural Project” organized by Learning and Ecological Activities Foundation for Children (LEAF)

As we have not had any opportunities of being involved in the agricultural scene, the participation in this project provides us with a precious occasion to be acquainted with an agricultural site.



Agricultural Experience

In the farm land of Kabutoyama Nogyo-juku, we sponsor an event to experience farming and sato-yama. We invited not only people from REVACS group but also from our clients. In FY2011, we received as many as 47 visitors including 29 from outside the group.

In the event held in September 2011, we could enjoy and appreciate the prodigality of nature and its importance, harvesting rice, autumn vegetables, going on a nature hiking or cooking curry and rice using rice and vegetables grown there.



Voice of a Participant in *Nogyo-juku*



Mr. Satoshi Nishikawa
Ms. Eriko Nishikawa
Miss. Yui Nishikawa

Participants in
Nogyo-juku

My family home was located in the heart of nature's bounty near mountains. And now, we live in the area that is not blessed with rich greenery, and insects are not seen so often. I had been concerned with our daughter's behavior who detests even a small worm crying "Weird!" as if insects are nothing but pests for a man. That was why we decided to participate in the juku in which you can enjoy yourself in the field and take a close look at how the crops and vegetables grow.

While attending bimonthly course and elaborately growing rice plant and vegetables, our daughter seemed to have learned it is not always an easy job. Since then she tried to eat whatever harvest we had.

Incidentally, it was carrot leaf which has become favorite recipe of our family. When fresh leaf is fried with sesame oil with chirimen-jako (dried young sardines) and eaten with soy sauce, it is soft and fragrant. Our daughter surprised us by eating it heartily.

In the break of our work, she began to spend a fond time in searching for insects and she finds it easy even to touch a mantis or a beetle. I hope she nurture the gentle feeling to respect the life of living things while she contacts creatures or plants.

We are really appreciated to have come to know *Nogyo-juku*. I hope that the staff of REVACS group may continue to support such an event.

Voice of a Participant in Agricultural Experience



Mr. Kazuya Onishi

Participant to farming
and *Sato-yama* Event

I found the news of this agricultural event on the e-mail news from REVACS sent to the clients. I have participated in the event since the rice harvesting in 2011 in order to have my child experience various activities, say such ones in the paddy or the field, which are totally a new environment for him.

This time we took part in rice plantation for the second time as it was suspended due to rain last year. Because of the deep and muddy condition of the paddy field, my three years old son who cheerfully started playing with mud soon became scared and shrunk back amidst the field. But it will become a memorable experience for him in its own way. And in other occasions I could see him eagerly picking kidney beans, or peas or pulling up onions. It was a victory for us to have joined the event.

I myself could learn a lot about the aspects of cultivation of vegetables or rice which we usually eat without much thought. I am thankful to REVACS for providing us with such an opportunity. When the next event is held I would like to take part in it with all four members in my family.

Reception of Plant Tour

Our plant receives visits of stake holders who had not had a deal with us yet not to mention our clients. In FY2011 we had 487visitors in 75 groups including 14 of such groups.

In August 2011, nine Asian students studying in Kobe College graduate school visited our facility in the program “Fostering Female Environmental Leaders to Promote ESD(Environment for Sustainable Development) from Local Area”. We gave explanation to our role and work as a waste disposer and introduced our CSR activities, after which students made many questions about recycling techniques. Above program is sponsored by the Science and Technology Agency’s “Funds for the Promotion of Science and Technology 2010” in “Strategic Promotion for Fostering Environmental Leaders” program.



In September 2011, 37 people from Solar Division of Osaka Fuji Corporation visited our facility as part an environmental education. In the morning, we presented an outline of waste disposal and about the idea of proper disposal and made a tour of processing facility. In the afternoon, we took them to the facilities of our business partner.



In February 2012, we received 18 members of Eco-community Conference in Nishinomiya City at our plant. The visit was made as one of the “Field study bus tours to environment- or disaster prevention-related facilities” programs, which was planned as a study session for the independence and development of each economic community conferences.

We explained our role and work in waste disposal business under the theme of “Prospect of the role and efforts of environment-related facilities.”



Community Involvement

We participated in the community activity as a member of Naruohigashi Eco Community Conference, one of the Nishinomiya’s Eco Community Conferences.

The conference is an autonomous organization in the residential area that neighbors our processing facility. The conference, which consists of heads of residential associations, PTA presidents, school teachers, and business proprietors in the neighboring area, has been engaged mainly in the maintenance of the biotope and greening of the area.

In the meeting held on September 2011, at which we were present for the first time, activities of the previous year and schedule for the present year were taken up. After that we visited Reso Naruohama located in the same area as our plant’s to observe the efforts of protection of bio-diversity.



Consumer Education

REVACS gives environmental education to pupils and junior high school students in the neighboring districts regarding them as future consumers. Since 2008 we have given an environmental class to the 2nd graders at Kansai University Dai-ichi Junior High School to motivate them for environmentally friendly consumption behavior.

In June 2011 we gave two lectures prior to the visit to recycling facility. The first lecture was by Mr. Inubushi from Environment/Public Relations Section, CSR Division of Coca Cola West Co., Ltd. titled "On recycling of empty containers and waste problem in Japan", and the second by REVACS "Where does beverage that passed use-by date go?". In the lectures waste problems and recycling of beverage were explained.

The lecturers extended their message saying that it is typically an environmentally friendly behavior if you buy, say at a super market, a food product coming close to expiration date which are usually placed nearer to you on the shelf, and that when such a little action is made by everyone it will end up with a big movement to greatly reduce the wastes.

In July students of 6 classes visited the actual site of waste recycling in two groups one in the morning and the other in the afternoon. There were many students who were surprised at the sight the recycling site inside the facility building which they have had no chance to see before. It seems that the students could further familiarize themselves with environmental issue having seen a mass of waste and smelled its odor



▲Preparatory lecture



▲Plant tour

Voice of the Client



Mr. Yasunori Itoh

Managing Executive Officer,
Osaka Meiraku Corporation

We sell food and beverage ranging from Coffee Fresh "SUJAHTA", corn potage soup, coffee beverage, 100% fruit juice to functional beverage. Our product line is consisted of long life products (or, products of good keeping qualities), and we believe it our mission to deliver safe and security to our customers.

In April 2012, we had an opportunity of having REVACS' s elaborate explanation of recycling processing and REVACS' s stance and approach over the years in recycling as an industrial waste disposer. The word "Mottai-nai" seems to be one of the unique expressions which originates in the Japanese culture. It must be the very word that a nation with limited natural resources like Japan has to recall now. We learned that the unwanted products which we have had no choice but permanent disposal by incineration can be reprocessed and recycled as bio-solid fuel, compost or fertilizer. What a blessing it is for us who must ask for the disposal of outdated or disused products! I would like to express our hearty thanks to you who take on the important role in the recycling-oriented society. I pray for your further development in pursuit of your business principle, "Contribution to partners", "Contribution to customers" and "Contribution to society".

