

# Yokohama Europe GmbH (YEU)

## Business activities

Sales of tires (OE, REP) and industrial products in Europe, marketing activities within Europe, etc.

## Number of employees

87 (as of December 2022)

## Location

Monschauer Str.12 40549 Dusseldorf, Germany

## Contact for consultation and complaints

Tel: +49 (0) 211-53 74 05 13 Fax: +49 (0) 211-53 74 05 23

Email: [contact@yokohama.eu](mailto:contact@yokohama.eu)



## Message from the President



Hiroyuki Shioiri

Yokohama Europe GmbH is the European business management company of Yokohama Rubber Co., Ltd. based in Germany, with approximately 240 employees, including those at affiliated companies in European countries.

As you know, the European Union (EU) has been ahead of the rest of the world in launching specific initiatives and measures to achieve a sustainable society, and is leading the world in the field of ESG, especially in the use of fossil fuels, which is now a global issue, and GDPR (EU General Data Protection Regulation), which protects personal information.

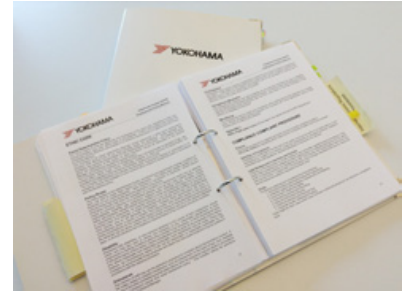
In addition to aiming to become a company rooted in the local community, YOKOHAMA Europe GmbH will aim to contribute to raising the level of the entire group's CSR activities by quickly providing feedback to the Yokohama Rubber Group on the latest trends in Europe.

## Organizational Governance

All employees have been issued with copies of the "Internal Business Regulations & Procedures" and the "Employment Handbook & Policy Manual", and they are engaged in business based on the code of conduct described within. Every year, all employees submit their signatures certifying that they have read and understood these materials to the Personnel Division Manager.

## Human Rights

The "Code of Ethics" has been established as a section within the "Employee Handbook & Policy Manual" retained by all employees. Within this it is clearly stated that gender discrimination, racial discrimination and acts of discrimination against the disabled are strictly prohibited. Time is taken to ensure the thorough enforcement of these regulations through individual interviews that are held with all employees every year.



## Labor Practices

"Human Resources Development," "Concluding Employment," "Discipline" and "Promotion" sections have all been established within the "Employee Handbook & Policy Manual" retained by all employees. Furthermore, the company's operation and control functions are conducted through detailed management practices.

## The Environment

### Fostering and improving environmental awareness

We have established an environmental member to continue our community-based activities. We also encourage paper conservation and continue to focus on promoting digitization.



Please consider your environmental responsibility. Before printing this e-mail ask yourself: "Do I really need a hard copy?"

The email signature header :

Consider your environmental responsibility. Before you print this email, ask yourself, "Is this really necessary?"

## Fair Operating Practices

### Policy on corruption and other irregularities

We strive to prevent corruption by ensuring that we do not provide benefits such as bribes. In order to enable Whistleblowers to report anonymously from inside and outside the company, we have made a contact point available on our website.

<https://www.bkms-system.com/bkwebanon/report/clientInfo?cin=44akzX&c=-1&language=eng>

# Consumer Issues

## Personal Information Protection Policy

As well as complying with the law, we manage data in accordance with the EU General Data Protection Regulation (GDPR) and disclose our privacy policy on our European website.

<https://www.yokohama-online.com/privacy-policy/>

## Claim response training for agents

We aim to improve customer satisfaction by confirming complaints from customers received through agencies and improving the complaint judgment accuracy of agents (fair judgment).

We strive to improve knowledge and awareness of tires by holding basic training for new employees and agent staff that are working with tires for the first time. We also offer advanced training to those with technical responsibility to improve their expertise.

Within COVID-19, we are striving to further expand quality by offering online courses and e-learning tools.



Welcome to the YOKOHAMA @cademy

Login screen of the E-learning tool



Our "Tyre Technology" courses



The tool is constantly evolving, including the expansion into multiple languages, not to mention the content.

# Community Involvement and Development

## Relationship with local societies

### 1. Free tires donated to charity organizations in Germany

In fiscal 2022, we collaborated with a major domestic tire sales franchise to provide free tires to charity organizations.

