

# CSR Report for the Head Office

**Total site area:** Main Office 1,760 m<sup>2</sup>, Annex: 324 m<sup>2</sup>  
**Number of employees:** 970 (as of December 2016)  
**Location:** 5-36-11, Shimbashi, Minato-ku, Tokyo 105-8685, JAPAN  
**Contact for consultation and complaints:**  
 Customer Consultation Office,  
 Japan Replacement Tire Business Planning Department  
 Tel: 0120-667-520 (Toll free number, available only in Japan)  
<http://www.y-yokohama.com/cp/global/inquiry/>



## Message from the Head of the Corporate Social Responsibility Division



Shuichi Tsukada

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 both 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, three outside directors and three outside audit & supervisory board members have been appointed to the Company.

### Investor relations (IR) activities

A number of domestic institutional investors have been visited annually since 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.

## Labour 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 below.

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

→ 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 have concentrated on the creation of posters that combine textual messages and visual elements. These posters are designed to educate employees regarding matters such as it being forbidden to walk around while operating a smartphone, etc. This is a type of behavior that has become an issue in the wider world. The posters we have produced have been placed on the stairwell landings of each floor. For noticeboards as well, the Head Office Safety and Health Committee has nominated locations within employees’ line of sight, and we are working to ensure that safe behavior is always on their minds.

**③ Equipment safety**

→ To reduce the danger of collisions at corridor corners, we have installed wide-angle mirrors so that employees can see whether anyone else is approaching the corner before they get to it. We have also implemented slip prevention measures on the floor of the reception lobby, on the basis of “near-misses” reported by employees. In the future, we will continue to make improvements to unsafe equipment.

**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; 84.9% of employees underwent stress checkups in 2016.

→ 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.

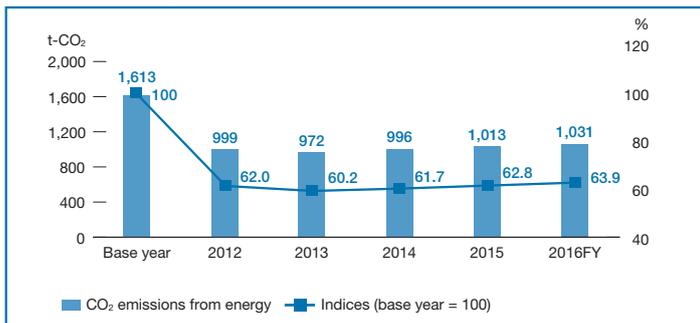
**Noise, vibration and odor**

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**

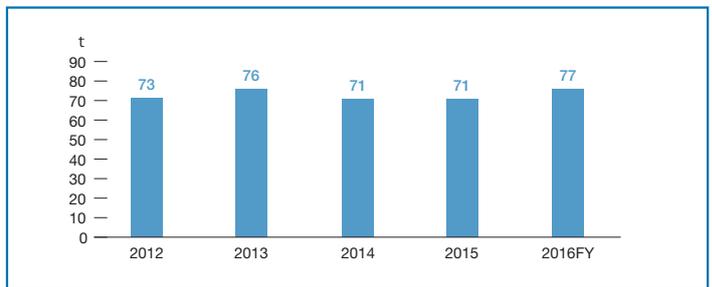
**• Greenhouse gas emissions**



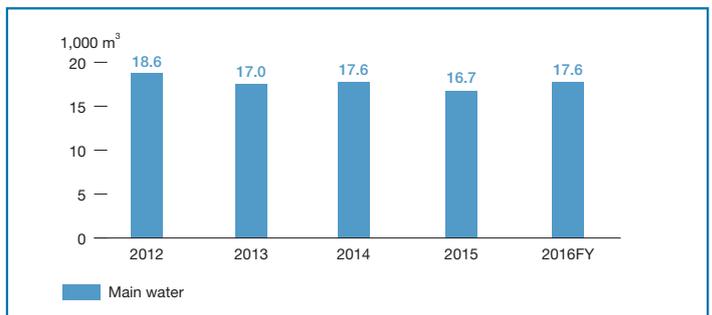
The head office changed the CO<sub>2</sub> emissions coefficient to actual emissions coefficient in FY2009. The figures in the Ministerial Ordinance under the Act on Promotion of Global Warming Countermeasures had been used until 2008. \* Base year: In principle 1990 is taken as the base year. \* Method 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, Trade and Industry. Note that GHG emissions associated with purchased power in FY2009 were calculated using the Table of Emissions Coefficients by Power Company (Ministry of the Environment).

**■ Effective use of resources / Reduction of waste**

**• Waste generated**



**• Water usage**





## Fair Operating Practices

### Promoting fair business practices

#### Explaining CSR 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 ethical problems 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. In further extending the existing CSR procurement guidelines in fiscal 2015, CSR procurement standards will be put in place. Furthermore,

CSR activities are being promoted still further through our advocacy of human rights within the supply chain, and through the work that is being undertaken to eliminate conflict minerals. As one part of these activities, rubber plantations are being monitored on an ongoing basis. With respect to their observance of biological diversity, the workplace environment and all the other compliance provisions, the Company continues to respond to such issues without exception.

We also conduct awareness activities, continuing to hold case study sessions about compliance violations for employees in charge of procurement. In fiscal 2016, the Company will further enhance its guides and manuals, with the documentation in writing of procedures and tasks also being promoted.

Note: Conflict Minerals: Resources derived from mining operations conducted in regions encompassed by the ongoing conflict in the Congo (tantalum, tin, gold and tungsten).



## 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)

Date: Weekdays (Monday to Friday)

Hours: 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/cp/global/inquiry/>



## 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.

Moreover, we also participate in the Committee Responding to Congestion in the Vicinity of Shimbashi Station; we participated in the meccEXPO activity organized by the Minato Eco-Conscious Consortium in January 2017, and we also provide sponsorship for the Shimbashi Koichi Festival and contribute to the invigorating of the local community.