

Head Office

Total site area

Main Office 1,760 m²; Annex: 324 m²

Number of employees

963 (as of December 2019)

Location

5-36-11, Shimbashi, Minato-ku, Tokyo 105-8685, JAPAN



Message from the Head of the Corporate Social Responsibility Division



Shigetoshi Kondo

Yokohama Rubber's Head Office operations acquired ISO 14001 certification in 2007. Since then, in executing its duties, the Head Office has continued to promote target management practices with respect to those environmental issues that should be addressed.

The operations of the Head Office will continue to promote activities that focus on operations that comply with the CSR and environmental requirements set out by the expectations of society, such activities including the "Yokohama Rubber Group's Development and Promotion of CSR and Environmental Management Practices," the "Planning and Sales Promotion of Environmentally Sound Products," the "Advancement of CSR Procurement and Green Procurement Practices" and the "Advancement of Energy Saving Activities in Distribution," etc., in line with the principles of ISO 14001: 2015.

Additionally, at the end of 2009 at the World Business Council for Sustainable Development (WBCSD), the Company announced its participation in the "Manifest Declaration on Energy Saving of Office Buildings." Subsequently, we have been actively engaged in achieving energy savings throughout the offices of the Yokohama Rubber Group.

By fiscal 2012 the energy consumption of the Head Office building had been reduced by over 30% compared to fiscal 2009, and from fiscal 2013 onwards we have succeeded in maintaining energy consumption at this lower level.

Organizational Governance

Internal control measures

The Compliance Promotion Office staff who are assigned to each department of the Company make use of instructional materials when conducting educational activities. Moreover, concerning the issue of statutory compliance, commencing with corruption-prevention measures, the associated reporting and confirmation functions are executed via monthly reports.

With respect to overseas business offices where there exist particular concerns regarding matters such as bribery and embezzlement, etc., information is exchanged closely with local offices and training of staff is also conducted.

For the purpose of both monitoring and auditing management practices, since March 29, 2018, four nonexecutive members and three outside audit & supervisory board members have been appointed to the Company by election. In 2019, there was a turnover of people, but no increase or decrease in numbers.

Investor relations (IR) activities

A number of domestic institutional investors have been visited annually since December 2013 for the purpose of enhancing both IR and SR activities. These visits offer us an opportunity to engage in direct dialogue with investors.

Human Rights

Education on respect for human rights

As stated in the management policy of Yokohama Rubber which reads, "create a workplace that values, improves, and energizes people," the Company will continue to build an environment where a diverse group of people can both acquire the skills they require and then be able to exert them. Moreover, we aim to create workplaces where our employees can balance their work and lifestyle commitments. We will nurture the development of personnel who can realize the business and technical strategies of the Grand Design 100 (GD100), and who are also capable of playing active roles on the global stage.

Furthermore, in order to raise awareness levels, the Corporate Compliance Department distributes a compliance card to each employee which describes the "Action Guidelines" to be followed by all employees of the Yokohama Rubber Group.

Labor Practices

Occupational safety and health

Safety and health are the basis of everything. Through the cooperation received from all Group employees, we aim to prevent occupational accidents while creating comfortable and healthy workplaces, such environments also being achieved through the strong leadership exercised by managerial and supervisory personnel. The Head Office Safety and Health Committee conducts meetings each month, and in addition to filing reports on the safety and health status of the Head Office, it implements activities aimed at heightening safety consciousness, for example by sharing information about accidents that have occurred at individual facilities horizontally throughout the Group. The specific measures that are implemented are outlined as follows.

(1) Establishing the foundations of safety and health based upon the Occupational Safety and Health Management System (OHSMS)

→ By focusing upon the important keyword of "people" with respect to matters of safety, and by also establishing periods during which the reporting of "near misses" in the workplace is strengthened, we are endeavoring to improve both employee safety and employee awareness with respect to the anticipation of danger. This is being done by encouraging each employee to report one or more "near misses" during the aforementioned reporting periods.

※Near Misses: These are situations that do not go so far as to result in serious disasters or accidents. Rather, they are discoveries of sets of circumstances for which a direct result could well be a disaster or accident.

(2) Safety awareness

Two periods annually have been established for the strengthened reporting of "near misses," and we are working to improve both employee safety and their consciousness with respect to the anticipation of danger.

→ To strengthen consciousness so that employees do not engage in unsafe behavior, we regularly encourage employees to participate in activities to promote health and safety, and conduct health and safety training at the workplace. The Health and Safety Committee discusses and decides which topics to raise awareness of, and which topics to include in health and safety training, based on near-miss reports from employees, to ensure that the program is effective.

(3) Equipment safety

→ To prevent the staircase from falling down, handrails have been added to the staircase, which used to have handrails on one side of the stairs only, so that they can be used on both sides.

We will continue to make efforts to create a safe and comfortable environment to prevent accidents by making improvements to our facilities based on near-miss reports from our employees.

(4) Improving the workplace environment

→ Safety and Health Committee members carry out regular safety surveillance. As a rule, this surveillance focuses on work sites, equipment and current conditions.

Concerning conditions that such surveillance has confirmed as being unsafe, by immediately considering how to improve things, we work to promote the creation of safe work environments where employees can work with peace-of-mind.

(5) Creating mental and physical health

The mental and physical health of employees is tracked. All our employees (100% of them) undergo regular physical checkups and overwork interviews. Starting in 2016, we have also implemented stress checkups for employees.

→ For individuals who experience uneasiness regarding their mental state, we quickly put them in touch with trustworthy specialists. We offer a detailed response when addressing their needs. This commences from when time is taken off work, through to the follow-up that occurs once an employee has returned to the workplace. From the prevention perspective, we have put in place a system whereby employees for whom mental health may become an issue can have consultations with specialist physicians.

(6) Prevention of traffic accidents

In cooperation with affiliate companies and with relevant organizations, driver education courses are conducted twice annually, not only for drivers of company vehicles but also for employees who drive their own cars, motorbikes or bicycles to work.

Promotion of gender equality

Since fiscal 2011, the ratio of female new hires has been in the vicinity of 30%. This has resulted from us proactively engaging in activities that have increased female applicant numbers, and then fairly selecting successful applicants irrespective of their gender. There are currently five women in management positions within the company. In line with the implementation of the Act Concerning Promotion of Women's Career Activities, in the future we will be working to maintain and if possible increase the pool of potential managers from which female managers are drawn, by setting a target of having female recruits account for at least 25% of all new management career track recruits. In addition, we are working together with the company's labor union to implement measures to encourage employees to take more paid leave, so as to help employees maintain an appropriate work-life balance.

Employment of people with disabilities

In March of 2012, we commenced operation of Yokohama Peer Support Co., Ltd. This location employs people with disabilities so as to provide a workplace where more of them can work. On May 31st of the same year, Yokohama Peer Support acquired certification as a specially designated subsidiary under the "Act for Promotion, etc., of Employment of Disabled People (the Disabled People Employment Promotion Act)." Furthermore, at Head Office as well, we hired a total of four people with disabilities in 2012, 2013 and 2017.

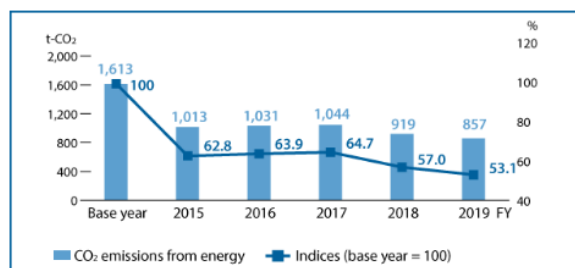
Noise, vibration and odor

With respect to noise, the air-conditioner units that we have installed outdoors have been registered as specific facilities. With regard to the issues of odors and vibration, there are no relevant matters to report.

