

# CSR Report of YOKOHAMA TIRE PHILIPPINES, INC.

**Business activities:** Production and sale of tires for passenger cars and SUVs  
**Total site area:** 165,000 m<sup>2</sup>  
**Number of employees:** 1,702 (as of April 2010)  
**Location:** IE5, Clark Freeport Zone 2023, PHILIPPINES  
 Tel: +63-45-599-3606 - 3609



## President's Message



Takayuki Hamaya

Being the first tire manufacturing facility of Yokohama Rubber Company, Ltd. (YRC) in Asia outside Japan, Yokohama Tire Philippines, Incorporated (YTPI), envisions into becoming YRC's model plant in ASEAN by delivering only the Tires that People can Trust. This core vision, stemming from YRC's new management plan GD100 that aspires to evoke a distinctive global identity in building corporate value and in building a strong market presence, will be our foundation to make strategies and targets happen.

When I was assigned as president of YTP in 2009, we immediately started on creating measurable targets that will see us through to providing our customers with good tire, good price at good timing while being a responsible corporation dedicated to maintain top level environment management and promoting sustainable developments in the society where it belongs. In order to achieve these ideals, we undertook continuous improvement in our CSR activities fully participated in by all team members. We expanded on "manufacturing tires in an environment-friendly manner," "changing our philanthropic assistance into sustainable advocacies to provide long term developments in the society" and "promote work-life balance in the workplace" which are the right combination to gaining the trust and confidence of all our stakeholders.

The fiscal year 2009, was exceptionally trying due to global recession which has affected millions of lives worldwide. To many it became a survival issue, to us it was an opportune time to reinvent ourselves. All practices, standards and methods were reviewed to eliminate all types of wastes and lessening environmental loads through increased efficiency in manufacturing processes. It opened a new level of CSR management that allowed improvements while providing support to our community through medical missions, relief operations and distribution of nutritional gift baskets at times when it was most needed. Our efforts did not go unnoticed, various government agencies including Department of Environment and Natural Resources, Social Security Services and Clark Development Corporation awarded YTPI with highest recognitions for a corporation that exemplify responsiveness to social and environment issues.

As a result YTPI emerged to become a better company with corporate culture that encourages the corporation's core values of UNDERSTAND EACH OTHER, TRUST EACH OTHER AND RESPECT EACH OTHER. With growing population and growing needs, the world is now faced with harsh elements caused by global warming, depletion of resources and poverty, YTPI commits further to spur more initiatives protect the our Mother Earth and to set an example to encourage other industries to take part and be responsible for our global conditions. Faced rapidly changing environment, YTPI adheres to its CSR commitments as it helps to provide a comfortable ride to a better tomorrow.

## Environmental Initiatives

### Environmental Policy in FY 2010

YTPI shall:

- (1) Address all environmental concerns in all its activities.
- (2) Establish and strengthen the environmental management system, implementing preventive measures against pollution through continuous improvement, applying the best and cost-effective technology.
- (3) Contribute to the prevention of global warming and preserving our natural resources, through energy conservation and reducing usage of natural resources. Reduction on disposal of waste at landfill by practicing good waste segregation to achieve zero emission.
- (4) Comply with applicable legal requirements; abide by the government directives and other environmental regulations.
- (5) Set and carry out waste control targets through energy and materials savings, waste reduction and recycling, and conduct annual environmental program assessment.
- (6) Provide company-wide environmental information, education, and training programs to employees and all persons working for and in behalf of the organization, as well as align with and contribute to the environment welfare and programs of the public.
- (7) Improve communication with the community as well as other local government agencies, and work together for the preservation of our environment.
- (8) This policy shall be made available to the public.

### Environmental data (Fiscal Year: From January through December)

Item	FY2007	FY2008	FY2009	
Waste emissions (t)	4,282	2,288	1,701	
Proportion sent to landfill (%)	—	3.6	3.0	
Energy use (oil equivalent: 1,000 kl)	Electric power	8.8	9.6	9.9
	Fuel	17.9	16.7	13.8
	Total	26.7	26.3	23.7
Greenhouse gas emissions (1,000 t-CO <sub>2</sub> )	63.4	65.6	58.5	
Water use (1,000 m <sup>3</sup> )	476	511	404	
Waste organic solvent output (t)	—	26.1	20.6	

\* 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).

