

CSR Report for the Head Office

Total site area: Main Office 1,760m², Annex: 324m²
Number of employees: 774 (as of December 2013)
Location: 36-11, Shimbashi 5-chome, Minato-ku, Tokyo 105-8685, JAPAN

Contact for consultation and complaints:

Inquiries regarding Yokohama products or other information can be made by email.
 E-mail: tiresite@yrc.co.jp

Contact us

<http://www.yrc.co.jp/cp/global/inquiry/>



Message from the General Manager of CSR Division



Fumio Morita

Head office operations acquired ISO14001 certification in 2007. Since then, we have advanced target management of the environmental issues to be addressed. Head office operations will continue to advance activities that comply with CSR and environmental requirements of society, including "Development and Promotion of CSR and Environmental Management of Yokohama Rubber Group," "Planning and Sales Promotion of Environmentally Sound Products," "Advancement of CSR Procurement

and Green Procurement" and "Advancement of Energy Saving Activities in Distribution," etc.

In addition to the above, at the end of 2009, the company announced its participation in the "Manifest Declaration on Energy Saving of Office Buildings" at the World Business Council for Sustainable Development (WBCSD), and we have been actively engaged in energy savings throughout the offices of the Yokohama Rubber Group and at the head office building. Compared to 2009 figures, these activities have resulted in significant reductions of more than 30% in energy consumption levels.



Organizational Governance

Internal control measures

Corporate Compliance Department staff assigned to each company department conduct educational activities within departments. These activities make use of educational materials. Moreover, concerning statutory compliance, commencing with corruption-prevention, reporting and confirmation are conducted through monthly reports. With respect to overseas business offices where there exist particular concerns regarding matters such as bribery and embezzlement, etc., information is exchanged closely with local offices and training is also conducted. For the purpose of both monitoring and auditing management practices, two external directors and three external auditors have been appointed to the Company.

At the 137th Annual General Meeting for Shareholders held on March 28, 2013, a single independent external director was appointed to the Company. At the 138th Annual General Meeting held on March 28, 2014, a single independent external auditor was also appointed. Through such measures we aim to improve the governance exercised by the Board of Directors.

IR activities

A number of domestic institutional investors were visited in December 2013 for the purpose of enhancing both IR and SR activities. These visits offered an opportunity to commence direct dialogues with such investors.



Human Rights

Education on respect for human rights

Based on the Company's management policy, "Create a workplace that values, improves and energizes people", we will build on an environment where a diverse group of people acquire necessary abilities and can fully exert them. We also aim at creating a workplace where employees can balance work and life. We will develop personnel who can realize business strategies and technical strategies of GD100 and play active roles on a global scale.

The Corporate Compliance Dept. distributes to all employees compliance cards which describe the "Code of Conduct" of employees of the Yokohama Rubber Group to raise their level of awareness.

Promoting gender equality

Since FY2011 the ratio of female new hires has been in the vicinity of 30%. This has resulted from us proactively engaging in activities that have increased female applicant numbers, and then fairly selecting successful applicants irrespective of their gender. There still remain some issues within the Company with respect to the utilization of female employees; however, we plan to engage in education so as to promote the utilization of such employees who represent a minority.

Employment of people with disabilities

From March 2012, we started operation of Yokohama Peer Support which employs people with disabilities in order to provide a workplace where more people with disabilities can work and on May 31, 2012, Yokohama Peer Support acquired certification as a specially designated subsidiary under the "Act for Promotion, etc., of Employment of Disabled People (Disabled People Employment Promotion Act)." Furthermore, at head office as well, we hired a total of three people with disabilities in 2012 and 2013.

Occupational safety and health

Safety and health is the basis of any work operation. We aim to prevent occupational accidents while creating comfortable and healthy workplaces through the cooperation of all employees of the Group. Such workplaces will be achieved through the strong leadership of managers and supervisors. Head Office Safety and Health Committee meetings are conducted each month, and in addition to filing obvious reports on the safety and health status of head office, we proactively deliberate and implement with respect to safety activities that can be linked to preventing occupation accidents and heightening the consciousness of employees with respect to safety. Specific efforts that we undertake are as follows:

① Establishing the foundations of safety and health based upon the Occupational Safety and Health Management System (OSHMS)

→ By focusing upon the important keyword of “people” with respect to safety issues, and by also establishing periods during which the reporting of “near misses”^{*} is strengthened, we are working to improve both employee safety and consciousness with respect to their anticipation of danger. This is being done by encouraging each employee to report one or more “near misses” during such periods.
^{*}Near Misses: These are situations that do not go so far as to result in serious disasters or accidents. Rather, they are discoveries of sets of circumstances for which a direct result could well be a disaster or accident.