Environmental data

Reductions in greenhouse gas emissions

Greenhouse gas emissions

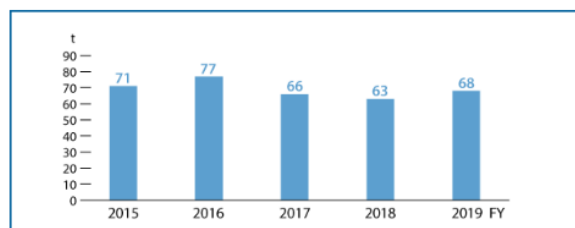


※Base year: In principle 1990 is taken as the base year.

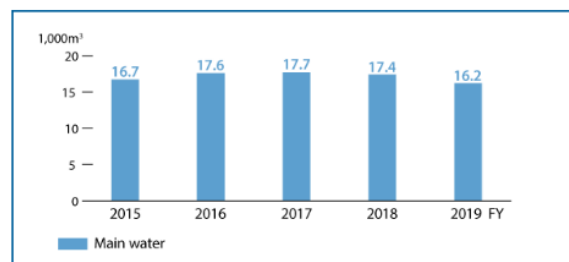
※Method of calculation of greenhouse gases (GHG): this is in compliance with the "Calculation and Reporting Manual for Greenhouse Gas Emissions" issued by the Ministry of the Environment and the Ministry of Economy.

Effective use of resources / Reduction of waste

Waste generated



Water usage



Fair Operating Practices

Explaining the CSR Procurement Guidelines to business partners and educating purchasing staff

We prepared the "Purchasing Ethics (Rules for Purchasing Staff)." These guidelines indicate matters to be noted by purchasing staff when conducting fair and impartial transactions in accordance with the "Basic Purchasing Policy." They also indicate unethical behavior that must not be engaged in. These ethics were combined with the "Basic Purchasing Policy" in 2011 to become the "Purchasing Code of Conduct."

In addition to already having distributed the "Purchasing Code of Conduct" to all domestic and overseas offices, we have also taken steps to dispatch it to newly established overseas hubs. Additionally, we have sought to incorporate it from the outset in the education of new purchasing staff. Through such means we have attempted to spread these compliance practices.

We conduct awareness activities, continuing to hold case study sessions about compliance violations in the future.

With regard to natural rubber, which is an important raw material for our operations, In 2018, Yokohama Rubber formulated and announced its own Procurement Policy for the Sustainable Natural Rubber. In 2019, we have launched farm surveys with aiming to spread awareness of Yokohama Rubber's initiatives to make natural rubber a sustainable resource.

For non-natural rubber procurements, in fiscal 2019, the CSR Procurement Guidelines were revised, with the inclusion of new content that strongly urges suppliers to take appropriate action in relation to human rights, environmental protection, corruption prevention, compliance, etc. within the supply chain. We have also worked to encourage suppliers to implement appropriate CSR activities through the dissemination of CSR self-assessment sheets, so that suppliers can evaluate their own CSR efforts.

In fiscal 2020, English-language versions of the CSR Procurement Guidelines and CSR self-assessment sheets were compiled, and the efforts outlined above are being further extended global activities to include overseas suppliers.

Consumer Issues

Communication with customers

Inquiries received from customers by telephone or e-mail can generally be divided into the following three categories. Firstly, there are consultations on the selection and matching of products. For example, what type of products should be chosen by the customer? In responding to such inquiries, we ask about the features to which the customer attaches the most importance. After obtaining this information, we then recommend the type of product that most closely matches the preferences of the customer.

Secondly, we receive inquiries about product malfunctions, etc. Taking tire products as an example, we first ask customers the size and pattern of the tires in question, the model and model year of the vehicle to which they were fitted, when the failure occurred, and any detailed circumstances that the customer can recall. We then offer an assumed cause of failure based on the information received. If it is necessary to check the actual tires, we ask the nearest sales office of Yokohama Tire to respond to the customer's request and conduct an investigation. The sales office then reports on their findings. Thirdly, we receive opinions and comments on the content of our website and product catalogues. We promptly distribute the opinions and comments thus received within the Company in order to reflect them in improvements made to web content and future product catalogues.

We will continue to respond to our customers quickly and politely as we strive to further improve customer satisfaction (CS).

Response to opinions and complaints

Each business division has an established contact point that is able to respond to the opinions and complaints of customers.

Tire Customer Consultation Office

Tel: 0120-667-520 (Toll free number, available only in Japan)

Hours: Weekdays (Monday through Friday) 9:00 a.m. to 5:00 p.m.

Customer Service Center (PRGR Ltd.)

Tel: 0120-81-5600 (Toll free number, available only in Japan)

Hours: Weekdays (Monday through Friday) 9:30 a.m. to 12:00 p.m. / 2:00 p.m. to 5:00 p.m.

Additionally, a list of inquiry contacts may be found on our official website at the following URL.

➤ <http://www.y-yokohama.com/global/contact/>

Community Involvement and Development

Involvement with local societies

We proactively participate in organizations comprised of local companies, etc. that are located within the jurisdictions of local fire stations. At the request of local police stations, we also actively cooperate with national road safety campaigns. We also participate in the Committee Responding to Congestion in the Vicinity of Shimbashi Station. In addition, we participate in activities organized by the Minato Eco-Conscious Consortium.

Yokohama Tire Retread Company Limited (YTR)

Business activities

Production and sale of retread tires

Total site area

31,501 m² (Head Office (Onomichi): 13,757 m², Saitama Plant: 6,588 m², Nagoya Plant: 5,648 m², Hokkaido Plant: 5,508 m²)

Number of employees

95 (as of March 2020)

Location

Head Office & Onomichi Plant: 2-165-28, Chojabara, Onomichi City, Hiroshima, JAPAN

Hokkaido Plant: 162-2, Uenae, Tomakomai City, Hokkaido, JAPAN

Saitama Plant: 395, Kita-Nagai, Miyoshi-machi, Iruma-gun, Saitama, JAPAN

Nagoya Plant: 192-2, Minami-Yamanoue, Azabu-cho, Miyoshi City, Aichi, JAPAN

Contact for consultation and complaints

Operations Department, Operations Division, Head Office & Onomichi Plant Tel: +81-848-48-3400 Fax: +81-848-48-4055

E-mail: ytr@yokohamatire-rt.jp



Message from the President



Hitoshi Kobayashi

Yokohama Tire Retread Company Limited was founded in 1972 and has four production facilities in Japan.

The retread tires that we produce for trucks and buses make it possible to reduce the amount of resources used in tire production, while the CO₂ emissions in the retread tire manufacturing process are roughly 60% lower than emissions in the production of new tires; our environmentally-friendly retread tires thus embody the 3R principles of Reduce, Reuse and Recycle.

According to statistics compiled by the National Retread Tire Council (Japan's national organization of retread tire manufacturers), shipments of retread tires in Japan in fiscal 2019 amounted to 97.6% of the total posted in the previous year, slight decrease than due to the impact of the sales tax hike and mild winter. However, the retread tire ratio (i.e. the share of overall tire shipments, including both new and retread tires, accounted for by retread tires) in fiscal 2017 was 18.2%, roughly the same as in the previous year. In order to bring the retread tire ratio in Japan closer to the level seen in Europe and North America (which is over 40%), so that a greater contribution can be made towards protecting the environment, a greater effort will be needed to stimulate demand, while at the same time listening carefully to customers' needs.

Within the context of the Yokohama Rubber policy of being "a company having world-class strengths in technologies for protecting the environment," we recognize that we have a mission to provide retread tires in response to customer demand. We are continuing our production and sales activities, while striving for harmonious coexistence with related companies and local communities, and taking "safety," "the environment," "quality" and "compliance" as our watchwords.

