Reinforcement and Rigorous Enforcement of Green Procurement and Purchasing

Arrangements for cooperation with suppliers are being strengthened and procurement and purchasing of environmentally friendly materials and parts are being rigorously enforced.

Basic Principles on Green Procurement and Purchasing

Following its "Green Procurement Guidelines" for procurement of raw materials established based on the principle of procuring clean and safe raw materials and parts, Yokohama Rubber pursues procurement of raw materials, parts, packaging materials, and other supplies that have less of an impact on the environment while strengthening collaboration with suppliers. In order to ensure that the basic policy on purchasing founded on openness and fairness is properly followed, materials and procurement personnel receive training in the requirements of the Subcontracting Law.

Green Procurement Principles

Procurement of safe, clean, and environmentally friendly raw materials, parts, and packaging, etc.

- 1.The state of adoption and implementation of environmental management systems by suppliers shall be used as one criterion when purchasing supplies.
- Rigorous implementation of measures to avoid use of SOCs shall be sought.
- 3.Purchase of environmentally friendly supplies ("green procurement") shall be promoted.
- 4.Emissions of industrial waste shall be reduced.

Collaboration along the Supply Chain

Suppliers are requested to take action concerning the following in the Green Procurement Guidelines.

Development of environmental management systems (EMS)

Since 2001, suppliers that have yet to be ISO14001 certified have had their environmental protection activities assessed in accordance with Yokohama Rubber's own survey items. On-site audits of suppliers have also been conducted on a planned basis since FY2006, and assistance is provided to help suppliers develop EMS through, for example, proposal of suggestions on how to make improvements.

Control and reduction of SOCs

Suppliers are requested to provide empirical data certifying the absence of substances that prohibited or controlled under Yokohama Rubber's "Guidelines on Prohibited and Controlled Substances," and substances prohibited by the ELV Directive*2 and RoHS Directive,*3 together with reports on the types and quantities of chemicals that they contain.

- *2. ELV Directive: The EU End-of-Life Directive, which provides for recycling of end-of-life vehicles and controls use of hazardous substances.
- *3. RoHS Directive: The EU Restriction of Hazardous Substances Directive, which controls use of hazardous substances in electrical and electronics equipment.

Lifecycle assessment (LCA) compliance

LCA*1 has been adopted as a key component of Yokohama's environmentally friendly design process. Suppliers are requested to submit data on the manufacturing environment (such as data on energy consumption, such as power and gas use, required during manufacturing) for newly used procured products and products whose specifications have been amended.

*1. LCA: A method for analyzing using numerical data the impact of a product on the environment at each stage of its life, from procurement of raw materials to production, use, and disposal.

Reduction of waste

Suppliers are encouraged to switch from use of wooden to steel or resin pallets, resulting in a 36.5 ton reduction in waste emissions in FY2007. Use of recyclable steel and resin products will continue to be promoted.

Promotion of Green Purchasing

Purchasing of environmentally friendly supplies is promoted, and accounted for 87.2% of purchases in FY2007. We also purchase mainly environmentally friendly vehicles for use as test vehicles in Japan for tire development, and low fuel consumption and low emission vehicles made up 88.9% of purchases in FY2007. To prevent destruction of the natural environment, we in addition encourage FSC-certified paper derived from managed forests to be ordered for use in printed materials.

Proportion of purchases of environmentally friendly office supplies

