

Introduction

In 2003, the Yokohama Rubber Group determined its Code of Conduct and defined the sort of conscientious conduct to which the Group and its members must aspire. In 2008, we advocated CSR-minded management and formulated our CSR Management Vision and CSR Action Guidelines. Thereafter, the business activities of the Yokohama Rubber Group became increasingly globalized, and this was accompanied by a significant increase in matters that had to be taken into account. We consequently shared the international standards noted below by all members of our Group as guidelines to be followed in pursuit of our business activities.

- ISO 26000:2010 Guidance on social responsibility
- the Ten Principles in the four areas (human rights, labor, the environment, and anti-corruption) of the United Nations Global Compact

Each of these international standards refers to the kind of conscientious conduct that ought to be taken by the entire Yokohama Rubber Group and each of its members. We therefore decided to redefine the Code of Conduct to be applied in our global business activities on the basis of these standards, and to unify it with our CSR Action Guidelines.

Seven Action Guideline Items

1. We shall respect human rights inside and outside the company.

< Basic stance of the Yokohama Rubber Group >

1) We shall respect human rights, and shall not practice or be a party to discrimination or harassment.

< To practice our basic stance—our action >

1) With an awareness of the diversity of the people working for us, we shall refrain from any action grounded in discrimination for reason of race, ethnicity, nationality, religion, sex, or other attributes. In addition, when we notice any such action, we shall resolutely point it out and urge its correction.

2) We shall refrain from harassment in any shape or form.

3) We shall not permit any violent behavior in the workplace.

2. We shall create workplaces that are safe and healthy.

< Basic stance of the Yokohama Rubber Group >

1) We shall not tolerate child labor or compulsory labor at any of our member companies or suppliers.

2) We shall respect the rules governing working hours, days off, leave/vacations, minimum wage, and other factors as defined by laws and regulations in host countries and regions (i.e., those where we do business).

3) We shall place top priority on assurance of safety and health in the workplace, and strive to prevent accidents and disasters.

4) We shall aim for the growth of all members of the Yokohama Rubber Group through

their work, and proactively support their career and capacity development.

- 5) We shall confer with worker representatives in good faith in order to build and maintain sound labor-management relations.

< To practice our basic stance—our action >

- 1) We shall be on guard against the supply of labor by children who have not yet reached the employable age prescribed in the laws and regulations of the host countries, not only at member companies of the Yokohama Rubber Group but also at our suppliers.
- 2) In the realization that all labor must be supplied voluntarily and that all workers may freely quit their jobs, we shall be on guard against the compulsory or forced supply of any labor.
- 3) In order to build workplaces in which safety and health are assured, we shall proactively participate in activities aimed at the improvement and penetration of rules and setups for safety and health.
- 4) We shall obey rules governing safety and health in the workplace and show concern for a good work-life balance.
- 5) In the event of disasters, we shall respond properly, in accordance with the prescribed rules.
- 6) We shall help employees with problems on the job to deal with them in cooperation with concerned personnel instead of treating them as personal worries or difficulties to be handled by those employees alone.
- 7) People who are under the influence of alcohol or drugs shall not be permitted to enter the workplace.

3. We shall harmonize our activities with the global environment.

< Basic stance of the Yokohama Rubber Group >

- 1) As members of a corporate group with the highest levels of contribution to the environment, we shall take up the challenge of environment-related issues and help to build a sustainable society.
- 2) We shall construct and operate mechanisms for companywide management in order to observe environmental laws and regulations in each host country and region.

< To practice our basic stance—our action >

- 1) We shall observe all laws and regulations for prevention of air pollution, water pollution, soil contamination, etc.
- 2) In accordance with laws and regulations, we shall control environment-burdening substances, strive to reduce environmental risks deriving from them, and exclude prohibited chemical substances from our product manufacturing processes.
- 3) In all stages of our business activities, we shall eliminate the waste of resources and energy, and reduce emissions of CO₂ and other greenhouse gases.
- 4) In all stages of our business activities, we shall promote the reduction of industrial waste derivation and final disposal volumes.
- 5) In order to preserve biodiversity, we shall engage in various activities in accordance with our Guidelines on Biodiversity.

4. We shall provide safe and high-quality products and services.

< Basic stance of the Yokohama Rubber Group >

- 1) We shall develop, design, manufacture, and sell attractive products that satisfy customers; provide society as a whole with safe and high-quality products and services; and endeavor to enhance the value of the Yokohama Rubber brand.