The project solicits ideas from dealers affiliated with the franchise, which are then selected and implemented.

The tires we provide are used on the vehicles of wildlife conservation organizations and contribute to local community activities.

### 2. Support for tree-planting activities in Germany (4,000 trees from 2018 to 2021)

### 3. Distribution of tire eco-bags to European countries (made from bio-based materials)



# LLC Yokohama R.P.Z. (YRPZ)

## Business activities

Production of tires for passenger cars

## Total site area

29ha

## Number of employees

717 persons (as of December 31, 2022)

## Location

YOKOHAMA Plant, territory of SEZ PPT Lipetsk, Gryazy town, Gryazy District, Lipetsk Region, Russia, 398010

## Contact for consultation and complaints

HR and Administration Dept.

TEL: +7 (4742) 727-800 FAX: +7 (4742) 727-900



## Message from the President



Takaoka Tatsuya

Located approximately 450 kilometers south of the Russian capital of Moscow, LLC Yokohama R.P.Z. commenced its production activities in the Lipetsk Region in 2012.

**In conducting our business, we aim to achieve the following:**

- **We wish to create a high-quality and cleanly run factory from which our customers may experience peace-of-mind when they purchase our products.**
- **We also wish to create an attractive company in which our employees can take pride.**

- **We aim to contribute to the well-being of the local community.**

It has been 11 years since we started production activities, and our most important requirements are safety (S), environment (E), quality (Q), delivery time (D), and cost (C), in that order. Of these, safety (S) is the most important requirement. We sincerely hope that all employees can finish their work every day and return home safely to their families. We are continuously making improvements and promoting improvement activities with the participation of all employees by using our environmental management system as an axis on which to base activities.

In the future as well, we intend to push forward with our aim of becoming a business that can be trusted by our customers, by our employees and by regional society.

# Organizational Governance

## Compliance

We want to be a company that complies with all applicable Russian laws in our business activities.

Through our Legal, Compliance, and Internal Control departments, we regularly monitor Russian laws. As a result, any newly enacted or amended laws and regulations that come to our attention are promptly addressed by notifying both management and the relevant business units.

Since July 2016, we have operated an internal reporting system as a tool for anonymous whistleblowing, and we regularly encourage all employees, including new hires, to use the system.

Since August 2017 to date, YRPZ has been working to strengthen its compliance training. To this end, the legal department provides all employees with monthly compliance case studies.

## Human Rights

There have been no instances of human rights violations in the Company's activities. In terms of recruitment and employment conditions, all employees are treated equally regardless of nationality, ethnicity, religion, gender, age, or physical appearance.

## Labor Practices

The company has been conducting its activity in line with the following priorities which are of great importance to us: safety (S), environment (E), quality (Q), delivery (D), and cost (C).

### Labor safety

Safety (S) is the highest-priority item. We are constantly striving, through the measures outlined below, to maintain and improve the safety standards on an ongoing basis.

1. Safety education for employees
2. Evaluations of safety awareness
3. Internal inspections relating to occupational health, safety and the environment (conducted daily)
4. Inspection patrols conducted by the internal safety committee (conducted weekly)
5. Safety patrols conducted with the President acting as a leader (conducted monthly)
6. Safety meetings (held monthly)
7. Workplace environment evaluations of working conditions
8. Provision of personal protective equipment (PPE)

YRPZ continued to review its near-miss reporting procedures in FY2022. During the year, 7,575 near-miss reports were submitted by employees. Corrective or preventive actions were initiated for 7,564 of these reports.

In 2022, there was a strong focus on ensuring the safety of work performed at height. In addition to the required personal protective equipment (PPE), employees who work at heights must receive special training to ensure they can perform their duties safely.

## Disaster response safety measures

In 2022, the company conducted appropriate activities to enhance safety in relation to disaster prevention.

YRPZ continues to provide fire safety training for all employees and conducts regular fire drills.

In July 2022, an evacuation drill was held; employees (shift and office) from all divisions of YRPZ participated in the drill (250 employees).



Fire Drill

## Promoting health

Employee wellness plays an important role in ensuring safety. We conduct preventive monitoring by regularly checking the health of our employees and conducting health checkups at the time of hire and periodically thereafter. Records of medical examinations are kept in a medical facility on the premises of YRPZ.

