

## State of Progress in FY2008

State of progress: FY2008 targets that have been attained are marked by a circle (○)  
and targets that had not been achieved are marked by a cross (✕)

|   | Challenges  |   | Details  | Performance in FY2008   | Progress  |
|---|---|---|--|---|---|
| Improvement and innovation of environmental management      | Global environmental management   | Adoption of consistent environmental management at all operations worldwide   | Certification of 2 plants in China brings total certified to ISO14001 to 23  | ○   |   |
|   |   |   | Practice of environmental management (self-assessed scoring) in accordance with GD100 environmental guidelines at non-production operations      | ○   |   |
|   | Environmentally sound products  | Entire lineup to consist of environmentally sound products by FY2017  | All newly developed products are environmentally sound products  | ○   |   |
|   |   |   | Expansion of range of products subject to LCA (continued calculation for all tires)  | ○   |   |
|   | Compliance with additional government measures with entry into force of Kyoto Protoco | Compliance with the Act on Promotion of Global Warming Countermeasures<br><br>Compliance with amended Law Concerning the Rationalization of Energy Use and Act on Promotion of Global Warming Countermeasures | Publication of emissions of six greenhouse gases (compilation of data on all consolidated subsidiaries in Japan)                                 | ○   |   |
|   |   |   | Preparation for compliance following issuance of enforcement ordinance   | ○   |   |
|   |   |   | Introduction of renewable energy sources.  | Consideration of expanded installation of small-scale power generation systems (solar, wind, and hydro power)<br>Purchase of 3 green power certificates (target: 2 or more) | ○   |
|   | Environmental education   | Large-scale improvement of environmental skills, technologies, knowledge, and qualifications, and internal auditing levels  | Grade-specific e-learning: education provided for all organizational management positions; improvement of internal auditing level (re-education) | ○   |   |
| Green procurement   | Attainment of level sought by society and automobile industry                         | Implementation of revised green procurement guidelines  | ○  |   |   |
| Contribution to environment and society                     | Creation of YOKOHAMA Forever Forest   | Total of 80,000 trees planted at 6 plants in Japan and 5 overseas   | ○  |   |   |
| Improvement of environmental performance                    | Industrial waste  | Target of lowering emissions to less than 50% of FY1996 level to prevent wasteful use of natural resources  | 26% reduction compared with emissions in FY1996; target (35% reduction from FY1996) not attained   | ✕   |   |
|   |   | Globalization of industrial waste management  | Commencement of calculation of volume of waste generated at overseas plants  | ○   |   |
|   |   | Continuation of complete zero emissions at plants in Japan  | Attainment of zero emissions by retreaded tire companies   | ✕   |   |
|   | 100% recycling of industrial waste  | 100% recycling attained ahead of schedule   | 100% recycling attained by 5 plants in Japan   | ○   |   |
|   |   | Development of methodology for verifying final disposal and resource recycling  | 99.9% recycling rate (target: 99.7%)   | ○   |   |
|   | Greenhouse gases  | Contribution to fight against global warming under the Act on Promotion of Global Warming Countermeasures   | 13.4% reduction compared with base year (target: 11.0% reduction)  | ○   |   |
|   | Greenhouse gases (non-production operations)  | Energy conservation by distributors   | Calculation of greenhouse gas emissions of 32 non-production operations in Japan   | ○   |   |
|   | Specific energy consumption (plants in Japan)   | Contribution to fight against global warming under amended Law Concerning the Rationalization of Energy Use)  | 1.8% deterioration from previous year at plants in Japan (target: 1% reduction)  | ✕   |   |
