

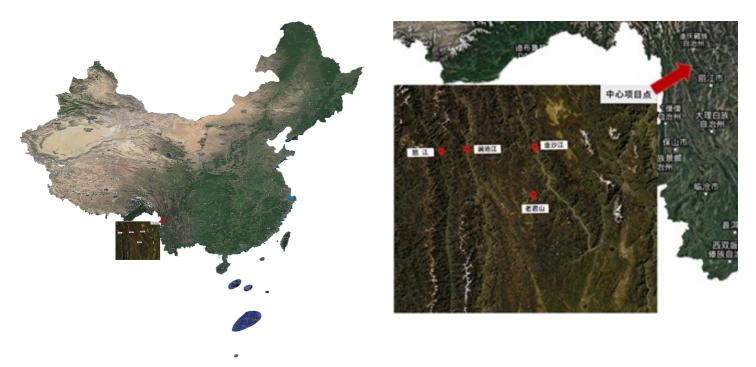
# YOKOHAMA's CSV<sup>\*</sup>Activities

Under the slogan of "Caring for the Future," the Yokohama Rubber Group is engaged in various activities to share values with society and create future values through addressing social needs and issues around the world.

**%CSV** : Creating Shared Value

# The Laojunshan Ecosystem Preservation Project

Laojunshan, located in Yunnan Province, China, is a mountainous area surrounded by rich nature and was registered as a World Natural Heritage site in 2003. The Laojunshan Ecosystem Preservation Project is unique in that it aims to protect the ecosystem by transforming a village whose livelihood was previously dependent on deforestation into an agricultural and livestock production economy.



In 2011, Y-CH, our Chinese headquarters, started this project in Hengyuan Village. We established a "village bank" to provide loans necessary for the transition to agricultural and livestock production, and a "natural ecological industry cooperative" to provide training. Y-CH provided the "Yokohama Rubber Ecology Scholarship (Education Support) Fund" to children and established the "Laojun Mountain Ecological Agroforestry Products Sales Platform" to strengthen the production and sales chain of environmentally friendly agriculture and forestry products.

The project was later expanded to Leming Village and Liuguang Village, and then to Guangxi Province.

Due to those activities, in 2017, the Laojunshan Ecosystem Preservation Project was recognized by the State Council of China as a subject of a national investigation with the highest potential for environmental protection success.

We also focused on passing on the folk culture of the Krazyme (Squirrel) minority living in Laojun Mountain, providing traditional textiles and ethnic musical instruments making tools, and conducting workshops by folk research scholars to pass

on folk art manufacturing techniques. In addition, in 2019, we donated Lisu folk instruments to an elementary school in Liming Village.

In 2022, Y-CH has been able to protect approximately 20 million square meters of forests and more than 12 km of watershed.



The "weeding" process



Group photo of activities in 2021



Local agricultural products (honey, walnuts)

# **Related Links**

Jun 22, 2018 Yokohama Rubber Expands Area of Support for Ecosystem Protection Project in China Jul 04, 2019 Yokohama Rubber Donates Ethnic Musical Instruments to Local Elementary School to Pass on Chinese Folk Culture

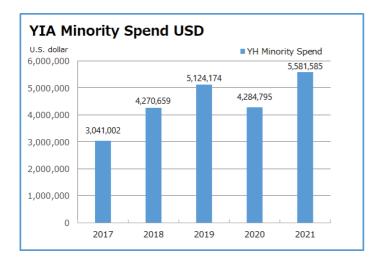
Yokohama Rubber (China) Co., Ltd. (Y-CH)

# Main activities at other sites

# **Minority Business Economic Development**

Yokohama Industries Americas Inc. (YIA), which manufactures and sells automotive air conditioners, power steering systems, and other products in the United States, actively promotes business with minority-owned companies in order to support social minority groups (minorities) such as African Americans and Hispanics.

YIA's business is growing along with that of minorities, which has expanded dramatically in recent years.



# **Related Links**

Yokohama Industries Americas Inc. (YIA)

# Localization Project for Local Production for Local Consumption of Natural Rubber

In 2014, YTPI, which produces passenger and recreational vehicle tires in the Philippines, started the Localization Project, which aims to strengthen the Philippine economy through the procurement of locally produced materials used in tire production.

