

Yokohama Rubber's Sustainability

In 2008, Yokohama Rubber developed the CSR Management Vision and CSR Action Guidelines to promote CSR and sustainability management, and established the CSR Div. as the responsible division, as well as the CSR and Environmental Promotion Council (currently the CSR Council) chaired by the President, Chairman of the Board, to oversee CSR management. In 2014, based on the four areas and 10 principles of the United Nations Global Compact* and other international norms, we established the Yokohama Rubber Group Action Guideline, identified themes that have a significant impact on or are of high interest to both Yokohama and its stakeholders as material issues and iterated on the PDCA cycle while making continuous improvements to achieve those goals. In 2017, our 100th anniversary, we developed a CSR slogan, and have been aiming to achieve sustainable growth over the next 100 years in order to contribute to the realization of a sustainable society through our business activities.

* The United Nations Global Compact is the world's largest sustainability initiative in which the UN and the private sector join forces to build a healthy global society and requires participating companies to put into practice the Ten Principles in the four areas of human rights, labour, the environment and anti-corruption.

CSR Management Vision (Developed 2008)

“To build a trusted identity as a contributing member of the global community.”

CSR Action Guidelines (Developed 2008)

- Identify continually changing social trends.
- Ascertain the items that can contribute.
- Act swiftly to earn affirm trust.
- Practice CSR in one's own work.

Yokohama Rubber Group Action Guideline* (Developed 2014)

- We shall respect human rights inside and outside the company.
- We shall create workplaces that are safe and healthy.
- We shall harmonize our activities with the global environment.
- We shall provide safe and high-quality products and services.
- We shall conduct corporate activities with a high transparency and practice proper disclosure of information.
- We shall observe not only laws and regulations but also social norms.
- We shall aspire to harmony and prosperity with local communities.

CSR Slogan (Developed 2017)

“Caring for the Future”

* Only items listed. See the Yokohama website for details.
<https://www.y-yokohama.com/global/csr/feature/>

Process for Identifying Important Issues (Materiality)

Towards complying with Version 4 of the Global Reporting Initiative Guidelines (G4), the international guidelines for sustainability reporting, in 2014 Yokohama identified important issues (material aspects) in light of internal discussion and stakeholder feedback. Reviews of these important issues were undertaken in 2017 and 2020 in response to environmental changes and other developments, and we will continue to make revisions as needed in the future.

STEP 1 | G4 Gap Analysis

We referenced the G4 demands in relation to current information disclosure levels in CSR Report 2013 and ascertained the current status of compliant and non-compliant items. (Implemented January 2014)

STEP 2 | Prioritizing Issues

An analysis was conducted in accordance with the industries, business sectors and regions in which Yokohama operates. Following the analysis, priorities were assigned to the issues at Yokohama through discussions with related business units. (Implemented January to February 2014)

STEP 3 | Reflecting External Perspectives in the Priority of Issues

Interviews were conducted with five stakeholders. Based on the results of the interviews, priorities were determined from each aspect. (Implemented February to March 2014)

STEP 4 | Determining Important Issues

In light of the degree of importance analysis, research and discussions conducted in steps 2 and 3, the important issues were determined in 2014.

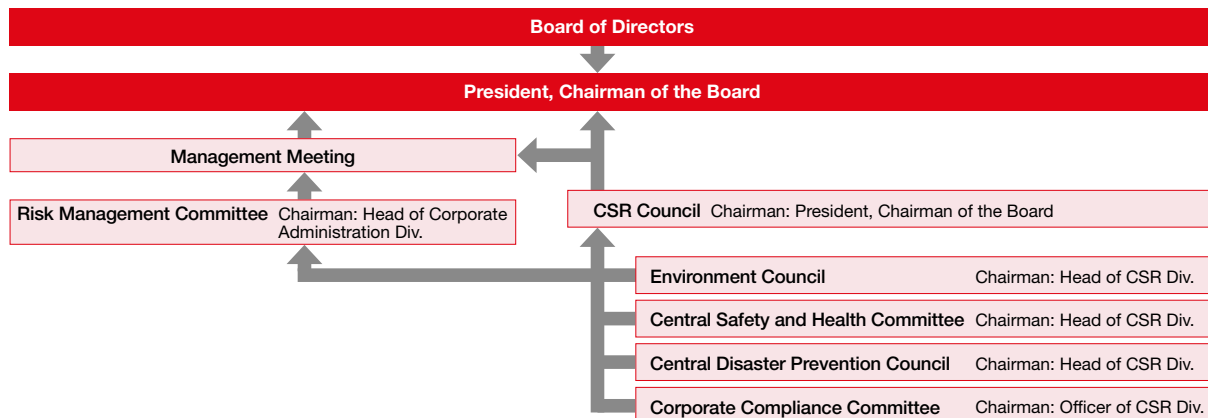
Important Issues (Materiality) (Determined in 2014, Revised in 2017 and 2020)

