

CSR Report of Nagano Plant

Nagano Plant	Business activities:	Production of hydraulic-hose fitting and auto-hose fitting parts, and the production of self-sealing coupling assemblies
	Total site area:	28,169m ²
	Number of employees:	188 (as of June 2014)
	Location:	548 Yoshida, Takamori-cho, Shimoina-gun, Nagano 399-3102, JAPAN
Nagano-Toyooka Plant	Business activities:	hydraulic hose assemblies, auto hose assemblies
	Total site area:	19,809 m ²
	Number of employees:	152 (as of June 2014)
	Location:	9100 Kawano, Toyooka-mura, Shimoina-gun, Nagano 399-3201, JAPAN

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Nagano Plant



Construction of the Nagano-Toyooka Plant was completed in February 2014.

Message from the General Manager



Noboru Maezawa

The Nagano Plant is the only metal product-processing plant of Yokohama Rubber Corporation, and was established in 1961 in Takamori-cho, Nagano Prefecture, surrounded by the South Alps and Central Alps with abundant and beautiful nature. Machine tools made multi-axis automatic boards and NC lathes and main products include oil pressure hose clasps, hose clasps for automobiles and self-seal coupling assemblies, which are supplied to affiliated plants in Japan and overseas and to customers all over Japan as products. Furthermore, construction of the Nagano-Toyooka Plant was completed

in February 2014 in Toyooka-mura, Nagano. Business has been shifted to it from the Hiratsuka East Plant. Production has now commenced focusing on the assembly of hydraulic and auto hoses. Aiming at operation of a plant harmonized with the abundant and beautiful nature of Nagano, becoming a "a company having world-class strengths in technologies for protecting the environment" posted by "Environmental GD100" of the Company, we make efforts at complete recycling of cutting scraps from processing of metal products, reduction of chips and reduction of industrial waste by improvement of processing methods.

In July 2012, we introduced equipment that "briquettes" metal scraps and sell

them as products; thereby we achieved a reduction of total industrial waste by 70%. For energy saving activities, we promote familiar energy saving activities at the plant and at home by all employees as one and actively strive to prevent global warming by introduction of and renewal of power saving type equipment in the plant.

With respect to "YOKOHAMA Forever Forest Project" activities as well, in addition to considering further expanding the Forest to encompass the Nagano-Toyooka Plant, we plan to further promote an expansion of the "Forest" as a communications effort with local communities.

Furthermore, we commenced biodiversity protection activities in FY2013, and a survey that will lead to protective measures was conducted on flora and fauna along both the Oshima and Tenryu Rivers. This year, three volunteers from the Nagano Plant again participated in the 3rd "Heisei Forest" planting sponsored by Yokohama Rubber, which was held in Otsuchi-cho, Iwate.

We proactively participate as the person in charge of allocation in cleanup of the Tenryu River (Environmental Picnic), which flows in the region, held every year. We provide opportunities to have our environmental preservation activities understood in the experiences of "Workplace Experience Study of Junior and Senior High School Students." We will further enhance communication activities in the region.

We are determined to aim at being "a top level contributor in terms of the environment" as employees and families of employees as one united body with people in local communities.



Organizational Governance

Concerning decision-making, a system is in place so that monthly meetings are held for each different area. Safety and health issues are decided by the Safety and Health Committee, environment issues by the Environment and Energy Savings Committee, and quality issues by the Quality Committee. Furthermore, Section Chief Meetings and Follow-

up Meetings are held as required to make decisions on plant-wide issues. Employees are notified of the decisions made by this committees system through daily communications and by the General Manager's Morning Meeting held at the start of each month.



Human Rights

CSR supplier training

A CSR study meeting with suppliers was held in the Nagano Plant canteen on March 25. A total of 13 people from 13 companies participated in the two-hour session. We were privileged on this occasion to present an award to Ai-PAX Corporation because its CSR activities represent a model for other companies.



