



2016 CSR REPORT



Yokogawa CSR Policies

Governance, Risk Management

Anti-Corruption and Compliance

Supply Chain Management

Human Rights, Labor Practice

Environmental Management

Community Involvement

Social and Environmental Data

The Yokogawa Group's thoughts and initiatives concerning CSR are presented on this website. The information on this website is also available in PDF documents that can be downloaded from the yearly archives.

▶ [CSR Reports](#)

In addition to our Annual Report for shareholders and investors, from fiscal 2015 we are further enhancing CSR information and non-financial information that is deeply connected to our management plans and business strategy, and are issuing the YOKOGAWA Report, a report based on integrated thinking. As such, we ask that you also view the YOKOGAWA Report.

The YOKOGAWA Report is available at the web address below. (Date of release: August 31, 2016)

▶ [Investor Relations Website](#)

We hope that readers will gain a better understanding of the CSR activities of the Yokogawa Group through CSR information.

Period covered by this report

April 1, 2015 through March 31, 2016

Where appropriate, information on events occurring outside this period may be included.

Scope of data

This report covers Yokogawa Electric and its Group companies. When data having a different scope is provided, that is noted.

Intended readership

This information is intended for a wide range of stakeholders including customers, shareholders and investors, business partners, employees, communities, NPOs, NGOs, and government.

Company names

In this report, "Yokogawa" and "Yokogawa Group" refer to the entire organization, "Yokogawa Electric" is only used with reference to Yokogawa Electric Corporation.

Reference Guidelines

- Environmental Reporting Guidelines (Fiscal year 2007 Version), published by the Ministry of the Environment, Japan
- Environmental Accounting Guidelines (Fiscal year 2005 Version), published by the Ministry of the Environment, Japan
- Sustainability Reporting Guidelines 2006, published by the Global Reporting Initiative

Index

About this Site	1	Environmental Management	00
YOKOGAWA CSR Policies	6	▶ Environmental Policy	00
▶ Corporate Philosophy	00	▶ Environmental Management System	00
▶ Global Initiative	00	▶ ISO 14001 Certification at Yokogawa Group	00
▶ External Ratings and Recognitions	00	▶ Environmentally Friendly Products	00
▶ Providing Value for Society together with Customers	00	▶ Guidelines for Environmentally Friendly Design	00
Governance, Risk Management	00	▶ Green Procurement	00
▶ Corporate Governance	00	▶ LCA Label	00
▶ Internal Control System	00	▶ Environmental Practices	00
▶ Risk Management	00	▶ Environmental Impact	00
▶ Quality Management	00	▶ Environmental Accounting	00
▶ Information Security	00	▶ Global Warming Prevention	00
Anti-Corruption and Compliance	00	▶ Chemical Substance Reduction, Waste Reduction and Resource Conservation	00
Supply Chain Management	00	▶ Water Resource Conservation	00
Human Rights, Labor Practice	00	▶ Promoting Biodiversity	00
▶ Human Rights	00	▶ Environmental Milestones	00
▶ Diversity and Inclusion	00	Community Involvement	00
▶ Human Resources Development	00	▶ Corporate Citizenship in Japan	00
▶ Occupational Safety and Health	00	▶ Corporate Citizenship in North and South Americas	00
Social and Environmental Data	00	▶ Corporate Citizenship in Asia	00
		▶ Corporate Citizenship in the Middle East and Africa	00
		▶ Corporate Citizenship in Europe	00

The Yokogawa Philosophy, which states, "As a company, our goal is to contribute to society through broad-ranging activities in the areas of measurement, control, and information. Individually, we aim to combine good citizenship with the courage to innovate."

provides the underlying basis for our efforts to fulfill our corporate social responsibility (CSR).

Yokogawa has established a department at its head office to oversee CSR activities throughout the Yokogawa Group. Group companies around the world are promoting CSR initiatives to meet expectations by each country and region. Through these means, we are making every effort to contribute to the sustainable development of local communities and economy. We have also established the Yokogawa Group Compliance Guidelines, which provide employees with a roadmap for conduct in such areas as human rights, legal compliance, and occupational safety and health.



Contributing to Society through our Business

Yokogawa, since its inception, has been to provide the measurement, control and information technologies that are essential to various industries and thereby contribute to the sustainable growth of society.

Many Yokogawa products and solutions are in operation constantly in customers' plants in a broad-range of industries such as petroleum, petrochemical, chemical, iron and steel, paper, gas/LNG, electricity, pharmaceutical, water and environment as well as food production.

By providing solutions which enhance energy efficiency and support the creation of next-generation energy technologies, we are helping to solve a variety of social issues.

Yokogawa engages in CSR activities and seeks through its businesses to realize a more sustainable society by protecting the environment, ensuring safety, promoting growth together with local communities, and safeguarding human health and wellbeing. For "sustainable development goals (SDGs *)" adopted by the United Nations in September 2015, we will continue to actively contribute through our business in the future.

▶ [Providing Value for Society together with Customers](#)

*Sustainable Development Goals(SDGs)

In September 2015, the United Nations adopted the 2030 Agenda for sustainable development, which includes a set of Sustainable Development Goals (SDGs). The SDGs, consisting of 17 goals and 169 targets, are universal development goals for ending poverty and hunger, protecting the planet, and ensuring prosperity that all countries and all stakeholders are encouraged to work toward.



▶ [About SDGs](#)

Supporting the United Nations Global Compact Initiative

The Standards of Business Conduct for the Yokogawa Group call for the realization of the Yokogawa Philosophy, enhancement of customer satisfaction, observance of laws and regulations, respect for human rights, and maintenance of the order and safety of communities and society. Yokogawa is committed to fulfilling its various fundamental responsibilities as a company, including maintaining compliance and contributing to society through its businesses.

Yokogawa has participated in the Global Compact Initiative, an international undertaking advocated by the United Nations, since 2009. Accordingly, the Company endeavors to support and practice the Compact's ten principles relating to human rights, labor, the environment, and anti-corruption. Yokogawa strives to ensure that its global network of Group companies and suppliers shares the same commitment to these principles.

Looking ahead, every effort will be made to fulfill our corporate responsibilities as a globally operating company.

Yokogawa Electric Corporation
President and CEO
Takashi Nishijima



Network Japan
WE SUPPORT

Initiatives related to ten principles of the Global Compact

- ▶ [Global Initiative](#)
- ▶ [About UN Global Compact](#)

Communication with Our Stakeholders

YOKOGAWA will help solve the unique challenges such as energy conservation, the reduction of environmental impact and improved plant safety by utilizing our solutions. In addition, we are working to strengthen corporate governance, abide by compliance, and promote human resources strategy. In promoting all CSR activities, it is required to incorporate fully the expectations and demands of society as well as promote the business strategy of our mid-term business plan. We therefore value feedback, concerns and other input obtained through communication with our stakeholders.

In fiscal year 2015, we held a forum in November to commemorate the 100th anniversary of our foundation, and expressed our gratitude to our stakeholders including customers. In a panel discussion on the theme "Co-innovating tomorrow," the lively discussion was conducted by customers, partner companies, university professors, and others.

Moreover, Takashi Nishijima, President and CEO of Yokogawa Electric Corporation, personally visited ten or more overseas bases as well as domestic ones from May of 2015 to February of 2016 and held the briefing session of our mid-term business plan Transformation 2017 for the Group employees in each base. At the briefing session, there was a frank and lively exchange of views between Nishijima and the local Group

employees. They confirmed the future direction and deepened mutual understanding.

Customer	<ul style="list-style-type: none"> ● Co-innovation through the plant lifecycle ● Calls to our Global Response Center ● Conversation/interaction with customers at trade shows and customer meetings ● Provision of information via websites
Shareholders and Investors	<ul style="list-style-type: none"> ● Interaction through IR activities such as the General Meeting of Shareholders and presentations to investors ● Communication through financial reports and annual reports ● Response to research conducted by SRI rating agencies
Supplier	<ul style="list-style-type: none"> ● Interaction through the procurement activities conforming to the sales policy ● Organization of presentations on our procurement policy
Employee	<ul style="list-style-type: none"> ● Interaction through labor-management consultations ● Communication through the company newsletter and intranet ● Employee-awareness surveys
Communities	<ul style="list-style-type: none"> ● Conversation/interaction with nearby residents/communities ● Participation in community activities
Governments/Industry organization	<ul style="list-style-type: none"> ● Participation in economics organizations and industry bodies
NGOs/NPOs	<ul style="list-style-type: none"> ● Conversation/interaction through various cooperative activities

Corporate Philosophy

The Yokogawa Philosophy

Introduction to Yokogawa's corporate symbol and standards of business conduct

As a company, our goal is to contribute to society through broad-ranging activities in the areas of measurement, control, and information.

Individually, we aim to combine good citizenship with the courage to innovate.

Published in January 1988

Standards of Business Conduct for the Yokogawa Group

I . Basic Principles of the Yokogawa Group

1. Realizing The Yokogawa Philosophy

This Company Code imparts the principles of good business for the Yokogawa Group members who aspire to fulfill the Yokogawa Philosophy. "As a group, our goal is to contribute to society through broad-ranging activities in the areas of measurement, control and information. Individually, we aim to combine good citizenship with the courage to innovate."

We, as members of the Yokogawa Group, conduct business activities according to the Yokogawa Philosophy and carry out duties with integrity.

We observe the Standards of Business Conduct.

2. Customer Satisfaction

From the viewpoint of customer satisfaction, we provide valuable products and services that are useful to society.

Winning customer satisfaction is the start to gaining the trust of shareholders and all concerned people in the community and society.

3. Observance of Laws and Regulations

We observe the laws, regulations, and other rules of society, and conduct business activities with ethical conscience.

We accept different cultures and respect the laws and social mores of the international community.

4. Respect for Human Rights

We value and respect the dignity of each individual and all basic human rights.

5. Order and Safety of Community and Society

We do not develop or foster any relationship with any people or groups that threaten the order and safety of the community and society.

II . Basic Attitude of the Yokogawa Group

1. Customers

We conduct activities with integrity to gain the approval and trust of customers.

We provide accurate and ample information to customers so that they can use our products and services in safety and with satisfaction.

2. Shareholders

We use, maintain and enhance corporate assets efficiently and effectively to win the trust of our shareholders.

We openly and accurately disclose corporate and management information to our shareholders.

We maintain a sound and clear relationship with our shareholders.

3. Community and Society

We strive to achieve the common goals of the community and society, including protection of the global environment and the building of prosperous societies.

We endeavor to be a friendly and cooperating member of society and participate positively in the activities of society.

4. Suppliers and Vendors

We work sincerely and soundly with suppliers and vendors and treat them fairly and equally.

We refrain from making any contacts with the suppliers or vendors that may be misinterpreted as abuse of a special relationship, and we maintain sound and open relationships.

5. Competitors

We compete fairly, openly and freely with other suppliers.

6. Politicians and Governmental Agencies

We maintain sound and open relationships with politicians, public servants and people related to them.

III. Guideline of Conduct for Yokogawa Group Members

1. Workplace

We maintain an active, bright, safe and sound company atmosphere that we can take pride in.

We pay careful attention so that none of us would suffer from harassment, unfair treatment, or infringement of privacy.

2. Group Assets

We use the assets of the Yokogawa Group only for Group-related business activities.

3. Management of Information

We fully recognize the value of the knowledge within the Yokogawa Group and that of business partners, and maintain strict records and guardianship of this information.

We use information obtained through business activities only for business purposes.

4. Avoidance of Conflict of Interest

We conduct our business activities neither for personal gain nor to take advantages of business positions. Furthermore, we conduct our activities in such a way that the Yokogawa Group suffers no losses or damage.

5. Prudent Personal Activities

We act responsibly, in private and on business, so as not to impair the Yokogawa Group's credibility or reputation or cause any losses or damage to the Group.

Global Initiative

UN Global Compact

The United Nations has put forward a set of ten principles, The UN Global Compact, relating to human rights, labor, the environment, and anti-corruption. On January 5, 2009, Yokogawa signed on as a participating company.

Kofi Annan, former Secretary-General of the UN, first proposed the Global Compact at the World Economic Forum in 1999; the UN officially launched it in 2000. Participating companies are expected to uphold and practice international standards relating to human rights, labor, the environment, and anti-corruption.

Today, Yokogawa does business around the world and its actions affect economies, societies, and the environment. Recognizing its role as a global company, it abides by international norms and actively works to address urgent international issues such as the environment and human rights.

▶ [Press release of January 7, 2009, announcing Yokogawa's participation in the UN Global Compact](#)

Below are the ten principles of the UN Global Compact, followed by Yokogawa's efforts in each area:

Human Rights

Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

make sure that they are not complicit in human rights abuses.

Yokogawa's Efforts:

- ▶ [Human Rights](#)
- ▶ [Supply Chain Management](#)
- ▶ [Community Involvement](#)

Labor Standards

Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

the elimination of all forms of forced and compulsory labor;

Principle 5:

the effective abolition of child labor; and

Principle 6:

the elimination of discrimination in respect of employment and occupation.

Yokogawa's Efforts:

- ▶ [Human Rights](#)
- ▶ [Occupational Safety and Health](#)

Environment

Principle 7:

Businesses should support a precautionary approach to environmental challenges;

Principle 8:

undertake initiatives to promote greater environmental responsibility; and

Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

Yokogawa's Efforts:

- ▶ [Environmental management](#)
- ▶ [Energy management solutions](#)
- ▶ [Renewable energy](#)

Anti-Corruption

Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery

Yokogawa's Efforts:

- ▶ [Anti-corruption and Compliance](#)

ISO 26000

ISO 26000, issued by the International Standardization Organization in November 2010, is an international standard for the social responsibilities of corporate entities, presenting seven core subjects including organizational governance, human rights, labor practices, environment and fair operating practices.