Voluntary Medical Insurance (VMI) is not mandatory under Russian law, but YRPZ continues to offer it to all employees. YRPZ's VMI program continues to be the best among industrial companies in Lipetsk Region in terms of coverage and content.

VMI allows employees to receive prompt, quality medical care and a better chance of recovery.

In FY2022, YRPZ took steps to further improve VMI, including continued support for YRPZ employees, expansion of coverage and clinic list, clinic audits, and employee satisfaction surveys and subsequent remediation measures.

1. Even before the pandemic began, we provided disinfectant solutions to our employees in our workplaces
2. We continued to provide safety face masks
3. Regular temperature control was conducted at the plant entrance before the start of the workday and several times during the workday
4. Increased the distance between employees and their desks for safety work
5. Outsider access to the plant premises was limited to only those visits that were highly necessary for temperature control at the plant entrance
6. Switched to online meetings whenever possible (e.g., recruiting, business, negotiations, etc.)
7. If an employee shows signs of illness or reports contact with a COVID-positive person, he/she is immediately isolated and tested for COVID-19 at company expense; COVID testing is also done when employees return from vacation (elsewhere in Russia or abroad) or from sick leave
8. Disinfection of common areas is carried out on a regular basis
9. Meeting rules: no longer than 15 minutes, distance between participants - 3 m
10. To prevent outbreaks of COVID-19, an aggressive vaccination campaign (vaccination promotion, vaccination arrangements at the factory) was implemented, and the vaccination rate among employees reached almost 100%.

## **Education and training**

In order to improve the professional skills and knowledge of our employees, we offer a variety of internal and external training programs.

Training conducted within the company is mainly related to occupational safety and health.

Training conducted externally is aimed at professionalizing and upgrading the know-how and skills of employees, and in many cases, with the cooperation of consulting companies, external instructors are used.

In addition, special allowances are provided to those who demonstrate a certain level of English proficiency.

## **Employment of people with disabilities**

As of the end of December 2022, there are 5 persons with disabilities working at YRPZ as full-time employees.

Each of them can receive medical care without discrimination and has the same opportunities for self-development, promotion, and advancement as other employees.

## **Motivation and engagement**

In order to improve the motivation and engagement level of employees, YRPZ implemented a number of tangible and intangible incentive measures and activities in FY2022, namely:

- YRPZ continued its tradition of birthday parties: in FY2022 every employee received a thermos bottle and a birthday card signed by the general director.
- All employees who have school-aged children received a set of school stationery at the beginning of the school year (September 2022).
- We held the Best Manager Contest again this year to motivate managers and improve their work efficiency.
- Employees who joined the company in 2012 (148 persons) celebrated their 10th anniversary and were presented with valuable gifts from the company.
- All employees and their children under 14 years old received seasonal NY gifts.
- All employees also got a special memorable gift - specially tailored branded zip-up hoodies, in commemoration of the 10th anniversary of YRPZ since its opening in 2012.
- On the day of Family, Love and Fidelity (traditionally celebrated in Russia on July 8) families and relatives working together at YRPZ got special gifts (branded mugs).
- Special allowance for coaching and mentoring was provided. Additional payments were made for mentoring and coaching subordinates and developing practical skills.
- Communication via internal Telegram channel contributed a lot to improving the internal climate of YRPZ.





Birthday gift in 2022



Set of school stationery for employees' school-aged children



10-year anniversary of work at YRPZ\_1



NY contest of children's drawings and crafts



Families & relatives working at YRPZ



# The Environment

## Environmental management

In addition to safety (S), the environment (E) is also an important issue, and YRPZ complies with all Russian laws and regulations related to the environment. Furthermore, we spare no effort to be an environmentally friendly company. In our daily operations, we keep abreast of the country's environmental laws and regulations and strive to comply with any revisions.

In 2022, we renewed our ISO 14001:2015 certification. The certification is valid until December 26, 2025.

