YOKOHAMA

CSR Report of YOKOHAMA HAMATITE (HANGZHOU) CO., LTD. (YHHC) and YOKOHAMA HOSES & COUPLING (HANGZHOU) CO., LTD. (YHCC)

Business activities: Total site area: Number of employees: Location: Production and sale of sealant for passenger cars and hydraulic hoses 10,002 m² (YHHC and YHCC) YHHC: 27; YHCC: 60 (as of March 2010) No.12 Avenue, No.18 Hangzhou Economic & Technological Development Zone, Xiasha Hangzhou, 310018, CHINA Tel: + 86-571-8672-5880, +86-571-8685-2591 Fax: +86-571-8672-5793, +86-571-8685-2592 E-mail: renyiqun@yhhc.com.cn, cxy@yhcc.com.cn



President's Message



Our two companies were founded in 2004 to pursue production and distribution in the domestic marketplace. Increasing production volumes have been accompanied by a pronounced increase in waste output. In consideration of lacking of environmental awareness in China, there were fears of an excessive emphasis on production above all else as occurred in Japan during the period of rapid economic growth. However, YHHC and YHCC are committed to pursuing environmental programs in accordance with the GD100 goal of the

Tomoaki Mori

top-level environmentally responsible enterprise espoused by Yokohama Rubber.

2009 saw the second phase of Hangzhou Forest planting in conjunction with the adjacent Hangzhou Yokohama Tire. The event was a great success, drawing a large attendance including employees, local government officials, representatives from local businesses, and students from the Japanese school at Hangzhou. We are working to enhance our environmental credentials in the region through fundraising activities, acorn collecting programs, local clean-up activities and volunteer tree planting events.

In a bid to boost awareness of environmental issues, every employee is asked to write down their environmental goals on a leaf. The leaves are displayed in the entrance foyer to the plant. This also serves to demonstrate our environmental commitment to visitors.

With the first buds of environmental awareness starting to emerge in Hangzhou, our employees are dedicated to working with local residents to nurture the buds into a giant flowering tree through environmental activities.

Environmental Initiatives

Environmental Policy in FY 2010

Basic philosophy

Seeking to showcase world-class strengths in technologies for protecting the environment, Yokohama HAMATITE (Hangzhou) promotes harmony among company activities and the global environment and safety. While we observe laws and regulations, we set our own targets based on risk assessment results, in order to reduce environmental impacts, and ensure the safety of our customers, the public and our employees. We are striving for continuous improvement in our environmental management. We also continuously release information to the public and communicate in various ways, by which we gain the understanding and trust from the society.

Basic policy

- We observe laws, regulations and social norms, as well as standards established within the company.
- (2) In order to combat global warming, we promote conservation of resources and energy, and strive to use resources efficiently through recovering and recycling them.
- (3) We strive to prevent environmental pollution in a proper manner by improving employees' awareness of and responsibility for environmental preservation.
- (4) We aim at attaining zero disasters and zero on-the-job accidents by preventing reoccurrence or similar occurrences based on risk prediction and lessons from past cases.
- (5) We strive to improve the working environment and the inherent safety of equipment and facilities.
- (6) We strive to live in harmony with the local community in order to creating a pleasing environment.
- (7) We will strive to comply with the demands and requests of all relative parties.

Through a combination of YHHC and YHCC joint monthly environmental management meetings and safety patrols we have boosted both factory safety levels and environmental standards.

Environmental data (Fiscal Year: From January through December)

• Yokohama HAMATITE (Hangzhou) Co., Ltd. (YHHC)

Item		FY2007	FY2008	FY2009
Waste emissions (t)		25	32	40
Proportion sent to landfill (%)		—	—	0
Energy use (oil equivalent: 1,000 kl)	Electric power	0.057	0.047	0.055
	Fuel	0.048	0.007	0.000
	Total	0.105	0.054	0.055
Greenhouse gas emissions (1,000 t-CO2)		0.23	0.12	0.12
Water use (1,000 m ³)		0.77	1.4	1.1
Waste organic solvent output (t)		_	0.05	0.1

* Greenhouse gas emissions in FY2009 were calculated based on the Calculation and Reporting Manual for Greenhouse Gas Emissions jointly published by Japan's Ministry of the Environment and the Ministry of Economy, Trade and Industry (METI).

• Yokohama Hoses & Coupling (Hangzhou) Co., Ltd. (YHCC)

Item		FY2009		
Waste emissions (t)		30		
Proportion sent to landfill (%)		0		
Energy use (oil equivalent: 1,000 kl)	Electric power	0.043		
	Fuel	0.004		
	Total	0.047		
Greenhouse gas emissions (1,000 t-CO ₂)		0.11		
Water use (1,000 m ³)		1.0		
Waste organic solvent output (t)		1.0		

* Greenhouse gas emissions in FY2009 were calculated based on the Calculation and Reporting Manual for Greenhouse Gas Emissions jointly published by Japan's Ministry of the Environment and the Ministry of Economy, Trade and Industry (METI).

Environmental Initiatives

Chemicals management procedures for organic solvents

- (1) Solvents are stored in hazardous goods rooms at stipulated quantities.
- (2) Chemical usage is monitored via quantitative management and registration procedures.
- (3) MSDS on organic solvents are taught among employees.
- (4) Total consumption volumes are reported annually to the Public Security Bureau.

Noise, odors and vibration

Noise and odor levels are measured annually by a relatively qualified environmental monitoring contractor.

Safety Initiatives

Occupational health and safety

Employees are provided with annual health checks and diagnoses.



20 employees at a joint YHHC/YHCC occupational health training session on March 8, 2010

Disaster readiness drills

Employees receive disaster readiness training and take part in emergency response drills.



57 employees at a joint YHHC/YHCC emergency response training drill on December 18, 2009

Working with Local Communities

Community feedback and the Company's response

Six years have passed since the two companies commenced operations in the Hangzhou Economic & Technological Development Zone. During that time, we received one complaint about noise, and we took appropriate action to reduce the noise to the regulation level.

Educational support for local schools

In November 2009, seven students from the local Japanese school visited the factory for an educational presentation on manufacturing.



Seven Japanese school students during the factory visit on September 11, 2009



Launched in 2008, the Hangzhou Forest project is a domestic initiative involving planting and raising trees. The Japanese School in Hangzhou is closely involved in the project. The project encourages both students and employees to learn about the environment through the act of planting and subsequently caring for trees.



35 teachers and students from the Japanese School took part in the Forever Forest planting day on October 17, 2009

27 teachers and students from the Japanese School visited the factory to observe seedling growth on March 9, 2010