A Purchasing Liaison Meeting was also held that the Shonan Seminar House on January 31, 2014, with the participation of 66 people from 50 companies who are involved with the Hoses and Couplings Division. At the meeting the Company's CSR was explained to participants.



Nagano Plant Safety and Health Policy

Nagano Plant Safety and Health Policy

Basic Policy

Health and safety underpins all that we do.

Through the leadership of managers and supervisors and the cooperation of all employees and constituents in the Yokohama Rubber Group, we strive to prevent workplace incidents and create a healthy and pleasant workplace.

Health and Safety Policy

1. All employees and constituents in the Yokohama Rubber Group understand that safety and health are the number one priorities. Through the participation, actions and cooperation of employees and constituents of all ranks and positions, we shall strive to improve safety activities.
 - (1) All workers shall observe the rules and regulations of the workplace and implement safe work practices
 - (2) Managers and supervisors shall assume responsibility for ensuring the safety of employees and shall not allow unsafe conditions and practices to pass unnoticed. They shall act as models of safe behaviors and practices, and shall have a thorough appreciation of conditions in the workplace, including the status of materials and equipment.
 - (3) Past accidents shall not be repeated at regular intervals, nor shall they be forgotten. We shall thoroughly work to prevent any reoccurrences.
2. We shall proactively seek to comply with all health and safety legislation, regulations and government directives, as well as complying with any health and safety provisions that have been established for business offices.
3. With respect to all employees and constituents, we shall conduct the education and training that is necessary to make them aware as to the importance of safety and health.
4. We shall strive to identify and eliminate latent hazards associated with work procedures and equipment using the PDCA cycle through the appropriate execution and operation of the OSHMS (Occupational Safety and Health Management System). This shall be undertaken in order to reduce risks on an ongoing basis.
5. Ensuring 2S with an understanding that "Arrangement and consolidation is a basis for safety & health".
6. We shall strive to secure employee health through the creation of a sound and comfortable work environment. We shall assist employees with their health in a manner considerate of their state of health.
7. As a member of the automobile industry, we shall strive to promote the cause of reducing traffic accidents.

Emergency rescue seminars

During February to September, emergency rescue seminars were conducted on a total of seven occasions. As a result of this training, 37 people obtained qualifications.

- Feb. 14, Five participants
- Mar. 19, Five participants
- Apr. 23, Five participants
- May 16, Six participants
- Jun. 18, Five participants
- Aug. 21, Five participants
- Sep. 25, Six participants

Disaster-prevention drills

Disaster-prevention drills were carried out on a total of four occasions on October 16, 17 and 21, 2013. A total of 259 people participated.



Evacuation drill carried out by all employees



Fire hydrant hose drill carried out by employees



Fire extinguisher drill carried out by employees



Environmental Policy

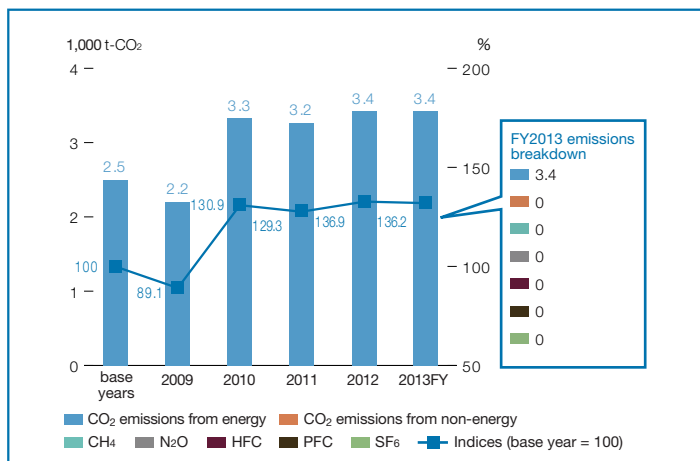
We will become a leading office having technologies that protect the environment, under the norm of "cherishing fairness in society and harmony with the environment" shown in the management policy.