TRY・YARU・WEEK

In 1998, triggered by the Great Hanshin Awaji Earthquake, Hyogo prefecture started one-week internship program all over the prefecture directed to the second graders of junior high school to have them experience working or to have other social experiences. The program aims to foster children's physical and intellectual ability.

REVACS has been accepting this TRY・YARU・WEEK (literally, attempt-and-act-it-out week, a pun for 'trial week') since FY2010. In FY2011, 2 second grade students assisted the reception of visitors or the office work for 5 days from May 16.

We wish the students could learn as much about what it is like to work after they had engaged in unfamiliar job surrounded by many people, which must have been quite different from their usual activity at school.



Voice of the Client



Mr. Tatsuya Fukazawa

Senior Chief,
General Affairs Section,
Akashi Plant,
Asahi Soft Drinks Co., Ltd.

Asahi Group holds a challenge toward "Formation of Recycling-oriented Society" as its theme. Factories in the group are working on a 100 % recycling of the wastes and by-products as new resources.

As a matter of course 100% recycling cannot be materialized without having good partners. The relation with REVACS began with a commercial transaction of crushed PET bottle, in 2004. We are grateful for your services you have rendered us since then. We expect that the relation with REVACS will continue in a good partnership.

As a person in charge, I think highly of your stance of the information disclosure where you provide not only favorable facts for you but also the one that can be a cause of negative images such as complaints of the clients and record of accidents. This earnest posture seems to be well reflected on your way of operation in the main business of waste disposal and recycling.

I hope REVACS maintain the management system to which we can "entrust" our waste recycling project with security, and being a company which we can "recommend" to other companies. I look forward to the cooperation as good partners to cultivate each other.

Student Stakeholders Dialogue

In July 2011, we held the Student Stakeholders Dialogue in the lecture of environmental accounting at the faculty of commerce in Doshisha University.

After an explanation of our business description and CSR activities, we divided students in four groups and asked them discuss the following themes.



1. CSR report and information disclosure.
2. What is the social responsibility of a waste disposer in recycle-oriented society?
3. What is the requirement in commercialization of bio-solid fuel?
4. What is your request to REVACS Corporation? What do you expect of them?

Some remarked that a business cannot persist only by a mere chasing of profit, which they learned seeing the responses of companies after the Great East Japan Earthquake.

Some expressed their empathy with REVACS Corporation in that it is involved in consumer education without confining themselves to waste disposal business.

In this first attempt of dialogue we had valuable exchanges with the students.

Environmental Community Development Forum

“Biodiversity symposium” was held in commemoration of implementation of “Biodiversity Nishinomiya Strategy” in February 2011.

We took part in the poster session in the symposium, which introduces the activities toward the conservation of nature and biodiversity. At the forum, after the keynote address, institutions or groups related to Nishinomiya city were allowed to give explanation of their environmental activities before the displays. REVACS introduced our bio-mass fuel project and communication activities using displays.

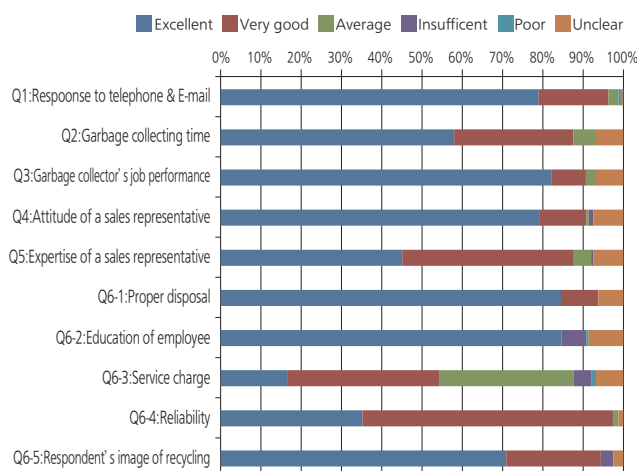


Responses to Various Questionnaires

We receive questionnaires or requests related to environmental issues or occupational health and safety from supervisory authority or other parties. We keep such requests as “Record of communication” so as not to lose or fail to answer them. In 2011 we answered all of the 35 items that required our response out of total 75 we received. To answer such questionnaires is not only a means of communication as a requirement in management but also a way for us to duly face client's needs as part of our social responsibility.

Customer Satisfaction Survey

In May 2011 we asked Environment Business Consultants Co., Ltd. (EBC) for a customer satisfaction survey. They sent 300 copies of questionnaires to the clients of ours, and 163 of which were answered. The result was as follows.



(%)	Excellent	Very good	Average	Insufficient	Poor	Unclear
Q1:Response to telephone & E-mail	79.0	17.3	2.5	0.0	0.6	0.6
Q2:Garbage collecting time	58.0	29.6	5.6	0.0	0.0	6.8
Q3:Garbage collector's job performance	82.1	8.6	2.5	0.0	0.0	6.8
Q4:Attitude of a sales representative	79.0	11.7	0.6	1.2	0.0	7.4
Q5:Expertise of a sales representative	45.1	42.6	4.3	0.6	0.0	7.4
Q6-1:Proper disposal	84.6	9.3	0.0	0.0	0.0	6.2
Q6-2:Education of employee	84.6	—	—	6.2	0.6	8.6
Q6-3:Service charge	16.7	37.7	33.3	4.3	1.2	6.8
Q6-4:Reliability	35.2	62.3	1.2	0.0	0.0	1.2
Q6-5:Respondent's image of recycling	71.0	23.5	—	3.1	—	2.5

We received high mark with every item. EBC determined that we have a certain appreciation of customers. On the other hand, we received harsh criticism of our service. We accept them with sincerity and we, in a body, do our best to improve the quality service.

Voice of the Client



Mr. Shigekazu Fujiwara

Deputy Manager
General affairs Section,
Suita Brewery
Asahi Breweries Ltd.

Asahi Breweries Ltd. has implemented “Environmental Principle” of factories based on the basic principle and action guideline in the Asahi Group’s “Basic Environmental Principles”. Environmental principle includes “100 % reuse of the waste” (zero emission”) along with promotion of energy saving or reduction of greenhouse gas emission. We achieved above zero emission at Suita Factory in August 2009, which we have been maintaining since then.

We have entrusted REVACS with industrial waste treatment of plastics (since May 2001) and sludge (since January 2008). We would like to express our gratitude again for your continual cooperation in achieving and maintaining zero emission while clearing problems.

Beside the regular commission, we are having your cooperation with arrangement of our visit to a disposer or to a disposal site and introduction of suitable contractor who can offer intermediate or final treatment service, which is usually difficult to manage on our own.

We are also impressed by the speedy response of your sales section at the time of a revision of regulation in complying with it or providing us with relevant information. We expect your continued cooperation in our effort of conducting proper disposal of industrial waste and reduction of environmental load.

Installation of Web Camera

In order to grasp the process of bringing in or treatment of the waste real time, web cameras were installed in the plant, and the images of which are released on our website.

