

Mission and Challenges of the Daiei Kankyo Group



The power to generate resources, the power to return to nature.

大栄環境グループ

October 5, 2017

Daiei Kankyo Co., Ltd.

Fumio Kaneko

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1. Introduction

Daiei Kankyo Co., Ltd. was founded in **1979** in an attempt to create a trench type disposal site, the highest hurdle of all. Afterwards, the company shifted to reducing and recycling promptly in order to create sustainable business.

Regional and local government understanding is crucial to our business, and as such our expansion has focused on the creation of spin-off companies based on the development of projects rooted in local areas. We have **20** capital group companies, with Daiei Kankyo and Mie Chuo Kaihatsu at the core, and **11** joint ventures with partner companies, and are developing business focused on recycling resources at **22** locations focused on the Kinki/Chubu area and including Kanto and Hokkaido.

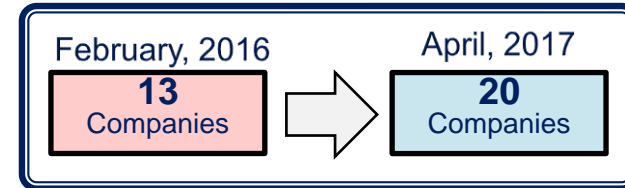
These facilities follow all recycling laws, and the major ones have obtained permits not only for industrial waste but for general waste as well, meaning we are entrusted by local municipalities with processing and recycling, and bear responsibility for the urban infrastructure crucial to the preservation of the environment and public health.

We are committed to contributing to the community whose understanding and trust we've gained in building facilities. In order to keep our commitment, we conduct our business with the vision of “**enhancing business sustainability and evolving as a company that creates environment**”. It is from this that the Daiei Kankyo Group has made “**creating sustainable business**” based in the local community its mission.

It is with this vision that we play our role in creating a recycling-oriented society and continue to “create, innovate, and challenge ourselves” based on the challenges presented by the Sustainable Development Goals (SDGs).

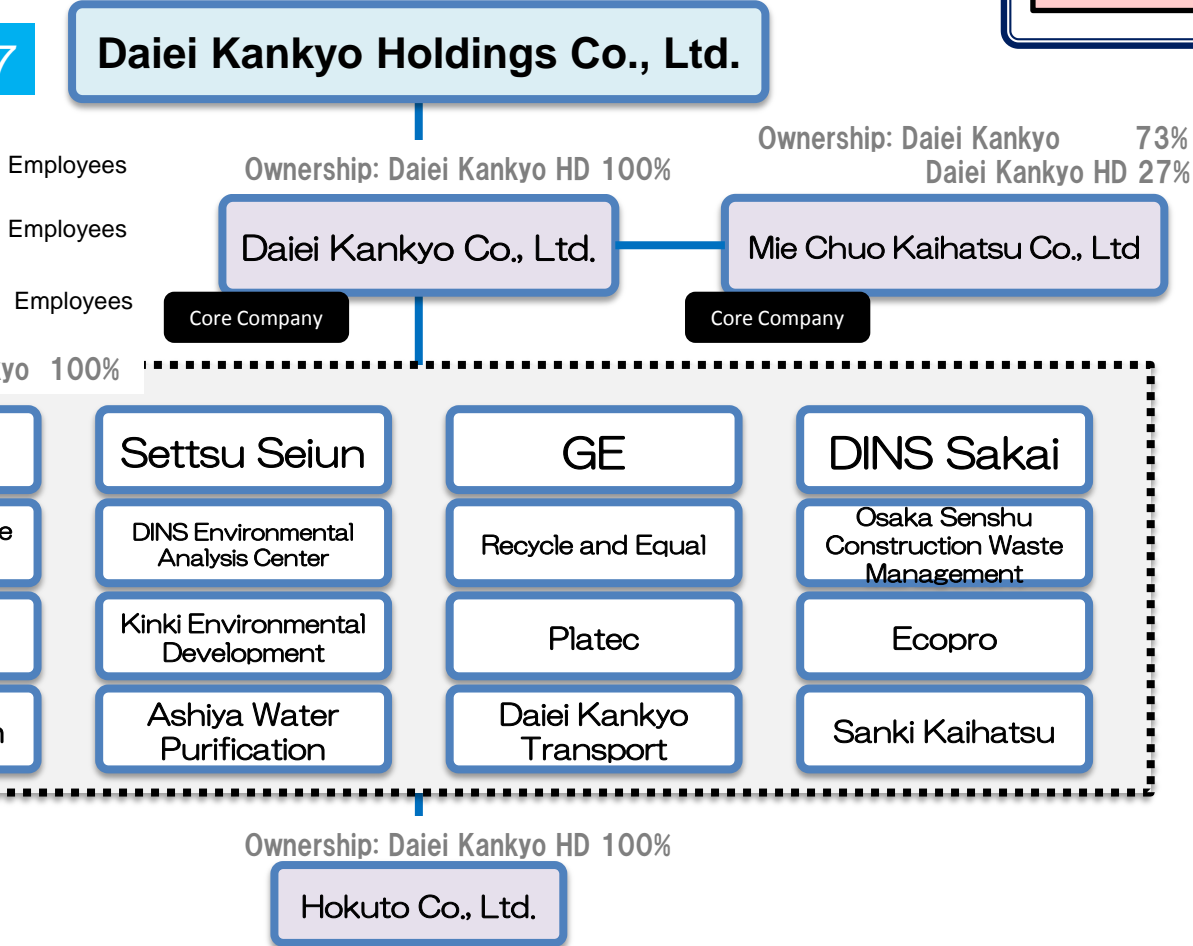
2. About the Daiei Kankyo Group Group Overview

Organization 20 Capital Group Companies (Tax Consolidated)



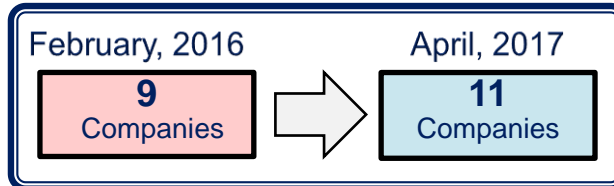
As of June, 2017

Group Companies 1,578
 Special Partner Companies 819
 Total 2,397



法人名	2016年度 実績 (単位:千円)			
	売上高	経常利益	総資産	純資産
1 Daiei Kankyo Holdings Co., Ltd.	1,212,303	▲11,982	22,256,535	1,560,345
2 Daiei Kankyo Co., Ltd.	26,516,866	2,062,196	54,291,882	17,873,568
3 Mie Chuo Kaihatsu Co., Ltd	16,501,925	3,495,836	31,383,966	11,842,395
4 Settsu Co., Ltd	640,478	53,524	916,358	467,731
5 Settsu Seibun Co., Ltd	1,795,396	60,608	1,113,419	621,502
6 GE Co., Ltd	2,024,240	6,405	4,464,031	1,713,811
7 DINS Sakai Co., Ltd	2,278,910	▲81,478	3,226,709	1,516,728
8 General Agriculture and Forestry Co., Ltd	23,582	▲65,425	1,832,935	▲60,951
9 DINS Environmental Analysis Center Co., Ltd	123,444	6,471	122,913	79,997
10 Recycle and Equal Co., Ltd	609,091	18,095	1,109,163	175,882
11 Osaka Senshu Construction Waste Management Co., Ltd	107,467	34,682	223,864	133,278
12 Daiei Kankyo Engineering Co., Ltd	211,436	12,687	295,427	▲29,780
13 Kinki Environmental Development Co., Ltd	547,274	▲230,140	740,800	▲385,449
14 Platec, Ltd	81,813	▲86,185	184,905	▲160,078
15 Ecopro Ltd	9,137	▲10,806	35,319	▲66,786
16 Maruyo Shoten Co., Ltd	159,615	19,016	142,809	76,829
17 Ashiya Water Purification, Ltd	16,848	1,970	10,949	9,592
18 Daiei Kankyo Transportation Co., Ltd	0	167,604	78,990	11,182
19 Sanki Kaihatsu Co., Ltd	—	—	416,856	387,606
20 Hokuto Co., Ltd	124,237	▲38,774	805,718	77,351
TOTAL	52,984,062	5,414,304	123,653,548	35,844,753

