



## CSR and Important Issues (Materiality)

Yokohama Rubber Group is committed to the ten principles of the UN Global Compact\*<sup>1</sup> and carries out the Plan-Do-Check-Act (PDCA) cycle following the framework of ISO 26000\*<sup>2</sup>.

\*1: A voluntary initiative in which companies participate in a worldwide framework for realizing a sustainable society by taking action as a good corporate citizen through creative and responsible leadership.

\*2: A set of guidelines created by the International Standards Organization (ISO) on the social responsibilities of companies and other organizations.

### The Ten Principles of the UN Global Compact

#### Human Rights

- Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2: make sure that they are not complicit in human rights abuses.

#### Labour

- Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4: the elimination of all forms of forced and compulsory labour;
- Principle 5: the effective abolition of child labour; and
- Principle 6: the elimination of discrimination in respect of employment and occupation.

#### Environment

- Principle 7: Businesses should support a precautionary approach to environmental challenges;
- Principle 8: undertake initiatives to promote greater environmental responsibility; and
- Principle 9: encourage the development and diffusion of environmentally friendly technologies.

#### Anti-Corruption

- Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



WE SUPPORT

### ISO26000 Seven Core Subjects

- 1 Organizational governance**
- 2 Human rights**
- 3 Labor practices**
- 4 The environment**
- 5 Fair operating practices**
- 6 Consumer issues**
- 7 Community involvement and development**

### ● Determining Important Issues (Materiality)

Starting in 2014, we have determined important issues (materiality) with regards to themes of great interest to and impacts on both the company and stakeholders, from among the many CSR issues that exist.

We focus on specific items among these and establish KPI as we work towards ongoing improvements by implementing the PDCA cycle to achieve these items.

<b>The global environment</b>	We challenge to build a sustainable society in harmony with the environment, to protect our blue planet and human beings.	<ul style="list-style-type: none"> <li>● Materials</li> <li>● Energy</li> <li>● Water</li> <li>● Biodiversity</li> <li>● Emissions</li> <li>● Products and services</li> <li>● Environmental grievance mechanisms</li> </ul>
<b>Local communities</b>	We build a trusted identity as a contributing member of the global community by making contributions to the development and prosperity of local communities.	<ul style="list-style-type: none"> <li>● Market presence</li> <li>● Local communities</li> <li>● Grievance mechanisms for impacts on society</li> </ul>
<b>Customers</b>	We supply safe and secure products through manufacturing focused on the heart and technology.	<ul style="list-style-type: none"> <li>● Customer health and safety</li> <li>● Product and service labeling</li> <li>● Marketing communications</li> <li>● Compliance (Product liability)</li> </ul>
<b>Shareholders/investors</b>	We improve our company value by growing business opportunities.	<ul style="list-style-type: none"> <li>● Economic performance</li> </ul>
<b>Business partners</b>	We promote CSR activities throughout the value chain.	<ul style="list-style-type: none"> <li>● Supplier human rights assessment</li> <li>● Supplier assessment for impacts on society</li> <li>● Supplier environmental assessment</li> <li>● Supplier assessment for labor practices</li> <li>● Child labor</li> <li>● Forced or compulsory labor</li> </ul>
<b>Employees</b>	We value and develop our people, and create opportunities for people.	<ul style="list-style-type: none"> <li>● Occupational health and safety</li> <li>● Training and education</li> <li>● Diversity and equal opportunities</li> <li>● Human rights grievance mechanisms</li> </ul>

\*Please see page 15 for specific initiatives for stakeholders in terms of value creation through our businesses.



## Participation in Initiatives in Japan and Overseas

### Japan Association for the World Food Programme

We endorse the World Food Programme (WFP) in undertaking to eradicate hunger and poverty and supports the activities of the WFP as a trustee.

### Fun to Share Campaign

We have been supporting the new Fun to Share Campaign aimed at achieving a low-carbon society in response to climate change since 2014. We have also registered as a participating company and organization and made a declaration on the content of the initiatives.

#### 〈Yokohama Rubber Co., Ltd.〉

Achieving a low-carbon society through fuel-efficient tires and environmental contribution products and activities.

### "Declaration of Biodiversity by Keidanren" - Promotion Partners

We have been in accordance with the idea of "Declaration of Biodiversity by Keidanren" and their promotion partners since 2009 to develop various approaches for the preservation of biodiversity. Basic policies and action guidelines have been set forth as "Yokohama Rubber's Guidelines on Biodiversity."

### Keidanren's Commitment to a Low Carbon Society

We are in accordance with, and participate in various activities for Keidanren's Commitment to a Low Carbon Society under the vision of "Japanese industries playing a role as core functions with their technological strength in order to achieve our target which is to halve the greenhouse gas emission of the world in 2050."