We at Yokogawa, as a company active in the global marketplace, adhere to ISO 26000 and uphold corporate governance as a key principle of Corporate Social Responsibility (CSR), which forms the foundation of corporate management. As such, we are committed to the implementation of socially responsible programs/activities designed to contribute to society through business operations, environmental conservation and the assurance of human rights in order to meet our shareholders' expectations.

The core subjects of ISO 26000 and our key efforts in regard to these subjects are explained below.

Core Subjects	Issues	References
6.2 Organizational governance	1.Organizational governance	<ul style="list-style-type: none"> ● Corporate Governance ● Internal Control System ● Risk Management ● YOKOGAWA CSR Policies

<p>6.3 Human rights</p>	<ol style="list-style-type: none"> 1. Due diligence 2. Human rights risk situations 3. Avoidance of complicity 4. Resolving grievances 5. Discrimination and vulnerable groups 6. Civil and political rights 7. Economic, social and cultural rights 8. Fundamental principles and rights at work 	<ul style="list-style-type: none"> ● Human Rights ● Diversity and Inclusion ● Supply Chain Management ● Corporate Philosophy ● Anti-corruption and Compliance
<p>6.4 Labour practices</p>	<ol style="list-style-type: none"> 1. Employment and employment relationships 2. Conditions of work and social protection 3. Social dialogue 4. Health and safety at work 5. Human development and training in the workplace 	<ul style="list-style-type: none"> ● Human Resources Development ● Occupational Safety and Health
<p>6.5 The environment</p>	<ol style="list-style-type: none"> 1. Prevention of pollution 2. Sustainable resource use 3. Climate change mitigation and adaptation 4. Protection of the environment, biodiversity and restoration of natural habitats 	<ul style="list-style-type: none"> ● Environmental Management System ● Environmental Impact ● Environmentally Friendly Products ● LCA label ● Global Warming Prevention ● Chemical Substance Reduction, Waste Reduction and Resource Conservation ● Water Resource Conservation ● Promoting Biodiversity
<p>6.6 Fair operating practices</p>	<ol style="list-style-type: none"> 1. Anti-corruption 2. Responsible political Involvement 3. Fair competition 4. Promoting social responsibility in the value chain 5. Respect for property rights 	<ul style="list-style-type: none"> ● Corporate Philosophy ● Anti-corruption and Compliance ● Supply Chain Management

<p>6.7 Consumer issues</p>	<ol style="list-style-type: none"> 1. Fair marketing, factual and unbiased information and fair contractual practices 2. Protecting consumers' health and safety 3. Sustainable consumption 4. Consumer service, support, and complaint and dispute resolution 5. Consumer data protection and privacy 6. Access to essential services 7. Education and awareness 	<ul style="list-style-type: none"> ● Quality Management ● Risk Management ● Information Security ● LCA label ● Corporate Philosophy ● Contact Us
<p>6.8 Community involvement and development</p>	<ol style="list-style-type: none"> 1. Community involvement 2. Education and culture 3. Employment creation and skills development 4. Technology development and access 5. Wealth and income creation 6. Health 7. Social investment 	<ul style="list-style-type: none"> ● Community Involvement ● Japan ● North and South Americas ● Asia ● Middle East and Africa ● Europe

External Ratings and Recognitions

Ratings by media and investigate body

Socially Responsible Investment Stock Index by Morningstar (Japan)



Yokogawa Electric Corporation, as of July 2016, is one of 150 companies constituting the MS-SRI (Morningstar Socially Responsible Investment Index), which is an SRI stock index established by Morningstar (July, 2016).

Yokogawa Selected as Constituent Stock of the JPX-Nikkei Index 400 (Japan)



Yokogawa Electric Corporation has been selected to the JPX-Nikkei Index 400, a stock price index jointly established by Nikkei Inc., Japan Exchange Group, Inc. (JPX), and Tokyo Stock Exchange, Inc. Stocks in this index are selected as companies that are attractive to investors for their return on investment (ROI), market capitalization, and other attributes.(August,2016)

Ratings for products and business activities

CENTUM®VP R6 Receives the Minister of Economy, Trade and Industry Prize of the 46th Machine Industry Design Awards (Japan)

CENTUM® VP R6 integrated production control system has received the Minister of Economy, Trade and Industry Prize. (July, 2016)

▶ [Click here for details](#)

The SMARTDAC+® Data Acquisition System "GM" Won the Good Design Award 2015 (Japan)

The "SMARTDAC+®" Data Acquisition System "GM" won the Good Design Award* by Japan Institute of Design Promotion. (September, 2015)

* The Good Design Award is the only comprehensive design-evaluation/recommendation campaign in Japan, which originated from the Good Design Selection System founded in 1957. A total of about 42,000 designs have received the award. It is hosted by the Japan Institute of Design Promotion, a public interest incorporated foundation.

A Science and Technology Award Was Received from the CIS for the "Development of an Intelligent Manufacturing Technology Solution for the Petrochemical Industry" (China)

Yokogawa China Co., Ltd., a subsidiary of Yokogawa Electric Corporation, received a Science and Technology Award from the CIS* for the "development of an Intelligent Manufacturing Technology solution for the petrochemical industry." (September, 2015)

* CIS (China Instrument and Control Society)

This is a Chinese society for measurement and automatic control, which was established in 1979 for the purpose of developing the measurement & control technology in China

A Letter of Commendation Was Received from the JPCERT/CC for the Commitment to Control System Cyber Security (Japan)

We received a letter from the JPCERT/CC* commending us for our commitment to control system cyber security, which was recognized as an outstanding contributor to the promotion of cyber security measures in Japan. (August, 2015)

* JPCERT/CC (Japan Computer Emergency Response Team Coordination Center)

The JPCERT/CC is a general incorporated association to handle computer security incidents, such as hacking and DoS (denial-of-service) attacks via the Internet. Upon receiving a report of such an incident on a site in Japan, their experts analyze the attack, determine its level of seriousness, suggest countermeasures, and develop and propose measures that will make the site less vulnerable.

▶ [Click here for details](#)

Award for New products from SICE (Japan)

The Award for New Products is given to SICE* member organizations who have released a new product in the previous two calendar years that represents a significant advance in any one of the science & technology fields or industries in which SICE is involved. (October, 2015)

- Highly reliable gas flow rate calculation through integration between the DPharp EJX multivariable transmitter and the ProSafe®-RS safety instrumented system.

* The Society of Instrument and Control Engineers (SICE) was founded in 1961 to promote collaboration among scientists and engineers from various fields.

▶ [Click here for details](#)

Ratings for employees

"ISA Standards & Practices Department Award 2015" Was Received (Japan)

Our employees received the "ISA Standards & Practices Department Award 2015" from the ISA (International Society of Automation). This award is granted by the ISA to the person who made an outstanding contribution to its standardization activity. This year, our two people received the award. (October, 2015)

▶ [Click here for details](#)

"International Standard Encouragement Award" and "IEC 1906 Award" Were Received (Japan)

Our employees received the "International Standard Encouragement Award" at the industrial standardization commendation ceremony 2015 hosted by the METI (Ministry of Economy, Trade and Industry) and also the "IEC 1906 Award" at its commendation ceremony by the IEC (International Electrotechnical Commission). (October, 2015)

▶ [Click here for details](#)

"International Standardization Award" Was Received (Japan)

Our employee received the International Standardization Award: Achievement Prize is given to individuals and organizations who have significantly contributed to a field in which SICE* is involved through the establishment of international standards. (October, 2015)

*1 The Society of Instrument and Control Engineers (SICE) was founded in 1961 to promote collaboration among scientists and engineers from various fields.

▶ [Click here for details](#)

Ratings for Contributions to Environment, Safety, Society, and Others

A Letter of Commendation Was Received from Tokyo for the Contribution to Blood Donation (Japan)

YOKOGAWA received Tokyo governor's letter of commendation from Tokyo because its long-term cooperation in blood donation was appreciated. YOKOGAWA has cooperated in the blood donation campaign of the Japanese Red Cross Society since 1966, and received commendation from the Minister of Health, Labor and Welfare in 1989. (January, 2016)

The Kofu Office Received Commendation from the Kofu Labor Standards Association (Japan)

The Kofu office received commendation from the Kofu Labor Standards Association because its commitment to daily safety control made by labor and management as one body was recognized. It was particularly appreciated that four days or more of medical leave have not been taken for three years or more. (June, 2015)

Providing Value for Society together with Customers

Aspiring to realize a sustainable society, Yokogawa is helping to address a number of social and environmental issues through its business activities. In fiscal year 2015, we initiated a cross-organizational project and exchanged opinions with our shareholders. And in accordance with the Sustainable Development Goals (SDGs) adopted by the United Nations, we have classified our business activities and contributions as follows:

Contributions toward a sustainable global environment

Social Issues

- Burgeoning energy demand in emerging countries
- Shift from non-renewable fossil fuels to renewable energy sources
- Soil and water pollution from domestic and industrial wastewater and industrial waste

Relevant SDGs



Yokogawa's Strengths

- Provision of highly reliable products and services and development of long-term relationships with a global customer base, mainly in downstream sectors of the energy supply chain such as oil refining and petrochemicals
- Engineering services that make operations

Main Contribution of Yokogawa

Boosting efficiency throughout the energy supply chain

- Support services that ensure stable and efficient operations and the efficient use of energy and other resources throughout the plant lifecycle
- Conservation of energy through the measurement and optimal control of production facilities and waste heat recovery facilities

Responding to the shift to renewable energy sources

- Highly reliable measurement and control equipment supporting clean power generation at renewable energy plants
- With customers and partners, the joint development and realization of efficient wide-area energy management systems that combine the use of Industrial Internet of Things (IIoT) and plant control technologies

Ensuring a resource recycling society

- Robust systems with a low environmental-impact that can be kept in use for decades through the replacement of parts and other regular maintenance procedures

- Ensuring the supply of safe water through the implementation of seawater desalination, wastewater management, and water purification plant monitoring and control projects worldwide
- Helping to prevent air, soil, and water pollution through the real-time component analysis of gases and liquids
- CO2 emissions reduction and other environmental management activities at our offices and factories

Realization of a safe and secure society

Social Issues

- Plant accidents caused by aging facilities and the retirement of skilled operators
- Aging of public infrastructure such as roads, bridges, tunnels, and harbors
- The threat of cyber-attacks on vital infrastructure
- Social impact of earthquakes, tsunamis, typhoons, floods, and other natural disasters

Relevant SDGs



Yokogawa's Strengths

- Utilization of long experience and extensive track record in industry sectors such as chemicals, iron and steel, and liquefied natural gas to provide support that ensures safe and secure operations
- Development of integrated process control and safety instrumented systems (as an alternative to the conventional approach of keeping these systems separate)
- Development and supply of operation training simulators that incorporate the expertise of skilled operators
- With security system vendors, provision of distributed control system (DCS) lifecycle security solutions

Main Contributions of Yokogawa

Development of safe and secure work environments

- Prevention of plant accidents through the rapid detection of plant abnormalities and the use of highly reliable and secure safety instrumented systems that perform emergency shutdowns, thus protecting people, the environment, plant assets, and company reputation
- Alleviation of operator stress through the integration of process control and safety instrumented systems, contributing to the overall improvement of operating efficiency
- Transfer of technical skills, knowledge about past plant problems, and knowledge about how to anticipate and prevent similar problems by using operation training simulators and virtual plant systems
- Helping to ensure the safe and secure operation of plant systems through the provision of secure products and cyber-security solutions

Support for natural disaster preparation and mitigation measures

- Development of durable, compact, and reliable sensors that constantly monitor buildings and bridges and enable early detection of tilting, cracking, and other failures

- Provision of natural disaster preparation and mitigation solutions such as tide gate centralized monitoring systems, public information services, and underground reservoir water distribution systems

Growing together with local communities

Social Issues

- Labor shortages in emerging countries
- Discriminatory treatment of individuals based on gender, race, etc.

Relevant SDGs



Yokogawa's Strengths

- Hiring, nurturing, and promotion of local workers to managerial positions
- Development of technical training programs in cooperation with customers and local educational institutions
- Efficient, change-responsive organizational operation through human resources strategies such as promotion of globalization and utilization of diversity

Main Contributions of Yokogawa

Local support for training of engineers

- Establishment of educational institutions and provision of scholarship support for students (Saudi Arabia, Tatarstan)
- Support for development of engineering students through internships in cooperation with local universities; subsequent contribution to local job creation (Middle East, Africa)

Promoting diversity

- Career training for leading female employees and diversity education for managers; preparation of development plans for female employees; reform of the corporate culture and workplace culture; provision of support to ensure the success of female employees; and correction of disparities between men and women (Japan)
- Active utilization of diverse human resources, including women, foreign nationals, and disabled person

Support for health and enrichment of people's lives

Social Issues

- The enormous time and cost required for new drug development
- The burden of animal experimentation and clinical trials

Relevant SDGs



Yokogawa's Strengths

- Establishment of confocal microscopes capable of observing the movements of live cells in real time as a de facto standard in leading-edge research
- Development and provision of advanced drug discovery support systems incorporating technologies such as confocal microscopes, precise positioning control, and cell image analysis

Main Contributions of Yokogawa

Life sciences and drug discovery

- Promotion of leading-edge life science research through the use of confocal microscopes for the observation of biological phenomena such as the movement of neurons in the brain and the flow of red blood cells
- Drug discovery support systems for the efficient development of safe pharmaceuticals that alleviate the burdens of conducting clinical trials on living subjects and conducting animal experiments

Sustainable Development Goals (SDGs)

In September 2015, the United Nations adopted the 2030 Agenda for sustainable development, which includes a set of Sustainable Development Goals (SDGs). The SDGs, consisting of 17 goals and 169 targets, are universal development goals for ending poverty and hunger, protecting the planet, and ensuring prosperity that all countries and all stakeholders are encouraged to work toward.