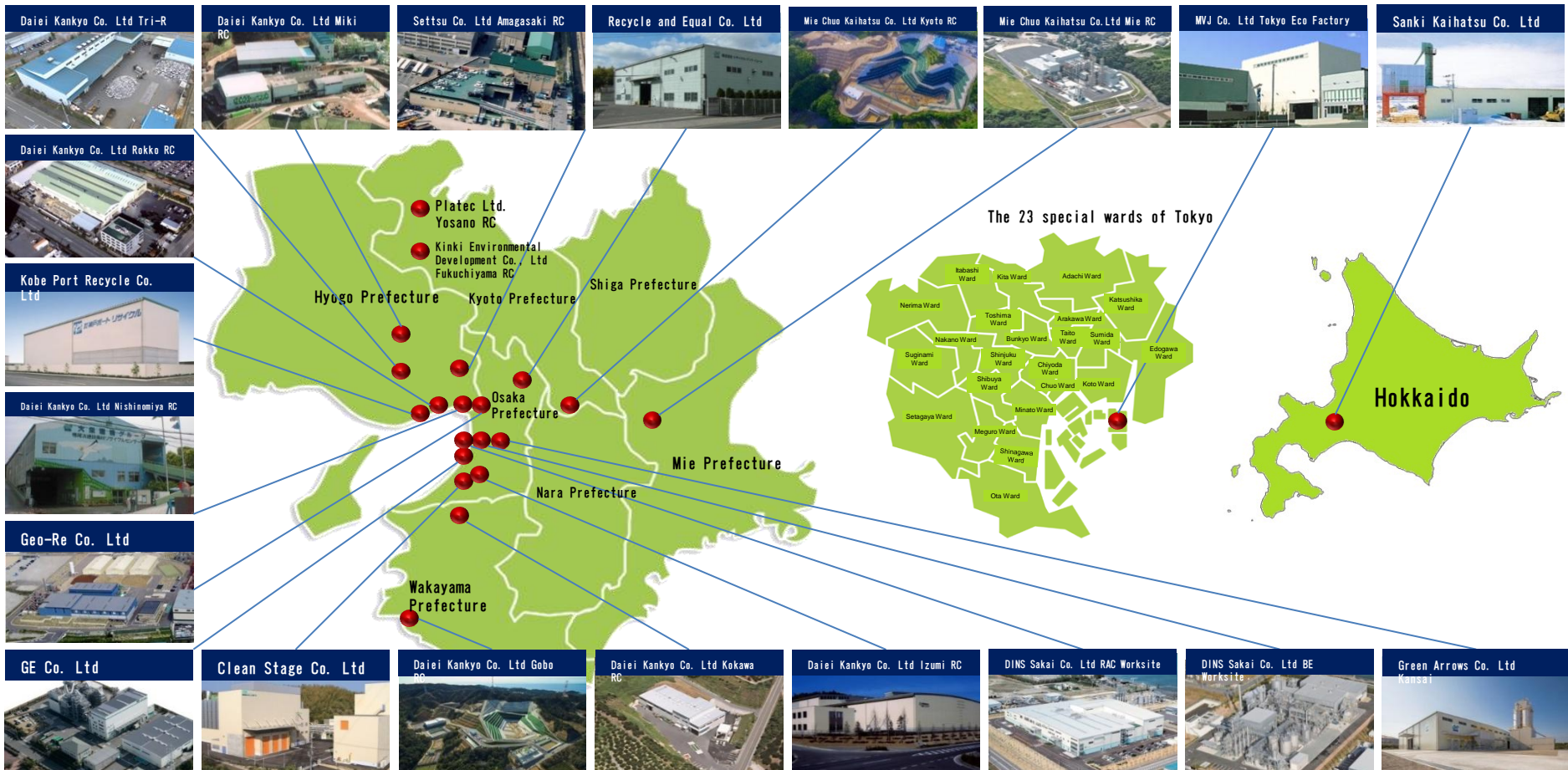
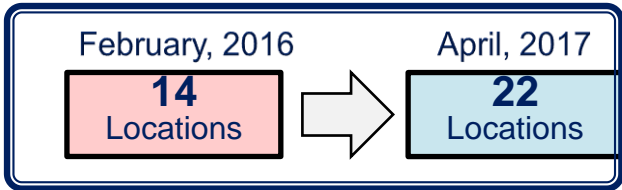
11 Partners and Affiliated Companies



Major Venous Japan Co., Ltd	Venture Company: Suzutoku Holdings Co., Ltd.
Clean Stage Co., Ltd	Venture Company: Obayashi Corporation Co., Ltd., Taisei Corporation Co., Ltd.
Geo-Re Japan Co., Ltd	Venture Company: Kansai Electric Power Company Co., Ltd., Kobelco, Obayashi Corporation Co., Ltd., Okumura Corporation Co., Ltd., Kajima Corporation Co., Ltd., Shimizu Corporation Co., Ltd., Taisei Corporation Co., Ltd., Takenaka Corporation Co., Ltd., TOA Corporation Co., Ltd., Toyo Construction Co., Ltd., Penta-Ocean Construction Co., Ltd., Nishimatsu Construction Co., Ltd.
Kobe Port Recycle (KPR) Co., Ltd	Venture Company: Imoto Lines Co., Ltd., Sumii Unyu Co., Ltd., Kyoei, Kobelco Co., Ltd., Shimabun Corporation Co., Ltd., Nippon Shipping Co., Ltd., Hanaten Co., Ltd., Nippon Steel Logistics Co., Ltd., Kajima Corporation Co., Ltd.
ISV Japan Co., Ltd	Venture Company: Kurion, Konoike Construction Co., Ltd., Hazama Ando Corporation Co., Ltd., Nichias Corporation Co., Ltd., The Japan Research Institute Co., Ltd.
Global Environmental Technology Co., Ltd	Venture Company: Group 21 Co., Ltd., Airport Enterprise Corporation Co., Ltd.
Omihachiman Eco Service Co., Ltd	Venture Company: Mitsubishi Heavy Industries Environmental & Chemical Engineering Co., Ltd., Akimura Construction Co., Ltd.
DINS Transport Co., Ltd	Venture Company: KN Service Co., Ltd., Yoshikawa Kogyo Ltd., Daiwa Express Co., Ltd., Okajima Ltd., Fujiwara Kankyo Co., Ltd., Seiwa Shokai Ltd., KCS Corporation Co., Ltd., Suzuki Transportation Co., Ltd., Shoei Co., Ltd.
Green Arrows Holdings Co., Ltd	Venture Company: Daiei Co., Ltd., Daiseki Eco Solution Co., Ltd., Yoshino Gypsum Co., Ltd., Obayashi Corporation Co., Ltd., Taisei Corporation Co., Ltd.
Green Arrows Kansai Co., Ltd	Venture Company: DINS Sakai Co., Ltd., Green Arrows Holdings Co., Ltd.
Kyotango Bio Farm Co., Ltd	Venture Company: Ecopro Ltd., Farming Co-Op Negibozu

2. About the Daiei Kankyo Group Recycling Centers

22 Locations



2. About the Daiei Kankyo Group Final Disposal Sites

6 Locations



● In Service : 6 Locations

● Under Construction : 1 Locations
(Opening in FY 2017)

*Existing final disposal site and adjacent facilities at the Miki site are under construction.