Organizational Governance

Promoting compliance

The department responsible for matters of accounting and the closing of accounts undergoes regular audits by corporate auditors and the Internal Audit Department. Improvements are implemented promptly in response to any identified issues. We also work hard to ensure that there is no non-compliance with regulatory requirements and no unintentional errors or omissions in the manner in which we do business. Furthermore, by conducting employee compliance training on a monthly basis, we are aiming to strengthen employees' compliance awareness, while also starting work on improvements to operational systems; the improved systems are scheduled to begin operation in fiscal 2019, and we will be taking steps to realize a further heightening of operational transparency.

Human Rights

Child labor or forced labor

There have been no cases of our company employing children or forced labor.

Promotion of gender equality

Wages, promotion etc. are handled in accordance with a unified company policy, and there is no discrimination between male and female employees with regard to assignments, etc.

Labor Practices

Creating safe and healthy workplaces

On the safety and health front, in addition to all employees participating in radio calisthenics at the beginning of the working day, starting from this year we have been working to strengthen our safety and health awareness-raising activities, for example by having employees recite the "Safety Chant." Besides striving to maintain and enhance a working environment that ensures safety and peace of mind through the implementation of regular safety patrols and the use of work environment measurement to realize quantitative monitoring of the working environment, we also work to create a safe, healthy workplace by using periodic health checkups to monitor individual employees' health status, etc. We realize effective follow-up in relation to these activities through the operations of each facility's Safety and Health Committee, etc.

Education and training for employees

New employees are educated using a scheduled program that is fully implemented in line with the company's education and training plan. Also, all employees receive education regarding fundamental content such as safety, the environment and quality management, as well as compliance-related awareness-raising activities, either at the regular early morning workplace gatherings or through instruction at monthly morning meetings. In addition, at manufacturing sites, periodic education and operational training are conducted using the operational guidelines and one-point lessons.

The Saitama Plant has been using an "Improvement Plaza" to facilitate the visualization of improvement activities of various types; this sharing of ideas has proved useful in accelerating the speed of improvement. Consideration is being given to expanding the scope of application of this initiative to include all production sites.

Responding in case of disaster

Our fire-fighting equipment is inspected periodically by a specialist company. In addition to regularly reporting the results of these inspections to the local supervisory authorities (i.e. the fire prevention authorities), we strive to prevent emergencies from occurring by taking prompt remedial action whenever any deficiencies are discovered. Also, by implementing regular evacuation drills and fire-fighting training at each plant, we ensure first-response preparedness in the event of an emergency occurring.

Employment of people with disabilities

At the current time, we employ no disabled persons.

The Environment

Strengthening environmental management

We are working to strengthen our environmental management through the effective utilization of an environmental management system based on ISO 14001, which was established in April 2006. In addition to raising employees' environmental awareness by increasing the number of internal auditors, and by making efforts to both reduce waste and enhance energy efficiency through improvements to our equipment, we are also working to improve our environmental indicators through various improvement activities. We hope to contribute to the further development of a recycling society by promoting increased reuse of tires, through the growth and expansion of our business activities.

Management of chemical substances (responding to the Pollutant Release and Transfer Register Law)

In cooperation with Yokohama Rubber, by aiming to have our different sites list their chemical substances, we employ the Substances of Concern (SOC) principle when handling such products. Regarding the PRTR requirements, by filing the required documentation with both the national government and the relevant prefectures, we engage in secure management of those materials subject to the law.

Environmental data

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Waste generated (t)	1,711	1,523	1,148	1,058	842
Water usage (1,000m ³)	5.7	4.9	4.7	5.1	5.5
Greenhouse gas emissions (1,000t-CO ₂)	2.79	2.61	2.59	2.72	2.73

※FY: January to December

※The calculation of greenhouse gas emissions has been based on the methods specified in the GHG Emissions Accounting and Reporting Manual published by Japan's Ministry of the Environment and Ministry of Economy, Trade and Industry.

We are working to reduce the environmental burden associated with our activities by reducing our energy consumption per unit of production output and the amount of industrial waste that we generate, by proactively implementing measures to make production more efficient, including the adoption of LED factory lighting, adoption of new types of inverter technology in our production equipment and other measures to reduce electric power consumption and ensure effective power consumption management, as well reducing the amount of water consumed, etc.

Noise, vibration and odor

By implementing regular measurements of noise and holding meetings with voluntary monitors, we make efforts to prevent noise, vibrations and odors. As yet, we have not received any complaints from neighbors.

Fair Operating Practices

Building trusting relationships with business partners

We enjoy business relationships with numerous partner companies in regard to the sale of retread tires, the purchase of used tires and the disposal of industrial waste, etc.; We enter into transactions with potential partner companies only after confirming that meet regulatory requirements for the business activities in question. We work to verify compliance with the law by conducting our own audits of the companies who dispose of our industrial waste.



On-site verification of an intermediate processing facility (Onomichi)

Consumer Issues

Building trusting relationships with customers

As regards inquiries from customers about product quality, we provide an appropriate response in collaboration with individual Yokohama Tire Japan Co., Ltd. dealers, as well as Yokohama Rubber's Tire Technical Service Department and Tire Quality Assurance Department. In the event that an incident involving non-conforming product does occur, the reasons for the issue are investigated and measures to prevent reoccurrence are decided on at the periodic meetings of the quality management committee that are held at each of our production facilities.

Relevant information is managed within the Yokohama Rubber network systems with a strong emphasis on information security management, aiming to ensure a level of security equivalent to that applying in Yokohama Rubber as a whole.

Community Involvement and Development

Credibility with stakeholders

We participate on a regular basis in meetings organized by relevant administrative authorities in each of the regions in which we operate, and we endeavor to strengthen communication with local communities. Given that our Hokkaido Plant looks out on Lake Utonai, which has been designated as an environmental special protection area, we participate in various activities aimed at safeguarding the biodiversity of the Lake Utonai Sanctuary, etc.

Our Saitama Plant participates in the Green Support Team" activity organized by the local government authorities, contributing to environmental protection activities aimed at conserving local areas of mixed woodland.

As part of our efforts to strengthen communication with local kindergartens, employees from the Nagoya Plant collaborated on an activity involving the creation of plastic bottle cap artworks with children at a neighboring kindergarten, as part of the kindergarten's "graduation" ceremony activities.

And we continue to carry out the Forever Forest activities etc.

The Onomichi Plant participates in local river biodiversity activities together with the Yokohama Rubber's Onomichi Plant.



Plastic bottle cap artworks forming part of a kindergarten's "graduation" ceremony activities (Nagoya)



4th Forever Forest activity(Nagoya)



Biodiversity preservation activity at Lake Utonai (Hokkaido)



Forever Forest activities at Takao Mountain(Saitama)

Yokohama Mold Co., Ltd. (YMC)

Business activities

Production and distribution of tire molds

Total site area

16,563 m²

Number of employees

127 (as of December 2019)

Location

2227-1, Kamitamari, Omitama City, Ibaraki 311-3436, JAPAN

Contact for consultation and complaints

Corporate General Affairs and Procurement Department Tel: +81-299-26-1417 Fax: +81-299-26-3316



Message from the President



Riichiro Mama

This company became a member of the Yokohama Rubber Group in August of 2009, thus continuing the traditions of tire mold production which commenced with a group of companies established in 1916. Currently, besides undertaking all tire mold and related product development, design and production work for the Yokohama Rubber Group, we also undertake global procurement tasks.