► [About SDGs](#)

Contributing to Society through our Business

Yokogawa's products solutions are in use in major industrial plant facilities around the world, including in emerging countries. Many Yokogawa products are in operation constantly in customers' plants in a broad-range of industries such as urban infrastructure (including electricity, gas/LNG and water), petroleum, petroleum chemistry, chemical, iron and steel, paper, and pharmaceutical, as well as food production. Yokogawa products not only increase the productivity and quality of plants through automation of field operations, but also provide features which increase safety and automate dangerous work. With these

features, we help prevent accidents or trouble from occurring by comprehensively monitoring plants to ensure stable and optimum operations. Also, Yokogawa provides advanced applications which contribute to the efficient use of energy and resources, reducing environmental impact and preventing air pollution. Many Yokogawa products are also effectively used with vital water resources and the development of natural energy.

Yokogawa will continue to create new value together with our customers and will contribute to achieving a sustainable society.

The contributions we make to society through our various solutions can be viewed on our website.

▶ [Success Stories](#)

Yokogawa has prepared frameworks for corporate governance, risk management, internal control, and compliance, spanning the entire Group.

In major areas, including environment, health and safety, quality, labor management, corporate ethics, and risk management, we have prepared internal control systems and engage in risk management and compliance.

To enhance companies' sustainable growth and improve mid- to long-term corporate value, Japan's Corporate Governance Code has been applied to listed companies in Japan since June of 2015. YOKOGAWA systematized the commitment to the corporate governance once more and established the "YOKOGAWA Corporate Governance Guideline" in November of 2015 as a basic policy for enhancing the corporate governance continuously. We will continue to further enhance the corporate governance and tackle sustainability issues including environmental and social issues.

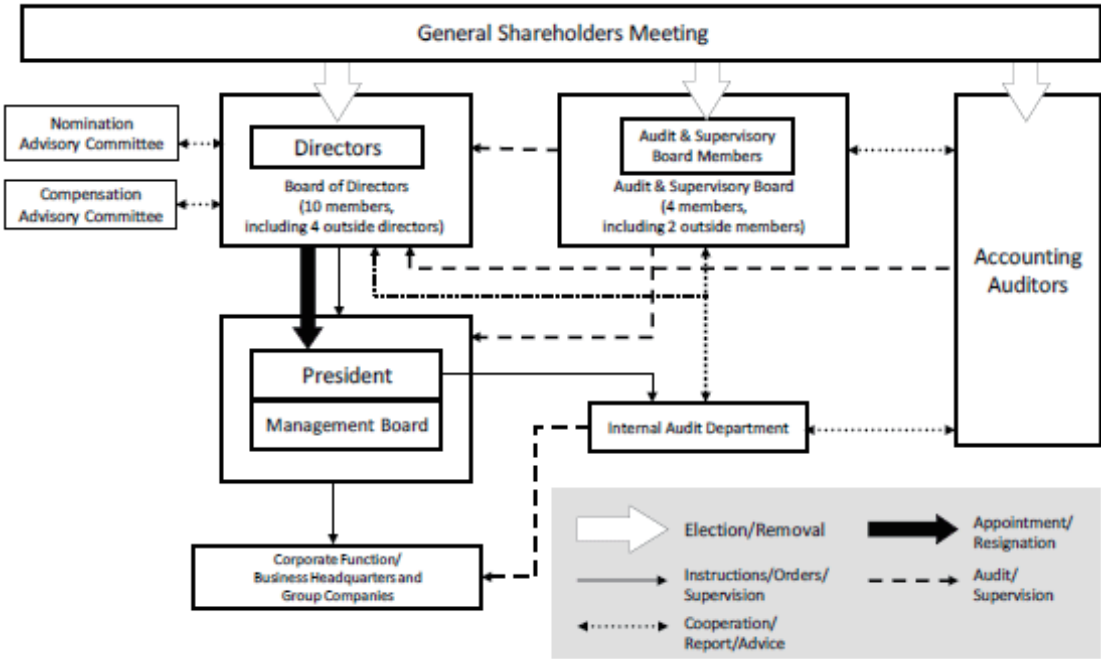
Corporate Governance

The Yokogawa Electric Group (hereinafter referred to as the "Group") has established a corporate philosophy, the Yokogawa Philosophy, and Standards of Business Conduct for the Yokogawa Group (hereinafter referred to as the "Standards of Business Conduct") that apply to the entire Group, and strives to have appropriate relationships with all stakeholders as well as aims for sustainable corporate growth and increased corporate value over the medium to long term. In addition, based on the philosophy that "a company is a public entity of society," the Group positions answering the trust of all stakeholders, including shareholders, customers, business partners, society, and employees, via sound and sustainable growth, as the basic mission of its corporate management.

In order to maximize its corporate value, the Group believes that efforts such as thorough compliance, appropriate management of risks, and information disclosure in order to ensure constructive dialogue with shareholders and other stakeholders are important.

The Group formulates these Yokogawa Corporate Governance Guidelines (hereinafter referred to as the "Guidelines") which serve as the basic policy for continually working on corporate governance in line with the above views.

Corporate Governance Structure



Related Links

- ▶ [Yokogawa Corporate Governance Guidelines \(PDF: 290KB/19P\)](#)
- ▶ [Yokogawa Corporate Governance Report \(PDF: 653KB/28P\)](#)
- ▶ [Articles of Incorporation \(PDF:125KB/7P\)](#)
- ▶ [Articles of Incorporation \(HTML\)](#)

Internal Control System

At Yokogawa, "internal control" is a management process in which business resources, such as human resources, assets, and budgets, etc., are allocated appropriately and moved functionally to increase the corporate value. An internal control system is constructed as a means to achieve internal control; this is used to control both the positive and negative aspects. By doing this, Yokogawa aims at improving the corporate value of the entire Group.

The Structure of the Internal Control System

The internal control system of the Yokogawa Group consists of 10 control systems and 4 subsystems as shown in the table below: Each control system sweeps across all divisions that are conducting business activities.

Internal Control Systems	Subsystems	Primary laws (excerpt)
Business Ethics		General law, Whistleblower Protection Act, etc.
Decision Making		Corporate law etc.
Quality Management		Laws concerning products, such as Product Liability Act and Measurement Act, etc.
Labor Management		Labor Standards Act, Act on Securing, Etc. of Equal Opportunity and Treatment between Men and Women in Employment, etc.
Environment, Safety & Health Management		General environmental laws, Occupational Safety and Health Act, etc.
Information Security Management		Unfair Competition Prevention Act, Act on the Protection of Personal Information, etc.
Export Control		Foreign Exchange Law, etc.
Financial Reporting Control	Sales Management	Financial Instruments and Exchange Act, etc.
	Purchasing Management	Financial Instruments and Exchange Act, Act against Delay in Payment of Subcont
	Prevention of Insider Trading	Financial Instruments and Exchange Law
	Disclosure Management	Corporate law, Financial Instruments and Exchange Law, etc.
Crisis Management		General laws
Corporate Auditing Infrastructure		Corporate law

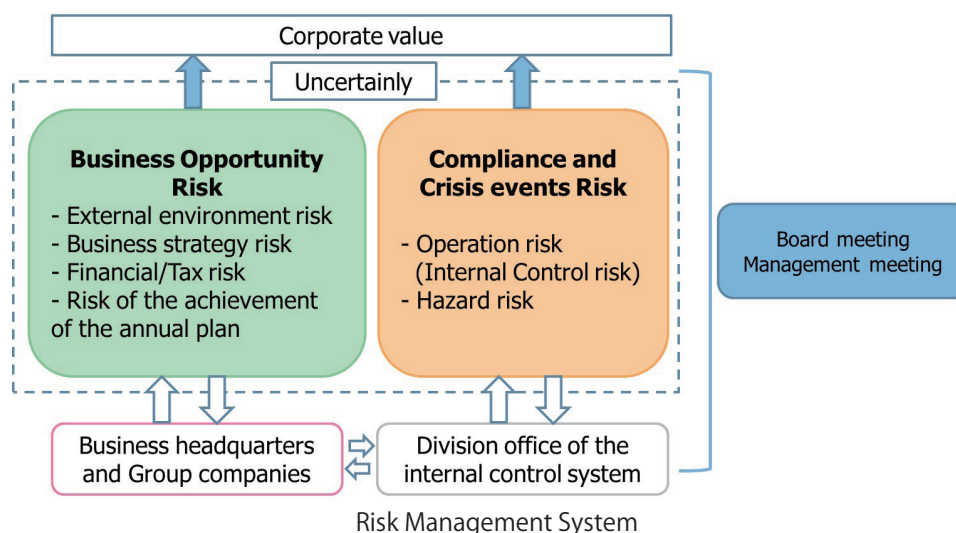
As for each internal control system, the relevant key result indicators and action indicators are clearly defined and the PDCA cycle is applied according to the evaluations of the respective indicators achievement levels.

Risk Management

The Yokogawa Group has in place a risk management system to control the uncertainty affecting the corporate value, as well as a crisis management system with which to respond promptly to any event that could have material impact on the company's operations.

Risk Management System

The Yokogawa Group has a risk management system in place for the purpose of controlling the uncertainty affecting the corporate value. Based on the risk management activities carried out autonomously by the respective organizational units, Yokogawa's management gains a comprehensive understanding of risks surrounding the Group from the two standpoints of "business opportunities" and "compliance and crisis event" and thereby deals with such risks.



Risk Management Procedure

Performing the roles of risk management departments, departments in charge of internal audits advise Group companies on the identification, analysis, and remediation of risks, and report to the Board of Directors and corporate auditors on major matters.

In the evaluation of risks, the departments evaluate the external environment, the business strategy and other risk of business opportunities, and the severity of quality, environmental, health and safety, labor, corporate ethics, risk management, and other risk of compliance and crisis events, in terms of degree of impact and possibility of occurrence. In making evaluations, the departments take into account not only financial and human aspects, but also societal and environmental impacts.

Risks deemed to be of high severity and high importance to the Group based on evaluations are designated as "priority risks," and the status of management of these risks is reported to management every quarter.

Priority Risks for Fiscal 2016

For fiscal 2016, the following five risks have been designated as "priority risks":

- M & A risk
- External environmental risk
- Information leakage and system failure of in-house
- Cyber threats for our products and services
- International tax risks
- Large-scale disaster risk
- Issue of public security and terrorism risk
- Risk related to product regulations and standards
- Risk of infectious disease epidemics
- Risk of causing fraud and scandals

Escalation of Information

In the event of a disaster, accident, or incident that can seriously impact the Yokogawa Group companies' management and/or the lives of their officers and employees, the concerned organization must take prompt action to minimize the damage by gathering information and reporting back to the Group's top management.

To address this issue, we have created the "Guidelines for Reporting Disasters, Accidents, and Incidents". These guidelines have been prepared to advise all departments and affiliates in the Yokogawa Group on the reporting procedures to follow in the event of such disasters.

Business Continuity Plan (BCP)

Our control business, which is a core segment of the Company, is deeply tied to social infrastructures such as electricity, gas, water and sewerage. To continue with our business activities as much as possible in the event of a disaster and quickly help maintain and restore social infrastructure, we developed the "Yokogawa Group Business Continuity Plan (BCP) in case of a Major Earthquake in Tokyo Metropolitan Area". We also have developed response plan and guideline which assume the specific risks such as huge earthquake or epidemic of contagious diseases. We have collaborated with all group companies worldwide to improve the plans.

Additionally, in order to increase the effectiveness of BCP, we conduct company-wide evacuation drills and simulation drills under the supervision of the Crisis Management Committee (including members of the management team) and are carried out activities to improve the BCP.

Subsequent to the Great East Japan Earthquake in March 2011, we revised the emergency/initial action procedure to be followed immediately after an earthquake hits. We readjusted the organizational structure of the crisis management headquarters, and we made various revisions to the existing procedures by adding steps to respond to overseas sites and overseas customers, among others. We at Yokogawa will continue to review the details of our BCPs so as to be more prepared to handle possible disasters and various risks.

Quality Management

Quality First Approach

Since the establishment, we have implemented our quality management system across all processes, as we are convinced that Quality First Approach is the basis of customer satisfaction. All the main Group companies have attained ISO9001 certification starting with Yokogawa Electric in 1992 and working on delivery of the same quality worldwide.

In addition, we always heed the voices of our customers to offer high-quality products and solutions, and aim to create new values with our customers.

The basic quality policy

1. Quality management is carried out in order to implement customer focus based on "Quality First," which is the spirit of foundation, and "Healthy and Profitable Management" through improvements in management quality.
2. Products that meet statutory and regulatory requirements as well as customer requirements are supplied.
3. Appropriate quality management systems conforming to the International Standard ISO 9001 requirements are established and implemented. In addition, the effectiveness of those systems is continually improved.
4. Customer requirements are fulfilled and customer satisfaction is increased through the results of quality activities in all organizations and personnel. For this purpose, each employee must feel that the quality of his or her work has a direct bearing on product quality, and that the company believes in "Quality First".
5. The head of each organization is responsible for the quality of the relevant businesses. The responsibilities include ensuring that adequate resources are made available.

▶ [Quality Assurance](#)

Information Security

The Yokogawa Group works together with customers to provide them with solutions. To protect important information entrusted to us by our stakeholders, we implement information security measures to address three aspects: people, equipment, and information technology (IT).