The web cameras are set on the following points: ①Where the waste is brought in ② Where the full-view of the shredding facility is seen ③ The opening of shredding machine* ④ Where the yard in front of the drying facility is seen.

The web cameras met with a favorable reception of not only the clients but also people in the community because you can monitor the work anytime and anywhere.

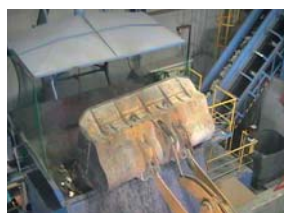
*For the protection of client's information, image from the number 3 camera is protected by password from being accessed by other people than clients who entrusted the waste treatment.



▲①Bringing in the waste



▲②Shredding facility



▲③The opening of shredding machine (exclusive access)



▲④Drying facility

Prevention of Items which is Outside the Contract

We ask the client to separate treatable items in the entrusted waste from non-treatable ones according to our standards. Mingled items outside the prior contract can make proper processing difficult. Especially, should the dangerous objects be contained, it can cause an accident or a fire.

In the event of such a mingling we immediately notify the client for recurrence prevention. To the same effect, we post a list of unacceptable items on the container at the client's yard.



▲Notice on the container

Prevention of Overloading in Collecting and Transporting the Waste

To prevent overloading, we compare the manifested figure (weight) of the waste entrusted by the client, which we routinely receive, with the loading capacity of our vehicle. Whenever the weight of the waste has overrun the loading capacity, we contact the client to check up the fact and examine its cause and devise a countermeasure in cooperation with the client.

Contract and Manifest

In entrusting and accepting the disposal of industrial wastes, a consignment contract is required by law. We have a strict rule of concluding the precontract (i.e. a contract prior to acceptance of the specific waste each time) in conformity with the law. Prior to the deal we input the client's data, and verify that we have duly concluded the contract.

As for the manifest, we have introduced an electronic-manifest, which will be available upon request of the client. (Subscriber's number of Electronic-Manifest: Collector/transporter 2005941/ Disposer 3005863)



▲Certificate of Electronic-Manifest subscription(Collector/transporter; Disposer)

Seminar for Administrators in Waste Disposal Business

In June 2012, we held a seminar for the administrators in charge of waste disposal. The theme of the seminar centered on consignment contract, manifest, preparation of various report or forms, about which we frequently receive the referrals from customers.

In the party after the seminar, we had a valuable time listening to a lot of questions or counterviews of the participants, exchanging with customers whom we had not had much chance to see.

Consulting the response to the questionnaires or the opinion we heard at the party we would like to plan further useful seminars for your business activity.



Data Provision in our Cloud Data Sharing Service

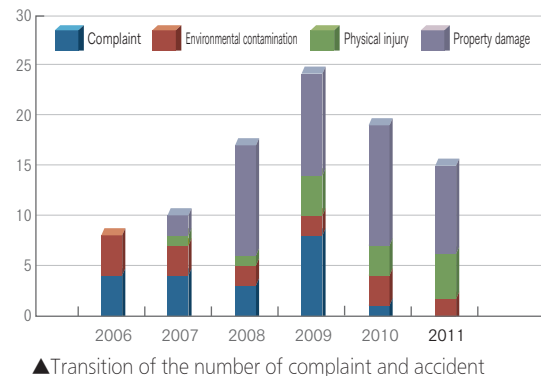
REVACS launched a waste management data sharing system, "E.Manager.neo", on December 2010. In this service one account is given free to one company). "E.Manager.neo" is a system of sharing the data of the manifest (a waste management form) or waste disposal const. After user registration, waste generators can access the exclusive web site to check and down load the monthly or annual total sums. REVACS computerizes and updates the data every business day. The service saves clients' cost, time and burden of waste management.

"E.Manager.neo" was awarded with NISHINOMIYA APPLIED PRIZE in "NISHINOMIYA TECH AWARDS 2011" for its excellent technical application.



Complaints and Accidents

The number of complaints and accidents for the past five years (FY2007-2011) is as follows. In FY2011 we had 15 cases of them (No complaints, 2 environmental contamination and 13 accidents), dipping from the previous year in total and in the number of complaints and accidents. (FY2010 saw total 19 cases with 1 complaint, 3 environmental contamination and 15 accidents.) The total cases seemingly increased after FY2007 when OHS management system was introduced due to the increased report of minor accidents. Since FY2010, when new facilities were completed, the safety operation seems to have been established.



Complaints and Accidents in FY2011

Complaints: None

Environmental contamination : 2 cases

Description	Cause	Measure taken
Leakage of the waste while picking up the waste at the client's site	The driver visited the site and picked up the waste without noticing the cap of vehicle's container was broken.	'Checking up of normal function of waste container's lid' was included in pre-departure checking item.
Scattering of fine particle	While loading the powdery waste, the driver temporarily went out of the site without a cover on the load.	It was implemented that even in a temporary leave the load has to be covered with a sheet etc.

Physical injury: 4 cases

Description	Cause	Measure taken
A scald caused by hot water spewed out of an inspection cylinder while clearing the clog	A manual to regularly clear the clog was lacking. A proper means of inspecting the interior of the facility was lacking.	Regular clearance of the clog was implemented. An aperture was created for the inspection of facility's interior.
A worker had the finger pinched by the door while directing the vehicle. The vehicle moved by itself with the door unlocked during the unloading of the waste.	The worker's direction was not well received by the driver and vice versa.	The gesture of guiding the vehicle was standardized between the guiding and the driving sections, with which everyone was familiarized.
A worker bumped into the desorb equipment of a parking truck from behind while moving on the premises.	The truck was parked with the desorb equipment being set in a risky position.	Vehicle has to be parked after resuming the desorb equipment to the regular position.
An operator tried to get off the heavy machine, when he stepped on the steel rail and slipped to fall down.	A piece of unnecessary rail was equipped with the heavy machine.	The rail was deleted and everyone concerned was familiarized with the modification.

Property damage: 9 cases

Description	Cause	Measure taken
A minor collision with a tree on the left while driving the car out of the garage	The driver noticed an incoming vehicle and tried to go out as quickly as possible to let it in.	Sections concerned were informed of the incident to call their attention.
Minor collision caused by a vehicle of another company while we were parked at the client's site.	The driver was distracted by another parking car and failed to notice our vehicle.	Sections concerned were informed of the incident to call their attention.
The floor sheet (steel plate) of the storage yard was caused to turn up	The scraper was operated with the bucket's edge raised.	The work procedure was reviewed by the section concerned.
The rear end of the vehicle hit a jutted facility at the client's while entering the site backward.	The driver was concentrated in deciding the right position to stop the vehicle and was not aware of the jutted structure.	We asked for an observer to look after us when we work. We installed a pole in front of the jutted facility.
Collision from behind caused by our vehicle, as the car in front stopped suddenly to let an emergency vehicle pass.	The distance between the cars was not long enough	A training session was held concerning the distance between the cars to ensure the awareness of the drivers.
Collision from behind caused by our vehicle, as the car in front stopped at the yellow light.		
Collision from behind caused by other's car while parking outside the company.	The driver lost his way and steered in the wrong direction.	The location was notified to the sections concerned as an accident-prone point.
A repairing instrument (ladder) which we were transporting on a truck hit a utility pole.	It was a small distance to carry. And so, the ladder was not fastened neither with a rope or the like.	Sections concerned were informed of the incident to call their attention.
A minor collision with a post box while installing a container box.	Being preoccupied not to disturb the traffic, the worker failed to confirm the safe conditions.	Sections concerned were informed of the incident to call their attention.