In regard to environmental protection activities, YMC acquired ISO 14001 certification in 2010, and achieved its "zero emission" target in 2013. We are currently aiming to realize further improvements, using new technology and improvement of our production processes to achieve resource savings and reduce emissions, and endeavoring to implement thorough energy-saving activities.

Striving to be a company that grows and develops alongside its stakeholders, we are working to improve working conditions for our employees, implement effective manpower cultivation, promote communication with local communities, and strengthen relationships with suppliers.

As a member of the Yokohama Rubber Group, we are committed to becoming "a company having world-class strengths in technologies for protecting the environment", and we are committed to implementing measures that can both contribute to the promotion of environmental activities and enhance operational efficiency.

Organizational Governance

Promoting compliance

In line with our corporate philosophy of “delivering the best products at competitive prices and on time,” we have established a policy whose abbreviated title is “SEQPCDT” (S: safety, E: environment, Q: quality, P: production, C: cost, D: delivery, and T: training). This policy addresses the three important issues listed below.

In addition, besides working to enhance the capabilities of our internal auditing staff so as to strengthen governance, we are also working to make necessary adjustments to relevant rules and guidelines.

Important issues

1. Reducing the environmental burden by raising productivity.
2. Developing new technologies and environmentally-friendly products.
3. Emphasizing human resources cultivation and compliance.

Human Rights

“Workplace Compliance Seminars” are conducted for all employees. We are also working hard to raise the understanding of human rights.



Workplace Compliance Seminar in progress

Labor Practices

Safety

Meetings of the health and safety committee are held every month, and safety patrols are implemented; by recording “near-miss incidents,” we work to identify unsafe locations and make improvements.

In addition, in May each year we implement a disaster response drill in which all employees take part.



Reporting on safety response measures

Recruitment

Besides recruiting recent graduates on a regular basis, we also adopt a proactive approach towards recruiting mid-career hires for full-time positions. We value the capabilities and experience that mid-career hires possess, and we recruit employees of different nationalities over a wide age range.

Education and training for employees

In addition to education and training carried out within our company, we proactively implement human resources cultivation that makes effective use of the Yokohama Rubber training system.

Employment of people with disabilities

The company has met its statutory obligations with respect to the employment of people with disabilities.

Environmental management

Environmental policy

Yokohama Rubber's management policies have established "Deal fairly with society and value harmony with the environment" as a norm, and we aim to become "a company having world-class strengths in technologies for protecting the environment" in accordance with this.

1. As a company, with senior management taking the lead, Yokohama Mold is working on measures that take the environment into consideration in all areas of its business.
2. By intensifying communication with stakeholders and promoting collaboration with other companies in the value chain, Yokohama Mold is striving to make a positive contribution to the local community and to society.
3. Our environmental management systems have been strengthened, and we are taking steps on an ongoing basis to advance the prevention of both environmental pollution and sensory discomfort, and to improve protection of the environment.
4. We will comply with environmental laws and regulations, and all other applicable requirements. Furthermore, we shall dedicate ourselves to improving the environment around us.
5. We are promoting efforts to help prevent global warming, save energy, economize on resource utilization and promote recycling, with the aim of realizing the "cyclical society" and the "low-carbon society."
6. Through our business activities, we are working to help safeguard biodiversity and ensure that biological resources can be used in a sustainable manner.
7. Yokohama Mold will seek to promote harmony with the planet, aiming to become a company that contributes to environmental protection while being trusted by local communities.
8. Our environmental policies will be made available to the public.

Case study examples of dealing with environmental issues

With the aim of reducing the amount of waste generated during tire production, Yokohama Mold is developing and adopting new, environmentally-friendly tire molds. In regard to industrial waste generation, Yokohama Mold continues to operate as a "zero emission" company.

To further reduce CO2 emissions, the company is implementing thorough energy conservation measures in regard to production facilities, by upgrading equipment to reduce power consumption, reducing the time needed to complete machine processing tasks, etc.

Other measures being implemented on an ongoing basis to reduce electric power consumption include the deployment of a "Green Curtain," the use of bubble wrap that is normally used for packaging to improve window insulation, the fitting of timers to warm-water type toilet seats, etc.

We are also actively implementing activities to safeguard biodiversity.



Plant survey in progress

Environmental data

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Waste generated (t)	235	224	226	210	177
Water usage (1,000m ³)	2.6	2.7	1.9	1.6	2.5
Greenhouse gas emissions (1,000t-CO ₂)	0.70	0.80	0.85	0.87	0.65

Fair Operating Practices

Basic transaction contracts are concluded with our business partners, and we develop relationships with them that are based on a sense of fairness.

With respect to our major business partners, information is exchanged with them on a regular basis; we are also using video-conferences with overseas business partners to strengthen communication.

We are also proceeding with the formulation of purchasing rules aimed at the realization of fair and equitable transactions.

Consumer Issues

While we do not market our products directly to consumers, we endeavor to keep up to date with consumer trends by attending meetings to exchange information with Yokohama Rubber's product development department, and by attending Yokohama Rubber's new product development meetings.

Community Involvement and Development

As part of our community contribution activities, we strive to provide opportunities for young people, who represent the future, to experience playing an active role in society, for example by providing workplace experience learning opportunities for local junior high school students and offering internships to students from neighboring vocational schools. We have also created an environment that makes it easy for our employees to contribute to the local community, e.g. by formulating a volunteer leave system.

Yokohama Forever Forest Project

We are raising plant seedlings for the purpose of providing them to the local community.

We are also using the knowhow that we have developed to participate in related activities as a core member of the Yokohama Rubber Group.

Relationship with the local societies

Every year in October, we hold the "YOKOMO" family festival, which helps to strengthen communication and exchange between employees, their families, and local residents.

The most recent "YOKOMO" family festival featured a performance by the "Tamari Sosaku Taiko" and "Ogawa Taiko" taiko (traditional Japanese drumming) group, whose members include several YMC employees, as well as refreshment booths built by hand by YMC staff, all of which was very well-received by the participants.

We are participating members of the Omitama City Social Welfare Council, the Omitama City Corporation Liaison Council and the Tamari Industrial Zone Liaison Council. We also strive to maintain close links with the local community in other ways, for example by distributing seedlings for use in the Omitama Friendship Festival.



Yokohama Tire Japan Co., Ltd. (YTJ)

Business activities

Sales of automobile tires and other rubber products.

Total site area

1,760 m² (Main office)

Number of employees

2,300 (as of December 2019)

Location

5-36-11, Shimbashi, Minato-ku, Tokyo 105-8685, JAPAN



Message from the President



Katsuhiko Yahata

As a component of the Head Office operations of Yokohama Rubber, the YTJ Head Office participates in the operation of ISO 14001, conducting environmentally-friendly management practices based on target management principles. Both the YTJ Sales Headquarters and each individual YTJ subsidiary also conduct environmentally-friendly management practices in accordance with the CSR Environmental Management Guidelines.

In particular, in addition to making a social contribution through the sale and promotion of environmentally-sound tires and products, we are shouldering some of the responsibility in the building of a recycling society through our contributions in the form of collection and effective use of waste tires. Through such activities, we aim "to build a trusted identity as a contributing member of the global community", which represents the Yokohama Rubber Group CSR Management Vision.

Organization



Organizational Governance

Corporate governance systems

Concerning the Company's governance system, a Corporate Officer System has been adopted in addition to the institutions mandated by the Companies Act (General Shareholder's Meeting, Representative Director, Board of Directors, Board of Auditors, and Accounting Auditors). This step has been undertaken to clarify management supervision and operations execution, and to fundamentally accelerate both management decision making and operations execution. With respect to the auditing system, this is comprised of accounting audits undertaken by accounting auditors acting as external auditors, and operations audits undertaken by the Internal Audit Department. In addition to being an audit system in which the components maintain independence from one another, governance is strengthened through a suitable exchange of information between the accounting auditors and the Internal Audit Department.

