

CSR Report of Shandong Yokohama Rubber Industrial Products Co., Ltd. (YRSC)

Business activities: Production and sales of conveyor belts
Total site area: 50,000 m²
Number of employees: 243 (as of March 2017)
Location: Linquan County, Weifang City, Shandong Province

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Message from the President



Zhang Yusun

Shandong Yokohama Rubber Industrial Products Co., Ltd. was incorporated in January 2006 as a joint venture between Shandong Yuema Rubber Co., Ltd. and Yokohama Rubber (China) Co., Ltd. Our company is situated in Linquan County, a three-hour drive from Qingdao City, almost in the center of Shandong Province. We were established as a manufacturer and seller of conveyor belts, and we celebrated our 10th anniversary since establishment in 2016. During this period, we have delivered high-

quality products to industries that support the industries of steel, coal, and cement. Going forward we will continue to deliver high-quality products while responding to changes in the market, and we aim to become a company that contributes to local communities while also taking into consideration safety and the environment.

Organizational Governance

With respect to compliance, we operate in accordance with the regulations governing administrative authority as prescribed by Shandong Yokohama Rubber Industrial Products Co., Ltd. (YRSC); there have been no compliance violations.

Human Rights

Under no circumstances whatsoever do we engage in acts of gender discrimination, child labor or forced labor.

Labour Practices

Each month we conduct a Safety and Health Meeting. At these meetings there are reports regarding improvements made in response to issues identified during previous-month plant patrols. In addition, on July 28, 2016, a YOKOHAMA Forever Forest Project tree planting event was held with the participation of all employees, as an opportunity for communication between employees while conducting environmental initiatives.



Measures implemented in the workplace

On July 21, 2016, we conducted company-wide evacuation drills, firefighting drills at facility department sites, and disaster rescue drills at scouring and casting sites.



Creating an employee-friendly working environment

Social welfare provision includes special payments to employees on getting married and having children, and to help with funeral expenses. There is also a maternity leave system.

Environmental Policy

Basic philosophy

We fully recognize the importance of preserving the global environment, and we work actively to conduct both environmental protection activities and prevent global warming in all our operations. We continue to promote environmental-friendly management practices, and we contribute to the conversion to a recycling and renewable society, such a society being one that is capable of sustainable development.

Environmental Policy

- (1) We comply with laws and rules related to the environment.
- (2) We place top priority on environmental protection and manage by EMS.
- (3) We share our environmental conservation policy and education among all employees and local communities.
- (4) We lead efforts in the reduction of environmental impact, including energy savings, reduction of waste amounts and promotion of reuse activities, etc. We will realize zero emissions.
- (5) We promote GD100 activities as the Mid-Term Plan of YRC Japan, which has the purpose of becoming a top level contributor in terms of the environment.
 - I. We continue to improve our environmentally friendly management.
 - II. We promote prevention of global warming.
 - III. We contribute to a sustainable recycling society.

Environmental management

We have received no complaints from neighborhood citizens regarding noise, odor or vibration issues in fiscal 2016.

Environmental data

Category	FY2012	FY2013	FY2014	FY2015	FY2016	
Waste generated (t)	213	225	300	157	195	
Proportion sent to landfill (%)	0.0	0.0	0.0	0.0	0.0	
Landfill waste (t)	0.0	0.0	0.0	0.0	0.0	
Energy use (oil equivalent: kl)	Electric power	1,459	1,471	1,437	1,043	1,053
	Fuel	3,846	3,998	3,009	2,368	2,773
	Total	5,305	5,469	4,446	3,411	3,826
Greenhouse gas emissions (1,000 t-CO ₂)	16.7	17.3	13.7	11.3	12.8	
Water usage (1,000 m ³)	—	—	—	93.0	53.3	

* FY: January to December

* Greenhouse gas emissions were calculated based on the Calculation and Reporting Manual for Greenhouse Gas Emissions jointly published by the Ministry of the Environment and the Ministry of Economy, Trade and Industry, Japan. Calculation of emissions from overseas business locations in FY2015 was based on the Greenhouse Gas Protocol Initiative.

Corruption prevention

Our Purchase Department prevents unjust acts at the time of placing orders by competitive quotes and bidding. We have installed an order placement gatekeeper (a mechanism whereby orders cannot be placed without confirmation (a signature) from the gatekeeper (an executive manager).

Communication with users

We work to enhance customer satisfaction through means such as regular visits to customers by executives and inspections by the after-service department at sites where conveyor belts are used.

Relationship with local societies

In October 2016, YRSC donated 20,000 Yuan to a fund-raising activity organized by Xinzhai Town Government to help impoverished local elderly people.