| Specific energy consumption (logistics operations in Japan) | 4.1% reduction from FY2006 (target: 3% reduction from FY2005)                         |   | ○  |   |   |
| Minimization of environmental risk                          | Substances of concern (SOCs)  | Development of control system to meet demands of automobile industry  | Development and implementation of unified control system (MS-InC)  | ✕   |   |
|   |   | REACH registration compliance   | REACH pre-registration commenced and completed   | ○   |   |
|   | Asbestos  | Prevention of damage to employees' health   | Comprehensive investigation of installation in buildings   | ○   |   |
|   | PCB   | Sound storage and management (including at amalgamated companies)   | Completion of early registration and practice of proper storage  | ○   |   |
|   | Related legislation   | Compliance with amendment of...*  | Inclusion of legally regulated substances in internal standards  | ○   |   |
|   | Water and soil pollution  | Prioritization of coexistence with neighboring regions  | Continued confirmation of non-pollution by means of observation wells at plants in Japan   | ○   |   |
|   | External complaints   | Reduction of number of external complaints  | 15 external complaints (target of 10 or fewer not achieved)  | ✕   |   |
|   | Community communication   | Promotion of mutual understanding with communities  | Regular communication of risks   | ○   |   |
| Society   | Promotion of CSR management   | Promotion structure   | Establishment of CSR management vision   | Establishment of CSR management vision and action guidelines  | ○   |
|   |   |   | Establishment of promotion division  | Establishment of CSR Division   | ○   |
|   |   |   | Development of committees and councils to promote CSR  | Establishment of CSR & Environmental Affairs Council  | ○   |
|   |   |   | Visualization of CSR challenges faced by all bodies  | Visualization of the CSR priorities of each body in the CSR Division  | ○   |
|   |   | Rollout and awareness raising   | Publicizing of CSR management vision and action principles   | Publicizing of CSR management vision and action principles  | ○   |
|   |   |   | Development and application of promotion tools   | Revamp of CSR reports and expansion of volume of content  | ○   |
|   |   |   |  | Development of CSR reports editorial setup and expansion of members involved  | ○   |
|   | CSR challenges to address   | Relations of trust with users   | Enhancement of customer satisfaction and quality assurance activities  | Enhancement of disclosure of action on CSR (by divisions responsible)   | ○   |
|   |   |   | Corporate Governance Compliance  | Publicizing of CSR and code of conduct and activities to put them into practice   | Compliance promotion system (including group companies in Japan); regular meeting of Compliance Committee |
|   |   | Safe and healthy workplace  |  | Observance of laws, ordinances, and terms of agreements (mainly activities of the Compliance Committee)   | Development of internal control system including group companies  |
|   |   |   | Enhancement of disclosure of action on CSR   |   | ○   |
|   |   |   | Investigation and confirmation of all plants by all executive officers   | ○   |   |
|   |   | Commencement of development of mental health support  | ○  |   |   |
|   |   | Workplaces that are home to diversity   | Global hiring<br>Complete respect for human rights throughout the entire group   | Positive employment of women and non-Japanese in career track positions   | ○   |
|   |   | Relations of trust with suppliers   | Fair global procurement activities   | Development of basic guidelines on purchasing of materials by overseas plants   | ○   |
|   |   | Relations of trust with stakeholders  | Promotion of appropriate information disclosure  | Publication of 2008 CSR Report (GRI Guideline take-up rate: 55%)  | ○   |
|   |   |   | Developments of arrangements to reflect stakeholder opinion  | Accurate compilation of information for third-party opinion   | ○   |
|   |   |   | Contribution to community and social development   | Communication with local communities  | ○   |