Compliance measures

Each company president has been designated as the person responsible for promoting compliance, with legal-compliance status reports and confirmations conducted regularly.

A contact point of the "Compliance Hotline" internal reporting system has been established within the company, and every effort has been made to create an environment conducive to stress-free consultation.

The company has also compiled a sexual harassment prevention manual, with which employees are required to familiarize themselves.

Training programs are being used to implement ongoing awareness raising with respect to all different types of harassment.

Human Rights

The company's Employment Rules expressly prohibit discrimination and harassment of all kinds. Recognizing that, for employees to be able to work with peace of mind, it is vitally important that all employees have a correct understanding of human rights, we are continuing to implement awareness-raising measures and compliance-related training on an ongoing basis.

Labor Practices

Occupational safety and health

We are proceeding with our efforts to assign people who possess ordinary emergency first-aid skills to each of our sales offices nationwide.

Furthermore, we are endeavoring to improve driving manners by conducting driving seminars at companies throughout Japan for the benefit of employees who drive company vehicles.

In addition to these developments, we have also confirmed the earthquake-resistance status of all our domestic sales offices. Moreover, with respect to the Tokai, Tonankai and Nankai regions in particular, three areas in which long-period ground motion earthquakes are predicted to strike, we have prioritized these regions and have completed earthquake resistance reinforcement measures.

Promotion of employment of people with disabilities

Recognizing the need to provide people with disabilities with a more convenient working environment, we have formed a partnership with Startline Co., Ltd. (a satellite office service provider), and established a new Yokohama Office in April 2017.

The new office has a comprehensive range of support systems, and has dedicated staff working there full-time who are equipped with the specialist skills needed to support disabled workers.

The operation of our Yokohama Office is helping to increase the percentage of disabled employees at YTJ and is also helping people with disabilities to maintain stable employment.

The Environment

Environmental management

In accordance with the CSR Environmental Management Guidelines, in addition to each of the companies engaging in self-assessments with respect to their environmental management practices, through the assignment of parties who are responsible for environment management and also the establishment of persons within the Sales Headquarters to promote the cause, we are moving forward with our promotion of environmental management.

Environmental data

Category		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Greenhouse gas emissions (1,000t-CO ₂)		—	—	11.9	9.9	9.5
Scope 1 (Buildings: Fuel Used)		0.3	0.3	0.1	0.1	0.1
Scope 2 (Buildings: Electricity Purchased)		4.1	3.9	3.9	2.9	2.7
Scope 3 (Consignors: Fuel Used)		8.6	8.5	7.9	6.9	6.7

※CO₂ emissions are calculated by multiplying the consumption amount by the coefficient published by each power company.

Fair Operating Practices

Credibility with our business partners

In some regions we participate in regional cleanup activities in collaboration with our business partners; we also operate booths at environmental events held by business partners, and take steps to display our products, etc.

Consumer Issues

YFS (Yokohama Field Service) employees who have received special training are assigned to each of our sales offices. They respond to inquiries about quality, etc., received from users throughout Japan.

Community Involvement and Development

Relationship with local societies

Each company independently participates in communication activities with their respective regions and makes efforts to strengthen its activities. Depending on the region, we voluntarily conduct cleaning activities around our sales offices or organize other events and activities, etc.

Yokohama Tire Japan head office

We have participated in clean-up activities around Musashi-Kosugi station that were organized by the Greenbird Musashi Kosugi Team,NPO.

 <http://www.greenbird.jp/team/musashikosugi/>



PRGR Co., Ltd.

Business activities

The planning, development, production and sale of golf equipment-related machinery. The management of golf schools.

Total site area

1,465 m² (within YRC's main office)

Number of employees

117 (as of December 2019)

Location

5-36-11, Shimbashi, Minato-ku, Tokyo 105-0004, JAPAN

Contact for consultation and complaints

Customer Service Center Tel: 0120-81-5600 (Toll free number, available only in Japan)



Message from the President



Hiroyoshi Hibino

PRGR exists so that "as many people as possible can experience and realize the fun of golf and the excitement of golf" has been the guiding principle of PRGR since its founding, and it has taken the lead in developing a harmonious and sustainable society through all of its business activities, based on the principles of safety, health and compliance with transparency. We are committed to making a contribution to the golf industry.

First and foremost, we will revitalize the golf industry by providing superior products, services, and playing environments from the customer's perspective, while increasing our corporate value. We will also respect our employees and provide an equal working environment, while at the same time supporting their growth and development while ensuring individual diversity. In our relationships with suppliers,

dealers and other business partners, we will take a long-term view and strive to build relationships based on mutual trust and mutual benefit.

In the midst of the recent global coronation scare, golf courses and practice areas can contribute not only to the maintenance and improvement of physical fitness, but also to the improvement of people's mindset and the promotion of communication. Also, in today's world of residential land use, golf courses and driving ranges have become an essential part of the local community as a "community place" that maintains and manages a valuable natural environment.

For the time being, With Corona will continue to work toward the reopening and continuation of its business activities in all regions where it conducts business as an environmental contribution company, while ensuring safety and security, and actively promoting the creation of a prosperous society.

(Offices)

Headquarters

Location: 5-36-11, Shimbashi, Minato-ku, Tokyo 105-0004, JAPAN
Tel: +81-3-3436-3341

Hiratsuka Plant


Location: 2-1, Oiwake, Hiratsuka City, Kanagawa 254-8601, JAPAN
Tel: +81-4-6335-9728

(Branches)

South Korean Branch

1F, 634-3, Sinsa-Dong, Kangnam-Gu, Seoul, South Korea

(Directly-Operated Stores)

 <https://www.pgr-golf.com/en/>

PRGR TOKYO HUB Golf School & Studio

i Terrace, Ochiai-Minami-Nagasaki, 4-5-20, Minami-Nagasaki, Toshima-ku, Tokyo 171-0052, JAPAN
Tel: +81-3-5982-8809

PRGR AKASAKA

B2 Floor, Orix Akasaka 2-Chome Building, 2-9-11, Akasaka, Minato-ku, Tokyo 107-0052, JAPAN
Tel: 0120-562-250 (Toll free number, available only in Japan)

PRGR GINZA

1st Floor, SF Ginza Building, 2-11-15, Nishi-Ginza, Chuo-ku, Tokyo 104-0061, JAPAN
Tel: +81-3-5565-8610

PRGR GINZA EX

3rd Floor, HULIC Ginza 1-chome Gas Lamp Street Building,
1-7-17 Ginza, Chuo-ku, Tokyo 104-0061, JAPAN
Tel: 0120-562-270 (Toll free number, available only in Japan)

PRGR NAGOYA

2nd Floor, Nagoya Tokyo Marine & Nichido Building,
2-20-19, Marunouchi, Nagoya City, Aichi 460-0002, JAPAN
Tel: 0120-562-199 (Toll free number, available only in Japan)

(Management of golf schools)

At our directly-operated stores, in addition to the "Science Fit" system, an analysis program that checks golfers' swings, we offer lessons for groups and also lessons in golf-round tactics. By scientific means, we support the improvement of golfing skills through a step-by-step approach that incorporates aspects of analysis, improvement and proficiency.



Organizational Governance

In accordance with regulations, decisions regarding the Company's business policies and other important resolutions are made by meetings of the Board of Directors (which are held as required) and at management meetings (which are held once a month).

As to the system of audit, the Company undergoes regular audits by corporate auditors. Improvements are then implemented accordingly in response to any identified issues. We also work to ensure there are no legal defects or loopholes. Furthermore, with respect to the overseas branch office in South Korea, its audits are carried out by accounting auditors who act in an external capacity.