	Products	Deliver enjoyment and peace of mind.					
	The Earth	Leave a sound environment to future generations.					
	People	Build on each other's strengths.					
	Community	Earn the confidence of our neighbors.					
	Corporate Governance	Lay a solid foundation for fulfilling social expectations.					

CSR and Sustainability Promotion System

The CSR Council, which is chaired by the President, Chairman of the Board and attended by all executive members of the Board and Audit and Supervisory Board members, convenes twice a year (in May and November), and is positioned to draft and consider matters concerning the CSR issues (environment, occupational health and safety, disaster prevention, quality, compliance, social contribution, etc.) to be addressed by the Yokohama Group. The Environment Council, Central Health and Safety Committee, Central Disaster Prevention Council, Corporate Compliance Committee and other meeting bodies have been established to formulate and consider action on individual CSR issues, and to formulate and implement more detailed plans and measures. In addition, those CSR issues that are of a serious and urgent nature are handled in coordination with the Risk Management Committee.

CSR and Sustainability Promotion Structure



Material Issues (Materiality) and Improving Medium-to-Long-Term Corporate Value

Based on its CSR slogan of “Caring for the Future,” Yokohama links the five Material Issues of “Products,” “The Earth,” “People,” “Community” and “Corporate Governance” with its business strategy, and in keeping with its Basic Philosophy, “To enrich people’s lives and contribute to their greater happiness and well-being by devoting our wholehearted energies and advanced technology to the creation of beneficial products.”

In addition to initiatives aimed at carbon neutrality and the circular economy, we tackle all important issues under ESG, including biodiversity, social contribution, coexistence with local communities, respect for human rights, diversity and corporate governance, and link these efforts with the sustainable improvement of corporate value.

Basic Philosophy: To enrich people’s lives and contribute to their greater happiness and well-being by devoting our wholehearted energies and advanced technology to the creation of beneficial products.

The Earth

Leave a sound environment to future generations

- Biodiversity conservation
- Corporate contribution

Community

Earn the confidence of our neighbors

Carbon neutrality

Zero CO₂ emissions from the production of OE tires

Circular economy

Expand use of sustainable materials in motorsports tires

Coexistence with nature

- YOKOHAMA Forever Forest
- Support for sustainable natural rubber procurement

Products

Deliver fun and peace of mind

Provide high-value-added

High quality + High performance + Sustainability



People

Build on each other’s strengths

- Respect for human rights
- Diversity & inclusion
- Work-style reforms
- Staff training
- Employees’ health & safety

Corporate Governance

Lay a solid foundation for fulfilling social expectations

- Medium-term performance-linked remuneration system
- Diverse Board of Directors
- Stronger risk management
- Stronger compliance system

TOPIC

Selected as a Constituent Stock of the FTSE Blossom Japan Sector Relative Index

Yokohama was selected as a constituent stock of the FTSE Blossom Japan Sector Relative Index, an equity index designed to reflect the performance of Japanese companies that demonstrate strong environmental, social and governance (ESG) practices. This index has been selected by Japan’s Government Pension Investment Fund (GPIF) as one of the indices that guide its ESG-based investments.

Yokohama is also a constituent stock in two other ESG indices used by the GPIF to guide its investment in Japanese companies—the FTSE Blossom Japan Index, in which Yokohama has been a constituent for five straight years, and the S&P/JPX Carbon Efficient Index. The Company’s stock has also been included in the FTSE4Good Index Series, a global family of ESG-based investment indices, for 17 consecutive years.