

Disclose information on the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

Responding to Challenges Related to Climate Change

The Yokohama Rubber Group aims to be "To build a trusted identity as a contributing member of the global community.

Under our medium-term management plan, "Yokohama Transformation 2023 (YX2023)," we are developing corporate activities that are rooted in local communities around the world, and are working to solve social issues based on our CSR slogan, "Caring for the Future".

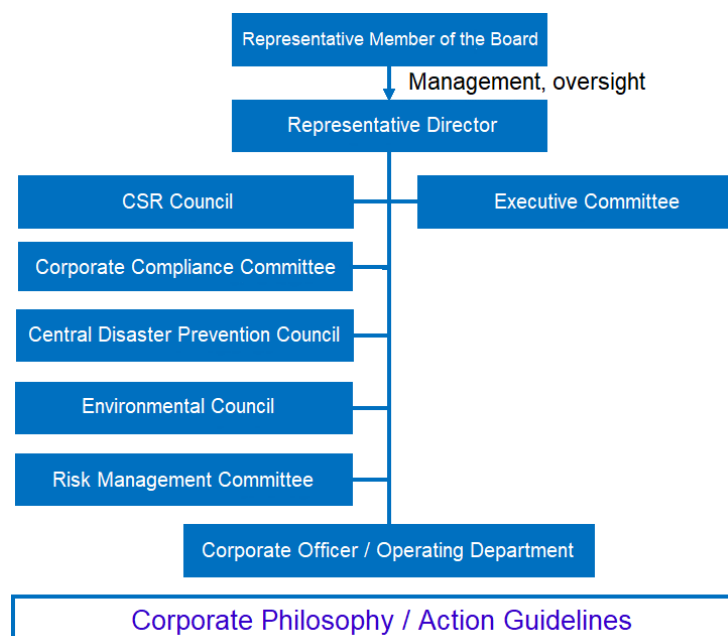
Examples of specific initiatives are shown below.

Governance

Twice a year, we hold a CSR Council where our President and Representative Director serves as a chairperson, as part of an organizational framework that was set up to discuss and develop plans for addressing ESG issues that Yokohama Rubber Group is currently facing.

In addition, we have established the Environment Council, the Central Disaster Prevention Council, and the Risk Management Committee, all of which are headed by the director in charge, to deliberate on ESG issues.

Climate-related risk management system



Strategic planning

Under “YOKOHAMA Transformation 2023,” we will dig deeper into the core strengths of our existing businesses, while also search for new growth opportunities by responding to the dynamic once-in-a-century transformation taking place in our major market, and engage in ESG initiatives.

We will continue to provide 100% environmentally-friendly products, contribute to the next generation mobility society (research and development of hydrogen-filling hoses and sensor tires), promote carbon neutrality and resource recycling, and promote biodiversity conservation activities and sustainable natural rubber procurement.

We will also examine and review the risks and opportunities in our sustainability management, including the scenario analysis required by the TCFD recommendations, and link them to new initiatives.

Issues to be recognized	Risk	Opportunities
<ul style="list-style-type: none"> Climate change problems Changes in the natural environment of our production bases and suppliers Impact of operations on the ecosystem Continuation of sustainable operations in Japan and abroad Dependence on natural capital such as water and natural rubber Switch from fossil resources to sustainable resources Customer health and safety Shift to CASE in automotive industry Provision of products that meet environmental performance and customer needs High environmental impact when using products Improvement of occupational health and safety and prevention of infectious diseases 	<ul style="list-style-type: none"> Suspension of product support or procurement due to disasters or infectious diseases Decrease in demand for winter tires due to decrease in snowfall Sharp rise in resource prices Environmental laws and regulations and litigation risks Impact on climate change and air pollution, and increased energy costs Environmental impact of waste and emissions, and community opposition to operations Depletion and shortage of water resources Losses and business impact due to occupational accidents, 	<ul style="list-style-type: none"> Reduction of energy costs by improving manufacturing process efficiency New business opportunities by adapting to CASE Early response to changes in demand and tighter regulations Improvements in competitiveness and profitability through reuse and recycling Reduction of resource price fluctuation risks and improvements in operational efficiency through reuse and recycling Traceability for sustainable natural rubber procurement

