

# CSR Report of Nagano Plant (GP)

**Business activities:** Production of hydraulic-hose fitting and auto-hose fitting parts, and the production of self-sealing assemblies, coupling assemblies, hydraulic-hose assemblies, and auto-hose assemblies

**Total site area:** 28,169 m<sup>2</sup>

**Number of employees:** 412 (as of May 2017)

**Location:** 9100 Kawano, Toyooka-mura, Shimoina-gun, Nagano 399-3201, JAPAN

**Nagano Plant (Takamori)**

**Total site area:** 19,809 m<sup>2</sup>

**Location:** 548 Yoshida, Takamori-cho, Shimoina-gun, Nagano 399-3102, JAPAN  
\*Production operations ceased in late June 2017.

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## Message from the General Manager



Hiroshi Minagawa

The Nagano Plant began operations in the town of Takamori in 1961. In 2013, we began implementation of a plan to integrate the metal fittings processing and hose assembly operations of the Hoses and Couplings Division. The first stage in this project was the relocation of the functions of the Hiratsuka-Higashi plant (in Kanagawa Prefecture) to a new factory built in Toyooka Village; this relocation was completed in February 2014.

In 2015, work began on the construction of a new factory on an adjacent site; this was completed in November 2016, and we then proceeded to move the functions of the Takamori Plant to the new factory. The plan is for the relocation of functions from the Takamori Plant to be completed by June 2017, which will mark a major new step forward for us with the development of integrated production, including everything from metal fittings processing through to hose assembly.

Through machining and cutting processes that make use of equipment such as multi-axis CNC machines and NC lathes, etc., we produce oil pressure hose clasps and hose clasps for automobiles; we also complete the production of hoses produced at the Ibaraki Plant by caulking and assembling them. These products are then supplied to various hosepipe markets such as the construction machinery, machine tools and automobile manufacturing industries.

Besides being used for assembly in our own factory, the clasps that we manufacture are also supplied to affiliated plants in Japan and overseas and to other domestic customers nationwide. Furthermore, we don't just engage in the cutting of clasps, we also undertake the assembly of self-seal couplings.

The new factory is located on the east bank of the Tenryu River, in the Ina Valley with its beautiful natural scenery, bordered by the Southern Alps (Akaishi Range) and the Central Alps (Kiso Range).

Precisely because of our location in such a marvelous natural environment, we are determined to keep the burden that we place on the environment as small as possible, and we are implementing various measures aimed

at combatting global warming and at contributing to the development of a recycling-based, low-carbon society through energy conservation, resource-saving and recycling.

As regards energy-saving, in addition to promoting familiar energy-saving activities both at the plant and in the homes of all employees by acting as one, by introducing and renewing power saving-type equipment within the plant and seeking to control the wasteful use of energy, we are actively striving to help prevent global warming.

With regard to community and CSR activities, since fiscal 2013 we have been undertaking biodiversity conservation work involving surveys of the flora, aquatic fauna and birds along the Oshima and Tenryu Rivers. Such activities will help in conservation.

On September 7, 2015, thanks to assistance provided by Nagano Prefectural Government, we signed a "Forest Stewardship Agreement" with Toyooka Village, and began to undertake satoyama (traditional community-managed forest) conservation work with respect to the area around the Toyooka Village Gymnasium and Sports Ground. In 2016, our efforts in these activities received recognition in the awarding of the Shimoina Forest Association Chairman's Prize in the Minami Shinshu Healthy Forests Awards.

Concerning the "YOKOHAMA Forever Forest Project" that has continued since 2007, in 2016 we donated a total of 1,040 seedlings to local towns and villages.

For the Tenryu River which flows through the region, each year we proactively participate as a party in charge of allocations during the river cleanup (the environment picnic).

We also make effective use of opportunities for communication and exchange with the residents of Takamori and Toyooka, for example by arranging plant tours for local elementary and high school students and members of local organizations, etc. In addition to listening to what people have to say, we are working to improve understanding of the Company's business activities and its environmental conservation efforts. Furthermore, by visiting the suppliers who collaborate with us on the provision of materials and parts for our business, and by proactively encouraging our customers to visit us, we foster smooth, two-way communication, in line with our aim of being a factory that is able to respond effectively to every nuance of market needs within the supply chain.