Complaints and Accidents in FY2010

Complaint: 1 case

Description	Cause	Measure taken
Neighborhood nuisance (Offensive odor)	Accumulated sludge in the drainage caused the odor.	Regular cleaning up of the drainage was implemented.

Environmental contamination: 3 cases

Description	Cause	Measure taken
Smoldering in the drying plant	Our ignorance of the possible occurrence of smoldering when the waste of high sugar content is treated along easy-to-dry wastes.	A procedure for the waste liquid whose sugar content has exceeded 15% was implemented in the manual.
Leakage of waste liquid at the client's yard during the loading work of entrusted waste in liquid form to our vehicle	Suction hose was deteriorated and broken.	Marking tape of different colors was put on the hose to tell the years of use. The use beyond a certain period was prohibited.
Fuel leakage from a vacuum car at the client's site.	We had checked the vehicle beforehand following the procedure recommended by the maker. But a leakage occurred in the other part than checked.	Checkup procedure was reviewed and new check points were added including the one in question.

Physical injury: 3 cases

Description	Cause	Measure taken
A finger was injured when the hand was tucked in the coiled waste while loading.	An unaccustomed and solo work was assigned to a newcomer, who was temporarily dispatched from a group company.	It was decided to give all the necessary education and OJT for a certain period to the temporary or loaned worker before assigning them to the work once their capability was confirmed.
Toppled down on the rainy street while commuting on a bicycle	Braked suddenly on the wet tiled road to avoid collision.	The information was shared by the employees.
A worker was injured on the leg with a piece of waste flipped by a heavy machine.	The worker stayed in a risky point to assist the heavy machine work.	Safe point to assist heavy machine works was designated and notified as such to all workers at the meeting.

Property damage: 12 cases

Description	Cause	Measure taken
A waste container at the client's yard came off the hook and fell when it was slung up.	The waste container was slung up without having been properly hooked.	A new process was added to the manual for the operator to exit the cabin and visually confirm that the hook is firmly set before lifting.
The ceiling of our storage pit was hit by the rear deck of the dump truck when the deck was lifted in the dumping maneuver for unloading.	Lack of communication between the instructor and the driver	The information was shared by all the workers at the section meeting.
Our vehicle had a minor collision with a parked car in the parking space.	The driver failed to pay attention to that most unlikely sport for a car to park.	The information was shared by all the workers at the section meeting.
Affiliate's truck had a minor collision with a facility in the building which housed a waste storage (container) while slinging up the container to load and take away the consigned waste.	Initial instruction given by our staff to the driver prior to the first picking up of the waste lacked in the description of the height of the facility etc.	The points to be checked prior to the new transaction were re-examined.
The left front wheel of our vehicle hit a curb stone to break the wheel cap while drawing in to park.	Being pressed for time the driver was not attentive enough.	The information was shared by all the workers at the section meeting
Minor collision with a parked car while lifting a container in the parking space.	The flow planning of the parking space did not allow our vehicle to pass safely.	The layout of the parking space was changed so as the driver can afford enough pass.
Our vehicle collided with a moving car while exiting a parking lot of a convenience store, with each of them driving backward.	The other car happened to be in blind corner and our driver assumed there was no car in the way.	The information was shared by all the workers at the section meeting.
The shutter to prevent odor from proliferating was broken at the sludge pit of the drying plant while unloading sludge. The sludge was poured in the pit before the shutter had completely opened, and the load of the sludge caused the breakage.	The driver failed to confirm that the shutter had fully opened, and the instructor assumed it would have fully opened before the sludge was poured in the pit.	A new rule to halt the vehicle at the limit line until the shutter comes to a complete aperture was implemented. It was notified to the sections and contractors concerned.
Our vehicle collided from behind with a car turning left.	The driver assumed the car in front of us will keep turning without stopping.	The information was shared by all the workers at the section meeting. Safe driving course by a guest instructor was added to our educational program.
An automatic shutter came down due to time out onto a car that had halted at the stop line. The shutter was broken with the shock of collision.	The sensor of the shutter had a blind corner.	The setting of the sensor was so changed as it can catch an incoming car without fail, which was notified to the sections concerned.
Roof of the building on the premise was broken during the lifting up of the container in the parking space.	The premise was full of parking cars and it hindered safe operation.	The allocation of parking space on the premise was revised, and vehicles were kept out of the space under the roof.
While lifting a loaded container in the parking space, it was half turned due to incomplete connection of the container.	The rail at the connecting part is difficult to recognize.	The rail was painted in light colors to be easily recognized. A new process to get out of the vehicle to visually confirm the connection when the container is equipped with was implemented.

Complaints and Accidents in FY2009

Complaint: 8 cases

Description	Cause	Measure taken
Neighborhood nuisance (Offensive odor from recycling center)	A sudden blockage of the heat exchanger of the deodorizing combustion equipment to release offensive odor.	To prevent blockage from occurring fortnightly cleaning of the exchanger was implemented.
	The filling material of the chemical liquid cleansing equipment (neutralizer) was being washed. And the atmospheric air in the drying plant was released before it was neutralized.	Overall picture of plant's regular maintenance was given. And the top priority was given to maintenance of neutralizing equipment.
	Insufficient suction force for septic tank caused odor leakage.	Additional unit of suction blower was installed to complement insufficient suction force.
	Accumulated precipitates in the catch basin of conduits for rainwater caused offensive odor.	The basin was cleaned, and a regular (monthly) cleaning was implemented.
	The chemical used in odor control was emitting a foul odor.	We invited the complaining party to explain the odor was attributable to the chemicals for odor control and had them understand.
Offensive odor in the neighborhood of Reverse Management Center	Vehicle's load bed after sludge discharging was washed in the Reverse's facility several meters away from the neighboring factory.	The cleansing of the load bed was decided to be done in the Recycling Center.
Rough-mannered driving at the client's site. Complaint by a client's staff.	Inadequate education of the driver	We shared the information at the section meeting and worked to improve driver's manner.
Driver's ignorance of the gatekeeper's instruction to stop on leaving the client's site.	The driver, who was following the preceding car, did not notice the instruction.	We made the case known to our group company whom we entrusted collecting and transportation, and asked for the safety awareness of its workers.

Environmental contamination: 2 cases

Description	原因	Measure taken
Waste leakage from removable container placed in the client's yard as a storage tank	Weld area of the degraded container was broken.	The crack was repaired. Vehicles were provided with absorption sheet to prepare for a leakage.
	Rubber packing (leakage stopper) was deteriorated.	The packing was replaced by the thicker type. Clamps at the rear door (two-piece type) was replaced by the three-piece type.

