

CSR Report of HAMAGOMU AICOM INC. (HAI)

Business activities: Information-processing services

Number of employees: 408 (as of December 2017)

Location:

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

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Message from the President



Tadashi Suzuki

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 (held as required) and at management meetings (held once a month).

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. As information-sharing forums, all company officers, division managers, general managers and departmental managers attend the corporate business meetings held once a month. What they discuss is then disseminated throughout the entire company by unit meetings, etc.

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 fulfil our corporate social responsibility.



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.

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



Promoting employee diversity

The company currently employs 4 persons with disabilities and 2 from other countries.

Of the total of 408 employees, 99 are female. 3 of these female employees are currently making use of the maternity and childcare leave system, while 17 are working shorter hours for the purposes of childcare.

Human resources development

Before assignment to a work site, new hires undergo group training that lasts six months.

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 Shinbashi 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.

Occupational safety and health

There were no accidents at work or during commutes during fiscal 2017. 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.



Quality, environment and information-security policies

Basic philosophy

As an information services business, HAMAGOMU AICOM INC. (hereinafter "the Company"), shall fulfil 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 even 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.



ISO 14001 Certificate

Environmental data

| Item | FY2014 | FY2015 | FY2016 | FY2017 |
|---|---------|--------|--------|--------|
| Electrical power usage KWh | 111,988 | 80,100 | 83,527 | 87,734 |
| Electrical power usage (values calculated in barrels of oil) KL | 28.8 | 20.6 | 21.5 | 22.6 |
| Greenhouse gas emissions (t-CO ₂) | 59.2 | 40.9 | 41.9 | 42.9 |
| Water usage (m ³) | 977 | 878 | 922 | 807 |
| Waste generated (t) | 6.9 | 9.2 | 4.9 | 3.9 |

Reductions in electrical power usage

At the Yokohama Office of the Company, although overall electric power usage increased by 3.9% in fiscal 2017 compared to fiscal 2016 because of a 9.9% increase in employee headcount, average electric power usage per employee was reduced by 6.2%.

Reductions in paper usage

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

Such measures include reducing the volume of paper used and concurrently reducing storage volumes. Reducing the amount of physical storage space can be tied to greatly reducing the volume of paper 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 the “Heisei Forest” planting ceremony sponsored by Yokohama Rubber, local cleaning activities and volunteer activities, etc.

In fiscal 2017, a total of 993 people participated in some form of activity. The HAMAGOMU AICOM INC. website can be found here.

(<http://www.aicom.co.jp/>) (available only in Japanese)



Cleaning activities



Planting activities