A plant tour by high school students



## 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 Committee, energy issues by the 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 committee system through daily communications and by the General Manager's Morning Meeting held at the start of each month.

As regards compliance awareness-raising activities, at the end of each monthly Safety and Health Committee meeting, the Safety and Health Section Chief (who also serves as head of the Corporate Compliance Department) uses the Department's "Workplace Learning Session Materials" to implement education for the meeting participants. In each workplace, the members of the Safety and Health Committee implement the activities decided on at the workplace safety and health committee meetings on a plant-wide basis.



## Human Rights

### Supply chain relations

Regarding our relationship with our parts and materials suppliers, we visit each supplier each year on a systematic basis to perform on-site verification of the production status and quality management situation, with the aim of putting our collaboration with partner companies on an even firmer footing. We also aim to foster effective communication with suppliers through the

holding of Purchasing Liaison Meetings, Supplier Quality Coordination Meetings, and CSR Study Meetings.

Regarding our customers, by attending certified plant management meetings and hosting plant inspections, we are able to assist customers with their business operations by maintaining a clear picture of the types of products and services that our customers, and the market as a whole, require.



## Labour Practices

### Nagano Plant Safety and Health Policy



#### Nagano Plant Safety and Health Policy

##### Basic Policy

Taking health and safety as the foundation for everything that we do, we implement measures to prevent workplace incidents and create a workplace that is healthy and pleasant with respect to both the physical and emotional health of our employees.

##### Health and Safety Policy

1. All workers in the Yokohama Rubber Group understand that safety and health are the number one priorities. Through the participation, actions and cooperation of employees of all ranks and positions, we shall strive to further improve safety activities.
2. We shall ensure that we comply with all health and safety legislation, as well as government directives.
3. With respect to all workers, we shall conduct the education and training that is necessary to make them aware as to the importance of safety and health.
4. By strengthening coordination with partner companies, we shall endeavor to safeguard the health and safety of all persons involved in our business activities.
5. We shall strive to identify and eliminate latent hazards associated with work procedures and equipment using the PDCA cycle through the Occupational Safety and Health Management System. This shall be undertaken in order to realize ongoing improvement.
6. We shall ensure thorough implementation of 2S, with an understanding that "Arrangement and consolidation is a basis for safety & health".
7. While striving to create a comfortable working environment in which employees can work with full peace of mind, we shall also work actively to support the safeguarding of employees' psychological and physical health.
8. As a member of the automobile industry, we shall strive to promote the cause of reducing traffic accidents.



January 1, 2017  
Nagano Plant,  
Yokohama Rubber Co., Ltd.  
General Manager  
**Hiroshi Minagawa**

### Disaster-prevention drills

Disaster-prevention drills were carried out on a total of five occasions on September 15 (once in the daytime and once in the evening) and October 9, 13 and 16, 2015. A total of 442 people participated.

Nagano Plant environmental policy

The environmental policy of the Nagano Plant,  
Yokohama Rubber Co., Ltd.

We will become a leading facility having technologies that protect the environment, under the norm of "cherishing fairness in society and harmony with the environment" noted in the company's management policy.

- Under the leadership of senior management, the Nagano Plant, as an integrated clasp-processing and assembly operation, works on reducing environmental impacts at all stages, from production to waste recycling/handling.
- In order to remain a plant that is trusted by society, we strive continuously to prevent environmental pollution and sensory pollution in our effort to improve the environment. This we achieve by strengthening our environmental management systems and adopting a proactive stance.
- We address the realization of a recycling society and low-carbon society through promotion of means to help prevent global warming, save energy and resources, and recycle.
- We observe the environment-related laws and regulations applicable to the plant, and other agreements which we have entered into, and we continue to implement measures aimed at furthering environmental protection.
- We work to promote cooperation with the value chain and to contribute to both the local community and society as a whole. While doing so, we shall respect international regulations and deepen our communication with stakeholders.
- We have set out environmental objectives and targets to realize the environmental policy of the plant, and we prepare and implement plans accordingly.
- We maintain communications with the local community, and promote activities in harmony with the region that also make a positive contribution to the region.
- As activities to protect biodiversity, we take steps to both protect and rehabilitate invaluable natural habitats.
- To improve their own awareness and actions, we educate and enlighten all our employees and individuals so that they fully understand this environmental policy.
- Our environmental policy shall be made available to the public upon request.