Compliance measures

Compliance training is conducted monthly and status reports sent to the Corporate Compliance Department of Yokohama Rubber. In addition to heightening the overall compliance consciousness of employees, steps are also taken to disseminate information.

Human Rights

The Company complies with the Yokohama Rubber Group CSR Action Guidelines

Labor Practices

Occupational safety and health

PRGR employees participate in the morning exercises and reciting of the "Safety Chant" that are implemented every morning as part of the company's labor safety measures; they also attend the ordinary emergency first-aid skill seminars and driver safety seminars conducted by Yokohama Rubber. Workplace environment measurements are conducted regularly at the Hiratsuka Plant.

Additionally, Class 1 Health Officers are assigned by the Company in accordance with the provisions of the Labor Safety and Health Law, and these employees manage the technical matters that pertain to issues of safety.

Concerning the issue of employee overwork, in accordance with the "36 Agreement" regarding overtime and holiday work (drawn up in accordance with the provisions of the Labor Standards Act), in addition to reports being made to monthly management meetings, etc., measures have been put in place whereby overwork cases undergo interviews with industrial physicians.

The Company also implements stress checks in accordance with the requirements of Article 66 of the Industrial Safety and Health Act, which has made 10 types of stress check compulsory.

Reports concerning the status of absenteeism due to illness, etc., are also made to management meetings, and appropriate response measures are then undertaken.

In fiscal 2019, five traffic accidents occurred (one involving injuries, and one that involved injure someone); fortunately, none of these accidents was serious.

As a compliance activity unique to PRGR, the situation regarding "activities to promote zero traffic accidents" is confirmed at monthly sales meetings.

Human resources development

New hires are assigned to work sites after undergoing group training (immediately after joining the Company) and a period of individual training at each of the various headquarters (planning, production and sales). Among our sales positions, in working to improve our sales techniques, we have established a system of qualifications for internal fitters*. Furthermore, employees also participate in golf club sales technician training seminars conducted by the Japan Golf Goods Association.

At Hiratsuka Plant, all participants receive special training with regard to organic solvents.

※Internal Fitters: These are club-selection specialists who can select the best clubs for customers based on the use of 1. Ballistic measurement instruments, 2. Grip-speed measurement equipment and 3. Video-based swing analysis.

Diversity of human resources

We have employed four disabled persons.

We have also re-employed three former employees.

Of the total of 117 employees, 11 are female, one of whom is currently benefiting from the system of reduced hours for employees with young children.

Environmental management

Our environmental activities are conducted in accordance with the environmental policies of the Yokohama Rubber Head Office.

Environmental data

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Electrical power usage KWh	187,630	182,421	169,951	181,417	168,163
Electrical power usage (values calculated in barrels of oil equivalent) KL	48.3	46.9	43.7	46.7	42.3
Greenhouse gas emissions (t-CO ₂)	95.7	91.2	83.1	86.6	82.2

※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.

Reductions in electrical power usage

Measures to reduce (year-on-year) electrical power usage are being implemented at five of our directly-operated stores.

- Lighting in unused spaces is turned off outside business hours.
- Depending on the space, air conditioners are turned off and temperature settings established.
- Temperature settings are raised when the golf school is not open; however, electrical power usage decreased by 5.89% in fiscal 2019.

Reductions in CO₂ gas emissions

Taking advantage of the expiry of the lease period for company vehicles, we switched over to using vehicles equipped with idle-stop systems for four of our company vehicles.

As a result, we reduced CO₂ emissions by 0.6196tCO₂.

Green procurement measures

In the golf industry, there are no clear standards or regulations with respect to the usage of hazardous substances. At PRGR, as a member of the Yokohama Rubber Group, through reducing the usage of substances that place a burden on the environment, we are working on measures that will lead the industry.

For example, with respect to swing-balance weights and the paints used with golf clubs, etc., some up until now have contained lead. Recognizing the burden placed on the environment by the disposal of such clubs, through a revision of materials and ingredients, etc. used in production, we have been able to greatly reduce our use of lead. Furthermore, with respect to the wax molding dies used when producing golf club heads, we have been proactively working to eliminate their lead content.

In the future as well, with respect to components, production processes and the products themselves, etc., in all areas from the manufacturing of products through to disposal, we shall continue to be proactive in confronting issues so as to reduce the burden placed on the environment.

Fair Operating Practices

Credibility with our business partners

In undertaking their business activities in a manner that is fair, the Company's departments comply with the relevant laws. The duties of the purchasing department are undertaken in accordance with the provisions of the "Act against Delay in Payment of Subcontract Proceeds, Etc., to Subcontractors," while the sales department acts in accordance with the "Act on Prohibition of Private Monopolization and Maintenance of Fair Trade". Meanwhile, the planning and development department observes the provisions of the "Act Against Unjustifiable Premiums and Misleading Representations". We comply with the Fair Competition Code for Sporting Goods and ensure that giveaways are provided and labeled properly.

Consumer Issues

Quality policy

1. In accordance with the Yokohama Rubber Basic Policy which states; "Deliver the best products at competitive prices and on time," by continuing our efforts to satisfy customers throughout the world with high-quality products whose usage offers both safety and peace-of mind, the Company shall contribute to both humanity and society.
2. Concerning all products provided to customers, while we will continue to satisfy quality management system requirements such as those stated through "customer requirements," "applicable laws and regulations" and "product quality manuals," we shall constantly strive to improve as we aim to achieve even better systems.
3. Quality targets shall be established within each Company department so as to realize this policy, and, in addition to thoroughly implementing the targets within each department, a review process shall improve the quality of the operations conducted with respect to product planning, design, production and sales. Through such measures we shall secure suitable returns by which we shall work to further develop the Company.
4. The quality policy shall be thoroughly made known to all related officers and employees of the Company.

Safety and quality of our products and services

As part of a strategy set out by the Japan Golf Goods Association, by labeling our products with a common seal used as an anti-counterfeit measure for all golf clubs, the Company is working to prevent fraud.

Furthermore, by using a serial number that allows for a warranty of two years after a customer purchase, we are tracking our products from their manufacture through to shipment.

We have established a toll-free telephone number within Japan to handle customer inquiries.


Customer Service Center Tel: 0120-81-5600 (Toll free number, available only in Japan)

Community Involvement and Development

Relationship with local societies

"As part of our community contribution activities, we participate in Think Eco Hiratsuka, a hands-on environmental event held every year at the Hiratsuka Plant of Yokohama Rubber Company, Ltd. under the concept of "learning, playing and having fun together.

Website (available only in Japanese)

 https://www.prgr-golf.com/prgr_ladies_cup/gallery-service/



HAMAGOMU AICOM INC. (HAI)

Business activities

Information-processing services

Number of employees

398 (as of December 2019)

Location

Yokohama Office: Technowave 100 Building, 1-1-25, Shinurashima-cho, Kanagawa-ku, Yokohama City, Kanagawa 221-0031, JAPAN Tel: +81-45-451-6611

Shimbashi Office: Yokohama Rubber Building, 5-36-11, Shimbashi, Minato-ku, Tokyo 105-8685, JAPAN Tel: +81-3-5400-4538

Mishima Office: East Shizuoka Insurance Services HQ Building, 3-19-6, Omiya-cho, Mishima City, Shizuoka 411-0035, JAPAN Tel: +81-55-983-6011

Contact for consultation and complaints

General Affairs and Personnel Division (HQ) Tel: +81-45-451-6611 Fax: +81-045-451-0411



Message from the President



Shigetoshi Kondo

The Company was established in July of 1970 as a result of it being spun-off from the Information Systems Division of Yokohama Rubber.