People: Information Security Training

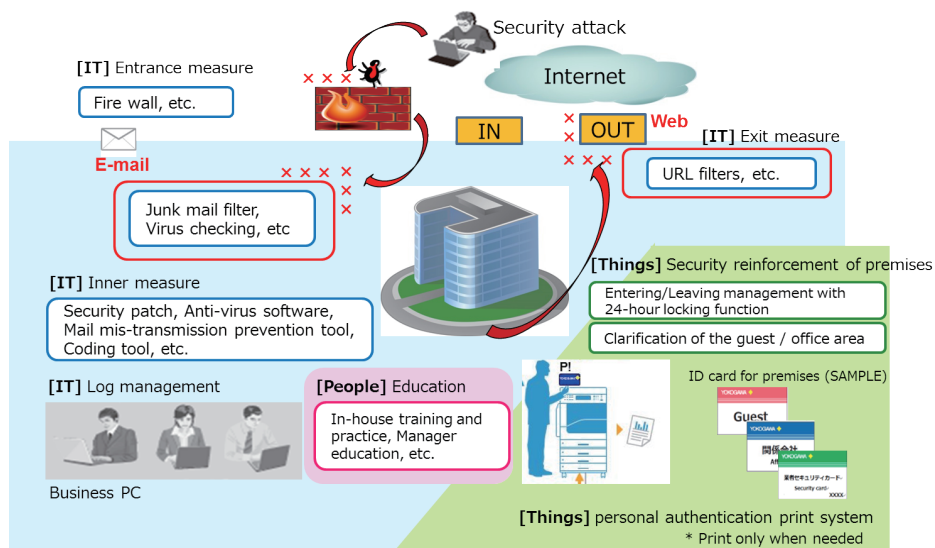
To protect information, every employee is required to raise awareness. YOKOGAWA provides education to all employees every year by utilizing an e-learning system to share and update their understanding and knowledge of information security so that they can decide how to handle the acquired information on their own. Moreover, we provide more practical education and training in handling targeted attacks and education for line managers incorporating work. Then, we check through information security audits that the results are applied to daily information security activities.

Things: Clearly and Securely (Premises Security)

Information security is also required to be "clear." We have clarified the areas that each of the employees and visitors can enter. When a visitor enters other areas than the guest area, the visitor must wear a premise entry card. The office area is locked for 24 hours by access control, which will protect the property and information assets on the premises of the head office. Moreover, we have introduced the MPS (Managed Print Service) so that "those who require information can access the required one." This allows only the required one to be printed when personal authentication passes, preventing the printed matter from being left behind or mixed with others.

Information Technology (IT): Protection Behind the Scenes

When we implement information security measures, "people" is more important than anything. We utilize the IT to protect against human error such as "leakage by mistake" and "misuse due to ignorance," and also adopt the concept of multi-layering to prepare against cyber-attacks from the outside.

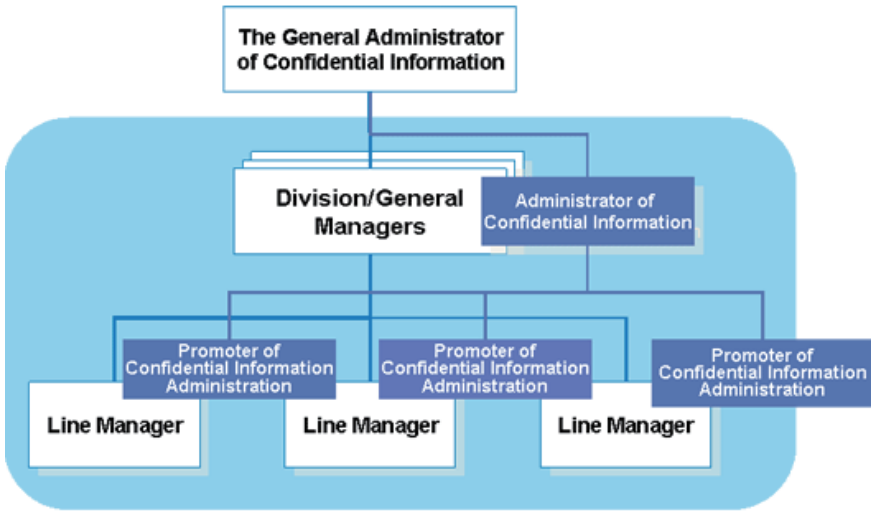


Security Management of Yokogawa

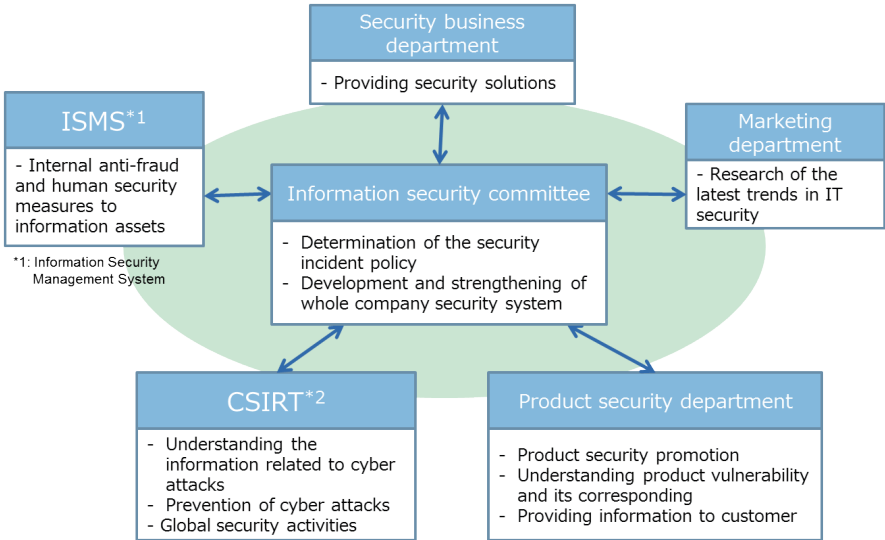
Organization

In Yokogawa Group, information security activities have been developed based on the idea of ISO27001, and information security measures and policies are notified to the Group’s headquarters, business headquarters and each Group company by the general administrator of confidential information. The head office checks the operations if they follow the rules and implements necessary reforms. In addition, there is an information security department or section for each of the Yokogawa Group’s headquarters and business headquarters, as well as for each Group company. A PDCA, or Plan-Do-Check-Act, cycle is implemented to ensure information security activities are implemented smoothly.

In addition, we established the Information Security Committee to ensure that customers can safely continue business activities with peace of mind. This committee consists of the cyber security personnel in various fields. We are making an effort to share the information and to know the latest trends beyond the boundaries of the organization.



Information security organization of Yokogawa Electric Corporation



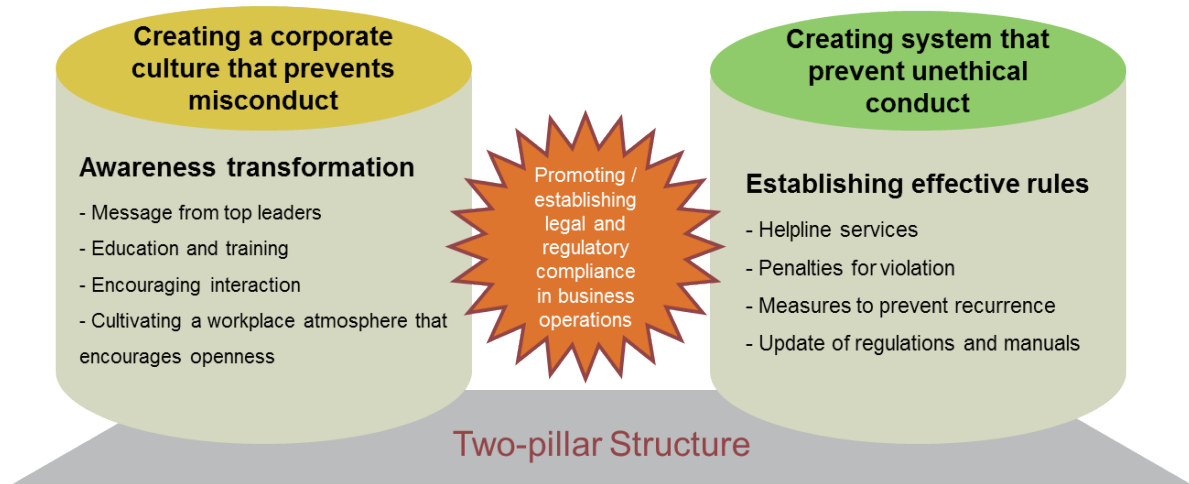
*1: Information Security Management System

*2: Computer Security Incident Response Team

Information Security Committee

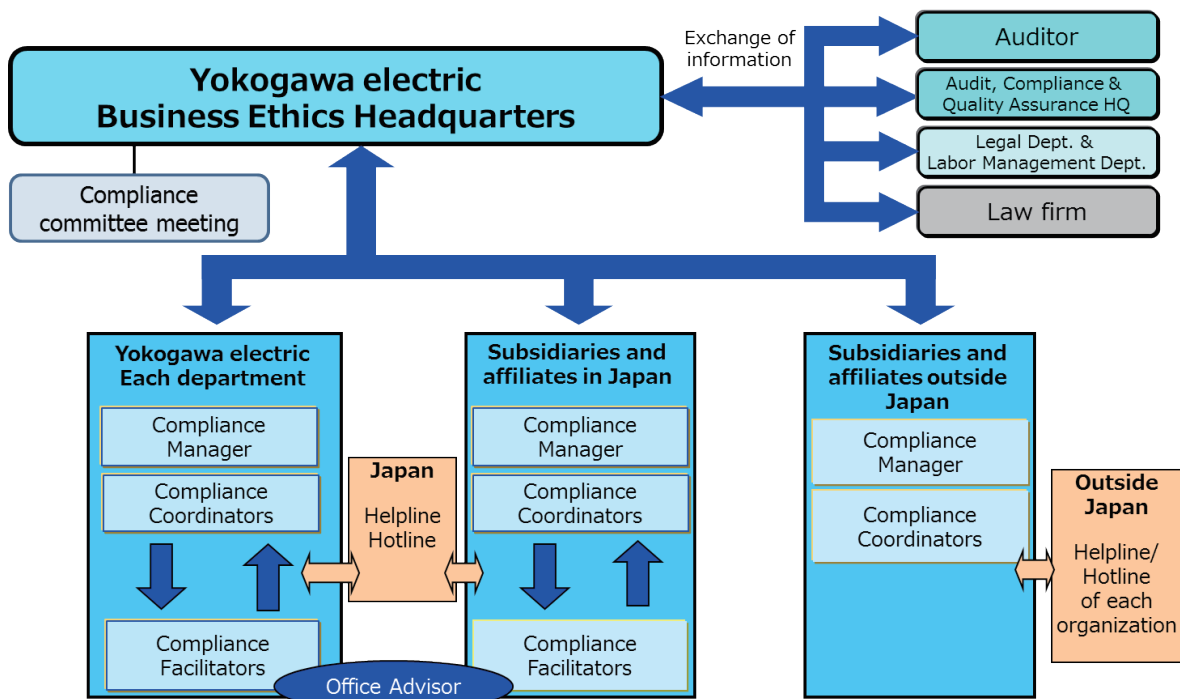
Anti-corruption and Compliance

Yokogawa promotes compliance management strongly throughout its entire group, with the slogan, "compliance above everything else". It aims to be a healthy and open business with two pillar foundations: "corporate culture that prevents misconduct" and "systems that prevent unethical conduct."



Provision of Compliance Promotion Structure

To build a "corporate culture that prevents misconduct" and "systems that prevent unethical conduct," a compliance promotion structure has been set in place globally. In Japan, compliance facilitators, who are advisors in the workplace, drive activities designed to communicate and entrench compliance awareness. Also, representatives from the compliance offices and key compliance facilitators in each organization are required to participate in the regular "Compliance Committee" meetings in order to share information and monitor the progress of activities.



Anti-bribery Guideline

Yokogawa has established and managed a specific guideline, as an internal bylaw, on bribery prevention, not only with respect to public servants but also to private citizens inside and outside Japan. It is intended to ensure compliance with the anti-bribery law in each country where the Yokogawa Group conducts business and prevent bribery while engaging in corporate activities in a fair, appropriate manner.

Enlightenment Activities

Yokogawa conducts compliance education and training to foster employees' awareness of compliance and a corporate culture that emphasizes fair, clear and open business conducts.

Compliance Training/Education

Yokogawa conducted a number of training/education programs again in 2014 in order to imbue all group companies with the concept of compliance awareness. All employees of our group companies inside and outside Japan received compliance training, while Japanese associates were given opportunities to learn about compliance in different circumstances, such as when being promoted to a manager position, before starting a new post as expatriate or upon joining the company.

Use of the Compliance Guidelines

Our Compliance Guidelines--which spell out the specific requirements for the Standards of Business Conduct and items the employees must observe in carrying out their duties--are currently published in English, Chinese and Portuguese. In 2014, compliance facilitators at our subsidiaries outside Japan again relied on these guidelines to step up their training programs.

Compliance News Issued

The "Compliance News" is issued bimonthly to all Group employees. It raises awareness of compliance among all employees through timely discussions of topics such as moral harassment and recent corporate scandals.

Revision of the Misconduct Case Studies

We have a handbook called "Misconduct Case Studies" for the purpose of preventing compliance violations. The handbook is updated each year with the addition of new examples that serve as real-life lessons collected from inside/outside the group. The revised editions are issued and made available to all employees.

Compliance Week

Aimed at all employees of Group companies in Japan, "Compliance Week" was held for the purpose of further instilling awareness of compliance. Activities carried out during the week included e-learning programs and solicitation of compliance slogans.

Some companies used the Compliance Week to take extra steps toward greater compliance in addition to taking part in the group-wide programs. For example, Yokogawa Solution Service uploaded write-ups for better communications and a simple diagnostic check sheet on workplace openness to their intranet with the goal of "building an open workplace environment."

Performing of Global Awareness Survey

An awareness survey regarding compliance is conducted for all Yokogawa Group employees every year. After analyzing the results by workplace and function in order to visually track how the compliance awareness of employees changes over time, the results are then used to facilitate the planning of the following year's activities.

Use of Consultation and Reporting System

To quickly identify and address compliance issues, a channel for reporting and inquiries has been established. In Japan, two hotlines are available: the internal hotline and the external hotline, which is staffed with lawyers.