Total Capabilities Permitted at Industrial Waste Treatment Facilities

Sorting/Crushing/Recycling Facilities

25,277 tons/day

Incineration/Gasification Reform/Torrefaction

2,067 tons/day

Final Disposal Site Total Capacity

21.63 million m³

We have facilities that correspond to all recycling methods, and roughly 70% of our total capabilities permitted are for general waste treatment. Developed at our six final disposal sites [in service: 6 locations, under construction: 1 location]

*Remaining capacity at the end of FY 2016:
9.16 million m³

Total Capabilities Permitted at Contaminated Soil Treatment Facilities

Separation/Insolubilization Facilities

2,920 tons/day

Purification (Extraction) Facilities

568 tons/day

Purification (Melting/Disassembly) Facilities

487 tons/day

Three of the six final disposal sites listed above have permission as landfills.

3. History of Daiei Kankyo Group FY 1979 ~ 1994 Establishment

When Daiei Kankyo was founded, it was considered impossible to obtain permission to build a disposal site due to the tremendous opposition from local residents and government near the planned sites. However, with unrelenting zeal, the company managed to convince a portion of the local residents and government, gaining their understanding regarding the importance of a disposal site, and lastly obtaining permission. Meanwhile, the majority of residents, who still opposed the site, appealed to revoke permission, a trial which would continue for 10 years until its settlement. During this time, those who agreed with the company were made to feel ashamed, and so as to not betray these people, we made “**creating sustainable business**” our top priority.

To extend the life of the disposal sites, we shifted from landfills to reducing and recycling by enhancing our recycling facilities, such as our sorting and crushing facilities, refuse-derived fuel (RDF) converters, and incinerators. The M&A with Mie Chuo Kaihatsu (now a core group member) also helped to secure new final disposal sites.

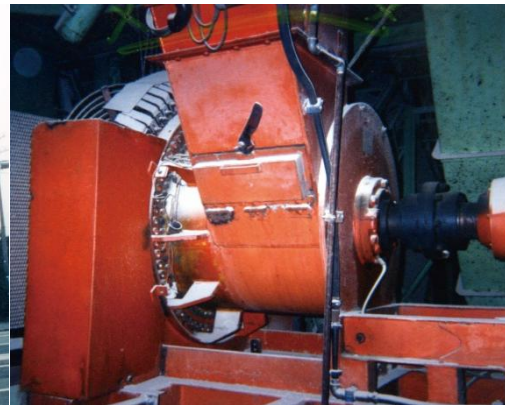
1980
Trench Type Disposal Site
started business
(City of Izumi, Osaka Prefecture)



1984
Daiei Kankyo Nishinomiya Branch
started business
(City of Nishinomiya, Hyogo Prefecture)



1986
Refuse Derived Fuel (RDF) Facility
started business
(City of Nishinomiya, Hyogo Prefecture)



1988
Mie Chuo Kaihatsu Incinerator
started business
(City of Iga, Mie Prefecture)



3. History of Daiei Kankyo Group FY 1979 ~ 1994 Establishment

To clearly show our focus on sustainable business, we created a new logo showing our group coexisting sustainably (infinity) with “people”, “industry”, and “nature” (three lines). Accordingly, we changed the corporate brand name to Daiei Inter Nature System, or DINS, and disseminated information inside and outside the company.



During this period of establishment, we understood the necessity of recycling, yet failed to understand the cost burden, and business fell into a vicious cycle of deteriorating profitability with the more work spent on recycling leading to higher costs. This fragile financial situation meant our funds were always on the brink.

What finally broke through this situation was the Miki disposal site, which finally opened in 1994 after four years of coordination with the region.

1994
*Trench Type Disposal Site
started business
(City of Miki, Hyogo Prefecture)*



3. History of Daiei Kankyo Group FY 1997 Creation of the First Business Plan

The Great Hanshin-Awaji Earthquake of 1995 changed the foundation of our business. In response to requests from local government, the remaining capacity of the Miki disposal site, which had opened the year before, as well as the existing Mie disposal site, suddenly decreased, and moreover, it became difficult to pay back huge loans invested in establishing large scale plants at the temporary rubble disposal sites of each local government.

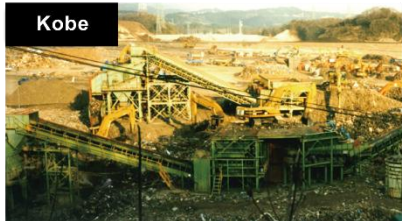
Business would stagnate if demand from the earthquake were to disappear, and it was out of this sense of emergency that we created our **first business plan** in **1997**, which called on all employees to join together to overcome these hardships.

We made our vision “**the actualization of a large shift from landfills to recycling (establishing a recycling system)**”, which clarified our philosophy and vision cultivated since the foundation of the company, and made as our next goal “the actualization of an agricultural and industrial complex Recyclable Resources System”, which emphasized relationship with local communities.

1995 Great Hanshin-Awaji Earthquake

Disaster waste treatment in the Kobe/Nishinomiya/Ashiya area:
 By municipalities: 3.58 million tons
 By private enterprise: 1.50 million tons

Joint ventures with Daiei Kankyo were commissioned to handle roughly 1/3 of the treatment of the 14.3 million tons of disaster waste



1997

2000

Sense of Emergency



First Business Plan

From capital investment in the processing of rubble



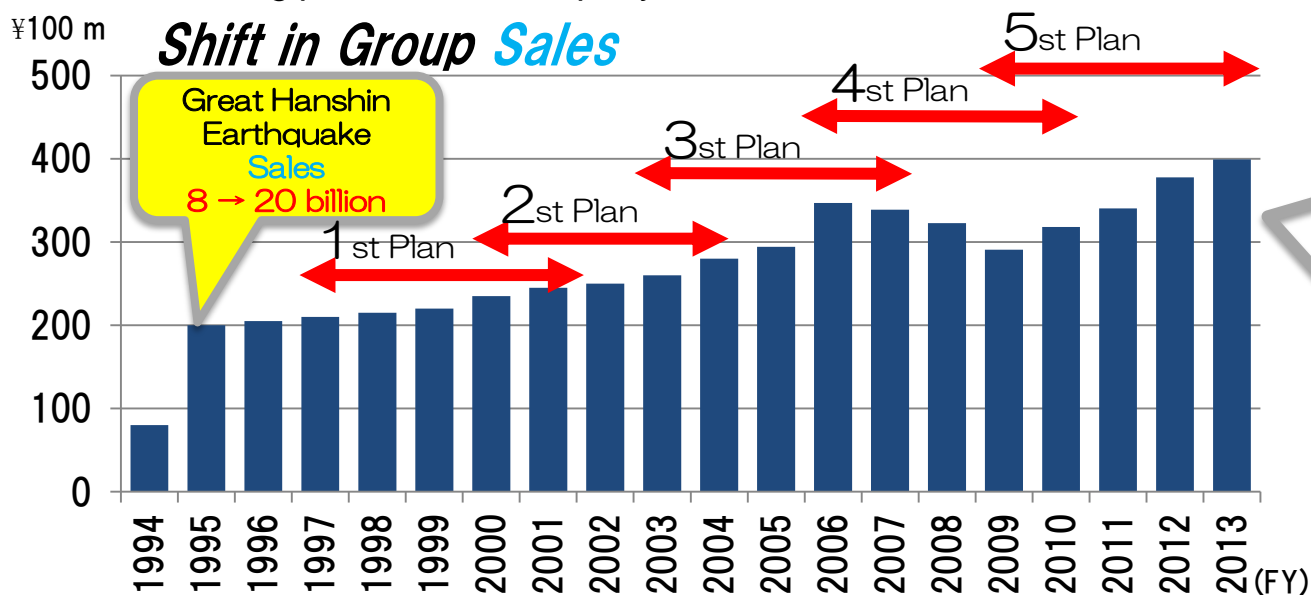
Long-term borrowings
 5 years after the earthquake
7.6 → 16.6
 billion yen
9 billion yen increase

3. History of Daiei Kankyo Group FY 1997 ~ 2013 *The First to the Fifth Business*

These plans focused on investment in recycling facilities in order to establish a recycling system that corresponded to our vision, based on thoroughly managing the balance of profit, capital, and remaining landfill capacity. Investments at this time were connected to orders for projects related to recycling laws to meet the needs of society in the future.