With our advanced information technology skills, our reliability as people, and the numerous wonderful human resources that we've developed, the Company has transformed itself to become a trusted business partner which possesses the ability to respond to the diversified needs of customers.

Commencing with our acquisition of ISO 9001 (quality) certification in December 2002, the Company has endeavored to develop socially responsive systems. This strategy has included the acquisition of Privacy Mark certification (October 2006), and ISO 14001 (environment) and ISO 27001 (information-security) certification (both February 2007), etc. Moreover, while recognizing marketing communications and product liability as the most serious issues, in that it represents the Yokohama Rubber Group CSR Management Vision, the Company aims "to build a trusted identity as a contributing member of the global community."

Organizational Governance

Corporate governance systems

In accordance with regulations, decisions involving the entire company are decided upon both at meetings held by the Board of Directors (as needed) and at management meetings (held monthly).

Each year, in addition to formulating medium-range plans and announcing them to all employees, at the unit policy announcement meetings, the various managers announce the unit policies for each financial year.

Compliance measures

A program of e-learning is implemented to provide all employees with compliance training. The person responsible for promoting compliance confirms the status of legal compliance and reports their findings each month.

Security measures are strictly conducted in accordance with the information security management system (ISMS) certification that the Company has already acquired.

Issues are taken very seriously when they are identified through internal or external audits, etc., and we work quickly to implement responses.

Business continuity

The Company is taking measures to develop its own unique business continuity management system (BCMS). Whereby a major disaster or accident that could not be foreseen was to occur, while placing the greatest importance on preservation of human life, once the safety of our employees and their families is established, we shall implement steps to minimize any impact. Once this has been achieved, by applying all our efforts to business continuity, in addition to obtaining the trust of customers, we shall fulfill our corporate social responsibility.



JQA-IM0434

ISO/IEC 27001 Certificate

Human Rights

Antidiscrimination measures

Concerning discriminatory behavior such as sexual harassment and workplace bullying, etc., in addition to calling attention to such issues through our compliance training, the Company is responding by the establishment of a point of contact that shall be able to offer consultations.

Health and productivity measures

Health and productivity have been raised as issues, and we are now actively promoting work style reforms.

The Company is also broadly introducing telework including a system whereby employees can work at home; and is undertaking the measures that are required to make it possible for operations to be carried on smoothly regardless of the physical environment.

In December 2018, the Company was recognized by Yokohama City in that it received Yokohama Health and Productivity certification in the highest (Triple A) classification.

In December 2019, we were recognized as a "Sports Yale Company" by the Sports Agency and in March 2020, we were recognized as a "Health Management Excellence Corporation 2020" by the Ministry of Economy, Trade and Industry.



President Shigetoshi Kondo (R) receiving the Yokohama Health and Productivity Certificate from Yuri Arakida, Deputy Mayor City of Yokohama

Labor Practices

Promoting employee diversity

The Company currently employs three persons with disabilities and two from other countries.

Of the total of 398 employees, 94 are female. Seven female employees are currently making use of the maternity and childcare leave system, while 14 are working shorter hours for the purposes of childcare.

Human resources development

Before assignment to a work site, new hires undergo group training.
Furthermore, technical and career-focused training is planned and implemented for all employees.

Emergency drills

At the Yokohama Office, we participate in emergency drills that are jointly held twice a year with all tenants in the building. At the Shimbashi Office, we participate in emergency drills that are held once a year by Yokohama Rubber. At the Mishima Office, emergency drills are conducted once a year. The drills assume the occurrence of disasters such as earthquake, tsunami, or fire, and they are participated in by most employees and partner company employees regardless of whether they are engaged in meetings, training, or meetings with customers, excluding times when it is decided they will be absent in advance.

We have supplies of emergency food enough for 3 days, and the expiration dates are managed.



Emergency drills

Occupational safety and health

In fiscal 2019, there were one cases of accidents occurring during commuting and two cases of work accidents. Luckily, neither of the accidents was serious.

The Company is working to strengthen consciousness as to the need to create safe and healthy workplace environments. In aiming to improve the operations of various workplaces, we have implemented a "visible approach" whereby it is possible to understand the extent to which plans have been achieved. We are taking steps to improve the quality and efficiency of operations, while also working to reduce "near misses," etc.

Furthermore, concerning the issue of employee overwork, in accordance with the "36 Agreements" regarding overtime and holiday work (which relate to Article 36 of the Labor Standards Act), in addition to reports being made to monthly corporate business meetings, etc., measures have been put in place whereby overwork cases undergo interviews with industrial physicians.

Reports concerning the status of absenteeism due to illness, etc., are also made to management meetings, and appropriate response measures are then undertaken.

The Environment

Quality, environment and information-security policies

Basic philosophy

As an information services business, HAMAGOMU AICOM INC. (hereinafter "the Company"), shall fulfill its social responsibility by establishing its policies as follows, by improving the quality of its services, by reducing the burden it places on the environment, and by strengthening its information security measures.

Policies

- The improvement of quality represents the duty of all employees. By continuously engaging in quality-improvement, customers shall be provided with high-quality software and services that exceed their expectations.
- By working hard to provide environmentally-friendly products and services, through its business activities, the Company shall strive to protect biodiversity and to achieve the sustainable use of biological resources.
- The Company shall implement information-security measures in accordance with information-resource risk levels, and information resources shall be managed appropriately.
Furthermore, in the event that information-security accidents occur, the Company shall work to minimize any damage and it shall implement measures to prevent any reoccurrence.
- The Company shall establish, operate and continuously improve comprehensive management systems that are capable of meeting quality, environment and information-security demands.
- Aims and objectives shall be established and implemented for the purpose of improvement. Moreover, evaluations and further improvements shall be undertaken on a regular basis.
- The Company shall act in accordance with all relevant laws and regulations, and it shall also comply with any other requirements.
- With respect to employees and all other people engaged in the operations of the Company, they shall undergo education and training for the purposes of improving quality, protecting the environment and strengthening information-security.

In addition to informing employees and all other people engaged in the operations of the Company as to the details of these policies, the policies shall be broadly publicized in the public domain.

Environmental data

Item	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Electrical power usage KWh	80,100	83,527	87,734	85,095	81,971
Electrical power usage (values calculated in barrels of oil) KL	20.6	21.5	22.6	21.9	21.1
Greenhouse gas emissions (t-CO ₂)	40.9	41.9	42.9	40.6	38.5
Water usage (m ³)	878	922	807	846	809
Waste generated (t)	9.2	4.9	3.9	3.3	4.3

Reductions in electrical power usage

Across the entire company (the Yokohama Office and the Mishima Office), compared to fiscal 2018, there was a 3.7% reduction in electric power usage.

Reductions in paper usage

Various measures are being implemented for the purpose of reducing paper usage.

Such include reducing the volumes of paper used by the business as well as the volume of information stored in a paper format. Furthermore, reducing the amount of physical storage space can be tied to greatly reducing the volume of paper being used.

Vending machine measures (power-saving, disaster-preparedness)

Various energy-saving measures have been adopted with respect to the automatic vending machines located in the Yokohama Office.

Furthermore, so that these machines may also prove handy for the storage of provisions during times of disaster, we have developed a system of vendors as a disaster-preparedness policy.

Fair Operating Practices

Credibility with our business partners

We are building relationships of trust with customers while placing an emphasis on compliance.

Focusing on the training concerning the "Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors" which is being conducted by the Procurement Division, training is being conducted throughout the entire organization.

Consumer Issues

Safety and quality of our products and services

In accordance with the quality management system that was developed when ISO 9001 certification was acquired, we are working to ensure quality.