An employee can contact the internal hotline anonymously or with his/her real name in order to report or consult on a compliance issue. The personal information of the employee who has contacted the external hotline will not be made available to the company. Both the internal and external hotline can be contacted by e-mail, over the phone or in writing. Each case will be investigated by keeping the identity of the reporting employee in strict confidence and in an expedient manner, in compliance with the manual on investigation.

Strict Prohibition of Insider Trading

To prevent insider trading, we have established the "Regulations on Prevention of Insider Trading" as an internal regulation and have included a section on prohibition of insider trading in our "Compliance Guidelines." Additionally, we have established a group-wide compliance structure and provided education, etc., to strictly prohibit insider trading.

The directors or employees in each YOKOGAWA Group company who buy and sell the stocks of Yokogawa Electric follow the prior confirmation procedure through the "insider trading prevention staff" in each company.

Moreover, the following people are uniformly prohibited from the buying and selling during the period from the end of a quarterly accounting term (the end of June, September, December, or March) to each date of the release of business results.

1. Directors and management in each company of Yokogawa Electric, Yokogawa Solution Service, Yokogawa Manufacturing, and Yokogawa Meters & Instruments
2. Those who are directly engaged in the preparation and announcement of quarterly account settlement in Yokogawa Electric and its domestic subsidiaries

Actions to be taken to counter anti-social forces

Yokogawa's policy is to conduct business in compliance with laws, ordinances, commercial and social practices and other social norms while maintaining high moral values in the spirit of the "Standards of Business Conduct for the Yokogawa Group." We are doing the following to achieve this objective:

- We state the specific "Dealing with anti-social forces that pose a threat to safety and order" in the "Yokogawa Group Compliance Guidelines."
- Through the use of compliance training and the company newsletter, we bring home to all employees our basic stance on unreasonable demands and how to deal with such demands.
- We incorporate the provision on exclusion of anti-social forces in the text of our "Master Transaction Agreement" in compliance with the Organized Crime Exclusion Ordinance of Tokyo, and also execute a "Memorandum on Exclusion of Anti-social Forces" with our existing suppliers, contractors and customers.

Improvement of the Management Structure as Part of Internal Control

As part of the Yokogawa Group's internal control, Yokogawa's management structure governs the overall business processes, including its relationship with customers and suppliers. For the procurement processes in the supply chain, Yokogawa Group's "Group Procurement Code" has been defined based on its Corporate Philosophy and Standards of Business Conduct, to ensure fair and equitable transactions. Yokogawa observes the local ordinances of the country and regions with whom we do business, began working on the issue of conflict minerals, and focuses on establishing a supply chain that considers environmental protection.

The Yokogawa Group Supply Chain CSR Guideline, which is compliant with JEITA*, was created and published. In addition, Yokogawa's basic procurement policy, which is summarized in three points, is used as a set of principles to guide its every day operations. A network of responsible parties of Yokogawa Group's sales and procurement processes was built as a foundation for all supply chain CSR activities.

Three Basic Procurement Principles

1. Create an ethical, clear, and open corporate culture and establish ourselves as a company that can be trusted by society.
2. Promote socially responsible procurement activities throughout the supply chain, including not only the Yokogawa Group, but also the suppliers of Yokogawa.
3. Comprehensively evaluate and select suppliers, giving priority to our commitment to being a good corporate citizen.

▶ [Yokogawa Group Supply Chain CSR Guideline](#)

Strengthening of Partnerships with the Suppliers

Yokogawa Electric, in order to reinforce its partnerships, is actively organizing events on a regular basis to promote discussion and deepen trust with key suppliers and their management teams.

For example, each year we host the "Supplier Policy Presentation Meeting", in which we explain our management policy, business plan, purchasing strategy, etc., to the suppliers.

Additionally, we organize "Component Exhibitions" and "Technical Seminars" through the Purchasing Department in order to introduce the products of suppliers, along with market trends, component trends and other relevant information, to the product development teams of companies within the Yokogawa Group.



Supplier Policy Presentation Meeting

Reinforcement of Compliant Procurement

Yokogawa regularly organizes education programs for group companies in Japan so that they can learn about the "Act Against Delay in Payment of Subcontract Proceeds, Etc., to Subcontractors" as it applies to purchasing processes. Furthermore, we have a chapter on compliance to the Master Transaction Agreement in order to reinforce compliant procurement. As part of this effort, we are working to build greater ties/partnerships with the suppliers and prevent the establishment of ties with antisocial forces in order to eliminate such forces from society.

We have set up a "help line" as a channel for reporting and inquiry that can be contacted by suppliers, should they find an actual or potential violation of compliance.

Promotion of Green Procurement

Under the philosophy to contribute to building a sustainable society in various areas of business activities, Yokogawa has created the "Green Procurement Guidelines" to promote green procurement activities. Specifically, we have established a system for promoting the control of chemical substances contained in our products and are also investigating/controlling chemical substances in materials/components.

▶ [Yokogawa Group Green Procurement Guidelines](#)

Execution of Procurement BCP

We are executing the procurement BCP with the understanding that the stable supply of products that customers need is important social responsibility. We can provide support promptly in case of emergency because, with the cooperation of our business associates, we investigate and manage the information on the areas producing the components to be used for products. For the important parts of major products, we are making efforts to reduce the procurement risk by confirming that the BCP is executed in our business associates and securing the safety stock.

Initiatives on Conflict Minerals

Certain minerals (tin, tantalum, tungsten and gold) produced in the Democratic Republic of the Congo and nearby nations, and distributed via supply chains might be used to fund armed forces engaged in illicit activities involving human-rights violations, acts of violence, etc., and consequently such materials are referred to as conflict minerals.

Recognizing that cutting off these armed forces' money source is a challenge that the whole supply chain should tackle, the YOKOGAWA Group aims to become conflict-free by using no conflict minerals for our products. However, not all the minerals are prohibited from procurement even if they are produced from the above countries. We will continue procuring the minerals that are considered to have been traded after refined by the refinery recognized as unrelated to such armed forces by the independent organization, and the proper products derived from such minerals.

To meet the aforementioned challenge, the Yokogawa Group has carried out the following efforts:

- Dedicated structures were put in place in the relevant departments in 2011, through which we took appropriate action.
- As a member of the "Responsible Minerals Trade Working Group" run by the JEITA (Japan Electronics and Information Technology Industries Association) we coordinate our efforts with those of other corporations and obtain the latest information.
- From 2013, we have been cooperating with our suppliers to investigate the use of conflict minerals in certain products. Additionally, our procured gold and tantalum investigated after 2013 has been confirmed as conflict-free.
- We are promoting the sharing of information on conflict minerals and customer support in cooperation with the United States and the European affiliated companies.

The Yokogawa Group plans to implement the following initiatives as we move forward:

- Conduct individual investigations on the parts and processed components used in our products by reflecting the requests and other requirements of our customers.
- If the findings of an investigation raise a concern about the investigated mineral as a possible funding source for armed forces, we will immediately take steps to avoid using the mineral.

In July 2013 we added our requirements on conflict minerals to the "Yokogawa Group Supply Chain CSR Guidelines" and the guidelines are freely available and accessible to the public on our website.

The Yokogawa Group will continue its utmost efforts to ensure the responsible procurement of minerals.

*JEITA: Japan Electronics and Information Technology Industries Association

Human Rights

Yokogawa has explicitly defined respect for human rights as part of the group's overall goals, in its Philosophy, Standards of Business Conduct, and Group Management Standards. The company has also set up compliance hotlines for everyone working at Yokogawa as a way to avoid human-rights violations before they happen.

Yokogawa Group Management Standards

The Yokogawa Group Management Standards, which states in writing the basic policies required of group management, applies to every branch of the Yokogawa group. It gives clear rules and guidelines relating to human rights, obedience to the law, workplace safety, hygiene, etc.

The Yokogawa Group Compliance Guidelines make the following statement regarding human rights.

03 Respect for basic human rights

The Yokogawa Group always respects the basic human rights and personal dignity of every person with whom we are involved.

27 Equal Opportunity

Thanks to our fair and impartial personnel system operating under the basic policy of the Yokogawa Group, each employee is afforded equal opportunities in hiring, placement, promotion, pay rises, training, etc. An employee in a position of management or leadership must have a basic knowledge of the labor laws of the country in question, and must have a thorough knowledge of labor contracts and work regulations. It is important that he or she work on the basis of this knowledge to maintain a workplace free of unfair discrimination, engaging in ample communication with his or her subordinates and ensuring that day-to-day personnel management goes smoothly.

28 Prohibition of forced labor/child labor

Forced labor in any form whatsoever is not to be allowed; nor is any person to be made to work against their will; nor is it acceptable for children below the minimum working age of each country to be employed.

Care must be taken to ensure that we do not support inhumane conduct even indirectly, for example through the actions of business partners.

29 Ensuring health and safety

In addition to observing the laws relating to occupational safety and health, we have established our own independent standards and are striving to improve safety and health. We are working on a program of improvements to ensure the safety of every employee working for the Yokogawa Group, promote better health, and create a pleasant working environment. Each and every employee must act to cooperate with the safety and health measures that have been decided upon.

30 Prohibition of harassment

No form of harassment whatsoever is acceptable, whether it be sexual harassment, stalking, or power harassment. We respect each other as individual human beings, and have built up a corporate atmosphere in which harassment is not accepted.

Philosophy

Yokogawa's corporate philosophy defines "contributing to society" as a corporate mission, and calls for its employees to be good citizens.

Based on this philosophy, Yokogawa uses measurement, control and information as tools to contribute to social infrastructures that support people's daily living such as energy, communications, waterworks, etc, and to contribute to industry infrastructures, to make them run more efficiently and to help people work more safely. This philosophy is practiced by every employee and in all of the countries where Yokogawa operates, its employees have been willing volunteers, helping out when natural disasters occur.

▶ [Corporate Philosophy](#)

Standards of Business Conduct

One of the five pillars in our Standards of Business Conduct explicitly states that the company will uphold respect for human rights and respect the dignity of all. Some of the particular courses of action that follow from this are preventing harassment, discrimination, privacy intrusions and maintaining an overall healthy workplace.

▶ [Standards of Business Conduct](#)

UN Global Compact

Yokogawa has declared its support for the UN Global Compact. The company respects the human-rights guidelines proclaimed in the Global Compact, and upholds international human-rights standards.

▶ [Global Initiative](#)

ISO 26000

ISO 26000 is an international standard for an organization's social responsibility which the International Organization for Standardization (ISO) published in November 2010. It provides seven core subjects, such as Organizational Governance, Human Rights, Labor Practices or The Environment.

Yokogawa respects the ISO 26000 guidance in our CSR actions as a global company and pay attention to the human rights in our all business conduct.

▶ [Global Initiative](#)

Initiatives on Human Rights

Yokogawa Engineering Asia (Singapore)

Yokogawa Engineering Asia (YEA) has signed the employer's pledge for the Tripartite Alliance for Fair Employment Practices (TAFEP). YEA strives to eliminate discrimination in employment and endeavors to

maintain fair employment practices, such as hiring and providing appropriate terms and conditions of employment based on individuals' skills and experiences regardless of their age, race, sex, religion and family status, and offering equal training opportunities.

Yokogawa South Africa (South Africa)

South Africa has adopted Black Economic Empowerment (BEE) as a program to put racial equality into practice, thus encouraging the employment of blacks and other historically disadvantaged South Africans (HDSAs). Yokogawa South Africa (YMA-SA) is compliant in this regard and has striven to promote the employment of blacks and other peoples of color. Yokogawa South Africa (YMA-SA) has received a Level 4 certification in the new code of BEE executed in May 2015.

Attention to human rights in the supply chain

Following its Group Management Standards, Yokogawa upholds their philosophy for human rights throughout its supply chain. The Supply Chain CSR Guidelines include guidelines prohibiting forced labor, inhumane treatment and infringements of human rights, child labor, and discrimination, while ensuring appropriate wages, regulated working hours, and the right to freedom of association, and vendors are asked to follow these guidelines.

► [Supply Chain Responsibility](#)

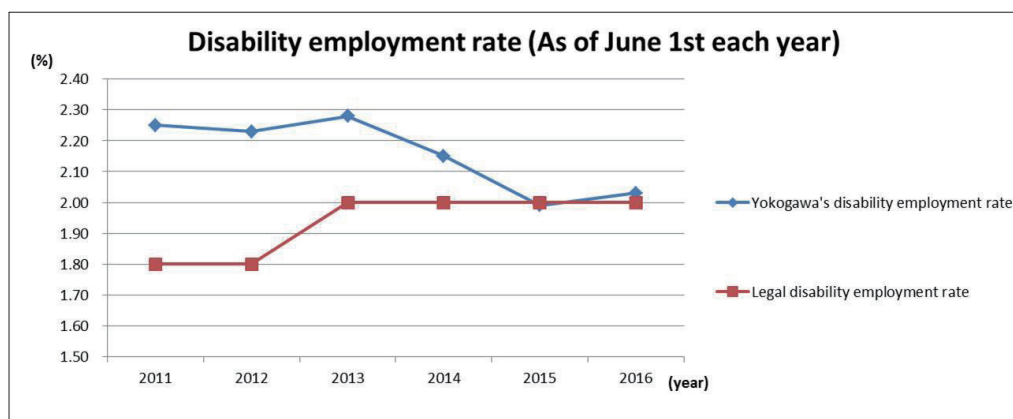
Employment of People with Disabilities

Employing and developing people with disabilities

Yokogawa has hired persons with disabilities since the establishment of its Normalization Project in 1992 and our skilled employees with disabilities are engaged in all areas of our business, from engineering and manufacturing to administration.

The Yokogawa Group promotes the employment of disabled persons, with each company hiring and promoting active participation by people facing different physical and mental challenges who can better contribute to the specific business of the company.