In addition, these plans contributed to expanding our areas of business, such facility management and consultation not related to treatment and disposal in collaboration with our partner companies, which put the company on a growth trajectory even after disposal of rubble from the earthquake had finished.

The second business plan and onward have pressed the core of our business forward while constantly evolving. Mie Energy Plaza, which was completed in September 2013 (the fiscal year end of the fifth business plan) was a facility planned in the first business plan, and with investments totaling 12 billion yen, served as the culmination of our work and marked a turning point for the company.



Culmination Facilities

Mie Energy Plaza
Completed September 2013



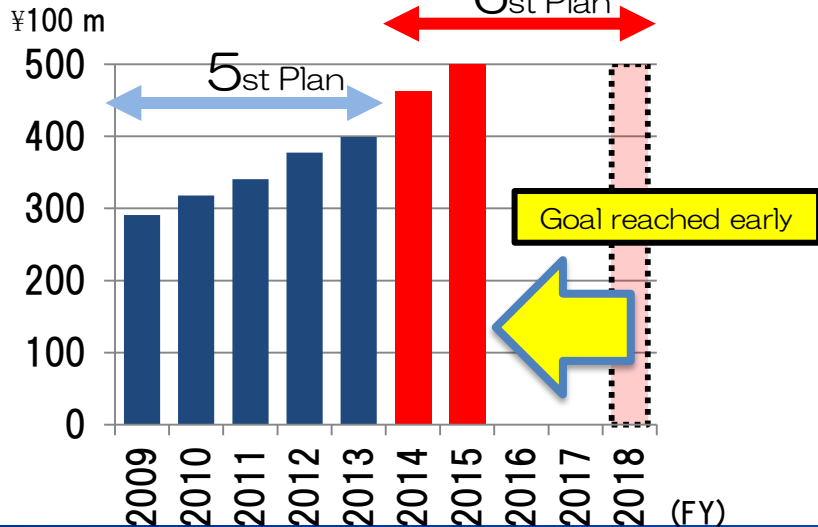
3. History of Daiei Kankyo Group FY 2014 ~ 2018 The Sixth Business Plan

In addition to completing Mie Energy Plaza, the fifth business plan, which achieved higher sales and profit than planned, served as an important juncture leading to the sixth business plan, which was created to incorporate new ideas.

Our strength is the overwhelming scale of our facilities, which can only be achieved through gaining understanding from each local region, and since each facility plays a role in societal infrastructure, we revised our corporate vision, based on the belief that creating sustainable business leads to contribution to the community and to society, to **“enhancing business sustainability and evolving as a company that creates environment”**. While investing aggressively, we began implementing five concrete measures toward “sustainability” and “creating new value”, which looked not only at immediate profit, but ten and twenty years into the future.

As a result of the steady implementation of these measures, we achieved our target for FY 2018, which was 50 billion yen in sales and 5 billion yen in ordinary profit, in 2015, the second year of the plan. Seeing the prospects of our disposal sites, the groups’ greatest strength, we decided to shift to the seventh business plan.

Shift in Group Sales



Enhancing Business Sustainability and Evolving as a Company that Creates Environment

1. Add value to our existing facilities

Disposal Site General Waste Existing Dealings Recycled Goods

2. Try new recyclable resources

3. Create new energy

4. Develop new business schemes

5. Create new brand value

Business Mission

5 Measure

4. A Mission Fostered Throughout History

The Mission of Daiei Kankyo Group

"Creating sustainable business" rooted in each region

For this purpose, we will...

- 1** Check the latest societal trends, make forecasts, and challenge ourselves to evolve and create new environmental business
- 2** In addition to building strong financial foundations, establish sustainable business foundations through aggressive investment that does not focus solely on short-term profit using sound business plans

5. Current Challenges in Societal Trends

Challenges of the Daiei Kankyo Group

Challenge

1

Shrinking Waste Disposal Market

- Heightened awareness of the environment
- Change of industrial structure due to shift towards overseas production
- Population decline

Challenge

3

Securing Human Resources

- The waste disposal industry has a negative image and is unappealing
- As the working population declines even more in the future, harsh working conditions will lead to current employees fleeing, not to mention new hires, and if the situation is not improved, it will interfere with business

Challenge

2

Dumping (lack of proper evaluation axes)

- Entering new or different industries through easy acquisition of permission for transport/intermediate processing (Article 15 not applicable)
- The existence of many waste disposal entities who believe they should be as cheap as is permitted (level of waste treatment does not matter)
- Meanwhile, building a sustainable society, reducing the carbon footprint, and promoting advanced recycling is in ever higher demand

Challenge

4

Upgrading IT

- Increased scope of management through business expansion
- System changes that force us to respond every time the law is amended.
- Increase administrative burden due to electronic manifest and the associated decrease in productivity
 - ① Respond with a unique system for waste disposal entities
 - ② Double response with paper manifest

Based on the missions and challenges of the Daiei Kankyo Group, we have created the seventh business plan, spanning five years starting FY 2016, which currently pushes our business forward. The seventh plan comes 40 years since our establishment, and positions the next five years as a major milestone in which we will pass the baton from the founders to the next generation.

In addition to building a strong financial foundation, we will continue make aggressive investments that do not focus solely on immediate profit. We will reinforce our five concrete measures even further, establishing the foundation for the next 100 years of the company.

Enhancing business sustainability evolving as a company that creates environment

Measure 1 Building a foundation *for 100 years of business*

Measure 2 Innovating Recyclable Resources

Measure 3 Creating Energy

Measure 4 Developing Business Schemes

Measure 5 Creating Brand Value

	FY 2015	FY 2020
Sales	50.9 billion yen	70 billion yen
Ordinary Profit	5.76 billion yen	7 billion yen
Total Assets	111.1 billion yen	100 billion yen
Net Assets	33.7 billion yen	50 billion yen
Capital Adequacy Ratio	30 %	50 %

FY 2016 ~ 2020 5 year plan
to invest 29 billion yen

The concrete efforts of the five measures listed in the seventh business plan are as follows.
An overview of each effort will be introduced here.

Measure
1

Building a foundation for 100 years of business

1. Build appealing working conditions
2. Landfill burden reduction system
3. A forest conservation project that is the pinnacle of environmental protection

Measure
2

Innovating Recyclable Resources

1. Forest resource supply business
2. Expand areas of business
3. Sustainability for each recycling business

Measure
3

Creating Energy

1. Create energy from waste products
2. Make use of abandoned waste disposal sites

Measure
4

Developing Business Schemes

1. Shift business from public to private
2. Sound processing of “negative legacy” substances
3. Speedy response toward disaster waste processing
4. Contaminated soil treatment
5. Building various networks

Measure
5

Creating Brand Value

1. Strive to change the negative image of the industry
2. Gain appreciation through having the public get to know us

6. Daiei Kankyo Group Efforts 7th Business Plan Measure 1 Building a foundation for 100 years of business

Working style reform is our chance to secure employee retention and gain talented human resources, and in addition will improve efficiency through improving work, building the foundation for 100 years of business.