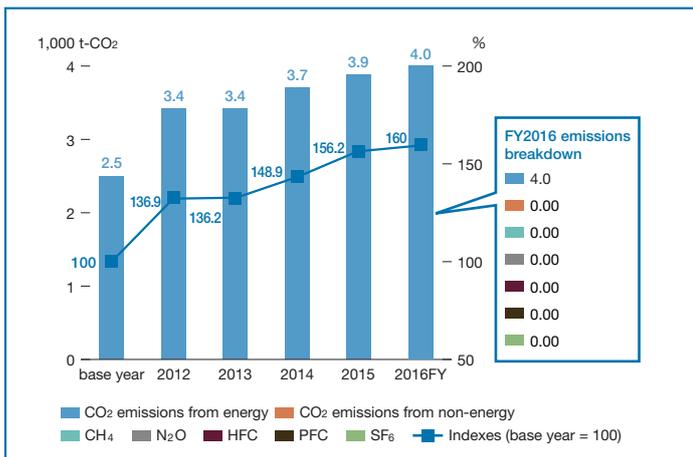
January 1, 2017

Nagano Plant, Yokohama Rubber Co., Ltd.  
General Manager **Hiroshi Minagawa**

Environmental data (Nagano Plant)

Reductions in greenhouse gas emissions

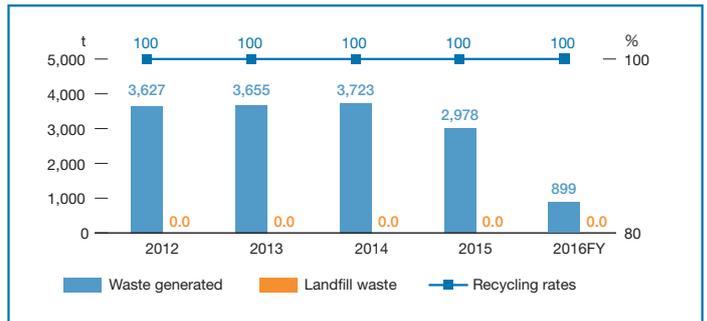
Greenhouse gas emissions at Nagano Plant and their indices (base year = 100)



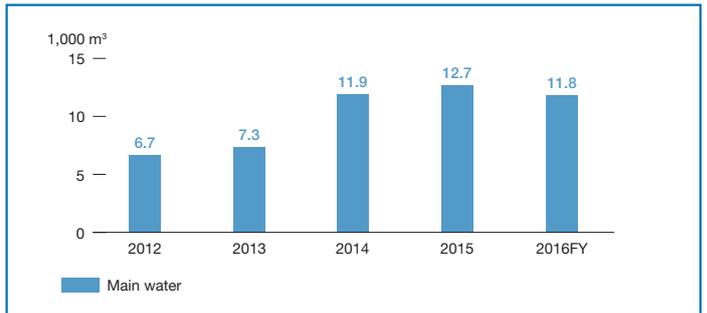
\* Base year is defined as 1990 except for HFC, PFC and SF<sub>6</sub>, where the base year is 1995 as per the Kyoto Protocol.  
 \* Greenhouse gases (GHG) calculated in accordance with the Calculation and Reporting Manual for Greenhouse Gas Emissions (Ministry of the Environment, Ministry of the Economy, 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).  
 \* In FY2011, as the closing of accounts period was April to December, it is counted for January to December, by duplicating the data for 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

Nagano Plant

Item	Regulatory values 1	Voluntary standard values	Average	Maximum	Minimum
PH	5.8-8.6	-	6.6	6.7	6.4
BOD concentration (mg/l)	160	22	2.0	2.7	1.3
COD concentration (mg/l)	160	25	3.2	4.2	2.1
SS concentration (mg/l)	200	-	3.1	3.8	2.4
Oil concentration (mg/l) (Fat)	5	-	Less than 0.5	Less than 0.5	Less than 0.5
Oil concentration (mg/l) (Oil)	5	-	0.9	1.0	0.7

