

# CSR Report of SANYO RETREAD CO., LTD.

**Business activities:** Production and sales of retread tires  
**Total site area:** 13,757m<sup>2</sup>  
**Number of employees:** 31 (as of April 2014)  
**Location:** 165-28, Chojabara 2-chome, Onomichi City, Hiroshima 722-0221, JAPAN  
**Contact for consultation and complaints:**  
 Operation Department General Affairs Division  
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## President's Message



Masahiro Tsugawa

Sanyo Retread has its production base in Onomichi City, Hiroshima and has been in business for 40 years. Retread tires manufactured here mainly for trucks and buses can reduce industrial waste and also significantly reduce CO<sub>2</sub> emissions by 60% which are typical environment friendly 3R (reduce, reuse and recycle) products. Recently, recognition of retread tires has increased and has caught the attention of not only the trucking industry but also government. We believe distribution of retread tires will lead to protection of resources, energy savings and environmental preservation and carry out

production and sales activities, aiming to be "a company having world-class strengths in technologies for protecting the environment," which comprises our environmental policy. All employees are proud of providing products that contribute to the protection of the environment and make efforts toward coexistence with people of cooperating companies and regional communities, with safety, environment, quality and compliance as key words. We have continued to acquire ISO14001 certification since its initial acquisition in April 2006 and promote management focusing on the environment. We will further advance resource savings and environmental preservation with improvements in technology and streamlining of operations and at the same time, we will carry out our activities to provide customers with "Deliver the best products at competitive prices and on time."



## Organizational Governance

### Promoting compliance

The department responsible for matters of accounting and the closing of accounts undergoes regular audits by corporate auditors. Improvements are then implemented accordingly in response to any identified issues. We also work to ensure there are no legal defects or loopholes.



## Human Rights

### Child or forced labor

We employ no children or forced labor.

### Promotion of gender equality

There is no discrimination between men and women with regard to wages, promotion and assignments, etc.



## Labor Practices

### Aiming for safe and healthy workplaces

For occupational safety and health activities, all employees participate in radio gymnastic exercises before the start of work each day and conduct enlightenment activities in every meeting. The Safety and Health Committee makes efforts for and follows up with periodic measurements of the workplace environment and full participation of employees in periodic medical checkups, etc.

### Education and training for employees

Scheduling and complete implementation of education for new employees and also such basic education as compliance, safety, environment, quality and 5S are provided for employees at morning gatherings on site and monthly morning meetings by the President and at the manufacturing sites, periodic training in accordance with the manual is provided.

### Responses in case of disaster

Periodic checks of protective equipment, including helmets, are conducted and instructions are always given to replace any equipment immediately if there is any defect. Inspection of fire-fighting equipment is conducted by a professional company and the inspection results are periodically reported to the Onomichi City Fire Department. For security of business sites, 24 hour monitoring is performed with the introduction of SECOM\*.

\*Note:SECOM is a security company to perform remote monitoring.



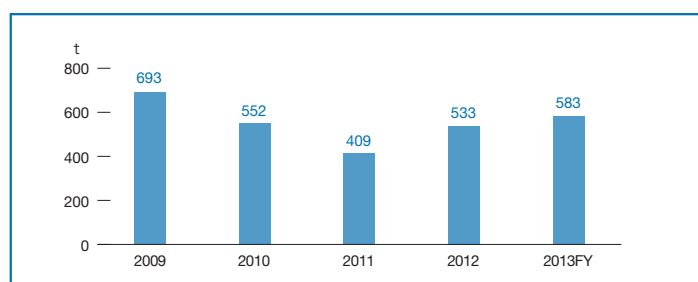
## The Environment

### Promoting environmental management

In striving to reduce environmental burden, we operate an environmental management system whose basis is the ISO14001 certification that was acquired in April of 2006. We are working to both heighten the environmental consciousness of employees at each work site and to also improve our environmental index. We are doing this through measures such as increasing the number of internal auditors, reducing waste and improving equipment to prevent wasteful use of energy. In the final analysis, we hope to contribute to development of a recycling society by increasing usage of reused tires.

### Effective use of resources / Waste reductions

#### • Waste emissions



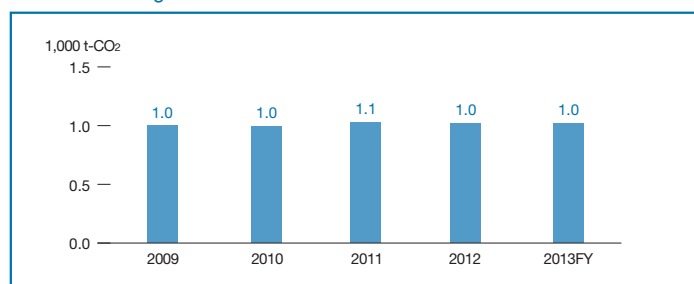
### Noise, vibration and odor

We periodically measure noise emissions. We attempt to prevent noise, vibration and odor emissions via hearing sessions conducted with voluntary monitors. As of the time of this report, we have not received any complaints from the neighborhood regarding such matters.

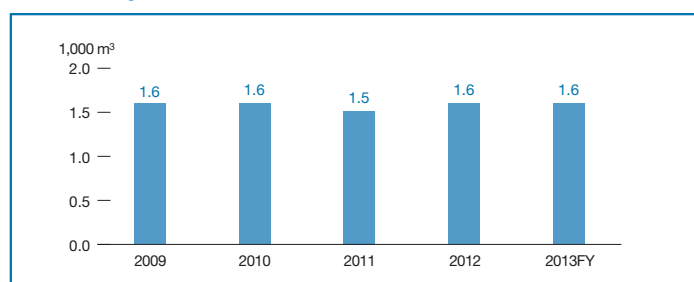
### Environmental data

#### Reductions in greenhouse gas emissions

##### • Greenhouse gas emissions



##### • Water usage



### Status of management of chemical substances (Response to PRTR Law)

We conduct SOC management by promoting recognition and listing of chemical substances used by each site in conjunction with Yokohama Rubber. For PRTR, we conduct secure management of subject materials by filing with the national government and the respective prefecture.



## Fair Operating Practices

### Developing trusting relationships with business partners

We enjoy a range of business relationships with a variety of cooperating companies. Such relationships include the sale of retread tires, the purchase of platform tires (used tires) and the processing of industrial waste, etc. In all instances business is conducted only after it is confirmed that potential partners are legally qualified. With respect to processors of industrial waste, we work to confirm that they act in accordance with relevant legal statutes by conducting audits of their operations.



## Consumer Issues

### Developing trusting relationships with customers

As for inquiries about product quality that are forthcoming from customers, we make an appropriate quality response in collaboration with every dealer of YOKOHAMA TIRE JAPAN CO., LTD., as well as the Technical Service Department and the Tire Quality Assurance Department. We ensure that a cause investigation and safeguard measures are thoroughly implemented.



## Community Involvement and Development

### Trusting relationships with stakeholders

We regularly participate in the general meetings of fire-fighting associations to keep communications with local communities open. We also proactively participate in regional activities such as fireworks events.