Physical injury: 4 cases

Description	Cause	Measure taken
Scalded by hot water remained in the high pressure/ warm water cleaning equipment which had been used to clean the plant. The worker was washing the equipment.	It was a rented equipment, and risk assessment of its use had not been made beforehand.	Requirement for risk assessment in renting any new machines was clearly stipulated.
Right arm fracture after sliding and falling down on a snowy slope while working	The worker wore ordinary boots on the slippery slope.	A pair of safety shoes with slip stopper for icy ground was provided.
Fell in the waste storage pit while unloading at the treatment facility of a certain company.	The driver tried to open the rear door of the loading bed in unstable posture using hands in front of the pit.	Specific tool to open the rear door of the loading bed was allocated for every vehicle.
Foot fracture caused by a false step on the stairs in the office.	Went up the stairs without switching on the light.	The information was shared at the section meeting.

Property damage: 10 cases

Description	Cause	Measure taken
Waste storage container had a minor collision with another while being handled with a fork lift in the recycling center.	The operator lacked in precaution.	The information was shared at the section meeting.
Our vehicle caused a minor collision with the facility while delivering waste in the disposal site of a certain company.	The vehicle was being driven backward and the driver was attentive only to that direction.	The site of the incident was designated a specific risky point and it was got across as such.
Damaged the client's forklift while using it on site.	The operator lacked in precaution	The information was shared at the section meeting.
Broke a gutter cover (grating) while setting a removable container at the client's site.	The operator moved the container on the grating not noticing its protector (iron plate) was out of alignment.	Rubber strips were placed between the iron plate and the grating to prevent the plate from relocating.
Damaged the shutter of client's waste storage yard.	The driver was not aware that the removable container was approaching close enough to the shutter to contact it.	The site of the incident was designated a specific risky point and it was got across as such.
Our vehicle was hit from behind while parking.	The other party was not looking ahead carefully.	The information was shared at the section meeting.
Our vehicle bumped against guard rail while turning to the left.	The driver failed to confirm the safety.	The information was shared at the section meeting.
Broke the curtain rail while loading powdery waste using a heavy machine in the client's yard.	As the waste intensively sprayed particles in the air the visibility was very low.	It was decided to sprinkle the area with water when loading the waste of the type. We asked the client to put a cover to the machine to keep the view.
A vehicle of the other company damaged our storage tank while discharging sludge.	The instructor's guidance to move forward or backward was not clear enough.	Distance marks were drawn in the discharging site: And vehicle-by-vehicle allowable distance ahead was decided to instruct each driver.
A forklift at work caused a minor collision with a parking vehicle.	The operator was working pressed in time in a narrow storage.	An operating zone for forklift was specified and marked with lines to keep it clear of man or objects. And it was notified as such to every section.

Complaints and Accidents in FY2008

Complaint: 3 cases

Description	Measure taken
Bad driving manner of the employee	The fact was confirmed. Employees were asked to be aware of good driving manner to prevent reoccurrence.
Offensive odor from the product room of recycling center.	The vent of the product room was blocked to prevent the diffusion by the wind.
Complaint of neighborhood nuisance (offensive odor) via Ni shinomiya municipal office	It was instructed not to leave the shutter open during the treatment work.

Environmental contamination: 2 cases

Description	Measure taken
Infectious waste was mingled in the waste plastics.	Asked the transporter of the waste for preventive measures and to kept track of it.
A leak of fluid while replacing a container	Checking of the container deficiency was included in the pre-departure checking items of the vehicles for waste collection.

Physical injury: 1 case

Description	Measure taken
Left arm fracture while walking on the premise	We could not specify the cause. The information was shared at the section meeting.

Property damage: 11 cases

Description	Measure taken
Minor collision with a parking car in the waste generator's yard	The information was shared at the section meeting.
Minor collision with a pole in front of the sludge pit by a vehicle which proceeded ignoring the instruction	We implemented the rule of entering the disposal site which prohibit the vehicle to enter until the instruction is given, and made it known to the parties concerned.
Hit the shutter while moving a container.	The information was shared at the section meeting.
Hit the pole in front of the pit while moving a container with a forklift.	We attached wheels to the container to save the use of a forklift.
Broke the fluorescent lamp at the stock container at client's site	We could not identify the cause. The rule was implemented to request someone's presence when containers are replaced. And we got it across the employees.
A minor collision with the fender of vacuum waste collection vehicle (vacuum car) while driving a forklift.	The information was shared at the section meeting.
Minor collision with a heavy machine caused by a vacuum car. The latter was moving backward and hit the former to break its backup light on the left.	The information was shared at the section meeting.
Collision with a container caused by a 4t container vehicle while moving backward	We banned the employee from driving 4t vehicles.
Iron floor plate was turned up while replacing containers.	We got the details of accident across the section and reiterated to follow instructor's guiding at the customer's site.
Contact with a rain gutter by a vehicle while moving backward.	The information was shared at the section meeting.
Contact with a rain gutter while setting a container in place.	The information was shared at the section meeting.

Complaints and Accidents in 2007

Complaint: 4 cases

Description	Measure taken
A column to write in a final disposer's name was missing in the manifest form.	We duly amended the form to clearly indicate the final disposers.
A discrepancy in the address of the plant between the 'manifest E' and the license.	It turned out to have been caused merger of municipalities. We asked for the duly notice to us when a change occurs.
Bad driving manner	We checked the fact and called for an awareness of good driving manner.
Offensive odor from the vacuum car.	It was ruled to discharge the vapor originated in the vacuum car through a layer of deodorizer.

Environmental contamination: 3 cases

Description	Measure taken
Water quality regulation standard was not fulfilled.	pH controlling equipment was installed.
Leakage from a metal drum while working at the client's site.	We implemented a process to check the conditions of a metal drum before the work, which was got across the sections concerned.
Small fire at the drying plant	Modified the facility and work procedure. Countermeasure to prevent reoccurrence was worked out and reported to the Nishinomiya municipal office.

Physical injury: 1 case

Description	Measure taken
Stepped on a nail.	A compulsory use of protective footwear or iron inner sock lining was implemented.

Property damage: 2cases

Description	Measure taken
Collision with a vehicle which was parking behind	A detour to the disposal site which does not require any turning around was designated.
Collapse of the waste while transporting.	We sent an alternative car and cleaned up the site. The manual of fastening and prevention of the load were got across the sections concerned.

Third-party Committee

The Third-party Committee was held on August 29, 2012. The committee is a precious occasion for us to seek opinions and advices on our way of business or activities. We have had the same committee members since last year or two years ago. And we could hear their all the more faire-minded opinions of the tasks and possibilities of REVACS Corporation and the industrial waste disposal business for the future upon penetrating observation.

【 Committee member 】



Academic sector
Dr. Kentaro Azuma
Associate professor,
Faculty of Business
Administration,
Ritsumeikan University



Industrial sector
Ms. Mari Tabata
Manager, CSR Office,
CSR & Environment Dept.,
Osaka Gas CO., Ltd.