<ul style="list-style-type: none"> • Environmental impact of suppliers (local pollution, negative impact on local residents, risk of shutting down supplier operations) • Social impacts on suppliers (disasters, human rights violations, illicit activities and conflict minerals) • Environmental impact on areas where we are expanding our business, and the negative impact when withdrawing 	<p>natural disasters, infectious diseases, etc.</p>	<ul style="list-style-type: none"> • Improvement of the environmental and social impact of suppliers and improving their reputation by promoting CSR procurement • Reduction of environmental protection costs • Job creation and economic development in regions where we operate • Change in mobility in regions with an aging and shrinking population • Change in mobility services in the new normal • Reduction of environmental lawsuit and regulation penalty risks
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	Yokohama Rubber's Initiatives
Product	<ul style="list-style-type: none"> • Manufacturing and selling tires with high safety, quality, and environmental performance • Promotion of the YOKOHAMA Intelligent Tire Concept • Development of all-season tire and sensor technology • Tire maintenance through service cars and remote service • Development of biomass rubber and promotion of retread tires • Manufacturing and selling tires for agriculture and forestry machinery that contribute to sustainable production in the agriculture and forestry industry • Manufacturing and selling MB products that contribute to greenhouse gas reductions

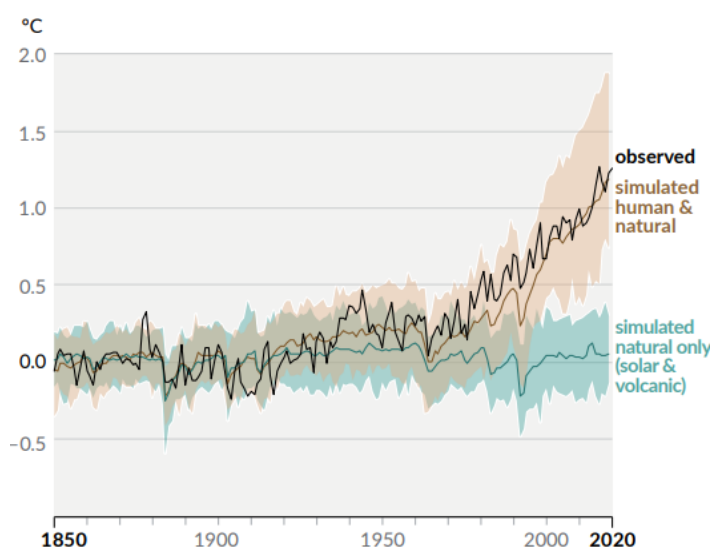
The Earth	<ul style="list-style-type: none"> • Continuation of 100% environmentally-friendly products • Environmental impact reductions through business activities • Promotion of Yokohama Forever Forest and biodiversity activities • Promotion of cogeneration and renewable energy • Effective use of water resources (rainwater harvesting in India and Thailand, etc.)
People	<ul style="list-style-type: none"> • Strengthening of efforts in health management • Strengthening of safety and disaster preparedness initiatives
Community	<ul style="list-style-type: none"> • Sustainable natural rubber procurement • Promotion of agroforestry farming methods • Coexistence and Co-prosperity with Rubber Farmers • Disaster support activities

➤ Risks and Opportunities Presented by Yokohama Rubber's Sustainability-focused Management

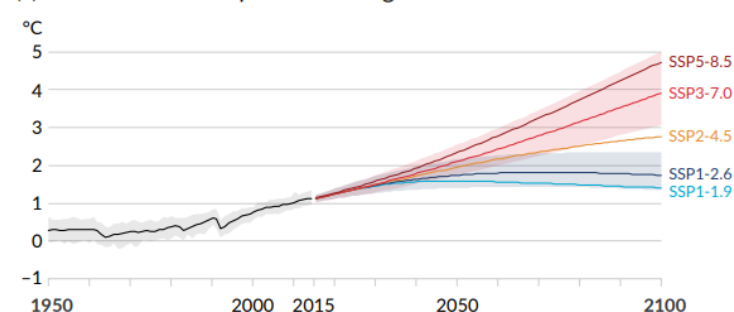
Yokohama Rubber recognizes the following impacts of global average temperature change and human activities due to climate change, based on the IPCC Sixth Assessment Report.

