

Aspiring to be a Trusted Global Company



I used to believe that the ultimate objective of a business was to achieve growth with profits, and that the point of business activities lay in the pursuit of this objective. Now, however, I have come round to thinking that it is important that enterprises fulfill their corporate social responsibilities (CSR), and that it is by practicing CSR that sustainable growth can be achieved. Environmental issues are a prime example of this. The world today faces numerous problems requiring urgent action, including global warming, environmental pollution, and resource depletion. At such a critical time, a business that failed to properly discharge its corporate social responsibilities on the environmental front would be a hindrance to a society seeking to become sustainable, and its continuation in business would cease to be tolerated.

CSR does not concern only environmental matters. Global standards are being developed for a range of fields based on the ISO26000 standard, including corporate governance, labor practices, human rights, and product liability. The

Yokohama Rubber Group is already developing arrangements covering economic, environmental, and social aspects in accordance with international standards (such as ISO14001) and domestic and foreign legislation, and we intend to further develop and enhance these arrangements in the light of global standards on CSR as well.

In order to firmly embed the concept and practice of CSR in the Yokohama Rubber Group, it is important that everyone genuinely understands that CSR is something that should be an everyday part of their work. That's why I like to think of the "R" in CSR as standing for "reliability" rather than "responsibility." Responsibility conjures up images of having to do things out of a sense of duty. Reliability is a much more straightforward concept. I want to call on all our employees to work to build an enterprise that is trusted by the world, and that values people and does not pollute the environment. A prerequisite for doing that is firm corporate governance and thorough awareness of compliance.

I believe that the biggest contribution that enterprises make to society is by paying taxes, and paying more taxes increases their corporate value. Taxes are used to improve society and are not something for which one should seek a quid pro quo. In this sense, investment in the environment is a bit like paying taxes. Even if investing in improving the environment may not be good value for money financially, it is a necessary cost socially and one that we will actively pursue.

By practicing CSR, the Yokohama Rubber Group aims to create a sustainable society with its stakeholders. I hope that you, our stakeholders, understand this stance we have taken, and will continue to work together with us toward achieving this objective.

A handwritten signature in black ink, appearing to read 'T. Nagumo'.

Tadanobu Nagumo
President and Representative Director