Creating appealing working conditions

Decrease overtime, increase days off

Towards a system that doesn't interfere with employees' lives

Labor
Regulations

Mandatory
Retirement

Wage
Structure

Increase productivity so as to not lower our competitiveness

Take a fresh look at everything

Systems

Logistics

General
Affairs

Management

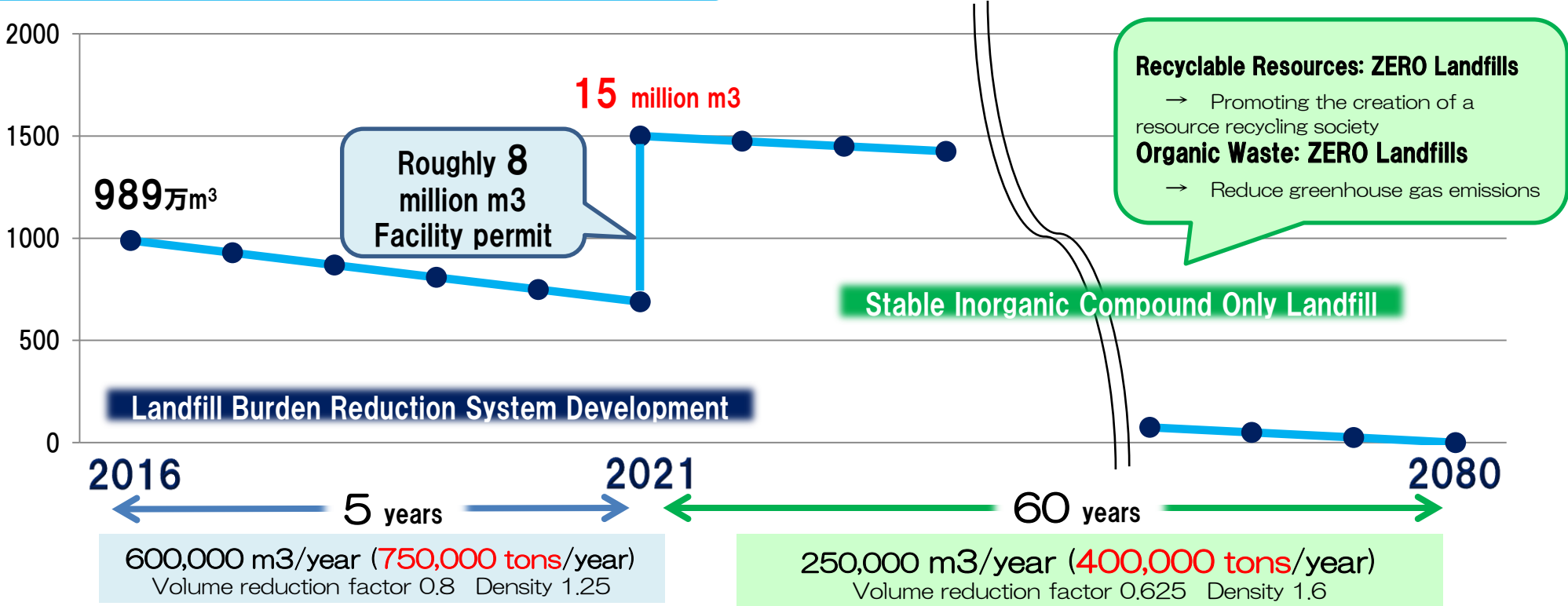
Environment
& Safety

Clerical
& Nonclerical Work

6. Daiei Kankyo Group Efforts 7th Business Plan Measure 1 Building a foundation for 100 years of business

In addition to developing final disposal sites, we will establish a system to thoroughly collect recyclables and organic waste to reduce landfill burden during these five years, and will reduce average landfill volume by 400,000 tons (250,000 m³)/ year for 60 years starting in 2021. In doing so, we will have remaining landfill capacity secured at 15 million m³ at the end of 2020, making landfills possible until 2080, for a plan that anticipates the 100th year since our foundation.

Landfill Burden Reduction System



6. Daiei Kankyo Group Efforts 7th Business Plan Measure 1 Building a foundation for 100 years of business

We will work on forest conservation projects based on foundations of stable management. Our forests serve to absorb greenhouse gases, as watersheds, and as homes to biodiversity, and our efforts toward long-term forest protection and cultivation in order to leave plentiful forests for our 100 year anniversary will be the pinnacle of our environmental creation.

We will cultivate foresters and help regenerate forestry in various regions through consulting. With forests owned by our company under proper management, we will protect the environment and actualize sustainable business while supplying wood, creating biomass resources through thinning, and cultivating trees that will grow over 100 years old.

Forest Conservation Projects

Forest creation, regenerating nature, forestry policy consulting, etc.

*In Company-owned Forests or Adjacent Forests
Provision of Forest Resources Based on Forest Business Plan*

Consulting Project: Participation in Forest Policy Improvement in Nara Prefecture



Forestry Management Improvement: High performance cable skidding (Totsukawa Forest)



Forest creation based on an environmental protection agreement (Miyazaki Mimata Forest)



31 locations nationwide
Total area: 8,150ha

Disaster Site Natural Forest Regeneration Project: Joint project with Mie Chuo Kaihatsu Co., Ltd. (Mie Odai Forest) ~ Started in FY 2017



6. Daiei Kankyo Group Efforts *Seventh Business Plan Measure 2* Innovating Recyclable Resources

We will create plants for the accumulation and processing of forest resources supplied from General Agriculture & Forestry, and start selling resources for use in paper making, fuel, and boards. Our goal is to create ten of these mostly unused general wood accumulation and processing plants by the end of FY 2020, with sales of 2.25 billion yen. In addition to setting up major centers in Hokkaido in 2017, we are preparing to develop centers in five locations.

Forest resource supply business

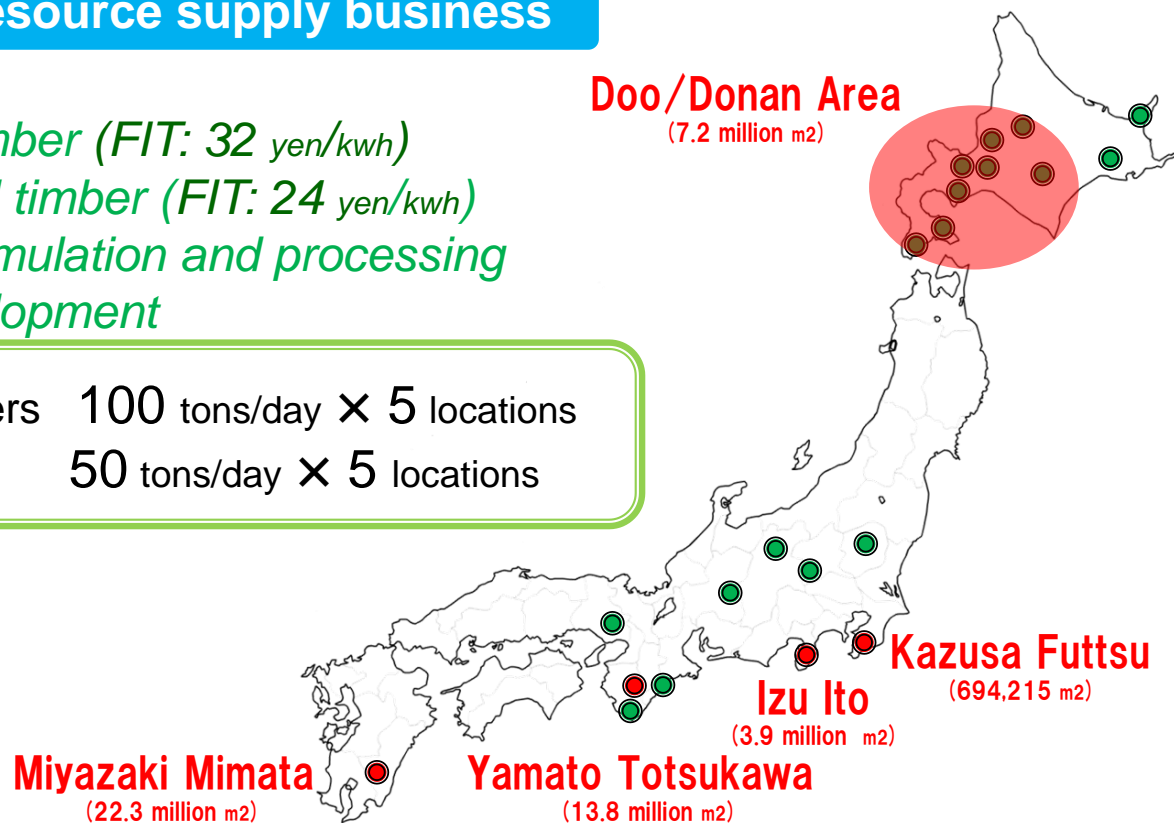
Unused timber (FIT: 32 yen/kwh)