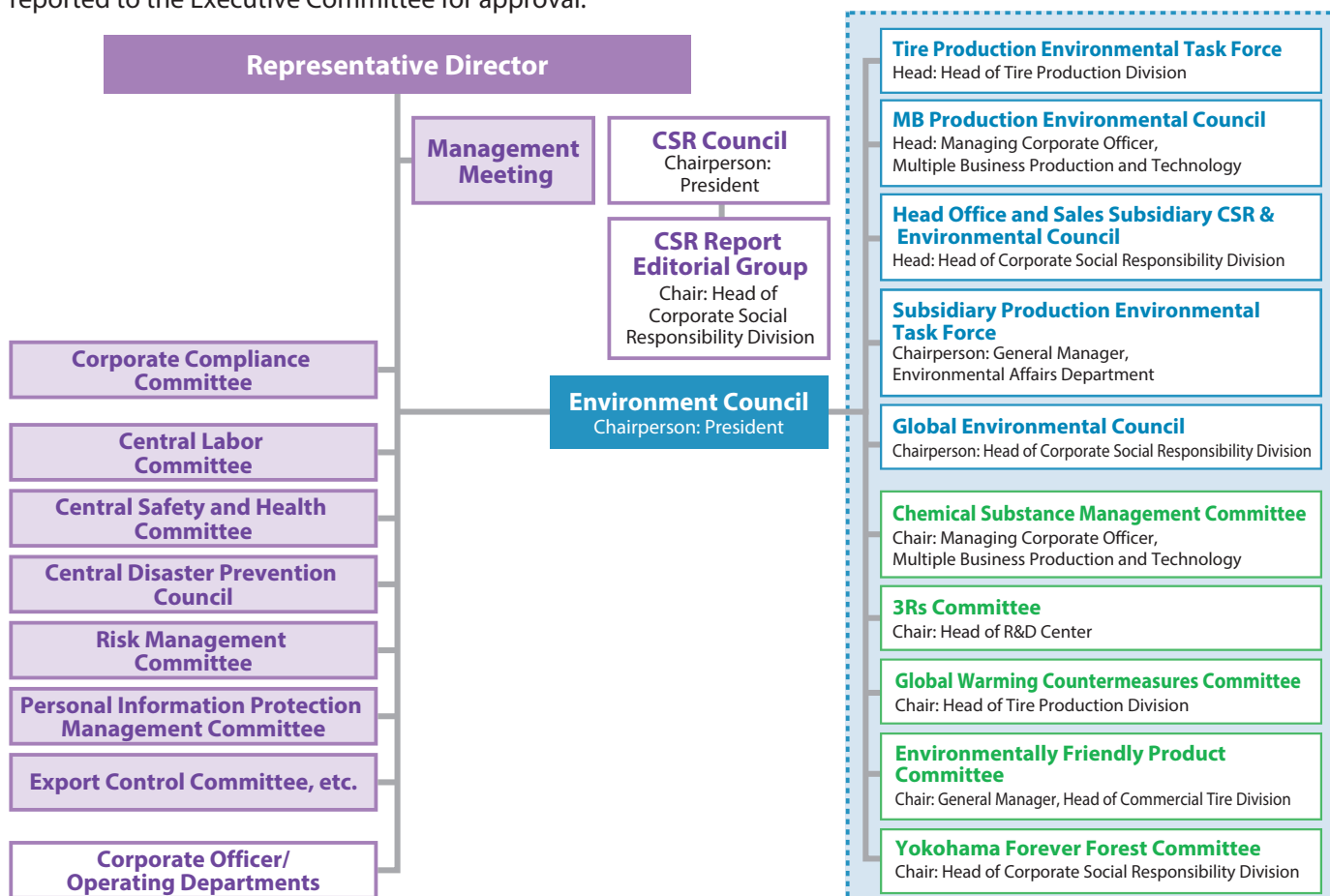
### WBCSD (World Business Council for Sustainable Development)

WBCSD refers to the unified association consists of top executives from global corporations in order to perform their leadership in their industry, have lively discussion, and propose policies with regards to the environment and sustainable development. We are participating in the Tire Industry Project which is to conduct surveys pertaining to possible impact on the environment and health to be made by tires, and to promote various activities to save energies in the buildings and offices.



## CSR and Environmental Management Promotion System

Twice a year, we hold a CSR\* Council and an Environmental Council, each chaired by the President, in order to plan and review CSR issues that Yokohama Rubber Group should be addressing. Matters that affect management are reported to the Executive Committee for approval.



■ CSR and environmental management promotion framework (as of April 1, 2016)