СИСТЕМА СЕРТИФИКАЦИИ РУССКОГО РЕГИСТРА  
RUSSIAN REGISTER CERTIFICATION SYSTEM



# СЕРТИФИКАТ

Настоящим удостоверяется, что система экологического менеджмента

**ОБЩЕСТВА С ОГРАНИЧЕННОЙ ОТВЕТСТВЕННОСТЬЮ  
"ЙОКОХАМА Р.П.З."  
(ООО "ЙОКОХАМА Р.П.З.")**  
стр. 47, корп. 11, территория ОЭЗ ШИТ Липецк, Грязи,  
Грязинский р-н, Липецкая обл., 398010, Россия

была проверена и признана соответствующей требованиям стандарта

**ISO 14001:2015**

в отношении производства автомобильных шин  
для легковых автомобилей

№: 22.1760.026  
от 26 декабря 2022 г.

Система менеджмента сертифицирована с 2016 года

Сертификат действителен до 26 декабря 2025 г.



А.В. Владимирцев  
Генеральный директор Ассоциации  
по сертификации "Русский Регистр"



Действие сертификата распространяется только на площади компании, указанные в настоящем сертификате. Сертификат теряет силу в случае невыполнения условий сертификации (<http://www.russianregister.ru/doc/004.00-103.pdf>).



Ассоциация по сертификации "Русский Регистр", пр. Рыжского-Корсакова, д. 101, Санкт-Петербург, 190121, Россия

03-003767 RUSSIAN REGISTER РУССКИЙ РЕГИСТР

## Environmental data

Category		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Waste disposed (t)		1,211	1,009	922	927	690
Proportion sent to landfill (%)		7.5	12.7	14.5	13.7	11.5
Landfill waste (t)		91.0	128.0	134.0	127.0	79.4
Energy use (oil equivalent: kl)	Electric power	5,232	5,096	4,964	5,201	3,396
	Fuel	4,918	4,283	4,067	4,355	3,515
	Total	9,865	9,379	9,031	9,556	6,911
Greenhouse gas emissions (1,000t-CO <sub>2</sub> )		18.2	16.7	16.1	8.7	8.9
Water usage (1,000m <sup>3</sup> )		50.1	46.2	44.1	48.5	36.0

※FY: January to December

※Greenhouse gas emissions from overseas business sites are calculated using the Greenhouse Gas Protocol Initiative and electricity emission factors of local businesses. It should be noted that 41% of the company's gas emissions were used for the purposes of heating.

## Measures for dealing with industrial waste

Disposal of industrial waste is strictly regulated by the Russian authorities. All waste generated by the YRPZ plant, of whatever type, is disposed of appropriately by certified waste disposal contractors. We are continuing our efforts to reduce the amount of industrial waste generated.

Total waste generated in FY2022 was 690 tons.

The amount of waste generated per tire produced was 0.13 kg/tire.

In FY2022 20,395 kg of paper and cardboard were sent to recycling.

## Disposal of used tires

Under the provisions of Regulation dd 09.04.2016 No. 284 issued by the Government of the Russian Federation, which establishes the responsibility of manufacturers and importers for certain products, including automotive tires, as these are considered assets that leave the hands of the consumer (become used products) YPRZ is responsible for taking action to ensure that these are disposed of in accordance with the regulations.

Specifically, we offer two options to manufacturers and importers of such products They can either pay environmental fees according to a tariff set by the government, or they can make guaranteed arrangements for the disposal of their products, either on their own or by joining a union of waste disposal companies.

As a member of the Eco-Tyres Union (a union of tire manufacturers and importers who voluntarily act in accordance with the recycling standards set for tires and rubber products), YRPZ has contracts with recyclers for the joint recycling of used

## Reducing water usage

YRPZ is constantly striving to reduce water usage through the implementation of a number of measures.

In 2022, total water consumption was 35,954 m<sup>3</sup>.

In 2022 in order to reduce water consumption we focused on prevention of water, steam and air leakage by timely replacement of equipment spacer plates, arms and hoses.

- Optimized the layout of pipelines supplying water to fire water storage tanks (water savings - 860 m<sup>3</sup>).

## Managing wastewater discharge

Wastewater discharged from YRPZ's plant facilities is properly treated in a reliable manner prior to discharge into the sewage system.

In 2022 the following measures were implemented to prevent wastewater contamination.

- Grease discharge and cleaning of grease separators.
- Sampling to control chemical composition of wastewater: conducted monthly and quarterly.