< To practice our basic stance—our action >

- 1) We shall listen to the views of our customers, accurately ascertain their needs, and develop, design, manufacture, and sell products of genuine use to society.
- 2) We shall provide our customers with appropriate information concerning our products.
- 3) In the manufacture and sale of our products, we shall observe the laws and regulations on safety applied in each host country and region.
- 4) We shall proactively participate in the construction and operation of companywide mechanisms to assure the quality of our products.
- 5) We shall take prompt action for response in the event of accidents related to our products.
- 6) Through these actions, we shall work to enhance the value of the Yokohama Rubber brand.

5. We shall conduct corporate activities with a high transparency and practice proper disclosure of information.

< Basic stance of the Yokohama Rubber Group >

- 1) We shall conduct corporate activities with a high degree of transparency, in keeping with our Corporate Philosophy.
- 2) We shall make effective use of our corporate assets and heighten our corporate value.
- 3) We shall make systemic arrangements for ever-vigilant monitoring of risks surrounding the Yokohama Rubber Group, deal promptly with such risks, and constantly review these arrangements.
- 4) We shall establish standards for business processing and see that they are rigorously applied for correct performance of such processing.
- 5) We shall practice timely and appropriate disclosure of information on our business result, financial position, and business activities to our stakeholders, and engage in open and fair communication with them.

< To practice our basic stance—our action >

- 1) We shall treasure the tangible and intangible assets of the Yokohama Rubber Group including our reputation and brand, and strive to heighten our corporate value.
- 2) We shall exclude any and all ties with anti-social forces.
- 3) We shall be on guard against risks in our midst that could lead to disasters, scandals, and accidents, and deal promptly and appropriately with any related occurrences.
- 4) We shall obtain personal information on our customers, third parties, our employees, and other persons as well as confidential information on our customers and third parties, only by legitimate methods. In addition, we shall strictly manage any such information, utilize it in a proper scope, and carefully protect it.
- 5) We shall properly manage export in accordance with the laws and regulations in the host countries and regions.
- 6) We realize that the pool of information acquired through our work includes some important undisclosed information otherwise known internally or only within the other organization. We shall properly manage all such information. We shall not engage in any buying or selling of stock etc. using such inside information.

6. We shall observe not only laws and regulations but also social norms.

< Basic stance of the Yokohama Rubber Group >

- 1) We shall not engage in any activity that is in violation of the competition-related law (antitrust legislation), any acts of bribery, and any other acts that deviate from laws, regulations, or business conventions.
- 2) We shall open our doors wide to all prospective suppliers, engage in just and fair transactions with them, and construct partnerships grounded in observance of laws and regulations and in mutual trust. In addition, we shall take approaches with them to CSR

issues (in the aspects of the environment, safety, human rights & labor, and compliance), ascertain the facts of their situation, and proactively assist them in their related efforts.

< To practice our basic stance—our action >

- 1) We shall observe the competition-related law (antitrust legislation) in each host country and related laws and regulations (such as the Japanese Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors).
- 2) We shall maintain sound relations with political groups and public administrative authorities, and shall not engage in any acts of bribery, in Japan or any other country or region. We shall not entertain, give any gifts to, or give any money to business partners for the purpose of gaining illicit advantage.
- 3) We shall protect the intellectual property of the Yokohama Rubber Group, including technical information at hand. We shall not illicitly acquire or use intellectual property belonging to third parties, or infringe upon their rights.
- 4) We shall strive to understand and observe the laws and regulations pertaining to the work to which we are assigned, and to preclude the occurrence of risks in the workplace. In the event of any deviation, we shall swiftly make corrections.
- 5) When we suspect the existence of illegal acts in our own conduct or that of others, we shall not ignore it; instead, we shall confirm conformance with the law by utilizing the setup for whistleblowing.

7. We shall aspire to harmony and prosperity with local communities.

< Basic stance of the Yokohama Rubber Group >

- 1) We shall never forget that we are members of society, and shall endeavor to exist harmoniously and prosper together with society as well as to build ties of trust with stakeholders.
- 2) We shall support the social contribution activities of our employees and breed a corporate culture oriented toward active participation by them in such activities.
- 3) We shall practice proper provision of information on business activities involving the community.

< To practice our basic stance—our action >

- 1) Our activities of social contribution shall not be confined to those through our business activities; we shall also take a proactive part in volunteer programs and social activities rooted in the local community.

< Supplementary provisions >

The definitions of the terms used in these Guidelines are as follows.

- 1) “Yokohama Rubber Group” is a collective term for the Yokohama Rubber Co., Ltd. and its subsidiaries included in financial statements, whether consolidated or non-consolidated.
- 2) The term “member” refers to the corporate directors, auditors, executive officers, administrative directors, and consultants in companies belonging to the Yokohama Rubber Group, as well as all persons to whom the employment rules of these companies are applied and all other persons who have employment relations with them.

< Application >

- These Action Guidelines shall be applied to the Yokohama Rubber Group and its members.