Despite the increase in production levels, waste output by volume fell steadily due to the success of our zero emissions program. Greenhouse gas emissions likewise decreased 11% relative to last year.

## Safety Initiatives

Daily safety inspections are carried out under the Health and Safety Policy, and OHSAS 18001 occupational health and safety management system is being introduced.



### HEALTH AND SAFETY POLICY

**The HEALTH and SAFETY MISSION**

Yokohama Tire Philippines Inc. (YTPI) a manufacturer of pneumatic radial tires believes in preserving Human life, that our employees are our most important assets. It aims to accomplish this by Pro active Risk Assessment and Health and Safety Management System.

**YTPI shall:**

1. Address all Health and Safety concerns in all its activities;
2. Establish and strengthen the Health and Safety Management System, implementing preventive measures against work related injury and ill health through continuous improvement, applying the best and cost-effective technology;
3. Commit to comply with all applicable legal requirements; abide by the government directives and other health and safety regulations;
4. Set and carry out hazard identification and risk assessments and control targets through proactive communication, audits, and conduct annual health and safety program assessment or as the need arises;
5. Provide company-wide health and safety, information, education, and training programs to employees and all persons working for and in behalf of the organization, as well as align with and contribute to the health and safety welfare and programs of the public.
6. Improve Communication with the community as well as other local Government agencies, and work together for the preservation of human life.
7. This Policy shall be made available at all times.



**JUANITO ARONA**  
AVP - Plant Operations Div. Head / SML



**TAKAYUKI HAMAYA**  
President

## FY2010 Health and Safety slogan



**SMS SAFETY CULTURE**  
2ND HALF OF 2010

1. Conduct daily safety patrol
2. Be certified to OHSAS 18001
3. Comply with safety and health policies, be a good example of a SAFETY PROOF PERSON

**SAFETY MANAGEMENT SECTION**  
SAFETY FIRST

**YOKOHAMA** "Making SAFETY-PROOF PERSONS in a SAFE workplace."

## Fire Brigade Competition winners

The YTPI fire-fighting team took part in a fire brigade competition on March 24, 2010 organized by the Clark Development Corporation, operator of the Clark Freeport Zone where YTPI is located. The competition also included teams from companies outside the Zone. Our team was declared the overall winner for a second time, following on from their success in 2008.



Fire Brigade team

## Local disaster relief efforts

YTPI took part in relief efforts to aid those affected by Typhoon 16 (Ondoy), which struck Araya in Pampanga province (where YTPI is located) on October 2, 2009. YTPI employees handed to each affected family relief packages of mats, mosquito nets, blankets, buckets and charcoal stoves in their local evacuation areas.



Assisting with disaster relief efforts

## Working with Local Communities

### Winner of General Excellence Prize for second successive year Presented by President of the Philippines Gloria Arroyo

On April 21, 2010, YTPI was awarded the Outstanding Recognition for Overall Performance Award by Clark Development Corporation, operator of the Clark Freeport Zone, in recognition of the company's contributions in the areas of investment, employment, environmental management, and occupational health and safety. This was the second year in succession that the Company has taken out the Award, which was presented by the guest of honor at the presentation ceremony, Gloria Arroyo, then of the President of the Philippines. The Award is selected by the Clark Development Corporation from companies operating in the Clark Freeport Zone, located to the north of Manila on the island of Luzon. The selection criteria are based on management excellence and contribution to the development of the local region.

This year six companies were awarded the Overall Performance Award out of a field of 46 candidates, with another 11 companies earning special commendations in areas such as environmental health, investment performance, employment and personnel management, and new investment.



Presentation by the Philippine President (April 21, 2010)



December 5, 2009 saw a large group of 967 volunteers, including YTPI employees and their families and local residents, gathering at Yokohama Tire Philippines for Phase II of the Forever Forest project. The volunteers planted some 4,300 trees within the site area of 1,289 m<sup>2</sup>. Yokohama Tire Philippines aims to plant a total of 35,000 trees by 2014 as part of the Company's environmental management program.



### From a participant: Patrick Pineda

In the Philippines, natural forests are shrinking year by year. Every one of us needs to take action. This project gives us the opportunity to bring back the Earth's beauty, so I want as many people as possible to participate.