## Energy savings

We recognize the importance of energy efficiency, and we are continuing our concerted efforts to make our energy usage more efficient. In particular, in fiscal 2022 we implemented the following energy-saving measures:

- Lighting in the curing and MP-1 (except textile calender) processes was changed to LED lamps.

## Biodiversity measures

In 2022 Green Wave activities were cancelled due to plant temporary shutdown period.

# Fair Operating Practices

## Internal controls

To prevent fraud, operations are carried out based on an internal approval system by management for contracts, purchases, and settlements. Furthermore, internal rules have been established, and the final decision is made by the final decision maker after checking by the management, legal, and accounting staff.

## Selection of business partners

Concerning raw material procurement from new Russian domestic suppliers, we work to handle matters fairly while cooperating with the procurement department of Yokohama Rubber.

When selecting suppliers, we make sure to verify the compliance and reliability of potential suppliers, in order to avoid doing business with firms that are untrustworthy or which are engaged in illegal behavior. To this end, we implement documentary review and enterprise evaluation surveys in advance. As a result, in the period since the YRPZ plant began operation, there have been no instances of signing contracts with suppliers that turned out to be unreliable or engaged in illegal activity.

## Consumer Issues

### Quality management systems

In FY2022 we continued our efforts to improve our quality management.

In April 2022 YRPZ successfully passed the surveillance audits for IATF 16949:2016.

### Strengthening communication with consumers

Based on cooperation with LLC Yokohama Russia which has direct contact with consumers as a sales company, we are working hard to gain evaluative information of products from the marketplace.

## Community Involvement and Development

### Internal activities

On an ongoing basis, the company shall continue to take care in fostering team spirit and a sense of loyalty among employees.

### Team-building corporate events

The COVID-19 epidemic did not allow us to hold full-scale offline team-building activities. For that period we focused on building a community of employees through our internal Telegram channel. Motivational activities involving employees were carried out online on various occasions, such as the Men's and Women's Holidays, the Professional Celebration, and the Environmental Celebration.

### Soccer team activities

YRPZ soccer team continues to attract and excite fans and spectators with outstanding performances.

In 2022, the team participated in the regional soccer league as well as in the Bekaert Soccer Cup Tournament on the occasion of Belgium Day.



YRPZ Soccer Team Participates in Bekaert Soccer Cup

## External activities (Social contribution)

In 2022 YRPZ continued to participate in the Russian environmental and charity project "Dobrye Kryshechki" ("Kind caps"). In this project caps from plastic bottles are collected and recycled, and the money earned is donated to disabled children. The project has two goals: to rid the world of plastic waste and to support children with disabilities.

In 2022 YRPZ participated in the Industrial Gymnastics Contest. Although YRPZ didn't win the contest, we got into the finals.



Industrial Gymnastics Contest



In 2022 several employees of YRPZ took part in the 20-th regional contest of professional skills for the title "Best in profession". Our employees showed high level of professional skills during the contest.



Participants of the 20-th regional contest of professional skills for the title "Best in profession"

In August 2022 YRPZ provided charity support to the local educational center for children with special education needs – we gave them school stationery sets.



Charity support for the local education center for children with special education needs

In 2022, YRPZ took part in the sports challenge arranged by SEZ "Lipetsk" managing company. Together with other residents' employees we achieved the goal of the challenge – to participate in sports activities (running, cycling, working out in the gym, etc.) to cover the distance of 40,075 km to circle the globe at the equator.

[YRPZ's official website](#)



[YRPZ's VKontakte profile page](#)



[YRPZ's Instagram account](#)



# Alliance Tire Company Ltd. Hadera Plant

## Business activities

Manufacturing and marketing of Agricultural, Forestry, Construction, Industrial and OTR tires

## Total site area

17.8 ha

## Number of employees

550 (as of December 2022; includes contracted laborers)

## Location

Plant and corporate offices: Fridlander 1 st. Hadera, Israel

Plant: Tel: +972 46240696 Fax: +972 46240516

## Contact for consultation and complaints

Tel: +972-46240696 Fax: +972-46240516



## Message from the CEO



Ygal Trichter

At Alliance Ltd., we feel it is very important that we be involved in CSR.