- (1) The Nagano Plant works on reducing environmental impacts at all stages, from production to waste recycling/handling.
- (2) In order to remain a plant that is trusted, we endeavor continuously to prevent environmental pollution and sensory pollution in our effort to improve the environment.
- (3) We address realization of a recycling society and low carbon society through promotion of means to prevent global warming, save energy and resources and to recycle.
- (4) We observe the environment-related laws and regulations applicable to the plant, and other agreements in which we have entered and continue to strive for environmental protection.
- (5) We have set out environmental objectives and targets to realize the environmental policy of the plant, and prepare and implement the plan.
- (6) We educate and enlighten all our employees and individuals so that they fully understand this environmental plan to improve their own awareness and actions.
- (7) We maintain communications with the local community, promote activities that contribute to the region, including "YOKOHAMA Forever Forest" activities.
- (8) As part of protection of biodiversity, we address protection and rehabilitation of nature in the "Oshima River and Tenryu River water area" which is invaluable.
- (9) Our environmental policies will be available to the public upon request.

Environmental data

■ Reductions in greenhouse gas emissions

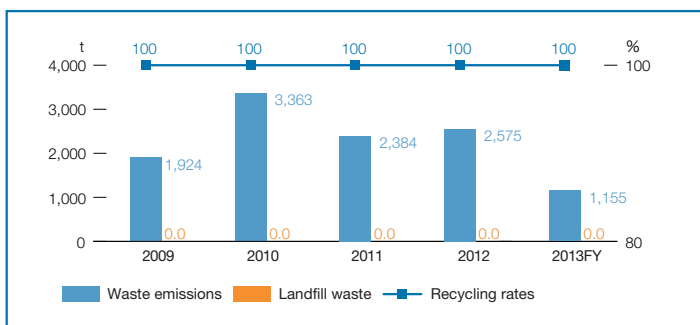
Greenhouse gas emissions at Nagano Plant and their indices (base year = 100)



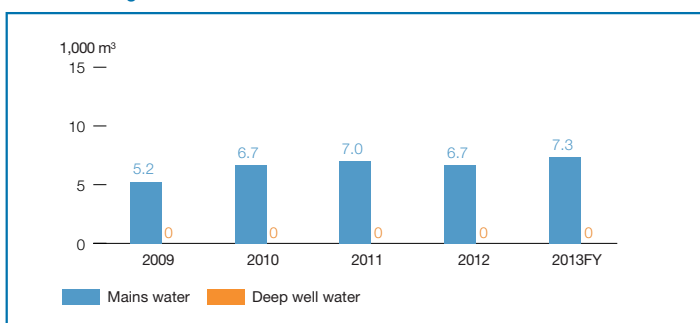
* The base year is defined as 1990 except for HFC, PFC and SF₆, where the base year is 1995 as per the Kyoto Protocol.
 * Greenhouse gases (GHG) calculated in accordance with the Calculation and Reporting Manual for Greenhouse Gas Emissions (Ministry of the Environment, Ministry of the Economy, Trade and Industry).
 Note that GHG emissions associated with purchased power in FY2009 were calculated using the Table of Emission Coefficients by Power Company (Ministry of the Environment).
 * As the closing of accounts period was April to December in FY2011, the calendar year of January to December was calculated by the duplication of data for the period January to March.

