Located in Suzhou, a city known as the "Venice of the Orient", SUZHOU YOKOHAMA TIRE CO., LTD. has been producing tires for trucks and buses (TB tires) since 2008. Furthermore, in 2014 we started to manufacture passenger car tires (PC tires) as well.

In addition to obtaining China State Safety Manufacturing Standards Grade 2 Certification from Jiangsu Province in 2013, in October we planted some 2,100 seedlings in the Second YOKOHAMA Forever Forest Project. To date, we have planted a total of 5,800 trees.

Active participants in these activities have included both residents from the region and local government representatives, not just our own employees. Moreover, our efforts have been highly evaluated by the Environmental Bureau of the Suzhou New District, the area of the city where this company is located.

In conjunction with this year’s activities, we will endeavor to become a company that is admired by local people. We will do this by continuing on with our activities under the slogan of everyone participating in environmental protection (cleanup activities). These are activities conducted both around and within our plants (including our TB and PC plants). This year we also commenced waste-reduction team activities. In that with "waste" we are aiming to achieve a “zero”, each month patrols are being conducted within our plants from a female perspective. Rather than just attempting to reduce the volume of industrial waste generated by manufacturing activities, we want improvements with respect to that waste which lies hidden and can be overlooked on a daily basis.

Furthermore, we are actively reducing the industrial waste generated by the plant’s production activities. We are also actively engaging in energy-saving activities that contribute to a reduced burden on the environment.

We will promote business activities so that we become a company that is admired and trusted by everyone. We will do this to achieve our vision of becoming a "company that is attractive to both employees and regional communities."

Legal frameworks
In the second half of 2013, consideration was given to organizing the company’s legal systems in order to minimize legal risk. Accordingly, we established a legal affairs office which commenced its operations in January 2014.

Human rights education
In accordance with our plans, in 2013 we conducted human rights education on two occasions, April 22 and August 19.

In 2014 as well, we plan to carry out human rights education in June and October.

Promotion of gender equality
There is no discrimination based on gender with respect to the recruitment and treatment, etc., of employees. Currently, there are three female section managers assigned to jobs within the company.

Employment of people with disabilities
The company satisfies the standard for employment of people with disabilities (1.5% of all employees) each year. In FY2013, there were two disabled persons recruited by the company. We currently have a total of six disabled employees.
Occupational safety and health (safety and health policy, safety and health measures)

Slogan: Personal safety, family happiness (my safety is my family’s happiness)

Policy Intent: Having recognized that securing the safety and health of employees and constituents represents the foundation of corporate activity, in operating the Occupational Safety and Health Management System (OSHMS) the number one priority will be the safety of each individual. Through the leadership efforts of managers and supervisors (team leaders and above), we aim to both prevent disasters and realize a comfortable workplace, as well as manage employee health.

Education and training for employees

We carry out education and training for employees, along with evaluations of their competence, in accordance with the OSHMS management system. In order to thoroughly educate everybody, a morning safety meeting is conducted every month, once a month, for each of the work shifts. Furthermore, June has been established as the month for reinforcing safety each year. During this month, everyone participates in a range of events (including the Safety OPL Contest and the KYT (danger anticipation training) Simulation Contest, etc.). Through such activities, we are working to increase the safety-consciousness levels of our employees.

The Environment

Environmental management

We have set out an environmental policy and observe laws and regulations related to environmental protection, save resources and implement preventive measures against pollution. In order to become a plant that is trusted by regional communities, we operate an environmental management system, ISO14001, and continue to advance environmental improvements.

Environmental data

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2009</th>
<th>FY2010</th>
<th>FY2011</th>
<th>FY2012</th>
<th>FY2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste emissions (t)</td>
<td>504</td>
<td>431</td>
<td>439</td>
<td>334</td>
<td>430</td>
</tr>
<tr>
<td>Proportion sent to landfill (%)</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Energy use (oil equivalent: kl)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electric power</td>
<td>4,165</td>
<td>4,932</td>
<td>5,517</td>
<td>4,672</td>
<td>4,001</td>
</tr>
<tr>
<td>Fuel</td>
<td>2,020</td>
<td>2,325</td>
<td>2,566</td>
<td>2,047</td>
<td>1,663</td>
</tr>
<tr>
<td>Total</td>
<td>6,185</td>
<td>7,257</td>
<td>8,083</td>
<td>6,719</td>
<td>5,664</td>
</tr>
<tr>
<td>Greenhouse gas emissions (1,000t-CO2)</td>
<td>13.0</td>
<td>15.3</td>
<td>17.0</td>
<td>14.2</td>
<td>11.9</td>
</tr>
<tr>
<td>Water usage (1,000m³)</td>
<td>92</td>
<td>149</td>
<td>124</td>
<td>90</td>
<td>75</td>
</tr>
</tbody>
</table>

Status of Management of Chemical Substances (Response to PRTR Law)

Chemical substances are managed in accordance with the chemical substance management regulations of the Plant prepared according to the laws.

Noise, vibration and odor

We conduct measurements twice a year in accordance with the regulations of the regional government. With respect to all measurements that have been taken thus far, the environmental regulation values on all items have been satisfied.

Environmental activities

In FY2013, we conducted a range of environmental activities including YOKOHAMA Forever Forest Project activities, picking up rubbish, green curtain activities, green table tennis and green cycling events, etc.

Fair Operating Practices

Principles for countering bribery

By promoting personnel rotations and the visualization of flows of products, information and money, we are improving our systems so that abnormalities can be quickly detected. Concerning domestic and overseas suppliers who wish to do business, we offer them opportunities to participate in a manner that is open, legal and fair. After business partners have been comprehensively and accurately evaluated based on issues of quality, price, deliveries and stability of supply, a trade in merchandise is developed. Furthermore, suppliers are regularly evaluated based on a record of sales performance, their strictness in meeting delivery deadlines, product pass rates, prices and services, etc.

Requests and opinions of suppliers to Yokohama Rubber

We have set up a database of suppliers to promote improvements by collecting requests and opinions as well as evaluations of suppliers.
Communications with customers
We try to deepen communications with customers by anticipating in market research and collecting information from customers who participate in plant tours so that we can provide better products which satisfy the needs of customers.

Response to complaints
We make replies in writing from time to time after confirming the actual matters and investigating the causes as to complaints we received via dealers.
In case of general product complaints, we prepare a report within two weeks and take quick action and implement prevention of recurrence. We report on the progress of improvements to the related departments at market quality follow-up meetings.

Community Involvement and Development

Relationship with local communities
Since 2008, we have been promoting acorn collecting and growing seedlings every year. In October 2012, we held a YOKOHAMA Forever Forest Project planting festival and planted 3,700 trees. In 2013, some 2,100 trees were planted. In 2014, we are planning on planting 3,900 trees.

In 2013, we again conducted environmental protection activities (cleanup activities) both within and around the plant. These activities are now proceeding at a pace of once every one or two months.

Plant tours
Tours of the plant are accepted by the administration department from time to time in accordance with the "Regulations for Acceptance of Visitors."