In being conscious of our position as the Hadera Region's largest employer, as one member of the local community, our company intends to keep being involved in numerous different areas such as education, health, welfare, and youth activities, etc. As a fact of the Yokohama Rubber Group's CSR policy, the company is committed to contributing to the local community, as it is also committed socially and environmentally by way of its economic contributions. We are also committed to helping the local community develop both economically and culturally. As part of such commitments, we encourage our employees to volunteer locally, and they accordingly respond to such requests as they are received.

Even if there is COVID-19 issue, we would like concerning such interactions developed further as ties that bind the community and the company ever more closely together. Furthermore, it is our wish that the community and company continue to develop.



# Organizational Governance

## Code of Conduct

In keeping with our core values, all employees and members of the ATG Group management team undertake suitable business activities with their emphasis being upon value creation. To achieve the organizational objectives which we base upon such behavior, we remain committed to superior levels of corporate governance while managing our business.

The policy thus expressed covers numerous different domains including our observance of all applicable laws and the responsibility that we have towards our shareholders, etc.

## Schedule of Authority (SOA)

Through the company's Schedule of Authority (SOA), within its organizational structure the rights related to the making of various decisions are clarified.

## Employee handbook

Through an "employee handbook" which sets out all the company's related policies, everybody who we employ is thus notified as to their details. Employees are also given an overview of the company's processes and their advantages. We also conduct Orientation tours for new employees in order for them to get to know the complete production chain.

## Whistle-blower policy

Concerning the company's whistleblower policy, in addition to it acting to protect employees from unethical business practices, we have put in place our "Vigil System" to provide for the reporting of real concerns and complaints. Moreover, concerning disclosures regarding behavior that deviates from the company's basic principles for business and its basic business practices, we respond to them in a manner that is both impartial and fair.

# Human Rights

## Preventing sexual harassment

Within the "Policy for the Prevention of Sexual Harassment," we prohibit such behavior, and also respect the dignity, freedom and privacy of all individuals as human beings. In doing so we comply with the law so as to protect the gender equality of our employees.

In accordance with that policy, concerning all employees, we undertake to prevent complaints of sexual harassment in the workplace and to offer relief where necessary. We also undertake to protect our workforce from related issues. Our company is obligated to keep a non-hostile work environment.

# Labor Practices

## Quality, Environment Health and Safety Policy (QEHS)

The company's labor practices are in accordance with both the provisions of the Occupational Health and Safety Assessment Series 18001 (the internationally-recognized OHSAS 18001 standards), and the International Standards Organisation Series 14001 (the ISO 14001 environmental management standards).

What is more, concerning its manufacture of off-road tires (OTR), for the purposes of establishing the quality of its products, for maintaining such quality, and shouldering the responsibility of its guarantees, the company has policies concerning matters of quality, the environment, and occupational health and safety.

As to issues of human health and safety, and basic principles regarding engaging in environmental conservation for the benefit of all humankind, such matters represent an indispensable part of our planning and decision-making processes. Thus, we have taken steps to define the following items:

- **We undertake our work while respecting and caring for our customers, for humankind, and the environment.**
- **We achieve customer satisfaction by manufacturing and supplying products in accordance with customer wishes.**
- **We satisfy product quality requirements.**
- **We ensure the occupational health and safety of all stakeholders within the company.**
- **We satisfy our legal compliance obligations related to environmental matters and occupational health and safety hazards.**

Accordingly, we achieve the following aims:

- We protect the environment by making effective use of resources and preventing pollution through the employment of Reduce, Reuse, and Recycle methods, and we manage the emissions resulting from our processes by introducing new technologies.
- By making use of suitable systems and processes that involve all employees, we make sure to prevent injuries and sickness due to occupational safety and health risks.
- We use various forums to promote dialog with all stakeholders regarding health, safety, and the environment.
- We conserve biodiversity in corporate business activities.
- We constantly improve the effectiveness and performance of integrated management systems.

## **Social security and health insurance through collective bargaining agreements (CBAs)**

The company undertakes to offer social security and health insurance to its workforce in accordance with the provisions of the CBAs. Within the code of conduct, the following is stipulated: "Our company strives to supply a safe and healthy workplace environment in all areas."