■ Effective use of resources/ Waste reductions

• Waste output



• Water usage



■ Measures for discharges into water, air and soil

• Data related to water contamination

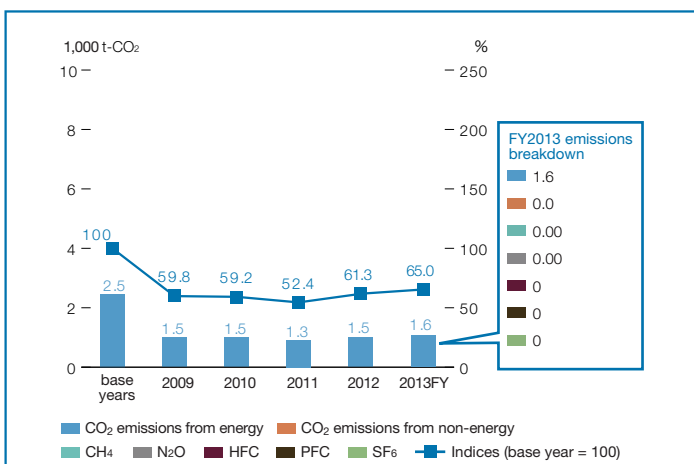
Item	Regulatory values	Voluntary Standard Values	FY2013 results		
			Average	Maximum	Minimum
PH	5.8~8.6	-	6.5	6.6	6.3
BOD concentration (mg/l)	160	22	16.0	18.0	13.0
COD concentration (mg/l)	160	25	9.0	9.0	9.0
SS concentration (mg/l)	200	-	22.0	23.0	21.0
Oil concentration (mg/l)	5	-	0.55	0.6	0.5

* Not subject to legal regulation (Voluntary standard measurement, twice or more per year)
 * Regulatory values are in compliance with the ordinances of Nagano Prefecture
 * The actual targets in 2011 are from January 2011 to December 2011.
 * Water discharged to Oshima River

The production functions of the Hiratsuka East Plant were transferred to the Nagano-Toyooka Plant from February to May, 2014. For reference purposes, we introduce the FY2013 environmental data from the Hiratsuka East Plant in the site report for this plant.

Environmental data (Hiratsuka East Plant)

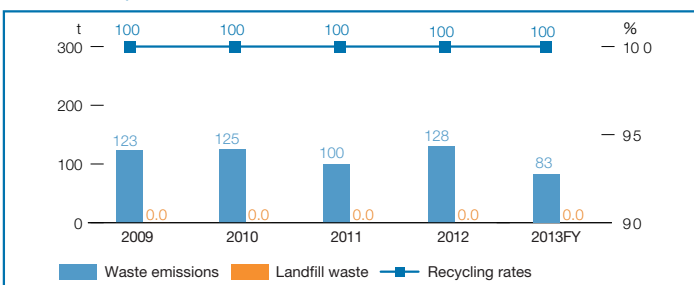
■ Reduction of greenhouse gas emissions



* The base year is defined as 1990 except for HFC, PFC and SF₆, where the base year is 1995 as per the Kyoto Protocol.
 * Greenhouse gases (GHG) calculated in accordance with the Calculation and Reporting Manual for Greenhouse Gas Emissions (Ministry of the Environment, Ministry of the Economy, Trade and Industry).
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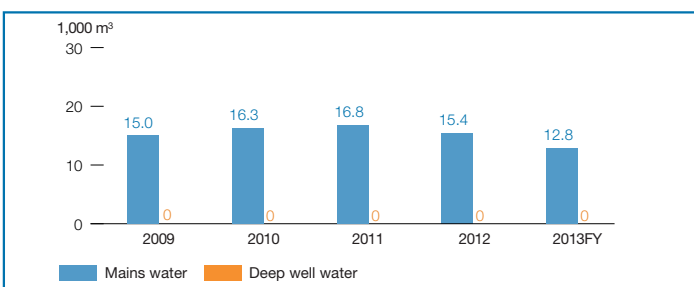
■ Effective use of resources/ Waste reductions

• Waste output



• Water usage

Water usage in FY 2013 amounted to 12,812m³.



■ Measures for discharges into water, air and soil

• Data related to water contamination

Item	Regulatory values	Voluntary Standard Values	FY2013 results		
			Average	Maximum	Minimum
PH	5.7~8.7	6.2~8.5	8.1	8.3	7.9
BOD concentration (mg/l)	300	150	41	74	17
SS concentration (mg/l)	300	150	7	10	5.1
Oil concentration (mg/l)	30	20	2	3.2	1.0

*In accordance with the Hiratsuka City Sewage Ordinance.