Yokogawa will continue to provide employment and career opportunities for people with disabilities.



Diversity and Inclusion

Employees are valuable as Yokogawa's "Human Assets".

We at Yokogawa have established a compliance guideline that requires us to comply with the international standards on human rights; consider the different geographical and cultural backgrounds of other employees when working with them; refrain from discrimination on the basis of race, nationality, sex, religion, age or disability of any kind; and drive home these principles to all our Group companies.

Initiatives to Promote "Diversity and Inclusion"

We are required to respond quickly and flexibly to a changing business environment and a wide range of needs of customers. For the purpose of the enhancement of business competitiveness including the creation of new values, we promote diversity & inclusion to actively employ, train, and assign the human resources with diverse experiences, knowledge, sensibilities, viewpoints, cultures, and sense of values.

The diversification of human resources

One of the strengths — actually a requirement — of Yokogawa is the ability to maintain and utilize a pool of diverse talents as we carry forth our global expansion. We make use of human resources of diverse ethnic backgrounds and nationalities, not only overseas but also in Japan.

The Yokogawa Electric head office is accepting more overseas Group employees into Japan so as to promote globalization and form their careers. We have prepared the intra-company infrastructures providing company regulations, business communications, cafeteria menus, and internal broadcasts in both Japanese and English, and appropriately offering information to support their livelihood in Japan on the intranet. Since 2013, we have been executing the training programs "Cross Culture & Communication" and "Japanese Culture & Communication" to understand cultures and customs from both Japanese and overseas viewpoints. We expect that advancing the diversification and improving the ability to respond will fuse diverse sense of values to create new values.

Moreover, employing more foreign students who graduated from Japanese universities and those who from overseas universities, we will continue to actively diversify our human resources mainly in the Yokogawa Electric head office.

Promoting active participation by women

Following the human resources strategy of the mid-term business plan "Transformation 2017," we are actively promoting female employees' activities as part of diversity promotion. We established the full-time organization promoting diversity in April of 2015 to aim to increase the rate of female managers to 5%, which is twice the rate in fiscal year 2014. In addition, we are actively training every candidate for the leader by making training plans for each of them. Furthermore, we conduct the career development training for female employees and the training and seminar aiming to develop awareness as managers.

Moreover, we introduced a telecommuting system and an hourly leave system in April of 2016 for the purpose of creating the environment that allows female employees to feel comfortable to work and tackle challenges to grow. We will continue to reform systems and climates in cooperation with the activities to reform work styles. In the long term, we will improve the male-to-female ratio in all the employees aiming

to increase the rate of female employees to 30%. In March of 2016, we formulated the "Action Agenda of General Business Proprietor" based on the Act to Advance Women's Success in Their Working Life, and announced it on the website of the Ministry of Health, Labor and Welfare. Moreover, in July of 2016, we acquired an authorization from the Minister of Health, Labor and Welfare (authorization level 3 (three stars) showing that all the five criteria were fulfilled), as a company superior in the commitment to the promotion of women's activities.

Human Resources Development

Under the concepts of "our employees are our most valuable assets" and "the growth of employees means growth for the company," we make efforts toward long-term human resources development and offer a variety of opportunities for career development. In addition, with the aim of creating environments more conducive to work, we support employees through a variety of programs.

Human Resource Development to Enable Employees and the Company to Grow Together

Human resources development structure

Yokogawa Electric conducts its human resources development with a focus on three activities: character and values training to build relationships of trust with customers; development of engineers who can connect high technical ability to the creation of customer value; and development of human resources who can take action in a global business environment.

In terms of programs, we conduct training for not only new employees but also managers: common education on topics such as compliance and information security; global education and general skill education on topics such as management skill; and expert skill education matched to the content of work at each workplace.

Through these education programs, we are developing human resources rich in expertise, global adaptability, and a spirit of challenge. By focusing our efforts toward the growth of employees, we enable employees and the company to grow together.

Furthermore, through regular interviews between employees and superiors, we are readying mechanisms by which employees can declare their short-term and their mid- to long-term career plans to superiors. By deepening communication between employees and superiors to create mutual understanding, we foster a challenge-oriented mindset and support career development.

Training of the Human Resources Who Can Create Values

YOKOGAWA conducts Management Of Technology (MOT) education for young and middle ranking engineers so that they may acquire the broad knowledge and way of thinking that allow them to take charge of the management in the future and can promote the manufacturing of superior value for customers. They learn strategy, critical thinking, concept work, etc.; at the end of training, the participants will propose new businesses.

Global Human Resources Development

In the active performance of global business development, Yokogawa Electric places a particular focus on the development and enhancement of global human resources. We have been conducted "Global Talent Development Program" aimed at young human resources since 2011. In addition to abilities in logical communication, presentation, and negotiation in English, participants undergo training in the sense of values expected of them as members of Yokogawa, and also gain the ability to understand differences in history and culture from a global perspective.

Beyond these, we are also increasing opportunities for employees to gain experience in global work,

including an expansion of the destinations for our overseas practical training aimed at all new employees. By offering full support for employees who proactively take on such challenges, we are widening the reach of our global human resource development.

Supporting Work-Life Balance and Raising the Awareness of Employees

The environment and sense of values surrounding employees are always changing with various life stages etc. We are supporting the work-life balance of our employees by building flexible work systems, such as a flextime system, telecommuting system, hourly leave system, and flexible holidays, so that they can concentrate on work with no worries in spite of such changes. For balancing child care and work especially, we have introduced such work systems as the child-care time that can be used before entrance into elementary school and the nursing leave for children, and such financial supports as the next generation development grant system providing 100,000 yen annually per child.

Many of our employees, both male and female, are utilizing these systems. In April of 2016, we also introduced a telecommuting system and an hourly leave system. Thanks to such enhanced systems as allow them to feel comfortable to work after coming back, understanding in their workplaces, and climates where they support each other, almost all the employees who got child-care leave have returned to work. Moreover, we invited the Tokyo authorized nursery "Poppins Nursery Musashino" on the premises of the head office, which aids not only our employees but also people in this area in "balancing child care and work." Since these activities were appreciated, we received an authorization in 2007 from the Tokyo Labor Bureau chief as a company supporting child care.

Employee Assistance Program (EAP)

Promotion of EAP for a healthy, rewarding company life

We introduced "the Employee Assistance Program (EAP)" which is designed to help employees who can avoid a state that cannot be fully exhibited the original capacities due to health problems and change of life stage so that they can exhibit continuously high performance.

In Yokogawa's EAP, we establish a comfortable working environment while performing a review of the system to suit the current situation and support the employees from both sides of the mental-health and the career. It is our goal to ensure a healthy, fulfilling work environment for all our employees.

Key activities under EAP

Education/PR	Utilize e-mail and web pages to provide relevant information that will help employees gain a better understanding of mental health.
Group training	Conduct company-wide training programs (based on voluntary participation) and level-specific training programs to promote the prevention and early detection of stress.
Stress check	Based on the results of the stress check, identify causes of stress in the workplace. Implement employee-led programs and activities, with the Company's support, in order to prevent, contain and remove these causes so as to ensure a more comfortable workplace.

Assistance for returning to work	To care for the employee who suffers from mental health problems or takes a leave of absence for recuperation, and to ensure the smooth reinstatement of those who return to work after recovery so as to prevent them from falling into the same problems again, we have implemented a system to provide proper support for each individual or workplace depending on the seriousness of the condition or situation.
Health Development (Health Promotion)	For the purpose of physical and mental health promotion of employees, it has been implementing the "health development (health promotion)" by improving the living habits and exercise habits. Physical exercise is also effective in the prevention of mental disorders as well as physical illness, we are supporting the health promotion of employees so that the employees themselves to check their health status and care the body.
Consultation	We have a system to help our employees seek consultation within the company or from external institutions specialized not only in mental health but also in various areas of human relationships, career issues, sexual harassment, power harassment, and the discrimination including LGBT.

Occupational Safety and Health

In 2006, the Yokogawa Group established the "Yokogawa Group Safety and Health Policy" and began implementing the Occupational Safety and Health Management System (OSHMS). Since 2007, the Yokogawa Group has implemented the OSHMS in each of its companies to promote a higher level of safety and health by making continual improvements through risk assessment and other methods.

▶ [Yokogawa Group Occupational Safety and Health Policy Statement](#)

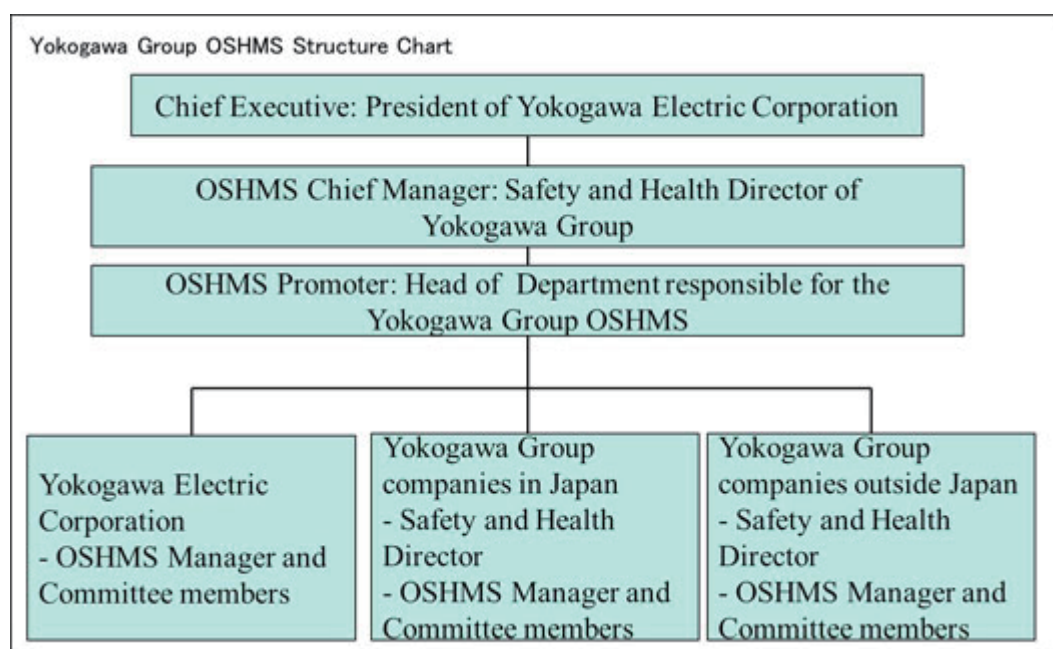
Operation of the Occupational Safety and Health Management System (OSHMS)

Recognizing that "occupational safety and health are a basic responsibility of the management," the Yokogawa Group implements OSHMS to ensure the occupational safety and health of all of its employees and its contractors. Improvements are made in phases, with constant assessments to eliminate or minimize potential risks. Regular evaluations and reviews of the activities are also done through audits. The effectiveness of the system has improved by combining conventional activities, such as safety patrols, and countermeasures against occupational incidences and near misses.

The Yokogawa Group companies globally share the same occupational safety and health objectives for all workers, including contractors. Moreover, 35 Yokogawa Group companies have acquired certifications in compliance with OHSAS18001*1, which is internationally recognized.

*1. Occupational Health and Safety Assessment Series. A certification standard for Occupational Safety and Health Management System.

▶ [FY2016 Yokogawa Group Occupational Safety and Health Objectives](#)



OSHMS Structure Chart

Yokogawa Global QHS (Quality, Health & Safety) Meeting

Yokogawa Global OSH Meeting is basically organized with participants from Yokogawa group companies as a part of Global QHSE Meeting. In the meeting kinds of themes are shared and discussed in order to promote safety awareness to employees and to improve OSH quality level in Yokogawa Group: Risk Assessment, Training/Education and their material, Case Study, etc.



Discussion at the meeting

Occupational Safety and Health Education and Training

To ensure that the "Yokogawa Group Occupational Safety and Health Policy" is adhered to across the entire Yokogawa Group, the "Safety and Health Handbook," which contains basic information and day-to-day rules regarding occupational safety and health, has been created and distributed to all staff and engineers at every Yokogawa Group company. To maintain and improve all levels of activities throughout, persons in charge, committee members and newly appointed personnel are educated through safety and health committee workshops, as well as on-site safety training at customer plants and factories. The group companies also conduct first-aid/lifesaving training courses, commuter-accident response drills, etc.



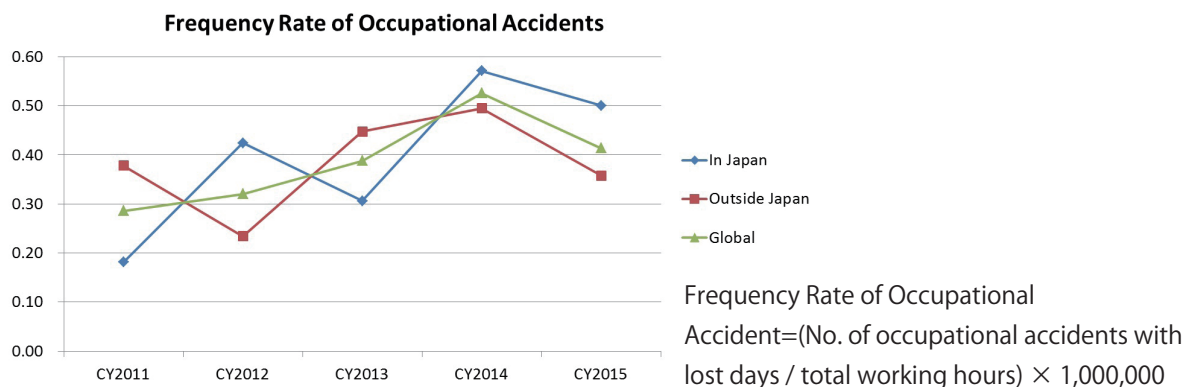
Evacuation drill carried out in HSE Week (Yokogawa Middle East & Africa)

Occupational Incident and Accident Data

The Yokogawa Group has been globally gathering and analyzing information on occupational accidents experienced by Group companies on a quarterly basis since 2007, when it introduced OSHMS, as part of an effort to eliminate/reduce occupational accidents and improve the quality of activities thus implemented.