Each workplace is operated in accordance with the occupational health and safety regulations of all applicable states, and every attempt is made not to allow employees to be affected by illegal drugs, alcohol, or controlled substances. Accordingly, the company prohibits the possession, use, sale, purchase, transfer and all other forms of transaction involving illegal drugs, alcohol, or controlled substances. Thus, all company directors and employees have a responsibility to support the maintenance of a safe and healthy workplace by obeying all applicable rules, action standards, the criteria hereto set down, and those sections that pertain to the matter of "safety in the workplace."



Quarterly update by ceo



Open talk with CEO



Birthday celebrations



Holiday toast



ODT Activities



LEAN training



Safety walks

Furthermore, through the CBAs that are in place within the company, for the benefit of all employees and their families, each year we organize and hold a holiday/company social event. Through such activities, we believe that the sense of teamwork among our employees can be further improved and their motivation further strengthened.



A scene from the company trip for employees



## The Environment

### Environmental data

Category		FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Waste disposed (t)		1,447	1,702	1,480	1,068	1,346
Proportion sent to landfill (%)		5.2	5.0	6.2	7.0	4.8
Landfill waste (t)		75.0	85.0	92.0	75.0	64.3
Energy use (oil equivalent: kl)	Electric power	5,937	5,796	5,487	5,978	5,687
	Fuel	6,132	5,804	5,780	5,597	5,880
	Total	12,069	11,600	11,266	11,575	11,567
Greenhouse gas emissions (1,000t-CO <sub>2</sub> )		30	29	28	28	21
Water usage (1,000m <sup>3</sup> )		134	127	117	122	122

※FY: January to December

※Greenhouse gas emissions for the overseas site were calculated based on the Greenhouse Gas Protocol Initiative.

### Environmental improvements

We have been engaged in the following activities so far.

- Improvement of parts for various machines that handle organic solvents and chemicals

We have improved the state of hot water and steam transmission pipeline insulation to prevent energy waste, and we are moving forward with our efforts to further reduce the company's CO<sub>2</sub> emissions.

80% of our forklifts are electric, thus significantly reducing noise levels and air pollution in the work environment.



The cement house exhaust pipes (for rubber volatilization using organic solvents) have been improved.



The exhaust pipes for pieces of machinery that handle chemical substances have been improved.



The exhaust pipe for the mixer has been improved.



Natural gas equipment



Carrying out maintenance on equipment that makes use of natural gas.

## Fair Operating Practices

### Code of conduct to regulate fair competition and trade

In engaging in our operating practices, the following provisions were put in place:

- Concerning the company's employees and directors, with respect to matters of fair competition and trade, in executing their duties they are to comply with all applicable domestic and overseas laws, directives and decisions.
- There are to be no intentional inaccurate descriptions or false declarations made with respect to the operations and products of competitors.
- With respect to all company directors and employees, when they engage in the promotion of the business and in the pursuit of potential opportunities, they are to engage in any acts of communication with while personally behaving and acting in a manner that is ethical.
- Concerning all employees, members of company management, customers, suppliers, consultants, and both agents and persons in positions of responsibility in representing government institutions (both domestic and overseas), they are to be treated fairly in all dealings that are conducted on behalf of the company.

## Community Involvement and Development

### Social contribution activities

We undertake the following activities:

1. Employee blood-donation drives
2. Donations to child cancer patients (in cooperation with the Larger Than Life Association), in which employees willingly make donations and receive small commemorative gifts.
3. Donations of boxes containing sweets to health and medical institutions once a year (Hilel-Yafe Hospital, etc.)
4. Social contribution activities for fourth-grade students at Hadera Elementary School.
5. Donation to " The Or Yarok Association for Safer Driving in Israel.
6. Donation to nited Hatzalah of Israel - fully volunteer Emergency Medical Service organization.
7. Donation to "Hilel Yafe" hospital.
8. Donation to ZAKA is Israel's primary rescue and recovery volunteer organization.
9. Donation to The Paamonim organization - strives to achieve a situation in which Israeli families conduct their economic lives with balance, responsibility and integrity, thereby helping to strengthen Israel's economic and social fabric.
10. Donation to "ALUT" the society for children and adults with Autism in Israel. Social contribution activities for Alavin association Israel.