Industrial sector
Mr. Masashi Noda
Manager, Production
Management Dept.,
Production Headquarters,
Otsuka Chemical Co., Ltd.



Legal circles
Ms. Yoko Hiyama
Lawyer, Ethos Law
Office



Labor union
Riho Taniguchi
Chairperson, REVACS
Labor Union



Facilitator
Ms. Eriko Nashioka
Director, Institute
for Environmental
Management Accounting



REVACS Corporation
Kenichi Akazawa
Chief Executive Officer



REVACS Corporation
Masato Akazawa
Executive Vice President
and Director of
Recycling Center



REVACS Corporation
Takashi Itoh
Manager of Corporate
Planning and CSR
Promotion section



《Theme 1》

Opinions on REVACS' s Efforts and CSR Report

○On REVACS' s multiple efforts

REVACS has tackled the primary business of waste disposal and socially invisible activities such as study sessions or internal audits with various ideas on different thinking level from that of conventional disposal business.

REVACS is keen on education, and holds an in-house business school to give MBA-typed education hiring an external specialized institution. We would like to highly appreciate its holding of “Industrial waste administrator course” for general business enterprises, which received many attendees. The relevant law “Waste disposal and cleaning act” is frequently amended and its penalty is severe, which may prove a large need for such a course. It seemed to be the typical case of practicing corporate social responsibility (CSR). REVACS spare no pains in law-related education and its employees attend the qualification courses

sponsored by Japan Industrial Waste Information Center (JW) or Osaka pref. Industrial Waste Association without fail. The company makes every revision of the related law known to all the employees. In the case of complicated revision, an in-house study session is held and the necessary information is also conveyed to the clients.

Daily safety education is given with high consciousness. The safety education may be a matter of course for REVACS, but the society seeks information disclosure on such matter-of-course things. It is remarkable that the internal audit, which is normally practiced only by employees, has been conducted inviting experts or professionals as members of the team as reported in the previous issue of CSR Report.



○On CSR Report

We reviewed the report from the view point whether it can make the readers (i.e. clients) well understand the REVACS' s aspect of being an “energy maker” or other unique efforts it makes. It seemed REVACS could have been more particular in appealing its efforts in assuring securities and safety or the high value of its business activities from the social viewpoint.

Take an example of bio-mass fuel which REVACS manufactures out of the waste.

The bio-mass fuel naturally manifests the nature of carbon-neutrality. The amount of the bio-mass fuel production is expressed in the report in ‘ton’ , to be sure it is an objective unit the meaning of which may be commonly well understood by the people concerned but not by the general consumers. If so, you could have made the general consumers well understand by adding a comment for them: e.g. by showing corresponding value of electricity, or illustrating an objective example of its effect (thanks to carbon-neutrality) on the society. In this way you will be able to further appeal its value.



A line of report and command is well established in REVACS: an external information, may it be an unfavorable one or not, is first extended to the top in a written form “Record of Communication” whereupon the top judges whether “it needs to be improved” or “to be reported to ……” and the instruction is extended in the top-down system.

When it comes to an urgent case such as the complaint of a foul odor, (and when the REVACS' s facility turned out to be the source), the plant' s operation is halted in no time before it is reported to the top. And after such a temporary measure, it is contemplated how to deal the matter as the organization, say, whether the case needs to be solved with money or a countermeasure has to be implemented in the management system. If such a line of report and command were shown as a flow chart it would be received by the clients with a secured feeling.

‘What the waste producers in emergency should be?’ is a big issue. If you have a picture of a role REVACS is going to play, we would like to suggest you describe it as well as the BCP (business continuity plan) in the future issue.

As one of the clients pointed out it is important that the brand image be established that you can entrust the treatment to that company at ease. Thus a report that can successfully appeal the security and safety which you provide is the most ideal for you. If the report is compiled taking in the elements so far mentioned it will gain further trust of clients.



《Theme 2》

Future Direction of Waste Disposal Business and REVACS' s Role

Some of the stake holders think it will be a best solution for their waste problem if they can do away with the occurrences of (now inevitable) industrial wastes in manufacturing, which they are obliged to dispose of at the present moment. In fact, a certain brewer of Japanese wine (sake) has developed a method to exclude the occurrence of sake lees and put it into practical use.

On the assumption that waste-free manufacturing is possible, it may be conceivable that a waste disposer would be involved in the course of production. For example possibility of a design of production line which includes waste treatment process can be studied in the initial planning stage.

Usually any of the manufacturing processes are not free of bi-products(wastes). From the



client' s viewpoint, REVACS' s participation in the manufacturing process may enable them(the clients) to develop new business of turning the waste into new energy each time such waste is generated utilizing their specific technology, or, to design the plant for it. In other words, it is a stance of cooperating not as an industrial waste disposer but as an “energy maker” . If such an approach is possible, it may encourage the stakeholders and help them to come up with new ideas.

The industrial waste disposal business will see the next business chances if it applies a new view point of “on site” . A situation where the designers of plant, utilities and waste disposers tackle the energy business in corporation with the clients! Won' t it be a possibility?

As much as 19,000 tons of waste was turned



into fertilizer. But when it comes to ‘by whom’ and ‘how’ it is used is invisible to the public. (And the same applies to bio-mass fuel.) A strategy to launch the fertilizer under REVACS brand, for example, may be a new task to be approached.

Brand-building is a duty of the top-runner in the sector. It may require enormous power and you have to go on quite a long distance. However, once it has gained the recognition of the society, the scheme of “being an industrial waste disposer and an “energy maker” “, as the CEO calls it, will become clear and it will rapidly gain popularity as Japanese culture. When such a socially approved business entity makes new proposals or developing new products, it will create a big persuasive power in and around the sector.

It will be a long way for REVACS, but we can see many signs for the company to realize such a situation.

In dozens of years, the industrial waste disposal business will have made a great change. After hearing about the REVACS' s business, views of CSR and preparedness to lead the industrial waste disposal sector with it new sense of value we, the committee came to have quite a different image in REVACS from the picture of “waste disposal” business which is popularly known by the public.

We wish more people learn that REVACS is also a company which is making positive efforts in the main business and in many other areas. As for REVACS, we suggest you have to be more positive in appealing yourself.



In Appreciation of the Third-party Committee

We appreciate the committee for many valuable advises.

For the clients, waste disposal may seem to be a mere “act of disposing unwanted things”. After listening to the committee today I felt we may be allowed to more positively appeal our stance to go beyond mere disposal and help the client with solution of waste-related problem through our treatment service, as well as other efforts showing concrete examples.

In that context, it will be required to be involved in the client’s manufacturing process and in that way dispose of the generated waste in the future. But for the moment, it will be long before that kind of idea gets across widely. It seems we have to begin with winning firm trust of society in us through various efforts including the compilation

of the CSR Report, not to mention the creation of environment to allow such activities as making the waste into another energy source or other types of products.