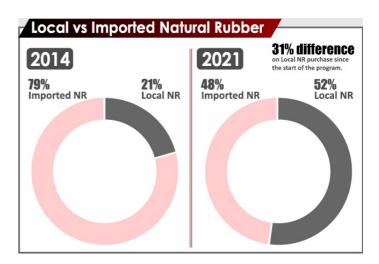
Today, YTPI has achieved significant results with the "Localization Project": YTPI's consumption of natural rubber from the Philippines is continuously increasing.

Prior to the localization, YTPI tires are composed of 79% imported natural rubber and only 21% local natural rubber. With the continued efforts to localize raw materials, from 21%, our tires are now composed of 52% local natural rubber, a whopping increase of 31% from 2014 to 2021.

This localization project benefitted and will continue to be of huge help to Filipino famers and traders, providing them with a more stable and secured income. This initiative is expected to play an even greater role in sustaining the country's manufacturing industry by patronizing its own products.



Natural Rubber from a local supplier in the Philippines



YTPI actively promotes localization beyond the procurement of raw materials, such as maintenance of equipment and mold repair. In selecting suppliers, YTPI conducts checks on compliance and service quality.

#### Promoting agroforestry farming

YTRC, a natural rubber processing company in Thailand, is promoting the spread of agroforestry farming methods to smallscale farmers (smallholders) who grow natural rubber (para rubber tree) on farms spread around its plantation in Surat Thani Province, located in southern Thailand.

Agroforestry farming is a form of mixed cultivation. By growing various crops within rubber plantations through utilizing the spacing between the planted rubber trees, small-scale farmers (smallholders) can develop an additional stable income source by being able to harvest and sell produce, etc. By promoting the adoption of agroforestry farming practices, at YTRC we are working to stabilize the businesses and livelihoods of smallholders. We are also helping to maintain the region's natural biodiversity and to protect its forests.

Furthermore, we are cooperating with university specialists who are researching agroforestry farming practices, and supplying saplings to an experimental plantation that is being run by YTRC. Seedlings grown by YTRC from seeds are supplied throughout the year to local schools, institutions, and individuals of their choice. More than 10,000 seedlings are supplied every year, and the program has been well received.



Collected seeds

In order to provide continuous support to small holders, YTRC has been holding regular seminar events to improve the quality of natural rubber in collaboration with Rubber Authority of Thailand (RAOT), which is under the jurisdiction of the Ministry of Agriculture and Cooperatives of Thailand.

In January 2020, Yokohama Rubber signed a Memorandum of Understanding (MOU) to cooperate with RAOT to support the management of natural rubber farmers and ensure the transparency and soundness of the supply chain. This seminar event is part of our support to farmers under this MOU.

The seminar event in June 2022 was attended by 50 farmers from 50 households in Surat Thani district after implementing COVID-19 infection control measures, and 250 kg of fertilizer was provided free of charge per farmer based on RAOT's knowledge, which was well received by the participants.



Natural rubber farmers who participated in the event

#### **Related Links**

#### Y.T.RUBBER CO., LTD. (YTRC)

#### Promoting Agroforestry

July 21, 2022 Yokohama Rubber and Rubber Authority of Thailand (RAOT) jointly continue to support natural rubber farmers and hold seminar events to improve quality

## Heisei no Mori" Project (Otsuchi Town, Kamihei-gun, Iwate Prefecture)

Yokohama Rubber launched the <u>"YOKOHAMA Forever Forest"</u> project in 2007 to plant trees at all of its production sites in Japan and overseas in preparation for its 100th anniversary in 2017.

Under the guidance of Akira Miyawaki, a world-renowned plant ecologist and professor emeritus at Yokohama National University (deceased), who has planted trees at more than 1,700 locations in Japan and overseas, the "YOKOHAMA Forever Forest" project is designed to plant "hometown trees" that have inhabited the land and region for centuries and are most suitable for planting. This project promotes the creation of a genuine "forest" that will last for 1,000 or 2,000 years. We have set a goal of planting 500,000 saplings at our production and sales bases in Japan and overseas by 2017, the 100th anniversary of Yokohama Rubber's founding, by taking advantage of potential natural vegetation. In September 2017, we achieved our initial target of 500,000 trees, and we are currently working toward our goal of planting and providing a cumulative total of 1.3 million seedlings by 2030.