② Creating safe people

Two periods each year have been established for the strengthened reporting of “near misses”, and we are working to improve both employee safety and their anticipation-of-danger consciousness.
 → To strengthen consciousness so that employees do not engage in unsafe behaviors, we have concentrated on the creation of posters that combine messages and visual elements. These posters are designed to educate employees regarding matters such as it being forbidden to walk while operating a smartphone, etc. This is a behavior that has become an issue in the wider world. We have placed such posters on stairwell landings.
 For noticeboards as well, the Head Office Safety and Health Committee has nominated locations within employees’ line of sight, and we are working to ensure that safe behavior is always on their minds.

③ Equipment safety

→ To eliminate collisions at corridor corners, we have installed wide-angled mirrors that allow people to confirm there is no one oncoming. Furthermore, we are currently dependent on the “near misses” reported by employees, and through the removal and relocation of unsafe equipment, we aim to create safe and comfortable work environments in which accidents do not occur.

④ Creating comfortable workplaces

→ Safety and Health Committee members carry out regular safety surveillance. As a rule, this focuses on work sites, equipment and current conditions.

Concerning conditions that such surveillance confirms as being unsafe, by immediately considering how to improve things, we work to promote the creation of safe work environments where employees can work with peace-of-mind.

⑤ Creating mental and physical health

The mental and physical health of employees is followed. All of them (100%) undergo regular physical checkups and overwork interviews.

→ For employees who experience uneasiness regarding their mental state, we quickly put them in touch with trustworthy specialists. We offer a detailed response to such employees. This commences from when time is taken off work through to a follow-up once an employee has returned to the workplace. From the perspective of prevention, as an issue of importance we plan to conduct discussions within the Labor Mental Health Committee as to the advanced identification of employees for whom mental health may become an issue.

⑥ Prevention of traffic accidents

We conducted education courses for drivers of company vehicles (twice a year). We have also produced “Definitely Don’t Drink and Drive” posters. These are displayed on the different floors of the head office in high-visibility locations. To specifically raise consciousness regarding driving while hung-over, in 2013 we displayed posters that indicated the time required to remove the effect of different types of alcohol from the human body.

The Environment

Noise, vibration and odor

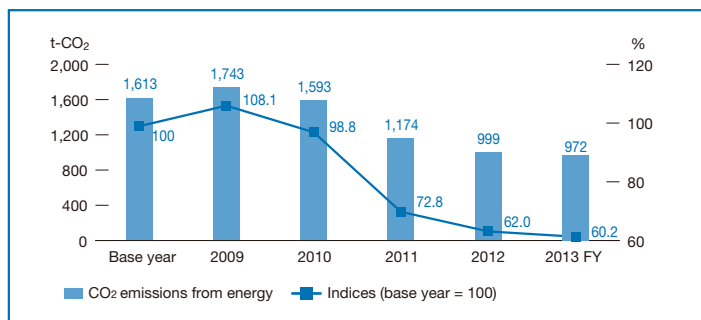
For noise and vibrations, air-conditioner units installed outdoors have been registered as specific facilities.

With respect to odors, there are no relevant matters to report.