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

Nagano Plant

(Unit:tons/year)

Designated No.	Specified chemical substance	Amount to treat *1	Emission *2	Transfer *3	Safety Evaluation:VIII-5 ⁴			
					Toxicity Rank (effect on people)	Annual Converted Emissions (effect on people)	Toxicity Rank (effect on ecosystem)	Annual Converted Emissions (effect on ecosystem)
400	benzene	0.002	0.000	0.002	A	0.000	C	0.000
405	boron compounds	0.000	0.000	0.000	D	0.000	—	0.000
	Total	0.002	0.000	0.002	—	0.000	—	0.000

*1: Whereby annual handled volumes of the chemical substances subject to the Pollutant Release and Transfer Register (PRTR) exceed designated volumes, such shall be subject to reporting

*2: Emissions Volume = atmosphere + public bodies of water + soil

*3: Transfer Volume =waste – public sewerage system

*4: Converted emissions volume is calculated by multiplication of the emissions volume by the toxicity ranking
For information concerning the standards used in evaluating the degree of impact on safety, please refer to the "Safety Evaluation Table of Domestic Production Bases"
(<http://www.yrc.co.jp/csr/data/pdf/16kokunaikoten.pdf>)

Hiratsuka East Plant

(Unit:tons/year)

Designated No.	Specified chemical substance	Amount to treat *1	Emission *2	Transfer *3	Safety Evaluation:VI-5 ⁴			
					Toxicity Rank (effect on people)	Annual Converted Emissions (effect on people)	Toxicity Rank (effect on ecosystem)	Annual Converted Emissions (effect on ecosystem)
80	xylene	0.004	0.004	0.000	C	0.041	C	0.041
87	chromium and chromium(III) compounds	0.001	0.000	0.001	-	0.000	—	0.000
186	dichloromethane; ethylene dichloride	0.460	0.460	0.000	B	46.000	C	4.600
300	toluene	0.014	0.014	0.000	B	1.350	C	0.135
374	hydrogen fluoride and its water-soluble salts	0.005	0.005	0.000	D	0.005	-	0.000
405	boron compounds	0.014	0.014	0.000	D	0.014	-	0.000
	Total	0.497	0.497	0.001	-	47.410	-	4.776

*1: Whereby annual handled volumes of the chemical substances subject to the Pollutant Release and Transfer Register (PRTR) exceed designated volumes, such shall be subject to reporting

*2: Emissions Volume = atmosphere + public bodies of water + soil

*3: Transfer Volume =waste – public sewerage system

*4: Converted emissions volume is calculated by multiplication of the emissions volume by the toxicity ranking
For information concerning the standards used in evaluating the degree of impact on safety, please refer to the "Safety Evaluation Table of Domestic Production Bases"
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Participation in the Tenryu River Environmental Picnic (cleanup activities)

As we do each year, we participated in the Tenryu River Environment Picnic that was held on June 2. We also fulfilled an organizing role in acting as the company responsible for a block of corporate participants. In that we have participated since the picnic's inception, to celebrate the milestone of our twentieth participation, we were presented with a certificate of appreciation by the picnic's sponsor, the Nagano Techno Foundation. (participants: 32 adults, 4 children)



Biodiversity protection activities

Activities were conducted on three occasions during early summer, midsummer and autumn in FY2013. Surveys were conducted downstream in the Oshima River where rainwater is discharged from the Nagano Plant, and also in the vicinity of the Tenryu River confluence. Surveys were also conducted downstream in the Terasawa River where rainwater is discharged from the Toyooka Warehouse, and along the agricultural-water runoff ditch located at Kono Hydrophilic Park.



6th YOKOHAMA Forever Forest Project Plantings

Oct. 11, The 6th YOKOHAMA Forever Forest Project Plantings were held and 638 seedlings were planted. We had 43 participants and 70 seedlings were also donated externally.



Thorough statutory compliance

We recorded no environmental accidents, no environmental problems or no serious incidents of an environmental nature. Furthermore, we also received no information regarding complaints from external sources.