Business itself solves the social problem. I believe so called “Socialization of Business” is the starting point of CSR. As for the CSR activities, we are going to steadily continue our efforts in any small tasks following the committee’s suggestion.

It is clear that REVACS has to be an “energy maker”. And we are going to make a management plan as a waste disposer which has an aspect of “energy maker”. In the coming three years, or the period of 7th Medium-Term Management Plan, we will engage in various activities toward the goals based on the objective plan.



GRI Content Index

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2. Organizational Profile		
2.1	Name of the organization	P.1
2.2	Primary brands, products, and/or services	P.1
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	—
2.4	Location of organization's headquarters.	P.1
2.5	Number of countries where the organization operates, and names of countries with major operations or that are specifically relevant to the sustainability issues covered in the report.	P.1
2.6	Nature of ownership and legal form.	Sanpai net
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	P.1
2.8	Scale of the reporting organization, including: •Number of employees; •Number of operations; •Total revenue; •Total capitalization broken down in terms of debt and equity; and •Quantity of products or services provided.	P.1
2.9	Significant changes during the reporting period in size, structure, or ownership.	P.1
2.10	Awards received in the reporting period.	P.2
3. Report Parameters		
Aspect: Report Profile		
3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	P.1
3.2	Date of most recent previous report (if any).	P.1
3.3	Reporting cycle (annual, biennial, etc.).	P.1
3.4	Contact for questions regarding the report or its contents.	Back cover
Aspect: Report Scope and Boundary		
3.5	Process of defining report content.	P.1
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	P.1
3.7	State any specific limitations on the scope of boundary of the report. When the scope of boundary of the reporting organization and the content of the report do not include whole scope of the organization's important effects on the economic, environmental or social aspects, state the strategy and schedule to include it.	P.1
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	NC
3.9	Data measurement techniques and the bases of calculation, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	P.1
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/ acquisitions, change of base years/periods, nature of business, measurement methods).	NC
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	P.1
Aspect: GRI Content Index		
3.12	Table identifying the location of the Standard Disclosures in the report.	P.54-55
Aspect: Assurance		
3.13	Policy and current practice with regard to seeking external assurance for the report. If not included in the assurance report accompanying the sustainability report, explain the scope and basis of any external assurance provided. Also explain the relationship between the reporting organization and the assurance provider(s).	P.50-53
4. Governance, Commitments, and Engagement		
Aspect: Governance		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategies or organizational oversight.	P.15
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and if so, their function within the organization's management and the reasons for this arrangement).	NC
4.3	For organizations that have a unitary board structure, state the number and gender of the members of the highest governance body that are independent and/or non-executive members.	—
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	—
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	—
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	P.15
4.7	Processes for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	P.15
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	P.6, P.21, P.30
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance.	P.15
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	P.15
Aspect: Commitments to External Initiatives		
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	P.15-16, P.26-31
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	P.1
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: •Has positions in governance bodies; •Participates in projects or committees; •Provides substantive funding beyond routine membership dues; or •Views membership as strategic.	—
Aspect: Stakeholder Engagement		
4.14	List of stakeholder groups engaged by the organization.	P.6
4.15	Basis for identification and selection of stakeholders with whom to engage.	—
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and stakeholder group.	P.39-42, P.50-53
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	P.53
5. Management Approach and Performance Indicators		
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Aspect: Disclosure on Management Approach		
	Goals and performance	P.11, P.13
	Policy	P.5, P.11-13
	Additional Contextual Information	P.11
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Aspect: Economic Performance		
EC1.	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	P.13
EC2.	Financial implications and other risks and opportunities for the organization's activities due to climate change.	—
EC3.	Coverage of organization's defined benefit plan obligations.	NC
EC4.	Significant financial assistance received from government.	NC
Aspect: Market Presence		
EC5.	Range of ratios of standard entry level wage by gender, compared to local minimum wage at significant locations of operation.	—
EC6.	Policy, practices, proportion of spending on locally-based suppliers at significant locations of operation.	NC
EC7.	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant locations of operation.	NC
Aspect: Indirect Economic Impacts		
EC8.	Development (extended elevation) and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro-bono engagement.	P.39-42
EC9.	Understanding and describing significant indirect economic impacts, including the extent of impacts.	P.22-24
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Aspect: Disclosure on Management Approach		
	Disclosure on Management Approach	P.21-29
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	Training and awareness	P.31
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	Additional Contextual Information	P.17, P.21, P.26-29
Aspect: Materials		
EN1.	Material used by weight or volume	P.22
EN2.	Percentage of materials used that are recycled input materials.	—
Aspect: Energy		
EN3.	Direct energy consumption by primary energy source.	P.22
EN4.	Indirect energy consumption by primary source.	P.22
EN5.	Energy saved due to conservation and efficiency improvements.	P.26, P.29
EN6.	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	P.7-8, P.23-24
EN7.	Initiatives to reduce indirect energy consumption and reductions achieved.	P.26, 29
Aspect: Water		
EN8.	Total water withdrawal by source.	P.22
EN9.	Water sources significantly affected by withdrawal of water.	NC
EN10.	Percentage and total volume of water recycled and reused.	—
Aspect: Biodiversity		
EN11.	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	NC
EN12.	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	NC
EN13.	Habitats protected or restored.	NC
EN14.	Strategies, current actions, and future plans for managing impacts on biodiversity.	—
EN15.	Number of species on IUCN red list (endangered species), or domestic protected species in the areas of significant operation by level.	NC
Aspect: Emissions, Effluents, and Waste		
EN16.	Total direct and indirect greenhouse gas emissions by weight.	P.21, P.26, P.29
EN17.	Other indirect greenhouse gas emissions by weight.	NC
EN18.	Initiatives to reduce greenhouse gas emissions and reductions achieved.	P.21
EN19.	Emissions of ozone-depleting substances by weight.	P.21
EN20.	Weight of NOx, SOx, and other significant air emissions by type.	P.28
EN21.	Total water discharge by quality and destination.	P.22, P.28
EN22.	Total weight of water by type and disposal methods.	P.23-24
EN23.	Total number and volume of significant spills.	P.46-49
EN24.	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, VII, and percentage of transported waste shipped internationally.	NC

