

Environment

Contribution to a Decarbonized Society and Circular Economy

The Yokohama Rubber Group considers “Contribution to a decarbonized society and circular economy” as one of our most material management issues. We aim to realize a sustainable society and achieve sustainable corporate growth by reducing environmental impact and making effective use of resources.

Metrics (KPIs)	What we aim to do
Reduction of greenhouse gas emissions (Scope 1+2)	• Contribute to a decarbonized society through our products • Reduce greenhouse gas emissions and energy consumption • Contribute to the circular economy by increasing the use of renewable and recycled materials
Percentage of electricity used by the Company from renewable energy sources	
Percentage of renewable and recycled raw materials used	

Basic Approach

We aim to minimize the burden on the environment in accordance with the Yokohama Rubber Basic Environmental Policy, the Yokohama Rubber Environmental Policy, and the Yokohama Rubber Group Action Guidelines. We promote the development and introduction of environmental technologies, work with stakeholders to reduce atmospheric emissions throughout the value chain, and strive to expand the use of renewable and recycled materials in our products. Based on the belief that sustainability activities should be compatible with corporate growth, we will proceed with environmental investments in accordance with normal recovery discipline, ensuring long-term profitability.

 **Yokohama Rubber Basic Environmental Policy, Yokohama Rubber Environmental Policy, and Yokohama Rubber Group Action Guidelines**
<https://www.y-yokohama.com/global/sustainability/environment/natural/>

Contribute to a Decarbonized Society Through Our Products

Our company began working to improve the environmental performance of tires in 1996, launched “ECO Tire DNA” in 1998, and developed “BluEarth” in 2010, accelerating the spread of fuel-efficient tires. Fuel-efficient tires reduce rolling resistance, thereby reducing fuel consumption and CO₂ emissions. In 2023, we also introduced the “E+” mark for tires for electric vehicles, contributing

to the promotion of sustainable mobility. In addition, we are promoting the development of products for a decarbonized society, such as flame-retardant conveyor belts that reduce running resistance to achieve lower energy costs and CO₂ emissions.
▶P.55 Provision of products and services that contribute to a sustainable society

Reduce Greenhouse Gas Emissions and Energy Consumption

Progress on SBT Certification

To strengthen efforts to reduce greenhouse gas emissions, on January 30, 2024, we submitted a commitment letter to the “Science Based Targets initiative (SBTi)” to obtain certification for “Science Based Targets (SBT).” This commitment letter pledges to set and submit reduction targets in the line with SBTi’s criteria within two years. In addition to our own direct emissions, we have set targets for the entire supply chain’s indirect emissions, using 2024 as the base year, and aim to obtain certification in early 2026. To achieve the set targets, we will continue to utilize renewable energy and disclose emissions, and promote emission reductions throughout the supply chain.

Reducing Energy Consumption

To reduce greenhouse gas emissions and prevent resource depletion, we comply with international agreements on proper energy use, regulations in each country where we operate, and the policies of relevant organizations, and promote proper energy use and reduction activities.
At our production sites, we are actively pursuing system improvements (development of energy-saving vulcanization systems, use of cogeneration), savings improvements (expansion of LED use, improvement of equipment operating rates), and process improvements (optimization of rubber mixing processes). Furthermore, as a company-wide initiative including departments outside of production sites, we are implementing the “1% annual in-house improvement activity,” which continuously reviews and improves equipment, machinery, and transportation processes.

Promoting Solar Power Generation at Our Natural Rubber Processing Plant in Thailand

Our group is steadily promoting energy-saving activities that balance cost reduction and CO₂ emission reduction, such as improving factory equipment efficiency and optimizing operations, while also actively making environmental investments that can ensure long-term profitability in accordance with normal recovery discipline.
In fiscal 2024, at our group’s natural rubber processing plant in Thailand, we utilized tax incentives to install solar power generation equipment on the roofs of the factory building and two warehouses, which began full-scale operation in July. As a result, the plant is expected to achieve about a 13% reduction in CO₂ emissions, and contribute to profits through reduced energy costs.



Solar power generation equipment at the natural rubber processing plant

Expanding the Use of Renewable/Recycled Raw Materials

In January 2022, Zeon Corporation and Yokohama Rubber’s “Development of Manufacturing Technology for Synthetic Rubber Core Chemicals with Carbon Resource Recycling” has been adopted by the New Energy and Industrial Technology Development Organization (NEDO) as a “Green Innovation Fund Project /Development of Technology for Producing Raw Materials for Plastics Using CO₂ and Other Sources.” The Green Innovation Fund Project is a program established by the Ministry of Economy, Trade and Industry (METI) to support businesses in conducting innovative research for reducing greenhouse gas emissions.
This demonstration project aims to establish two advanced technologies to produce butadiene and isoprene based on carbon resource recycling, from renewable carbon resources such as biomass at high yield rates, and to implement them in society in the 2030s. From 2026, we plan to collect various data for securing and mass-producing butadiene at the bench facility to be constructed within Zeon’s Tokuyama Plant.
In addition, we have been supplying racing tires using renewable and recycled materials from 2023 in support of the SUPER FORMULA NEXT 50 sustainability project by Japan Race Promotion Inc., which runs the SUPER FORMULA series. The tires to be

supplied in 2025 utilize various naturally derived compounding agents, as well as recycled wire made from recycled iron and recycled rubber from waste tires, achieving a ratio of renewable and recycled materials of approximately 46%,* significantly exceeding the initial 2025 target of 35%. We will continue to develop technologies that increase the ratio of renewable and recycled materials and improve driving performance, contributing to the realization of sustainable motorsports.

* Average value for dry and wet tires



Butadiene rubber prototyped in the laboratory facility

Looking Ahead

Our group will further promote efforts toward a sustainable society by “contributing to a decarbonized society through our products,” “reducing greenhouse gas emissions and energy consumption,” and “contributing to the circular economy by increasing the use of renewable and recycled materials.” We will contribute to reducing CO₂ emissions through the development of fuel-efficient tires and the expansion of products for electric

vehicles, while also strengthening the use of renewable energy. We will also promote the development and introduction of environmental technologies and work to expand the use of renewable and recycled materials. Going forward, we will continue to reduce environmental impact throughout the value chain and promote sustainability activities in harmony with corporate growth.

