

Initiatives for 2024

1. Implementation of Impact Assessments

We have a policy of conducting impact assessments to investigate and evaluate the existence and extent of actual negative impacts on the human rights of potentially affected individuals (rights holders) for the three key human rights themes extracted in the 2023 Human Rights Due Diligence Workshop. We will then take necessary remediation and preventative measures.

In 2024, we conducted an impact assessment on theme 2: "Working conditions of workers and environmental impact on nearby residents at rubber raw material suppliers (Thailand, Indonesia, etc.)."

<Impact Assessment in Suratthani Province, Southern Thailand>

In June 2024, we conducted hearings and on-site visits in Suratthani Province, Southern Thailand, focusing on the theme of "Working conditions of workers and environmental impact on nearby residents at rubber raw material suppliers." This was done in collaboration with the Japan Committee for the Economic Roundtable (CRT), a third-party organization. Suratthani Province is a major natural rubber producing region and the location of our Group's natural rubber processing plant, Y.T. RUBBER CO., LTD. (YT Rubber). Since 2019, we have been conducting "Farm Surveys" to voluntarily check for problems such as illegal deforestation and human rights violations at natural rubber plantations in the region, and we have conducted approximately 750 surveys by May 2024.

In this impact assessment, a third-party organization provided its perspective to evaluate our past activities and analyze/assess potential human rights infringement risks.

<Target Groups and Implementation Methods for Hearings>

In this impact assessment, the CRT Japan Committee conducted hearings and on-site visits with a wide range of stakeholders, including rights holders within the supply chain such as farm owners, workers on the farms, raw rubber brokers, and transportation drivers, as well as local stakeholders such as village chiefs, school principals, and hospital directors.

It is worth noting that representatives from our Group did not attend the hearings, and only the third-party organization conducted them. This was done to encourage rights holders/stakeholders to express their opinions candidly.



Hearings with Farm Owners



Hearings with Farm Workers



Hearings with Raw Rubber Brokers



Hearings with Drivers



Hearings with Village Chiefs



Hearings with Hospital Directors

<Results of the Impact Assessment and Response Policy>

The results of this impact assessment did not reveal any significant issues that would negatively impact human rights, such as forced labor or child labor. However, it became clear that the relationship between farm owners and farm workers is close to a freelance contracting arrangement, with very few cases of formal labor contracts being concluded. In addition, some farms employ live-in Myanmar workers who are in a vulnerable position due to the difficulty of returning to their home country given the situation there. It was recognized that their situation needs to be continuously monitored from the perspective of living wages and living conditions.

Based on these results, in the self-inspection following the impact assessment, we are focusing on investigating farms employing Myanmar workers and striving to understand and improve their working conditions. In addition, we are distributing Myanmar-language labor contract templates, created by YTRC under the advice of the Thai Department of Labor, to farm owners and encouraging them to conclude labor contracts.

2. Grievance List (Reports Received Through the Grievance Handling System)

Here are the human rights-related reports received through the 「Japan Center for Engagement and Remedy on Business and Human Rights」 (JaCER) and their corresponding responses during fiscal years 2022-2024:

Time of report	Reporter	Domestic/Overseas	Content	Response	Progress
DEC 2022	Subcontractor	Domestic	Discriminatory treatment compared to other companies	Through dialogue, we were able to reach an understanding that there had been no discriminatory acts or acts in violation of the Subcontracting Law, and the matter was resolved.	Closed (no longer accepting applications)
JUL 2023	Group company employee (anonymous)	Domestic	Power harassment	Because the person is anonymous and cannot be contacted after the report is received, corrective and preventive measures such as harassment prevention education are implemented.	Closed (no longer accepting applications)
NOV 2023	Former group company employee (anonymous)	Overseas	Unjustified dismissal, harassment during employment	After verifying the facts, we concluded the investigation as the termination agreement was legally sound and no workplace harassment of the reporting individual was found.	Closed (Response Complete)
DEC 2023	Consumer (anonymous)	Domestic	Harassment in group companies	As a result of the investigation, the facts of the report were confirmed, so we took action internally, such as disciplinary measures, and reported back to the whistleblower.	Closed (no longer accepting applications)
JAN 2024	Former Employee of a Group Company (Anonymous)	Overseas	Power Harassment	Although the case was under dispute, the administration has made a final determination that harassment was not recognized, so we have closed the case.	Closed (Response Complete)
AUG 2024	Local Resident	Domestic	Complaint regarding traffic manners of foreign employees at a domestic factory and a request for employee education.	At the domestic factory in question, corrective measures such as continuously conducting education for recurrence prevention, including foreign employees of contractor companies, were implemented.	Closed (Response Complete)