\* 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

Toyooka Plant - Water discharged into the sewage system

Item	Regulatory values 2	Voluntary standard values
PH	5.8-8.6	-
BOD concentration (mg/l)	160	22
COD concentration (mg/l)	160	25
SS concentration (mg/l)	200	-
Oil concentration (mg/l)	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

Reporting on chemical substance management status (Pollutant Release and Transfer Register (PRTR) Law compliance)

The Nagano Plant verifies whether secondary materials and auxiliary materials contain chemical substances subject to Safety Data Sheet (SDS) requirements, and in the case of substances where the amounts handled exceed the thresholds specified by the PRTR Law, annual reports are submitted to the national (or prefectural) authorities and safety impact assessment is performed.

Regarding the handling of substances pursuant to the PRTR Law, please refer to [the plant's 2017 Safety Impact Assessment](#).

## The Environment

### Participation in the Tenryu River Environment Picnic (Cleanup)

As we do every year, we participated in the Tenryu River Environment Picnic, which this year was held on May 21. We also fulfilled an organizing role in acting as the party responsible for a block of corporate participants. (participants: 41 adults, 6 children)



### YOKOHAMA Forever Forest Tree-planting Activity

A total of 1,040 seedlings (grown from acorns) were donated to local towns and villages in 2016. Because these plantings take place in cold regions, during the winter months plastic greenhouses (supplied by our employees) are used.



### Biodiversity protection activities

In fiscal 2016, biodiversity protection activities were conducted on two occasions, on April 26 (Spring) and July 21 (Summer). Surveys were conducted downstream in the Oshima River where rainwater is discharged from Takamori, and also in the vicinity of the Tenryu River confluence. Surveys were also conducted downstream in the Terasawa River where

rainwater is discharged from Toyooka, and along the agricultural-water runoff ditch located at Kono Hydrophilic Park. (A total of approximately 30 people participated)



### Satoyama Conservation Activity

On September 7, 2015, thanks to assistance provided by Nagano Prefectural Government, we signed a "Forest Stewardship Agreement" with Toyooka Village, and began to undertake satoyama (traditional community-managed forest) conservation work. In 2016, two rounds of work were implemented, on June 18 and September 24, with 30 employees participating; the work undertaken included undergrowth moving and improvement cutting.

In addition, vegetation and soil surveys were implemented on two occasions, on April 25 and July 20, on the sites where the following year's activities are planned to take place. Six employees participated in these surveys.

Our efforts in these activities received recognition in the awarding of the Shimoina Forest Association Chairman's Prize in the Minami Shinshu Healthy Forests Awards.



## Fair Operating Practices

### 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

### Visits to local elementary schools

On September 2 and October 11 we visited Takamori-Minami Elementary School to give classes in road safety and courtesy.

The district where our plant is located has limited public transport services, so most people rely on cars to get around. This means that the risk of traffic accidents is significant.

Our factory manufactures items that are used on cars. For this reason, we feel that it is important to participate in this activity every year, so that we can make at least some small contribution towards reducing the risk that small children will be hurt in traffic accidents.



Road safety and courtesy class at Takamori-Minami Elementary School



### Donations to assist the local community

- “Bamboo Shoot Donations”  
(support for the areas affected by the Kumamoto Earthquake)
- Kumamoto Earthquake Relief Fund
- Donations for the Ichida Fireworks Festival
- Donations for the votive fireworks accompanying the Yoshida Shrine Autumn Festival

### Workplace recreation

Workplace recreation events are conducted annually through the cooperation of labor and management, with the aim of fostering closer communication with employees. Events are held multiple times, or on days that are a rest day for all employees, to ensure against work-shift bias. A bowling competition was held three times in October – November in which 84 people participated. Through their participation they had the opportunity to develop friendships with colleagues employed at other workplaces.

A family bus tour, visiting Nagashima Spa Land, was conducted in May, with 47 people participating. The children quickly made friends while family groups also interacted with one another.

### Clean-up activities in the vicinity of the plant

Commencing in July of 2013, we started to collect trash on the public roads in the Takamori area (three collecting routes 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 “5S 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 course of fiscal 2016, some 58 participants collected trash. In June 2016, a similar activity was launched at Toyooka as well; a total of 60 people participated.



### Blood donations

May 17: 29 participants

June 10: 34 participants