

CSR Report of SAS RUBBER COMPANY

Business activities: Production and sale of automotive hoses, rubber gaskets for trains and buses

and molded industrial rubber parts

Total site area: 86,700 m²

Number of employees: 87 (as of April 2010)

Location: 474 Newell Street, Painesville, OH 44077, U.S.A.

Tel: +1-440-352-3321



President's Message



Hiroshi Tanimura

Founded in 1937 and acquired by Yokohama Rubber in 1992, SAS Rubber Company consists of an industrial division and a hose division. The industrial division produces profile extrusions and processing technology for the mass transport sector, such as gaskets, door edges and window frame seals. These are supplied to large bus and vehicle manufacturers. Mass transportation systems have recently been touted as a potential solution to environmental pollution, and we expect to see growing demand from this segment.

The hose division produces power steering and air-conditioning hoses for passenger vehicles, which are supplied mainly to Japanese automobile producers and the Big Three auto manufacturers.

SAS Rubber Company obtained certification under the ISO14001 environment management system in December 2007. Our energy-saving project has been underway since 2006. During this time we have cut

industrial water consumption by installing closed systems that use recycled water; improved gas usage efficiency by introducing boiler pre-heating, repairing steam leaks and fitting thermal insulation to steam pipes and achieved substantial energy savings by shutting down machinery when not in use and switching to low-energy lighting systems. We have also instituted scientific monitoring in these areas designed to drive further improvements. The Company strives to contribute as a member of the local community. To this end, in 2009 we donated trees to a planting program at nearby Maple Elementary School. This year we will be donating trees to the local Chestnut Elementary School as part of the Green Wave initiative, and we remain committed to ongoing donations in future years.

Through a variety of initiatives at the design and production stages, and with the support of Yokohama Rubber, we were able to significantly reduce our usage of organic solvents in production processes between 2008 and 2009 and remove environmental toxins from our products. In line with the GD100 slogan of Yokohama Rubber, SAS Rubber Company is committed to becoming a top-level environmentally responsible enterprise. To this end, our employees are united in their dedication to environmental conservation.

Environmental Initiatives

Environmental Policy in FY 2010

- (1) Address environmental concerns in our business activities.
- (2) Establish and strengthen the environment management system, implementing preventive measures against pollution through continuous improvement, and applying the best technologically and economically feasible solutions.
- (3) Comply with and abide by all applicable legal requirements, and other environmental requirements to which we subscribe.
- (4) Conserve natural resources by implementing pollution prevention targets through waste reduction, recycling and reuse.
- (5) Ensure responsible use of energy throughout our business, including conserving energy, improving energy efficiency, and giving preference to renewable over non-renewable energy sources, when feasible.
- (6) We will contribute to environmental conservation and provide employees with information about the environment through training programs and exercises.
- (7) Strive for continual improvement of business processes, products and activities. Environmental objectives as set by the EMS are monitored using measurable targets and reviewing progress annually.

Environmental data (Fiscal Year: From January through December)

| Item | | FY2007 | FY2008 | FY2009 |
|---|----------------|--------|--------|--------|
| Waste emissions (t) | | 328 | 309 | 178 |
| Proportion sent to landfill (%) | | _ | 74.0 | 66.7 |
| Energy use (oil equivalent: 1,000 kl) | Electric power | 1.29 | 1.26 | 0.91 |
| | Fuel | 0.62 | 0.62 | 0.50 |
| | Total | 1.91 | 1.88 | 1.41 |
| Greenhouse gas emissions (1,000 t-CO ₂) | | 4.20 | 3.93 | 2.95 |
| Water use (1,000 m ³) | | 10.0 | 7.0 | 3.4 |
| Waste organic solvent output (t) | | _ | 5.0 | 2.8 |

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).

Safety Initiatives

Environmental, Health and Safety

All employees are to accomplish their duties in a manner that complies with the laws protecting the environment, as well as those promoting the safety and health of all the employees.

SAS is obligated by law to ensure, and is committed to ensuring, that the workplace is free from recognized hazards that might cause physical harm or death

Employees must adhere to the following guidelines

- Keep all work areas safe, neat and clean. If you have any questions about the proper safety procedures for your work area, contact your supervisor.
- Promptly report any accidents, injuries, environmental contamination or potential hazards to your supervisor or Human Resource Department.

Working with Local Communities

Feedback received during FY2009

No feedback was received during FY2009.



SAS Rubber Company assists with environmental education programs at local schools. In 2009, the Company donated trees to a planting program at the nearby Painesville Maple Elementary School. In 2010, we will be donating more trees (possibly chestnuts) to Chestnut Elementary School for the Green Wave program.







The newly planted trees



A plaque at the foot of the tree commemorates the donation by SAS Rubber Company