A few major account customers, globally active, require their vendor OSH monitoring.

Yokogawa provides Occupational Incident Index of Yokogawa group companies quarterly for their analysis. Yokogawa group companies being responsible for their projects, conduct project safety program including Risk Assessments at various milestones of project engineering and services.



Environmental Management

At Yokogawa, we take seriously our responsibility to protect the environment and, mindful of our responsibility to future generations, practice environmental management from a medium- to long-term perspective. We promote efficient use of resources and significant reductions in greenhouse gas emissions together with our customers and actively work to develop environmentally friendly products and further reduce environmental impacts of the Yokogawa Group's business operations.



Environmental Management

Environmental Policy

Based on the Yokogawa philosophy which states, "Our goal is to contribute to society through broad-ranging activities in the areas of measurement, control, and information," and recognizing that environmental conservation of the precious earth is a critical issue for the whole of humanity, each site of the Group shall strive, in all its activities, to:

1. Establish, maintain, and improve its environmental management system.

Each site promotes and continuously improves its global environmental conservation activities, strives to prevent environmental contamination, and establishes an environmental management system. To maintain and improve the system, each site accurately evaluates the burden of its activities on the environment including climate change, biodiversity and water resources, sets environmental objectives and targets that are technically and economically viable, and carries out environmental audits.

2. Provide environmental training.

Each site actively provides training for global environmental conservation to ensure that employees understand the Environmental Philosophy, Code of Conduct for Environmental Conservation, and Environmental Policy of the Yokogawa Group to improve their environmental awareness, and to act autonomously with consideration of the environment in both their work and life in the local community.

3. Abide by legal regulations.

Each site abides by laws, legal regulations, and other requirements applied to environmental aspects, in order to proactively conserve the global environment.

4. Carry out resource recycling-based operations.

Throughout its activities, each site endeavors to utilize energy and resources efficiently, to prevent global warming, to reduce waste, and to promote the reuse and recycling of resources with the aim of eliminating emissions.

5. Minimize environmental pollution.

Each site strives to eliminate the use of substances that adversely impact the environment, such as toxic chemicals, and ozone-destroying substances, by using safe substitutes or employing safe technologies to avoid the risk of environmental pollution.

6. Create environmentally friendly products.

Each site develops and produces environmentally friendly "green" products in consideration of the environmental burden throughout the products' lifecycles, from material purchase, manufacture, and distribution to their use and disposal.

7. Supply society with environmental solutions.

Each site supplies society with value-added products and services for conserving the earth's environment through measurement, control, and information technologies.

8. Contribute to local communities.

Each site encourages its employees to participate in environmental conservation activities under their own initiative as good corporate citizens.

9. Make environmental information available to the public.

Each site actively makes environmental information, including its environmental policy and conservation activities, available to the general public.

Makoto Otake

Vice President

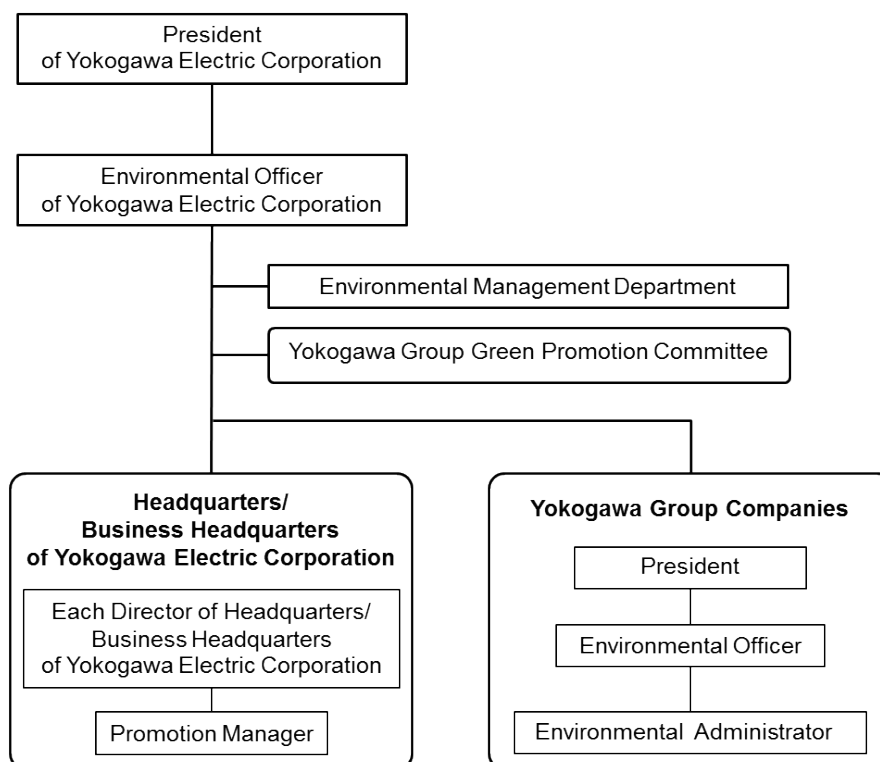
Audit, Compliance & Quality Assurance Headquarters

Yokogawa Electric Corporation

Organization

To promote the environmental management principle of the Yokogawa Group, we established the "Yokogawa Group Green Promotion Committee" with the aim of stepping up group-wide efforts to conserve the global environment and prevent climate change. The Committee, chaired by the Yokogawa Group's Environmental Officer, provides leadership the Yokogawa Group companies throughout inside and outside Japan in order to drive environmental management and implement various measures designed to conserve the global environment and prevent climate change.

Organization of Environmental Management Promotion



Environmental Management System

The Yokogawa Group is implementing an Environmental Management System in its group companies in an effort to ensure full compliance with the laws, regulations, agreements, etc., that are designed for the prevention of environmental pollution. Moreover, to conserve energy and reduce environmentally hazardous substances, the Group is encouraging a shift to alternative technologies to the greatest extent possible and is leading an effort to mitigate its environmental impact.

Yokogawa achieved ISO 14001 certification at its major offices and manufacturing sites as part of its effort to improve the Environmental Management System.

Compliance with laws

In 2015 we again endeavored to ensure full compliance with the environmental laws, regulations, agreements, etc., and had no major violations.

Conserving Water and Soil

The Yokogawa Group has conducted soil and water studies at former production sites in accordance with its proprietary control standards, starting before the enactment of Japan's Soil Contamination Countermeasures Law.

Environmental Auditing

Internal Audits

The environmental internal audits for ISO14001 consist of systems, legal compliance, and performance audits. Internal audits were conducted at all departments at least once during the year. Internal audit findings have been promptly addressed and corrected.

Internal Audit Inspection Items

Systems audit	Audit of organizations/systems, target management, education, operations management/corrections, and other data to check whether the system is functioning effectively
Legal compliance audit	Audit of the operation and monitoring of regulated values (qualifications, notice submissions, and measurement data) and other data to check whether legal and other requirements are being followed
Performance audit	Audit of targets and actual results, regulated values, and other data to check whether the self-determined operation items are being implemented properly

Annual Surveillance

Regular inspections (renewal inspection or surveillance) were conducted at each of Yokogawa's ISO14001-certified group companies by an ISO14001 certifying organization in order to maintain ISO14001 certification.

ISO 14001 Certification at Yokogawa Group

The Yokogawa Group has achieved ISO 14001 certification primarily at its major offices and manufacturing sites in Japan and abroad.

ISO14001

As of the end of April 2016

Company name	Countries	Certified Year
Yokogawa Electric Corporation	Japan	1997
Yokogawa Manufacturing Corporation	Japan	1997
Yokogawa Meters & Instruments Corporation	Japan	1997
Yokogawa Solution Service Corporation	Japan	2000
Yokogawa Denshikiki Co., Ltd.	Japan	2000
Yokogawa Shanghai Instrumentation Co., Ltd.	China	2003
Yokogawa Sichuan Instrument Co., Ltd.	China	2000
Yokogawa Electric China Co., Ltd.	China	2004
Suzhou Yokogawa Meter Company	China	1998
Yokogawa Electronics Manufacturing Korea Co., Ltd.	South Korea	2004
Yokogawa Engineering Asia Pte. Ltd.	Singapore	2001
Yokogawa Philippines, Incorporated	Philippines	2007
Yokogawa Electric Asia Pte. Ltd.	Singapore	1998
P.T. Yokogawa Manufacturing Batam	Indonesia	2000
Rota Yokogawa GmbH & Co.KG	Germany	2011
Yokogawa Corporation of America	USA	2005
Yokogawa Canada, Inc.	Canada	2015
Yokogawa de Mexico, S.A. de C.V.	Mexico	2015
Yokogawa America do Sul Ltda.	Chile	2015
Yokogawa Colombia S.A.S.	Columbia	2015
Yokogawa Middle East & Africa B.S.C.(c)	Bahrain	2013

Yokogawa Engineering Bahrain SPC	Bahrain	2013
Yokogawa Engineering Middle East & Africa FZE	UAE	2013
Yokogawa Saudi Arabia Ltd.	Saudi Arabia	2013
Yokogawa Services Saudi Arabia Ltd.	Saudi Arabia	2013

Environmental Week

Yokogawa Electric Corporation

For the purpose of increasing our employee's awareness of environment, there is a YOKOGAWA Environmental Week every year, during which environmental events are held. In fiscal year 2015, the astronaut, Mr. Mamoru Mohri, lectured on environment, we promoted the "Environmental Housekeeping Books" that reveals electricity and gas usage in home as CO₂, and we called for "Photographs of blessings of nature that should be saved for the future."

Environmentally Friendly Products

Yokogawa actively develops environmentally friendly products through the implementation of its own strict standards of design and assessment for long-term usability, energy-saving performance and other aspects. New products are evaluated for energy consumption as well as the emission of carbon dioxide (CO₂), nitrogen oxide (NO_x) and sulfur oxide (SO_x) based on our "Lifecycle Assessment (LCA) standards".



Guidelines for Environmentally Friendly Design

(1) Environmental Assessment Standards for Product Design

We have established assessment standards in eight areas: ease of recycling and treatment, resource conservation, energy conservation, long-term usability, ease of collection and transport, safety and environmental protectiveness, information disclosure, and packaging. These standards are used in conducting assessments during each inspection (initial design, intermediate design, and final design).

(2) Lifecycle Assessment (LCA) Standards

The LCA standards are used for preliminary assessments of energy use, CO₂ emissions, NO_x emissions, SO_x emissions, and the like throughout the lifecycle of a product. These standards are used in conducting assessments during each inspection (initial design, intermediary design, and final design).

(3) Environmentally Friendly Product Design Guidelines

These guidelines establish design and machining and assembly methods that incorporate long-life design, energy conservation design, resource conservation design, and materials and parts selection guidelines, as well as standards for the recycling and disposal of products.

(4) Criteria for hazardous substances contained in products

The following criteria are provided to ensure that environmentally friendly parts and materials are selected during the design phase. Controlled substances are classified into five different levels:

- Banned Substance 1: Any substance that is banned from inclusion in a product
- Banned Substance 2: Any RoHS command regulated substance
- Controlled Substance 1: Any SVHC (substance of very high concern) under the REACH regulation
- Controlled Substance 2: Any substance that is banned at certain concentrations, bound by the limited purposes of use or restricted in any way
- Controlled Substance 3: Any substance for which the amount contained in a product must be identified

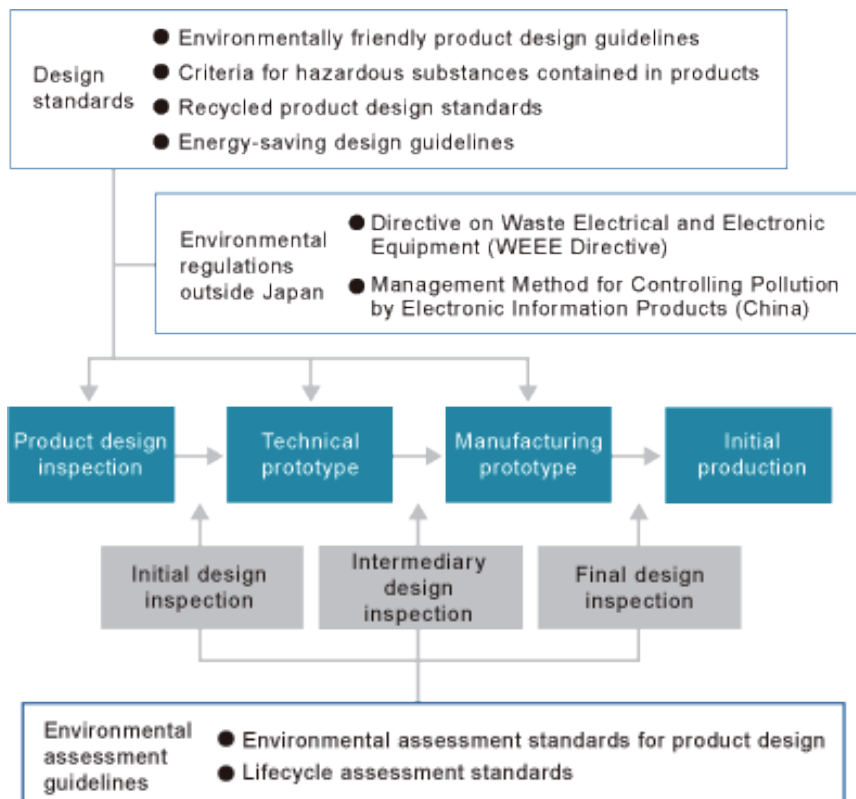
(5) Recycled Product Design Standards

These standards encourage the three Rs: the reduction of waste and the reuse and recycling of used products.