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Item	Indicator	Page
EN25.	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharge of water and/or waste liquid.	NC
Aspect : Products and Services		
EN26.	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	P21, P23-24, P26, P29
EN27.	Percentage of products sold and their packaging materials that are reclaimed by category.	P23-24
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EN28.	Money value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	NC
Aspect : Transport		
EN29.	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	P22
Aspect: Overall		
EN30.	Total environmental protection expenditures and investments by type.	—
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Labor Practices and Decent work		
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LA1.	Total workforce by employment type, employment contract, and region, broken down by gender.	P.1
LA2.	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	P.33
LA3.	Benefits provided to full-time employees that are not provided to temporary or part time employees by significant location of operation.	P.33
LA15.	Return to work and retention rates after parental leave, by gender.	—
Aspect: Labor/Management Relations		
LA4.	Percentage of employees covered by collective bargaining agreements.	P.34
LA5.	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	—
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LA6.	Percentage of total workforce represented in formal joint management—worker health and safety committees that help monitor and advise on occupational health and safety programs.	P.15
LA7.	Rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by gender and by region.	P.17
LA8.	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	P.17, P.31
LA9.	Health and safety topics covered in formal agreements with trade unions.	P.17
Aspect: Training and Education		
LA10.	Average hours of training per year per employee by gender, and by employee category.	—
LA11.	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	P.33-34
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LA13.	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	P.33
LA14.	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	—
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Aspect: Investment and Procurement Practices		
HR1.	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	—
HR2.	Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	—
HR3.	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	—
Aspect: Non-discrimination		
HR4.	Total number of incidents of discrimination and corrective actions taken.	—
Aspect: Freedom of Association and Collective Bargaining		
HR5.	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	—
Aspect: Child Labor		
HR6.	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	NC
Aspect: Forced and Compulsory Labor		
HR7.	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	—
Aspect: Security Practices		
HR8.	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	—
Aspect: Indigenous Rights		
HR9.	Total number of incidents of violations involving rights of indigenous people and actions taken.	NC
HR10.	Percentage and total number of operations that have been subjects to human rights reviews and/or impact assessments.	NC
HR11.	Number of grievances of related to human rights filed, addressed and resolved through formal grievance mechanisms.	NC
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S10.	Prevention and mitigation measures implemented in operation with significant potential or actual negative impacts on local communities.	NC
Aspect: Corruption		
S02.	Percentage and total number of business units analyzed for risks related to corruption.	P.14
S03.	Percentage of employees trained in organization's anti-corruption policies and procedures.	P.31
S04.	Actions taken in response to incidents of corruption.	—
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S05.	Public policy positions and participation in public policy development and lobbying.	P.5-6
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Aspect: Anti-Competitive Behavior		
S07.	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	NC
Aspect: Compliance		
S08.	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	P.14
Product Responsibility		
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Aspect: Customer Health and Safety		
PR1.	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures.	—
PR2.	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	P.46~49
Aspect: Product and Service Labeling		
PR3.	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	—
PR4.	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	P.46~49
PR5.	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	P.43
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PR6.	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	—
PR7.	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	—
Aspect: Customer Privacy		
PR8.	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	NC
Aspect: Compliance		
PR9.	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	NC

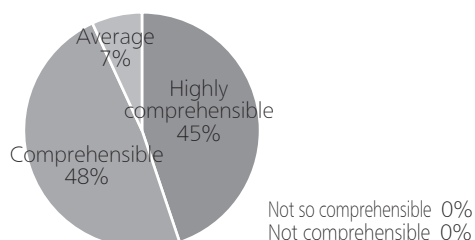
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Summary of Questionnaire('CSR Report 2011')

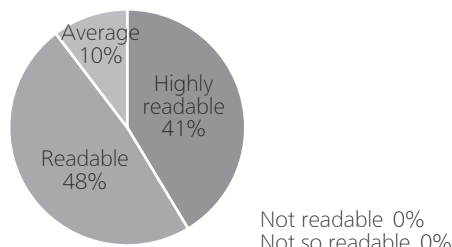
Thank you for answering the questionnaire with valuable advices on 'CSR Report 2011' issued in October 2011. We are pleased to report the results as follows.

■What is your overall impression of the report?

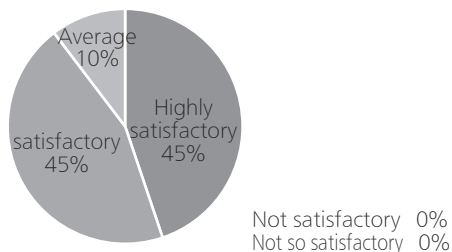
Understandability



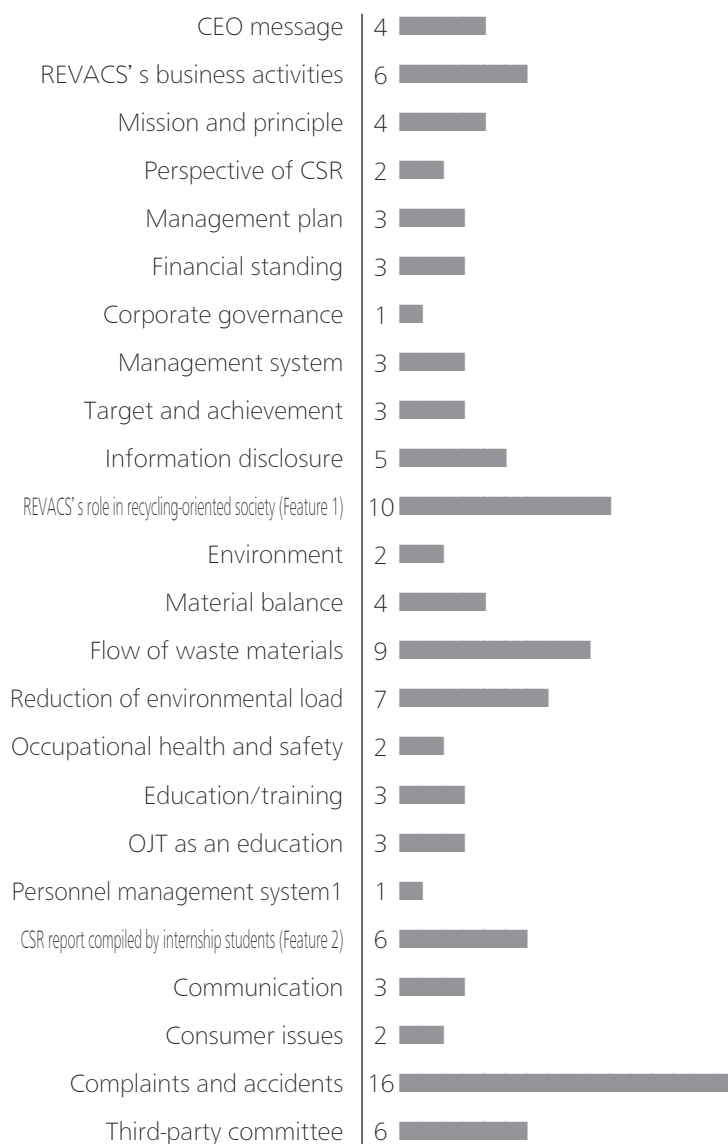
Readability



Content



■What information has left you with an impression, or interested you? (as many as it applies)



Editor' s Note

Thank you very much for reading our "CSR Report 2012". This report has been published since FY2002 to introduce in a comprehensible manner how REVACS Corporation is striving toward formation of a sustainable society. This 11th edition was completed having especial cooperation of stakeholders, and we would like to express our thanks again.

We will continue our efforts to form sustainable society starting with what little step in what we can do now. We look forward to your guidance and encouragement. Please answer the attached questionnaire and advise us with your candid opinion of our activities or the CSR Report.



Takashi Itoh

October 2012
Manager of Corporate
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