General timber (FIT: 24 yen/kwh)

Main accumulation and processing plant development

Major centers 100 tons/day × 5 locations

Subcenters 50 tons/day × 5 locations



6. Daiei Kankyo Group Efforts *Seventh Business Plan Measure 2* Innovating Recyclable Resources

In order to expand our business towards paid recycling, such as the purchasing of plastic and aluminum cans, we are actively developing a one-stop service that can handle ferrous and nonferrous materials in bulk. Major Venous Japan, our partner company, will expand its business domains aggressively in an effort to be a major venous industry representing Japan.

Expanding areas of business



Plastic pallets



Aluminum pallets



Scrap & waste treatment



6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 2 Innovating Recyclable Resources

We will put our business firmly on the right track to correspond to all recycling laws for packaging, food, and small home electronics, growing towards a core business. To that end, we are actively striving to develop the necessary technologies.

Evolving Each Area of the Recycling Business

Aeon Group Cooperation

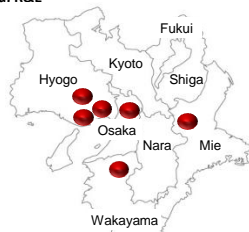
Yamato HD Cooperation



① Containers and Packaging Recycling Law



- Measure 1** Delivering plastic waste containers and packaging that conform to sorting standards in **Kobe** and **Nishinomiya** to recommodification enterprises **Daiei Kankyo**
- Measure 2** Recommodification of plastics in **Miki** and **Kinokawa** through our original route **Daiei Kankyo**
- Measure 3** Recommodification of plastics from **The Japan Containers And Packaging Recycling Association** as a recommodification enterprise **Mie Chuo Kaihatsu R&E**



② Food Recycling Law



- Measure 1** Food recycling group project with **Aeon Group Daiei Kankyo**
- Measure 2** Composting leftover school lunches in the city of **Izumi** **Daiei Kankyo**
- Measure 3** Dry fertilizer and soil improvement at registered restoration facilities **Mie Chuo Kaihatsu**



③ Small Home Appliance Recycling Law



- Measure 1** Certified enterprises for recyclable resource project plan Record of dealings with **48 municipalities, 9 wider area associations** (target population of 9.59 million people) **Daiei Kankyo, Mie Chuo Kaihatsu**



6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 3 Creating Energy

Along with establishing new energy supply facilities that will generate 12,000 kW through the burning of waste and biomass, we will contribute to the creation of a low-carbon society through such efforts as effective utilization of unused heat in existing heat treatment facilities.

Energy generation from waste products

Measure 1 Miki Biomass Cogeneration Facility

FY 2020
Scheduled for
completion

FIT
12,000 kw

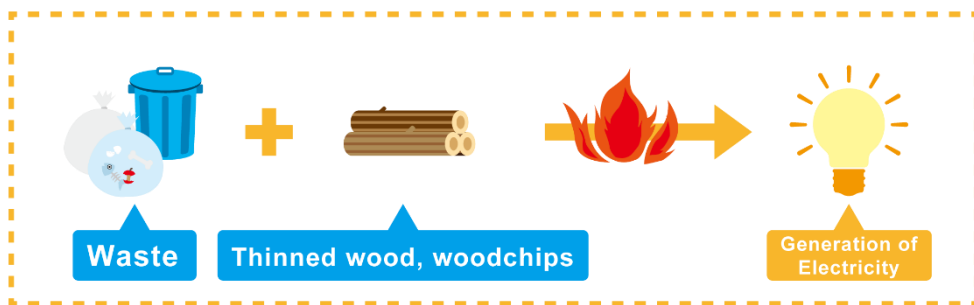
Estimated amount of electricity generated **75.82** million kwh
Estimated amount of electricity sold **63.22** million kwh
(equivalent to **15,965** average households)

Measure 2 Mie Energy Plaza

4,000 kw

2016 results
Amount of power generated **24.88** million kwh
Amount of electricity sold **680,000** kwh
(equivalent to **172** average households)

Image of Biomass Generation



Measure 3 DINS Sakai Biomass Boiler

FIT
1,950 kw

2016 results
Amount of power generated **10.03** million kwh
Amount of electricity sold **4.04** million kwh
(equivalent to **1020** average households)

6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 3 Creating Energy

The construction of the No. 2 DINS Mega Solar in 2017 next to DINS Mega Solar at the disposal site where we began generating power in 2013 will further contribute to the creation of a low-carbon society.

Use of waste disposal facility site

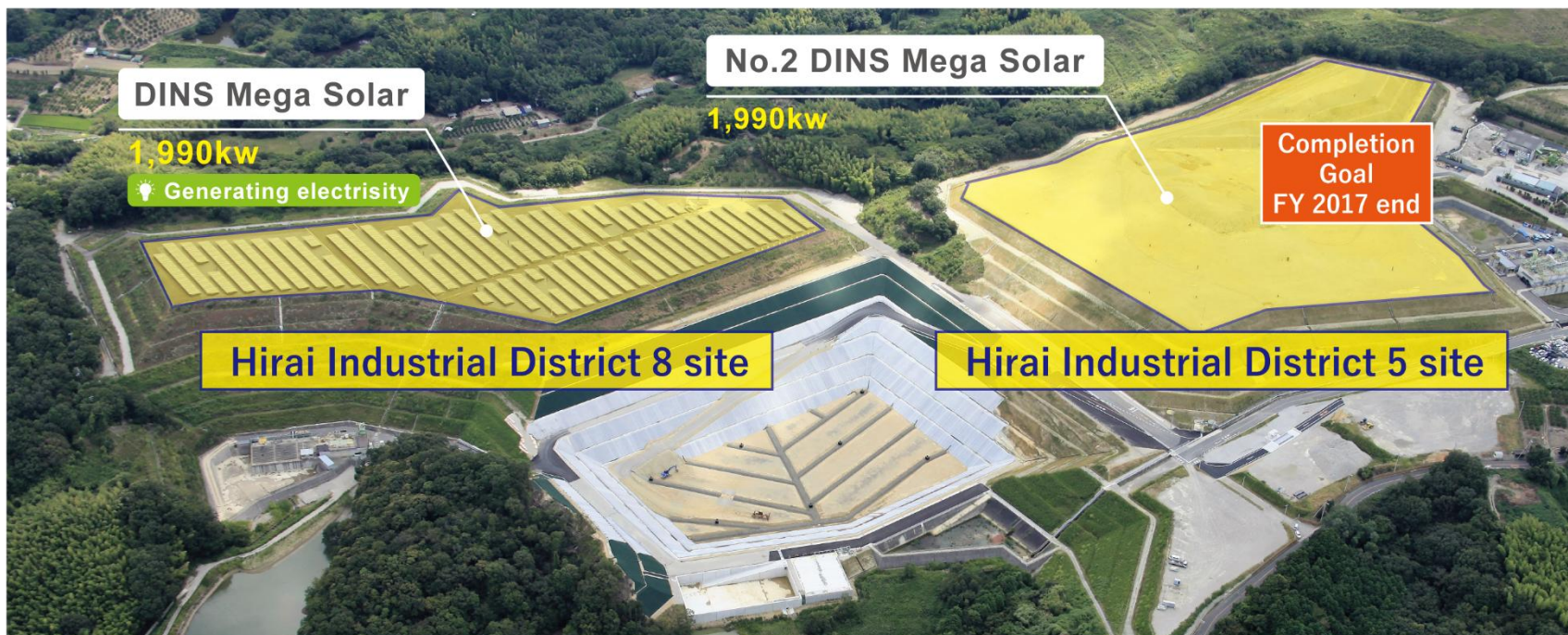
Contributing to the creation of a low-carbon society

