YT Rubber (YTRC) was established in 2008 in Thailand’s southern province of Suratthani, which is situated on the eastern side of the northern Malay Peninsula approximately 600 kilometers south of Bangkok. The nation’s total annual production of natural rubber is approximately 4.5 million tons (making it the number one producer in the world), of which roughly 80% is produced in Thailand’s south. The plant’s immediate vicinity is dominated by rubber plantations and a few groves of palm. The region also boasts extensive tropical rainforests and a bountiful natural environment.

YTRC currently procures and processes raw rubber materials and provides them as high-performance natural rubber products for Yokohama Rubber Group tire production sites both within Thailand and in locations worldwide including Japan, the US, Russia, the Philippines, and India, etc. As a member of the Yokohama Rubber Group and based on the policy of being a business that contributes to the environment, the company has acquired ISO 9001 and ISO 14001 certification, recycles plant wastewater (zero external emissions), and it conducts operations based on coexistence with the natural environment and local residents.

The company’s employees are from Thailand and Myanmar and we distribute compliance cards in their respective languages in an effort to promote an awareness of compliance. Global Compliance study meetings are held a number of times annually, and through them compliance levels are increasing.

We aim to encourage interactions, cross-cultural exchanges, and friendship between Thais, Burmese, and Japanese employees in various situations including events based on Thai Buddhist culture, birthdays, year-end parties, and employee weddings.
Activities for protecting safety and health

Because in our industry work is conducted throughout the year in high-temperature conditions, some competitor companies allow employees to work while only wearing lightweight clothing. At YTRC, however, we actively foster work-safety awareness by enforcing a policy that protective equipment must always be worn when undertaking any tasks for which there exists a possibility of injury.

We also actively participate in drug eradication campaigns led by the government and work to maintain the health and healthy living environments of employees.

We follow the laws concerning medical insurance and regular health checkups, and equal working conditions for both Thais and Burmese, with no discrimination based on ethnicity.

The Environment

Environmental data

<table>
<thead>
<tr>
<th>Category</th>
<th>FY2013</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste generated (t)</td>
<td>31</td>
<td>18</td>
<td>46</td>
<td>21</td>
<td>22</td>
</tr>
<tr>
<td>Proportion sent to landfill (%)</td>
<td>–</td>
<td>2.9</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Landfill waste (t)</td>
<td>–</td>
<td>0.53</td>
<td>0.0</td>
<td>0.0</td>
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</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>1,454</td>
<td>1,570</td>
<td>1,523</td>
<td>1,670</td>
<td>1,603</td>
</tr>
<tr>
<td>Fuel</td>
<td>760</td>
<td>870</td>
<td>865</td>
<td>1,026</td>
<td>1,019</td>
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<tr>
<td>Total</td>
<td>2,214</td>
<td>2,440</td>
<td>2,388</td>
<td>2,696</td>
<td>2,622</td>
</tr>
<tr>
<td>Greenhouse gas emissions (1,000 t-CO₂)</td>
<td>5.0</td>
<td>5.5</td>
<td>5.5</td>
<td>5.7</td>
<td>5.5</td>
</tr>
<tr>
<td>Water usage (1,000 m³)</td>
<td>–</td>
<td>–</td>
<td>13.1</td>
<td>23.0</td>
<td>104.3</td>
</tr>
</tbody>
</table>

* 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. The calculation of emissions from overseas business locations since FY2016 has been based on the Greenhouse Gas Protocol Initiative.
* Since FY2017, the water usage calculations have also included the compiling of rainwater figures.

Energy-saving activities

An electricity and LPG consumption reduction team has been established, and information about daily electricity and LPG consumption, improvement activities and the progress of improvements is posted. By enlightening our employees, we are working to improve energy-saving activities.

Biodiversity preservation activities

We are continuing with preservation activities such as surveying the lifeforms on the pondage on the company grounds and the adjacent Tappi River.

In fiscal 2016, we examined 272 wild birds, of which there were 19 species, and 1,290 fish, of which there were seven species. Further, we planted trees around the pondage and protected the banks, and started to provide a pleasant living environment for the birds and fish.

1. A Green Wave activity (planting seedlings at a local elementary school)
2. A Safety, Environment, Energy (SEE) activity
3. A biodiversity survey at a pond (part of the company’s biodiversity protection activities)
4. A biodiversity survey as part of Forever Forest Project (part of the company’s biodiversity protection activities)
We regularly visit existing raw materials suppliers in order to maintain and strengthen relationships while providing explanations on our CSR philosophy in order to deepen the level of understanding.

**Promoting agroforestry farming**

Agroforestry farming is a form of mixed cultivation. By growing various crops within rubber plantations through utilizing the spacing between the planted rubber plants, small-scale farmers (smallholders) can develop an additional stable income source by being able to harvest and sell such produce, etc.

By promoting the adoption of agroforestry farming practices, at YTRC we are working to stabilize the businesses and livelihoods of smallholders. We are also helping to maintain the region’s natural biodiversity and to protect its forests.

Furthermore, we are cooperating with university specialists who are researching agroforestry farming practices, and supplying saplings to an experimental plantation that is being run by YTRC.

**Consumer Issues**

Quality is managed in accordance with ISO 9001 standards, and we are moving forward with improvements based on measures that seek to investigate the root causes of quality information received from users.

**Community Involvement and Development**

We participate in monthly meetings with the local community to exchange opinions on the environment and the company’s initiatives and deepen the level of understanding towards the company’s activities. In addition, we also participate in meetings with nearby businesses and public institutions (schools, hospitals, and temples) to exchange information and participate in donation activities in order to cooperate with the development of the region.