Changes in global surface temperature relative to 1850–1900

(b) Change in global surface temperature (annual average) as **observed** and simulated using **human & natural** and **only natural** factors (both 1850–2020)



(a) Global surface temperature change relative to 1850–1900



※Human activities affect all the major climate system components, with some responding over decades and others over centuries

※[IPCC AR6 WGI SPM final.pdf](#)

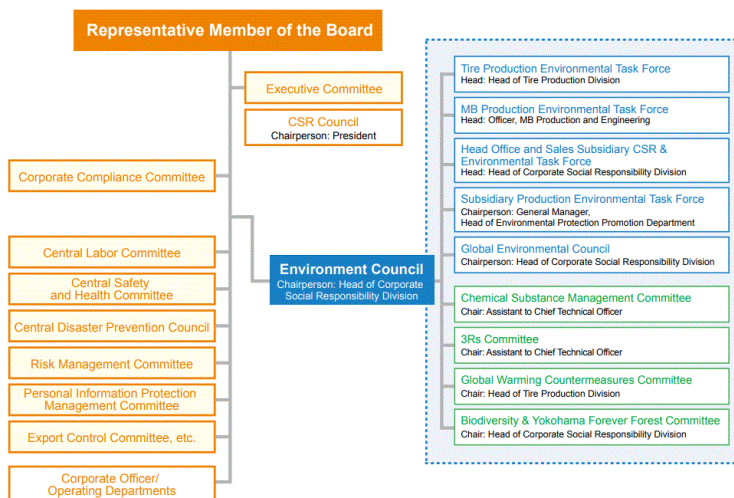
※Source: IPCC Sixth Assessment Report (issued in August 2021)

Risk assessment

Under the Environmental Council, the Global Warming Countermeasures Committee, the Chemical Substances Management Committee, the 4Rs Committee (renamed in September 2021), and other committees are engaged in activities to reduce risks related to climate change.

In addition, under the Central Disaster Prevention Council, we are working on disaster prevention and BCP, and promoting the reduction of physical risks from natural disasters.

CSR and Environmental Management Promotion Framework



➤ CSR and Environmental Management Promotion Framework

Indicators and Targets

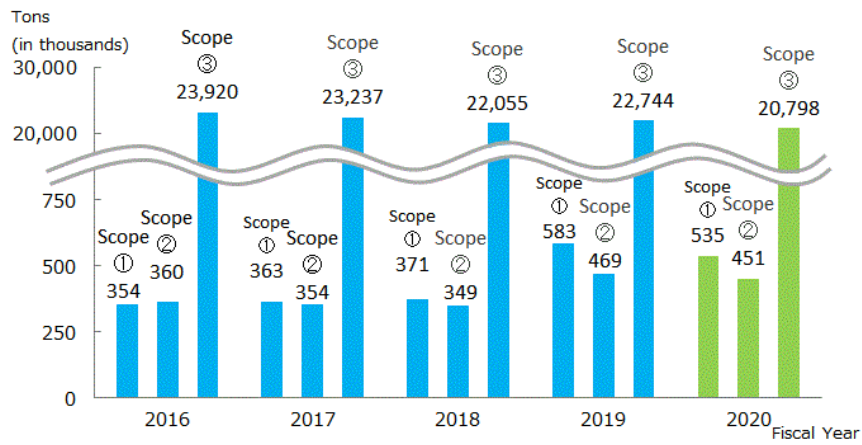
On our CSR website, we disclose the results of each indicator such as GHG emissions, water, waste, and Forever Forest and biodiversity conservation activities. We will continue to update this information on a regular basis.

We are also working on a roadmap for our carbon neutral initiatives.

For each data, please refer to here.

➤ Primary Initiative Progress Report

Greenhouse gas emissions (consolidated)



For details on each initiative, please click here.

> The Earth

📄 Data Summary