FIT
1,990 kW

DINS Mega Solar 2016 Results

Amount of power generated **2.81** million kWh

Amount of electricity sold **2.78** million kWh
(equivalent to 702 average households)



6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 4 Developing Business Schemes

We will further increase the ratio of general waste disposal “from public to private”, aiming for 25% of total group sales of 70 billion yen, or 17.5 billion yen, in FY 2020.

Shifting from public to private

Measure 1 Commissions for **collection and transportation** of household waste in the cities of Amagasaki and Ashiya



Measure 2 Commissions for **DBO work** on recycling and heat recovery facilities

We aim to make use of our achievements in the city of Omihachiman to get new commissions for DBO work



Measure 3 Commissions for **recycling and disposal** of general waste at our facilities

We aim to expand the number of commissions mainly for Mie and CLS



Measure 4 Commissions for **operation and management work**, such as transfer, recycling, and heat recovery facilities

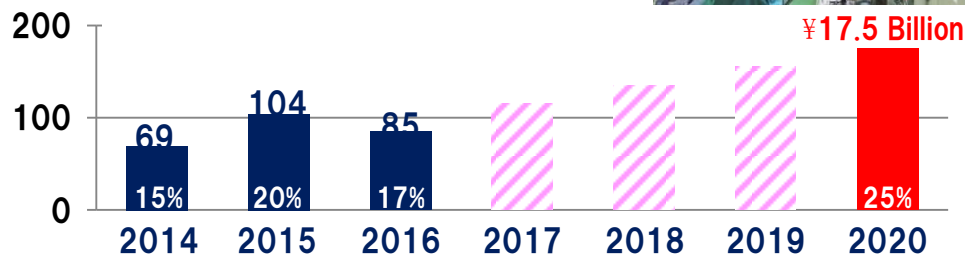
Using our many achievements (11 in FY 2016), we aim to expand commissions



FY 2016 Results

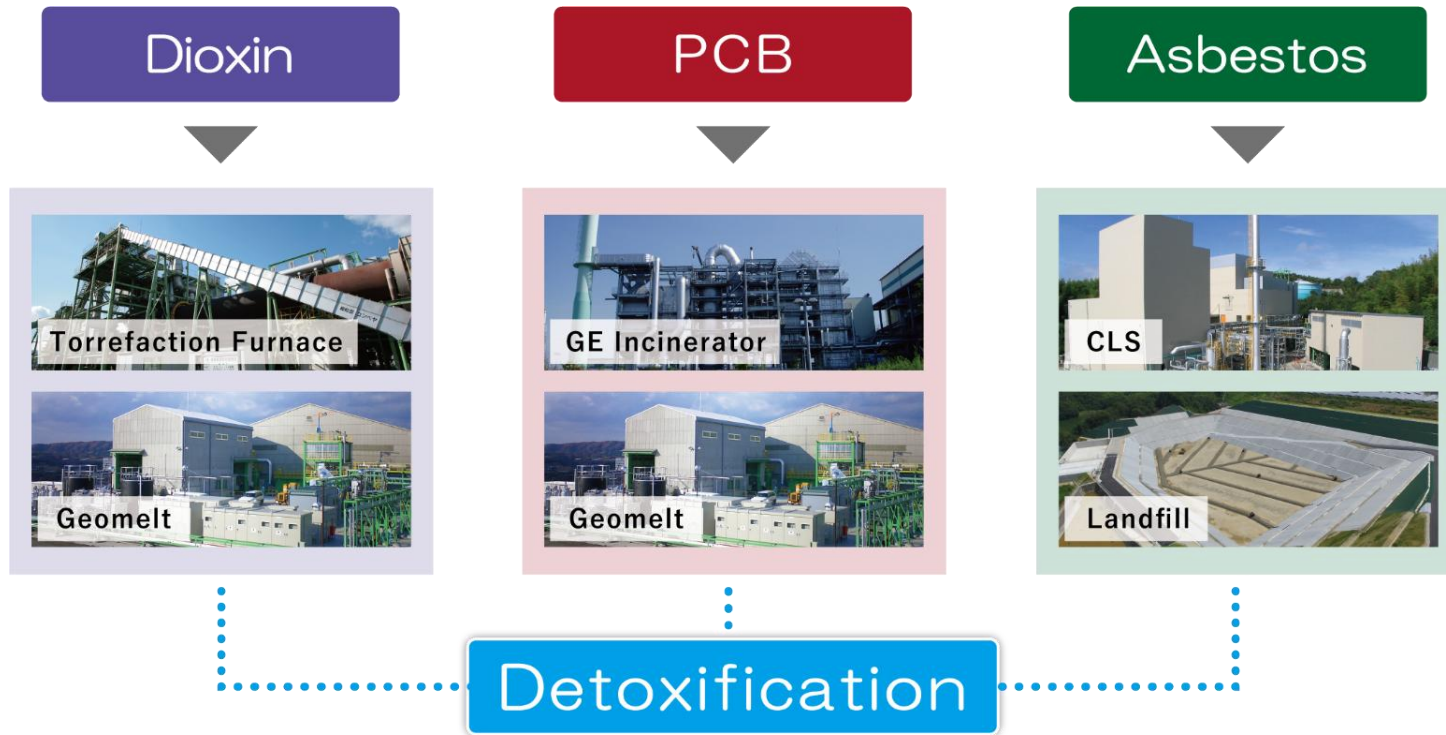
No. of Municipalities
No. of Wider Area Organizations

152
71



We have been involved in various ways in the processing of waste products with a “negative legacy”, such as POPs, including dioxin and PCB, as well as asbestos and sulfuric acid pitch, so as not to leave them for future generations. We will continue doing everything in our power to reduce these waste products through sound processing.

Sound processing of "negative legacy" waste



6. Daiei Kankyo Group Efforts *Seventh Business Plan Measure 4* Developing Business Schemes

Using our experience with the Great Hanshin-Awaji Earthquake, which changed the foundation of our business, we have made it our corporate mission to get involved in the processing of disaster waste. Most recently, we have been involved in disaster waste processing in Kumamoto after the Kumamoto Earthquake and in the city of Joso after the flooding of the Kinugawa River in the previous year. Amid the increased demand for proper disposal of disaster waste smoothly and speedily, we will do everything in our power to ensure sound processing.