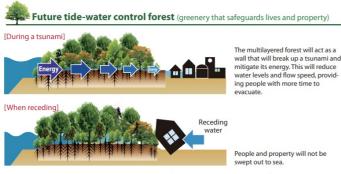
After the Great East Japan Earthquake in 2011, Mr. Miyawaki conducted a field survey in the affected areas and proposed the creation of a "Forest Seawall to Protect Lives" along a 300-kilometer stretch of the Pacific coast of the Tohoku region. Black and red pines, which are resistant to sea breezes and poor soil conditions and grow quickly, have been used for tide embankments in the past. However, pine roots have low soil holding capacity, and in the event of a tsunami disaster, their roots are uprooted and uprooted, and driftwood causes damage to people and buildings.

A survey of the trees and forests that survived near the coast in the disaster area revealed that they were multi-tiered forests consisting mainly of evergreen broad-leaved trees, and we appealed to the affected local governments to plant these trees on seawalls to "protect lives" of people in the disaster area.

Yokohama Rubber, which endorses the concept of the "Forest Seawall to Protect Lives," held a tree-planting event in Otsuchi Town, Kamihei-gun, Iwate Prefecture in 2012 as part of its Great East Japan Earthquake reconstruction assistance activities, utilizing the tree-planting know-how accumulated through the "YOKOHAMA Forever Forest" project.

This tree-planting event was a model case for the creation of a forest seawall by building a tree-planting mound using earthquake debris (noncombustible soil-based debris such as woody debris, earth, sand, and concrete fragments). The use of earthquake debris is expected not only to reduce the cost of debris disposal and CO2 emissions from incineration, but also to promote the growth of saplings, to ensure their stable rooting, and to raise disaster awareness among local residents without letting the disaster fade away.

The forest was named "Heisei no Mori" the following year, and Yokohama Rubber, together with local residents, has been collecting acorns of native broad-leaved trees, growing saplings, and holding tree-planting events with local residents every spring on an ongoing basis.



Source: Website of the Tohoku Council for "Forest That Protect Lives"

In 2014, in conjunction with the tree-planting event, Yokohama Rubber employees began giving tree-planting lessons to students at Otsuchi Town's Otsuchi Gakuen School as part of the school's "Furusato" (hometown) course, which is an educational program for reconstruction. Through the tree-planting experience, the students were able to learn about disaster prevention, global warming mitigation, and the importance of biodiversity conservation.

Although there were interruptions due to COVID-19, a total of 9 tree-planting sessions were held, and over the course of 10 years, approximately 25,000 saplings (6,000 as part of the "Hometown Studies" class) were planted on a mound approximately 5m high, 15m wide, and 300m long, which was completed in April 2022.

Yokohama Rubber plans to continue mound maintenance such as weeding with local volunteers to improve the environment.



Purpose of the "Heisei no Mori" Project

- Creation of a "Forest Seawall" to Protect Residents from Tsunami: The tsunami caused by the Great East Japan Earthquake destroyed many breakwaters and coastal forests that should have functioned as tsunami countermeasures. By planting a variety of tree species that take advantage of natural vegetation, we will create a seawall of trees with dense foliage and branches (i.e., wind and sand protection) and deep, firm roots.
- 2. Raise awareness of disaster prevention through the experience of planting trees on a mound made of earthquake debris (tree-planting site on an earthen mound).
- 3. Revitalization of communication in the local community through the participation of a large number of citizens
- 4. Education of children and students in the local community through tree planting classes in the "Hometown Studies" program
- 5. Contribution to global warming mitigation through absorption and fixation of CO2 by tree planting
- 6. Preservation of biodiversity by planting a variety of tree species utilizing natural vegetation

## **Related Links**

May 07, 2013 Yokohama Rubber to Hold "Heisei no Mori" Tree-Planting Event in Otsuchi Town, Iwate Prefecture CSR report 2012