

CSR Report of YOKOHAMA TIRE CORPORATION

Business activities: Production and sale of automotive tires
Total site area: 422,000 m²
Number of employees: 1,164 (as of April 2010)
Location: 601 South Acacia Avenue, Fullerton, CA 92831, U.S.A.
Location of plant: 1500 Indiana Street, Salem, VA 24153, U.S.A.
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Message from the President & CEO



Takao Oishi

Yokohama Tire Corporation is a tire manufacturer and distributor based in California. The Company has several facilities in the United States including head office and a distribution warehouse in California, a production plant at Salem in Virginia, and three other distribution warehouse facilities. The Salem plant obtained ISO14001 certification in March 2007. This certification was successfully renewed in March 2010 after a comprehensive audit by Lloyds Register that covered our efforts in reducing CO₂ emissions via energy-saving programs

(particularly power and gas), reducing output of waste materials and scrap from production processes, boosting waste recycling, and increasing the use of reclaimed rubber in new tire production.

Yokohama Tire Corporation is also strongly committed to environmentally

friendly product development. This year saw the launch of AVID ENVigor, a passenger vehicle tire that delivers improved fuel economy without compromising tire performance, and the Zenvironment truck tire, which features better fuel economy as well as improved casing durability to promote recycling.

April 2009 saw the initial planting in the YOKOHAMA Forever Forest project at Salem plant, part of an initiative of the YRC Group. Phase II of planting took place in April 2010. Preparations are already underway for a similar planting event at head office in California scheduled for November 2010. In this way, the YRC Group is pursuing a range of environmental initiatives. Given the level of concern for environmental issues in the United States, if we wish to enhance our corporate value and be acknowledged by our customers as a leading enterprise, then we need to ensure that the pursuit of profitability is accompanied by environmental contributions at the highest level. To this end, we are committed to environmental and social contribution programs as an integral component of our corporate activities.

Environmental Initiatives

Environmental Policy in FY 2010

Yokohama Tire Corporation believes in preserving the environment and earth's resources. It aims to accomplish efficient and effective use of materials and resources through the concept of Reduce, Reuse, and Recycle.

EMS objectives:

Yokohama Tire Corporation shall:

- (1) Address environmental concerns in its business activities.
- (2) Establish and strengthen the environmental 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 contributing to the creation of a sustainable recycling society.
- (5) Take action to combat global warming by ensuring 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) Provide environmental information, education, and training programs to employees, as well as align with and contribute to the environmental welfare of stakeholders where practical.
- (7) Strive for continual improvement of business processes, products and activities. Environmental objectives as set by the Environmental Management System will be monitored using measurable targets and reviewing progress annually.

Every employee and every contractor on Yokohama Tire Corporation premises is expected to follow this policy and to report any environmental, health or safety concern to Yokohama Management. Managers are expected to take prompt action.

Environmental data (Fiscal Year: From January through December)

Greenhouse gas emission levels are steadily declining as a result of the Company's energy-saving programs. Water consumption levels are now subject to monitoring and are also decreasing.

Item		FY2007	FY2008	FY2009
Waste emissions (t)		2,420	2,820	2,956
Proportion sent to landfill (%)		—	49	42
Energy use (oil equivalent: 1,000 kl)	Electric power	22.3	21.5	20.7
	Fuel	7.8	11.3	11.2
	Total	30.1	32.8	32.0
Greenhouse gas emissions (1,000 t-CO ₂)		67	69	67
Water use (1,000 m ³)		199	189	171
Waste organic solvent output (t)		—	48	36

* 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

Yokohama Tire's Volunteer Rescue Squad

The Yokohama Tire Volunteer Rescue Squad, comprising 18 employees, has obtained the state-level license known as BLS (Basic Life Support). Though we hope we never need to call on them, the Rescue Squad stay ready to respond to workplace incidents by conducting training drills twice per year.



Yokohama Tire's Volunteer Rescue Squad

Fall Waterway Cleanup

Yokohama Tire employees took part in the Clean Valley Council Fall Waterway Cleanup in October 2009, collecting rubbish from the nearby Roanoke River. Some employees even went right into the river to remove rubbish.



Fall Waterway Cleanup

Working with Local Communities

Community feedback and the Company's response

Local residents raised three issues during FY2009: two concerning noise levels and one concerning carbon pollution.

The Company implemented appropriate measures in response to each issue. We remain committed to monitoring all issues and implementing improvements to the satisfaction of all residents.



Pot seedlings at the W. Salem Elementary School

As part of the Yokohama Group's environmental program, Yokohama Tire employees visited local elementary schools in conjunction with the Forever Forest project during November 2009 to teach students about making pot seedlings and talk about the important work of Yokohama Tire Corporation.



Phase II tree planting at Salem plant

Phase II of the Forever Forest project at Salem plant took place over three days during April and May 2010. Students from the nearby South Salem and West Salem Elementary Schools were invited to help plant some 2,000 seedlings including red oaks, chestnuts and sugar maples.



From a participant: Tim Fretwell

This was a good opportunity for me to experience Japanese culture, and it prompted me to start recycling at home with my children. There's pleasure in seeing the tangible results of something I worked to be a part of, and now I've taken an interest in the environment on a global scale.