Quick response towards waste treatment after a disaster

Main Achievements

1995
Great Hanshin-Awaji Earthquake
2011
Kii Peninsula Flooding

2014
Kanto-Tohoku Heavy Rainfall
2015
Kumamoto Earthquake

Total
5.2 million tons
treated



6. Daiei Kankyo Group Efforts *Seventh Business Plan Measure 4* Developing Business Schemes

As stated at the beginning, we've expanded through the creation of spin-off companies based on the development of projects rooted in local areas. Based on this concept, we will develop further cooperation with our partner companies in each local region and aim for nationwide business development through M&A, joint ventures, and trade networks, making sure we fulfill the role society expects from us.

Building various networks

M&A Joint venture companies

General waste



Industrial waste



Scrap



Contaminated soil



Establishment of joint contracts with our trade network

General waste



Disaster waste



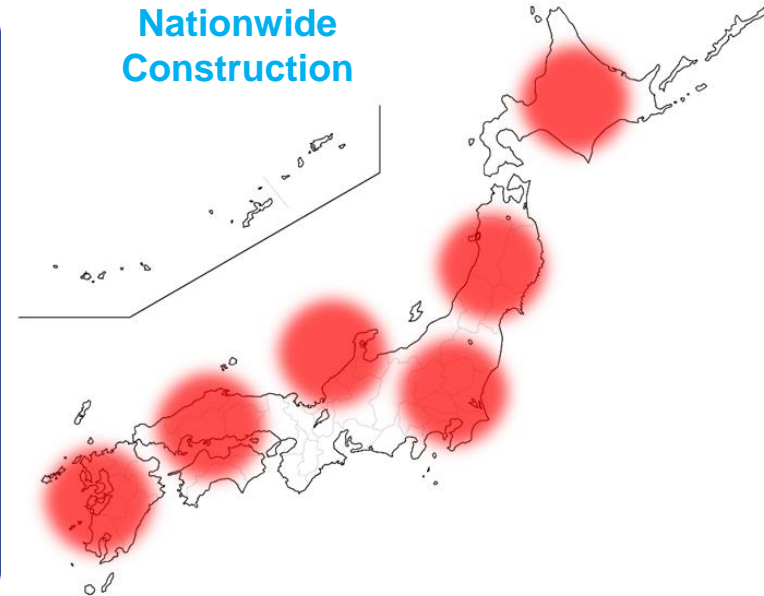
Scrap



Contaminated soil



Nationwide Construction



6. Daiei Kankyo Group Efforts *Seventh Business Plan Measure 4* Developing Business Schemes

Starting this year, Geo-Re Japan Inc.(formerly Kanden Geo-Re) has become our subsidiary, and has developed a system for treating contaminated soil that will meet a variety of needs. This will play a part in sound processing, as it enables one-stop processing of enormous amount of soil contaminated by natural causes expected in the future, as well as soil contaminated with mercury and PCB.

Contaminated soil



Abandoned
factory site



Olympic-related
construction



Linear Chuo
Shinkansen



Development
& construction
of highways



6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 5 Creating Brand Value

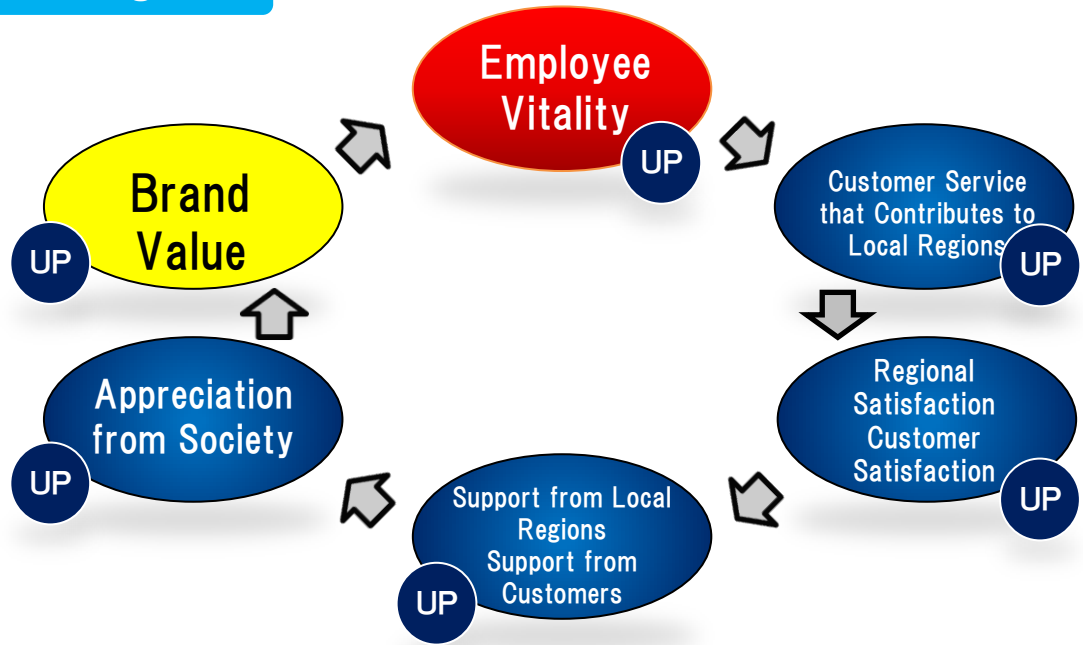
Our business bears responsibility for the social infrastructure and lifelines, which are essential for society. However, there are still many people who feel disgust at the mere mention of waste treatment. **Having the people get to know us** is the first step to changing the image of this industry, as well continuing our active dissemination of information in the future.

In order to do this, we must first of all raise the level of employee satisfaction and create a company worthy of pride. This will lead to better service to the local regions and our customers, and will increase brand value of the Daiei Kankyo Group.

Efforts to change the industry's negative image

- Step 1 First Have the public get to know us
- Step 2 Have the public understand DINS
- Step 3 Have those around us appreciate us

For a company that brings together excellent personnel, great customers, and useful information naturally



6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 5 Creating Brand Value

Also, it is important to have people know the true form of our business in order to change our image. With “open”, “interaction”, and “gratitude” as our keywords, we will continue to strive towards transparency by creating a variety of opportunities to properly convey the reality of our business in an easy to understand manner.

Having the public get to know us leads to appreciation

Open

Interaction

Gratitude



Even more active publicity



Expressing our gratitude to the local people every day
"Mie Chuo Kaihatsu Interactive Gratitude Fair" (May 14, 2017)



A hands-on event based on the theme of food recycling
"Miki Environment Festival" (June 25, 2017)

6. Daiei Kankyo Group Efforts Seventh Business Plan Measure 5 Creating Brand Value

Izumi Recycle Environment Park, a facility contributed to the local community that utilizes land reclaimed from a disposal site, is a resting place with 350,000 visitors each year, with municipalities and organizations nationwide visiting as well, since it is the first place in the country where reclaimed land from a disposal site has been used in earnest. It was also adopted as the design for the 60th anniversary stamp of the city of Izumi, released last year.



7. Conclusion

It is a fact that the waste treatment industry is still underappreciated by the general public.

We at the Daiei Kankyo Group will ensure our growth through the efforts introduced here in order to create sustainable business rooted in the local region, and will contribute toward improving the image of the industry.

However, it is impossible for an individual company to do this alone. In March of this year, a Ministry of the Environment committee announced its “Measures for Promoting the Industrial Waste Treatment Industry”.

By advancing the promotion measures listed there and growing venous industries that will exert influence on society, we can change the image the general public has of our industry and gain appreciation as an appealing environmental industry.

Thank you for your attention.