Consumer Issues

Hosting plant tours

On February 4, we hosted a plant tour comprised of 44 second year high school students who were considering employment locally. After receiving a briefing on the corporate profile of Yokohama Rubber, the students were taken on a workplace tour. They showed great interest in the equipment they normally had no opportunity to see. At the Q&A session afterwards, they were very proactive in asking questions such as; "What sort of human resources is the company looking for?"



Hosting plant tours by students from a school for the disabled

On February 22, we hosted a plant tour by both students from a school for the disabled and their parents. In that our plant is being considered as a place of employment post-graduation, the students and parents inspected it. At the Q&A session afterwards, the opinions expressed were very positive with questions such as; "Are there jobs that people like us can do"? There were 16 participants on the tour.



Consumer Issues

Supporting the sales activities of a facility for the mentally disabled

We have conducted exchanges with the students of a facility for the mentally disabled.

At the local Furusato Festival (Agricultural Cooperative Festival) held on November 9, four people participated in helping to sell vegetables, etc., grown at the facility.

Furthermore, at the plant canteen in December, assistance was given in selling produce such as vegetables and flowers, etc., that had been grown by the students.

In that our volunteers who helped were greatly stimulated by their interactions with the wonderful students, they didn't hold back in using their voices to attract potential customers.

Blood donations

May 21, A blood drive was held and 44 people donated.



Relations with local government

It was requested that we supply a member to the Committee for the Promotion of the Takamori Environmental Basic Plan. One person is now participating in this committee (term: November 1, 2013 – October 31, 2015).



Volunteering

Three people volunteered to participate in the “Heisei Forest Planting Festival” in Otsuchi-cho, Iwate

Our participation in the Tenryu River Environment Picnic (cleanup activities) that was held in June this year represented our twentieth participation in the event. To celebrate this milestone we were presented with a certificate of appreciation by the picnic’s sponsor, the Nagano Techno Foundation.



Informal meetings with citizens

- Jan. 27: Regular meeting of residents of Yoshida, Takamori-cho: two participants (and about 30 local residents)
- End of Feb.: Information meeting regarding new plant construction, held by the residents’ association of Kono-Hachioji, Toyooka-mura: (Plant General Manager, construction company rep., Village Mayor, Deputy Village Mayor, Head of Ward, and 20 local residents)
- Start of Apr.: Information meeting regarding new plant construction, held by Toyooka Ward Assembly, Toyooka-mura (Plant General Manager, construction company rep., Village Mayor, Deputy Mayor, and 40 local residents)
- Start of May: Onsite information meeting regarding new plant (Toyooka-mura) (Plant General Manager, six construction company reps., Village Mayor, Deputy Mayor, village section chief, village civil engineer, and 80 local residents)

Regional donations

Donations were made to the Tamura Suwa Shrine Shishimai(Lion Dance) in Toyooka-mura, the Kono Ward Festival in Toyooka-mura, the Toro-nagashi (the floating of lanterns) in Ichida, the Yoshida Shrine Fireworks Festival, the Relay Race Across Nagano, and the Central Community Chest of Japan.

Clam-digging bus tour

A clam-digging bus tour was conducted on May 26 through the cooperation of labor and management. Blessed by good weather, the blue sky was filled with the excited voices of children as they dug up large clams. Furthermore, the various employees and their families who normally don’t have much of an opportunity to interact were able to communicate with one another while on the bus, and this experience recharged their energy. (participants: 23 adults, 10 children)



Collection of PET bottle caps

In the course of one year we collected approximately 32,000 PET bottle caps. Translated into vaccines, this meant that we were able to save the lives of approximately 40 children.

Collecting trash in the vicinity of the plant

Commencing in July of 2013, we started to collect trash on the public roads in the vicinity of the plant (three courses were set out and used repeatedly). This was done to make a contribution to the region. This activity was conducted throughout the year at the pace of once a month.

The persons responsible for 5 S zones were established, this being done by focusing on the organizational structures of each individual workplace. The cooperation of a number of people from each zone was then secured. Over the total of 10 occasions when trash was collected, there were 123 participants and the total weight collected was 14kg.