We also conduct customer surveys, etc., and these activities lead to improvements in cases where issues have been identified.

With respect to privacy issues, matters are handled in accordance with the Privacy Mark certification that the Company has acquired.

Community Involvement and Development

Relationship with local societies

As a management system activity, goals have been established with respect to the promotion of regional contribution activities, and each employee proactively participates in a range of activities including those that Tree Planting Event Sponsored by Yokohama Rubber, Local Cleanup Activities and Volunteer Activities.

In fiscal 2019, a total of 932 people participated in some form of activity.

The HAMAGOMU AICOM INC. website can be found here. (available only in Japanese)

 <http://www.aicom.co.jp/>



Cleaning activities



Tree planting activities

Yokohama Industrial Products Japan Co., Ltd. (YMJ)

Business activities

Wholesaling of industrial rubber products

Number of employees

502 (as of December 2019)

Location

Hamagomu Building 4F, 5-36-11 Shimbashi, Minato-ku, Tokyo 105-8685

Contact for consultation and complaints

Tel: +81-3-5400-4861 Fax: +81-3-5400-4849



Message from the President



Mori Hiroyuki

The Company is an industrial products sales company that was established through the integration of eight domestic industrial products sales companies engaged in Yokohama Rubber's MB business in October 2010.

The industrial rubber products researched, developed, and manufactured at Yokohama Rubber for use in various fields including mining, energy, construction, and machinery are provided to customers based on the motto of "delivering the best products at competitive prices and on time".

As a member of the Yokohama Rubber Group, the Company aims to become a company having world class strengths in protecting the environment through improvements to environmental management, the development of an internal environment for the prevention of global warming, and activities to expand sales of environmentally sound products in accordance with the Environmental GD100 action guidelines.

Organizational Governance

A Management Meeting attended by full-time directors and headquarters general managers is held every month to discuss account closing, personnel, and other important issues, and the matters that resolutions are made on are decided on by the Board of Directors. In addition, a Company Presidents Meeting that is attended by all presidents of in-house companies in addition to the members of the Management Meeting is held every three months with the aim of forming a companywide consensus.

Organization (offices)

Hokkaido Company	7-12 Odorihigashi, Chuo-ku, Sapporo City, 060-0041	Tel: +81-11-241-5111
Tohoku Company	5-1-6 Oroshimachihigashi, Wakabayashi-ku, Sendai, 984-0002	Tel: +81-22-390-1733
Kanto Company	Hamagomu Building 4F, 5-36-11 Shimbashi, Minato-ku, Tokyo 105-8685	Tel: +81-3-5400-4870
Chubu Company	Fuji Building No. 5, 4-23-2 Chiyoda, Naka-ku, Nagoya 460-0012	Tel: +81-52-331-9868
Kinki Company	Kincho-Tosabori Building, 1-4-11, Tosabori, Nishi-ku, Osaka 550-0001	Tel: +81-6-6446-6701
Chugoku Company	6-7-32, Minami-Kannon, Nishi-ku, Hiroshima City, Hiroshima 733-0035	Tel: +81-82-231-8851
Kyushu Company	1-7-4, Yakuin, Chuo-ku, Fukuoka City, Fukuoka 810-0022	Tel: +81-92-711-8541

Compliance measures

A compliance card is distributed to all employees with the aim of strengthening compliance awareness.

In addition, we conduct compliance workplace seminars for all employees, and also conduct compliance training for new employees, managers, etc. as needed in cooperation with the Corporate Compliance Department of the Yokohama Rubber Co., Ltd.

Furthermore, regular internal audits are conducted on various internal operations, during which consideration is also given to instructions and improvements in terms of compliance.

Human Rights

There is no forced labor or child labor at the Group. Furthermore, there is no gender discrimination in terms of wages, promotion, placement, etc.

We work to improve understanding and response to human rights through compliance education, and we have also established a Compliance Consultation Desk to respond to such issues.

Labor Practices

Human resources development and training

In order to foster the growth of both individual employees and the Company as a whole, we implement various types of training activity, divided into the following broad categories: program-type training, checkpoint-type training, and level-specific training. In fiscal 2018, we introduced new product know-how training with a renewed focus on sales activities. The aim of these training activities is to strengthen employees' knowledge of and commitment to products, and to achieve further development of sales at the regional level.

Occupational safety and health

We work to prevent disasters through measures such as stationing employees that have acquired ordinary life-saving skills at business locations throughout Japan, and conducting drills for situations such as disaster evacuation, fire extinguishing, tsunami evacuation, and spreading information during disasters.

We also work to strengthen the promotion of occupational safety and health through means such as holding safe operations workshops, implementing overtime hours management to prevent overwork, and the holding of monthly meetings of the health and safety committees at each YMJ workplace, etc.

Promotion of employment of people with disabilities and employee diversity

We employ 9 people with disabilities as a certified company of the Yokohama Rubber Group.

Female employees account for 133 of our total of 502 employees, and we also have 38 elderly employees (re-employed employees aged 60 or above).

Work-life balance

We work to enable employees to maintain a work-life balance through means such as specifying Wednesdays and Fridays as days for leaving the office at the scheduled time.

We have also formulated a General Business Owner Action Plan in accordance with the Act on Advancement of Measures to Support Raising Next-Generation Children, and we are working to put in place the working environment and diversified working conditions needed to help employees with childcare responsibilities balance the needs of their careers and their families.

The Environment

Environmental policy

We conduct various activities to help prevent global warming (cool biz, warm biz, black illumination, turning the lights off during rest periods, etc.) in accordance with the Yokohama Rubber Group's Environmental GD100 policy.

We are also gradually replacing our company vehicles with environmentally-friendly hybrid vehicles.

Environmental data

Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Greenhouse gas emissions (1,000t-CO ₂)	—	—	1.22	1.17	1.01
Scope 1 (Buildings: Fuel Used)	0.03	0.03	0.02	0.02	0.02
Scope 2 (Buildings: Electricity Purchased)	0.48	0.45	0.38	0.40	0.34
Scope 3 (Consignors: Fuel Used)	0.91	0.9	0.82	0.75	0.65
Water usage (m ³)	3,490	2,720	2,436	264	156
Waste generated (t)	107	47	55.0	53.3	69.6

※CO₂ emissions are calculated by multiplying the consumption amount by the coefficient presented by each power company.

Fair Operating Practices

Credibility with our business partners

Regular compliance education is conducted for both sales departments and purchasing departments to ensure thorough compliance with antitrust laws, subcontractor laws, and other related laws, in order to ensure fair trade.


Consumer Issues

Safety and quality of our products and services

The sales contact points of in-house companies nationwide respond to inquiries and complaints from customers regarding products and services.

In addition, we have made a contact point available on the website in order to respond to opinions and questions from customers regarding the products we offer.

Click here for Yokohama Industrial Products Japan Co., Ltd.'s website. (available only in Japanese)

 [_ \(https://www.yrc.co.jp/mb/list/index.html\)](https://www.yrc.co.jp/mb/list/index.html)

Community Involvement and Development

Relationship with local societies

Each in-house company headquarters has participated in regional disaster prevention drills in effort to work together with the local community.

Each of the companies volunteered to participate in community cleanup activities, tree nurturing and tree planting activities.

Community Cleanup Activities

• Toba City



Coastal Cleanup Activities in Toshi-jima(Island)

• Hiroshima City



Cleaning around the office

• Naha City



Beachside trash collection

Tree Growing and Planting Activities

• Fukuoka City



Planting saplings

• Greening activities in Kochi Prefecture



Removal of the plum blossom moss, etc.

• Green Levee Tree Growing Activities in Iwanuma City



Registration of supporters of the Hill of Hope