Environmental data

Reductions in greenhouse gas emissions

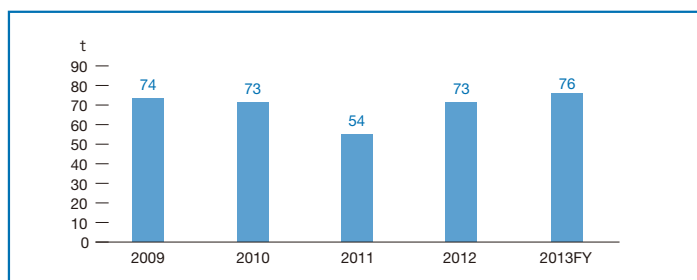
• Greenhouse gas emissions



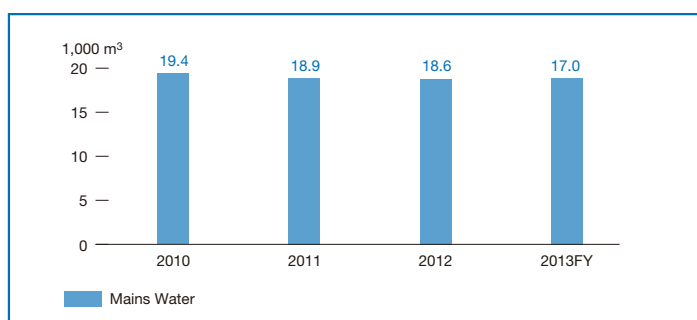
The head office changed the CO₂ emissions coefficient to actual emissions coefficient in FY2009. The figures in the Ministerial Ordinance under the Law concerning Promotion of Measures to Cope with Global Warming had been used until 2008.
^{*}Base year: In principle it is 1990.
^{*}Method of calculation of greenhouse gases (GHG): this is in compliance with the “Manual for Calculating and Reporting Greenhouse Gas Emissions” issued by the Ministry of the Environment and the Ministry of Economy, Trade and Industry.
 Note that GHG emissions associated with purchased power in FY2009 were calculated using table of Emissions Coefficients by Power Company (Ministry of the Environment).

Effective use of resources / Waste reductions

• Waste emissions



• Water usage



Mains Water



Fair Operating Practices

Promoting fair business practices

Explaining CSR guidelines to business partners and educating purchasing staff

We prepared the "Purchase Ethics (Rules for Purchasing Staff)." These guidelines indicate matters to be noted by purchasing staff when conducting fair and impartial transactions in accordance with the "Basic Purchase Policy." They also indicate ethical problems that must not be engaged in. These ethics were combined with the "Basic Purchase Policy" in 2011 to become the "Purchase Code of Conduct." As a FY2013 activity, case study seminars were conducted using the "Purchase Code of Conduct" as a basis. These seminars were for the responsible staff of all domestic offices and overseas plants.

Furthermore, with respect to the staff responsible for purchasing raw materials, study sessions regarding the "Act Against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors" were conducted, as well as case study seminars that highlighted breaches of compliance.

To develop CSR activities, guideline-explanation meetings for the benefit of business partners have occurred along with self-checks being conducted at different domestic offices. These activities have been undertaken to both emphasize the importance of CSR activities and to gauge business partners' understanding of them. Concurrently, the CSR/Environmental Activities Recognition Program started in 2013, and three partners who carried out significant activities in the first year were recognized by the program.

In FY2014, in addition to carrying out the second "Partner Self-Assessment" and the third "Partners Workshops", we plan to develop global procurement standards that can be more easily understood by overseas employees and conduct activities that raise their CSR consciousness.



Consumer Issues

Communication with customers

Inquiries received from customers by telephone or e-mail can generally be divided into the following three categories.

First, consultations on selection and matching of tires such as what type of tires should be chosen. To such inquiries, we ask what kind of performance is the customer emphasizing, including quietness, ride comfort or handling stability and recently in particular, lower fuel consumption, etc., and we recommend tires closest to matching the desire of the customer. Second, we receive inquiries about failures, vibrations and wear conditions of tires. In such cases, we first ask customers the size and pattern of tires, model and model year of the car, time of occurrence of failure and detailed symptoms and we explain assumed causes for failures based on the answers. If it is necessary to check the actual tires, we ask the nearest sales office of Yokohama Tire to respond to the customer's request and conduct an investigation and report of the causes for occurrence. Third, we receive opinions and comments on the content of our website and product catalogues. We promptly distribute the opinions and comments received within the company in order to reflect improvements in the content and the next catalogue.

We will continue to respond to our customers quickly and politely to strive for improvements in CS (customer satisfaction). We provide information on products on our website. We also conduct exhibitions and explanations at such events as new product rollouts, The Tokyo Motor Show, Tokyo Eco-Products Exhibition and Tokyo Auto Salon.

Response to opinions and complaints

Each business division has an established contact that is able to respond to the opinions and complaints of customers.

Tire Customer Consultation Office

Hours: Weekdays (Monday through Friday) 9:00 a.m. ~ 5:00 p.m.

Customer Service Center, Sports Business Division

Date: Weekdays (Monday to Friday)

Hours: 9:30 a.m. to 12:00 p.m. / 2:00 p.m. to 5:00 p.m.

In addition, we disclose the contact for inquiries at the following address on our website.

<http://www.yrc.co.jp/english/inquiry/index.html>



Community Involvement and Development

Relationship with local societies

We proactively take part in cooperative programs related to companies located in the jurisdictions of local firehouses and comply with national traffic safety campaigns at the request of local police departments.

Moreover, we also participate in the Committee Responding to Congestion in the Vicinity of Shimbashi Station, and we cooperate in activities to reduce the number of persons who would experience difficulty in returning home from the area during times of disaster.

Furthermore, in addition to participating in the Minato Eco-Conscious Consortium, we also sponsor the Shimbashi Koichi Festival and contribute to the invigorating of the local community.