\*Compliance with amendment of the Act Concerning the Evaluation of Chemical Substances and Regulation of Their Manufacture, etc. and Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof

## Plans for FY2009 Onward

| Phase II (FY2009 ~ 2011)  | Phases III ~ IV (2012~2017)   |
|---|---|
| Certification of integrated environmental management system (EMS) encompassing all operations in Japan<br>Uniform environmental management embedded in fabric of work   | Development of ISO26000 system at all plants worldwide and practice of uniform socially responsible (SR) management   |
| Expansion of application of GD100 environmental guidelines to overseas distributors   |   |
| 85% of products sold to be environmentally sound products.<br>Practical use of LCA in MB Group  | 100% environmentally sound lineup by FY2017<br>Development of system for quantitative assessment of products by LCA   |
| Response to amendment of the Act Regarding the Rationalization of Energy Use and Act on Promotion of Global Warming Countermeasures: (1) calculation and publication of greenhouse gas emissions as a business, (2) 5% reduction from 2005 in specific energy consumption in logistics operation in FY2010, (3) continued improvement of 1% year-on-year reduction in specific energy consumption                   | Formulation and application of targets for reductions in greenhouse gas emissions including at overseas operations<br>Implementation and reinforcement of measures to cut emissions and achieve mid/long-term targets (FY2020) in Japan |
| Establishment of targets for use of renewable energy sources.<br>Establishment of mid/long-term (FY2020) targets for reduction of greenhouse gas emissions<br>Study of methodology for verification of greenhouse gas emissions   | Consideration and expansion of use of Clean Development Mechanism (CDM) and emissions trading<br>Development of methodology for verification of greenhouse gases  |
| Education of all employees via e-learning system<br>Re-education of internal auditors to raise level  | Development of human resources required for global CSR and environmental management<br>Cooperation in and support of regional and national environmental education  |
| Compliance with REACH and other new standards   | Activities targeting 100% green procurement rate  |
| Phased planting and nurturing of trees at plants inside and outside Japan up to 2017 and unveiling of YOKOHAMA Forever Forest in FY2017: (1) development of own woodland (expansion of activities to raise seedlings from acorns gathered by volunteers from phase II to raise project self-sufficiency), (2) commencement of surveying and evaluation of amount of carbon captured and stored, (3) bird monitoring |   |
| 35% reduction from FY1996 in total emissions by end FY2011<br>Establishment of emission factor reduction targets for each plant using FY2008 as base year   | Continued reduction of total emissions and emission factors   |
| Emission MBO at overseas plants   |   |
| Attainment of complete zero emissions at group plants in Japan and overseas   | Continuation of complete zero emissions at group plants in Japan and overseas   |
| Attainment of 100% recycling rate at all production operations in Japan   |   |
| Establishment and application of methodology for verification of overseas waste disposal and contractors  | 95% recycling rate at all overseas production operations; 100% recycling rate in FY2017   |
| Continued high-efficiency operation of cogeneration systems at tire plants in Japan<br>Maintenance of 12% reduction compared with base year (FY2010)  | Examination and implementation of measures to achieve own reduction targets   |
| 1% year-on-year reduction in total emissions of greenhouse gases by distributors  | Continued 1% year-on-year reduction in total of emissions   |
| 1% year-on-year reduction must be achieved (promotion of drastic energy savings)  |   |
| 5% reduction in specific energy consumption in 2010 compared with 2005 (expansion of modal shift)   | Continued 1% year-on-year reduction   |
| Global implementation of MS-InC   | Establishment of monitoring framework in collaboration with suppliers   |
| Commencement of REACH registration/notification   | Completion of arrangements for in-house REACH compliance (registration/approval/notification/limitation)  |
| Formulation and implementation of plans for elimination   | Systematic disposal from all group facilities   |
| Phased commencement of proper disposal  | Phased proper disposal and completion by March 2016   |
| Reduction of legally controlled substances and study of development of alternative technologies   | Commercial application of alternative technologies  |
| Action to guarantee "zero" outflow beyond site boundaries   | Continuation of action to ensure zero outflow   |
| 10 or fewer complaints; implementation and continuation of capital investment   | 5 or fewer complaints; target of zero complaints in FY2017; implementation and continuation of capital investment   |
| Regular communication of risks  | Communication on risks at overseas operations   |
| Practical application by means of guidebook   |   |
| Assignment of promotion officers to divisions and subsidiaries, PDCA cycle for challenges, development of follow-up structure   | Maintenance of high ethical standards and respect for international standards, commitments, and norms   |
| Reorganization of committees and councils on CSR themes   | Practice of CSR management in conformance with ISO26000 (Chapter 7)   |
| Expansion of CSR themes targeting all divisions of Yokohama Rubber to include distributors and subsidiaries   |   |
| Expansion of activities to raise understanding at overseas plants   | Expansion of activities to inform overseas distributors   |
| Organization of events for going through CSR reports  | Activities to raise CSR awareness among internal members  |
| Formulation and application (adoption as guidelines) of CSR guideline/checklist<br>Formulation and application of English version of guideline/checklist  | Expansion to overseas subsidiaries  |
| Adoption of ISO26000 as internal standards (incorporation into checklists and guidelines, etc.)   | Expansion of application of ISO26000 to establishments overseas   |
| Developments of means of communication with end users   | Disclosure of information to global consumers. Global rollout of customer support line  |
| Expansion to overseas group companies   | Survey of employees' compliance awareness; completion of visualization of relevant legislation  |
| Development of organizations and meeting structure for dealing with materials risks   | Completion of development of organizations, committees, and councils for dealing with anticipated risks, proactive prevention, and implantation of avoidance measures   |
| Informing of all employees and adoption of "stop, call, wait" as standard practice  |   |
| Acquisition of Occupational Health and Safety Assessment Series (OHSAS) management system certification   | Creation of safe and healthy working environment at operations in Japan and overseas  |
| Enhancement of mental health support  |   |
| Training at overseas operations of new hires appointed to career track positions  |   |
| Inspection and maintenance of respect of human rights, including at operations overseas   | Development of anti-harassment standards for the Yokohama Rubber Group  |
| Development of anti-harassment standards and application to domestic affiliates   |   |
| Formulation and implementation of CSR procurement guidelines for Purchasing Dept.   | Expansion to suppliers of purchasing groups in business departments   |
| Enhancement of 2009 CSR Report (GRI guideline take-up rate of at least 70%)   | Continuation of GRI guideline take-up rate of at least 80%  |
| Determination of writer of third-party opinion and expansion to include opinions from experts on specific issue<br>Preparation for stakeholder dialogue in FY2010   | Development of methodology for reflecting stakeholder opinion<br>From stakeholder dialogue to stakeholder engagement (phase IV)   |
| Development of arrangements for incorporation of stakeholder opinion into business operation decision-making  |   |