(6) Energy-saving Design Guidelines

These guidelines state that energy is to be conserved in the manufacturing and product use stages. They introduce energy conservation design technologies for products and manufacturing.

Environmentally Friendly Design and Assessment Standards



Environmental Assessment Standards for Product Design

(1) When	Initial design inspection/intermediate design inspection/ final design inspection
(2) Assessment items	Twenty-nine items in eight fields; ease of recycling and treatment, resource conservation, energy conservation, long-term usability, ease of collection and transport, safety and environmental protectiveness, information disclosure, and packaging.
(3) Evaluation criteria	Score is zero points if legal regulations are not satisfied, four points if legal regulations are satisfied and an improvement of 30% or more is achieved, three points for an improvement of 15% or more, two points for an improvement of 5% or more, and one point for an improvement of less than 5%.
(4) Pass/fail judgment criteria	In order to pass, there must be no assessment items with a score of zero points, and the total score must be greater than that of the old model. A "failed" judgment is given if any of the assessment items has a score of zero points or if the total score is the same as or lower than that of the old model.

Green Procurement

Various laws and regulations have been put in place, such as the Home Appliance Recycling Law and Law for Promotion of Effective Utilization of Resources in Japan, as well as the Waste Electrical and Electronic Equipment (WEEE) and Restriction of Hazardous Substances in EEE (RoHS) Directives outside Japan. With this background, Yokogawa aims at building a sustainable society in various areas of its business activities.

Based on the principle "Resource procurement with less environmental load = Offering environmentally friendly products", Yokogawa proactively promotes green procurement activities that are environmentally friendly.

Green Procurement Guidelines

Under the philosophy to contribute to building a sustainable society in various areas of business activities, Yokogawa has created the "Green Procurement Guidelines" to promote green procurement activities.

► [Yokogawa Group Green Procurement Guidelines version 4.0](#)

LCA Label

Yokogawa began to conduct the life cycle assessment (LCA) in 1999 in the design phase of all new products as part of efforts to minimize our products' environmental impact. Some of the results of the LCA are disclosed on our website. When LCA data is disclosed for a product, the applicable product is "LCA-labeled" in the product webpage and/or sales brochure .



► [LCA Label](#)

► [Environmentally Friendly Products](#)

Requirements for LCA Labeling

A product will be LCA-labeled if it meets all the requirements described below:

1. Life cycle assessment has been conducted according to Yokogawa's engineering specifications.
2. The results of life cycle assessment are disclosed on the Yokogawa website according to the company's internal rules.

Concept/Implementation of the LCA

Yokogawa has set its unique LCA standards based on JIS Q 14040 "Environmental management -- Life cycle assessment -- Principles and framework." We compare a new product with its previous product for assessment purposes. The results of the LCA of the previous product are multiplied by the "functional factor" to compare the environmental impacts based on the equivalent functionality of the new product. When the results of the LCA on the previous products clearly suggest how these products would impact the environment, we may only conduct LCA on the elements significantly affecting the environmental impact.

List of LCA-Labeled Products

Model	Products
CENTUM CS3000 Model System	<p>► Integrated Production Control System</p> <p>Compared to the reference product CENTUM CS, CO2 emission was reduced by about 11% .</p>
Prosafe-RS Model System	<p>► Safety Instrumented System</p> <p>Compared to the reference product ProSafe-PLC, CO2 emission was reduced by about 23% .</p>
STARDOM Model System	<p>► Network-based Control Systems</p> <p>Compared to the reference product CENTUM CS1000, CO2 emission was reduced by about 55% .</p>

EJA110E	<p>▶ Pressure Transmitter (DPharp EJA-E Series) Compared to the reference product EJA, CO2 emission was reduced by about 30%.</p>
CSU-X1	<p>▶ Confocal scanner unit Compared to the reference product CSU22 + Filter Wheel, CO2 emission was reduced by about 40%.</p>
2553A	<p>▶ Precision DC Calibrator Compared to the reference product 2553, CO2 emission was reduced by about 66% .</p>
2558A	<p>▶ AC Voltage Current Standard Compared to the reference product 2558, CO2 emission was reduced by about 50% .</p>
2560A	<p>▶ Precision DC Calibrator Compared to the reference product 2560, CO2 emission was reduced by about 67% .</p>
AQ 1200A/B/C	<p>▶ AQ1200 MFT-OTDR Optical Time Domain Reflectometer Compared to the reference product OTDR AQ7270 series, CO2 emission was reduced by about 40% .</p>
AQ2200-131	<p>▶ AQ2200-131 Grid TLS Module Compared to the reference product AQ2200 – 111, CO2 emission was reduced by about 10% .</p>
AQ2200-342	<p>▶ AQ2200-342 DUAL ATTN Module Compared to the reference product AQ2200-331, CO2 emission was reduced by about 45% .</p>
AQ6370D	<p>▶ AQ6370D OPTICAL SPECTRUM ANALYZER Compared to the reference product AQ6370C, CO2 emission was reduced by about 17% .</p>
AQ6375B	<p>Optical Spectrum Analyzer Compared to the reference product AQ6375, CO2 emission was reduced by about 24% .</p>
AQ7280	<p>▶ AQ7280 series OTDR Compared to the reference product AQ7270, CO2 emission was reduced by about 25% .</p>
DLM4038/ DLM4058	<p>Mixed Signal Oscilloscope DLM4000 Series Compared to the reference product DL7480, CO2 emission was reduced by about 25% .</p>
WT310E/ WT310EH	<p>▶ Digital Power Meter WT300E Series Compared to the reference product WT210, CO2 emission was reduced by about 18% .</p>
WT332E/WT333E	
WT3000E	<p>▶ WT3000E Precision Power Analyzer Compared to the reference product WT1600, CO2 emission was reduced by about 20% .</p>

Environmental Practices

Goals and Achievements in Fiscal Year 2015

Environmental Policy of the Yokogawa Group	Fiscal Year 2015 (main sites)		Self Evaluation
	Target/Goal	Results	
EMS establishment, maintenance, and improvement	Confirm and achieve the environmental conservation action targets that are closely integrated with our business practices. *1	<ul style="list-style-type: none"> ● 170 themes closely integrated with business operations ● An internal audits conducted and effective environmental system confirmed 	Good
	Promote 36 useful environmental activities in line with existing business. *2	36 useful environmental activities promoted	
Implementation of environmental education	<ul style="list-style-type: none"> ● Provide all employees with basic environmental education that can be applied to activities undertaken on their own initiative. *3 ● Provide specialized environmental education to those who are engaged in business activities that have a particularly significant impact on the environment. *3 	100% achieved	Good
Legal compliance	Conduct inspection of wastewater treatment facilities as scheduled. *2	Inspections of the particular facilities and accessory equipment and water quality measurement, it was within the reference value.	Good

Promotion of resource recycling-based management	<p>Reduce energy consumption and CO2 emissions (domestic group companies) . Total CO2 emissions from 2015 to 2019: 46,379 t-CO2/year (Reduce emissions by 18% from the average of reference years from 2005 to 2007.)</p>	<p>Reduced energy consumption and CO2 emissions (domestic group companies) . Total CO2 emissions: 37,224 t-CO2/year</p>	Good
	<p>Reduce total waste</p> <ul style="list-style-type: none"> ● by 46% compared to fiscal year 2003 (411 t/year in total generation) *1 ● Reduced to 1,423t/year *2 	<p>Reduce total waste</p> <ul style="list-style-type: none"> ● 60% reduction compared to fiscal year 2003 (303 t/year in total generation) ● Reduced to 1,276 t/year 	No Good Good
	<p>Resource saving Achieve 3 resource-saving improvements, including on manufacturing lines and for equipment *2</p>	<p>Resource saving Achieved 3 resource-saving improvements, including on manufacturing lines and for equipment (Waste reduction by improving manufacturing process, Reduction of chemical substance.)</p>	Good
Minimization of environmental pollutants	Reduce toluene and xylene by 3,000 kg. *2	3,447 kg reduction (Expansion of thinner alternatives)	Good
Development of environmentally friendly products	Apply the assessment standards to reduce CO2 emissions of developed products by more than 25%. *1	Registered 12 product models to which the assessment standards are applied, and conducted their design reviews according to the respective schedules.	Good
Provision of environmental solutions	Increase sales of environmentally friendly products *1	Achieved	Good

Contribution to society through environmental conservation	Promote contributions to society through participation in nature conservation and social and community activities. *1	Participated in community clean-up activities etc.	Good
	Carry out at least 10 social contribution activities. *2	A total of 10 social contribution activities carried out by each factory.	
Disclosure of environmental conservation information	Promote information disclosure and enhance efforts to communicate with communities. *1	Published CSR report, Web edition	Good
	Improve the corporate website and intranet. *2	Updated information posted on the corporate website and intranet.	

Main sites: Yokogawa Electric Corporation Headquarters & Main Factory and Yokogawa Manufacturing Corporation

*1: Goals of Yokogawa Electric Corporation Headquarters & Main Factory

*2: Yokogawa Manufacturing Corporation

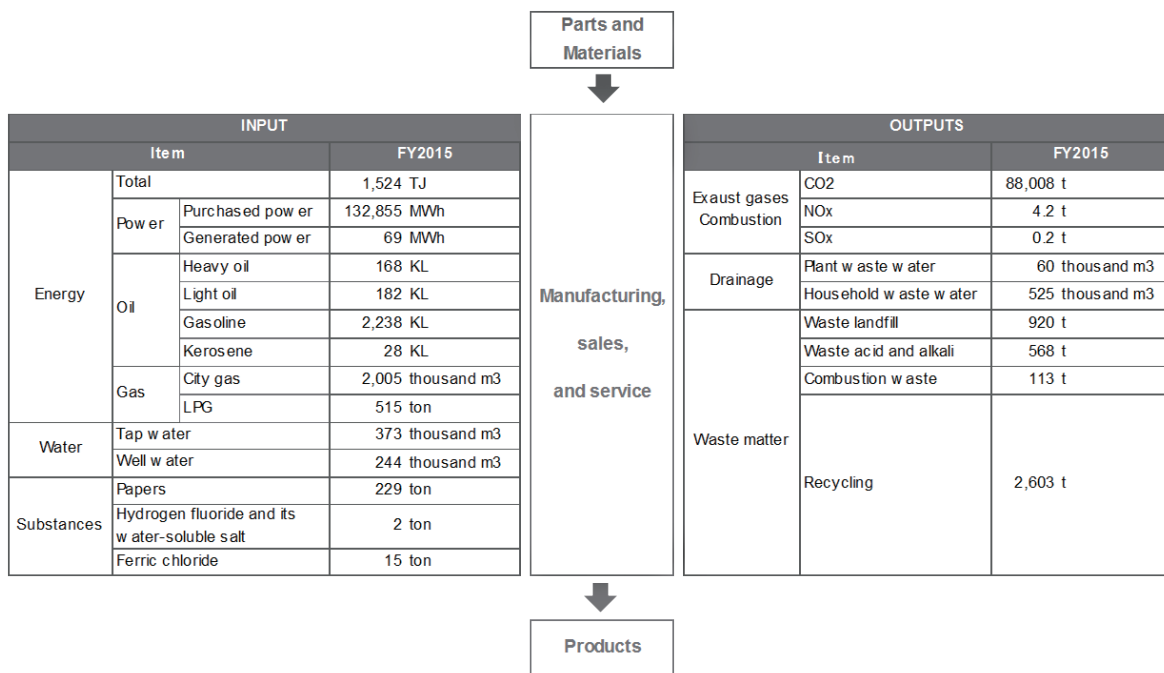
*3: Common goals

▶ [Social & Environmental Data](#)

Environmental Impact

The Yokogawa Group calculates the annual volume of the energy and material inputs for its business activities (including manufacturing, sales, and service) as well as their annual output of waste and other matter into the air and water. This analysis helps the Group effectively use resources, improve energy efficiency, and improve the waste recycling rate.

Overview of Environmental Impact (FY2015)



*Data was taken from Japan and outside Japan Group companies.

Environmental Accounting

In accordance with the Ministry of the Environment's "Environmental Accounting Guidelines (2005 edition)", Yokogawa calculates the costs of its environmental activities and quantifies their economic impact.

Environmental Conservation Costs

Category	Item	Main Initiatives	Capital Investment	Related Costs
Costs for reducing environmental impact of factories (areas of operation)	Pollution prevention costs	Monitoring and measurement	17.1	88.0
	Global environmental conservation costs	Energy savings	444.2	294.7
	Resource recycling costs	Minimize generation of waste matter	0.2	82.2
Costs for reducing environmental impact of procurement and logistics		Green procurement	0.0	2.3
Environmental conservation costs in EMS activities		EMS updates, education	0.0	177.3
Environmental conservation costs in community activities		Environmental events	0.0	16.4
Costs for correcting damage to the environment		Soil recovery	0.0	0.0
Total			461.4	661.0

* Data was taken from ISO14001-certified manufacturing sites.

(Millions of yen)

Environmental Conservation Effects

Category	Description of Effect (unit)	FY2014	FY2015	Effect
Expenditures	Total amount of energy consumed (TJ)	781	747	-34
	Total amount of water resources consumed (km3)	486	376	-110
Global warming prevention	CO2 emissions (t)	45,621	43,965	-1,656
Emissions	Total amount of waste emissions (t)	2,492	2,435	-57

* Data was taken from ISO14001-certified manufacturing sites.

Economic Effects of Environmental Conservation Measures - Intrinsic Effect

Description of Effect	Amount
Reduction in expenditure due to recycling (sale of valuable resources, etc.)	32.4
Reduction in expenditures due to energy savings (power, etc.)	80.8
Total	113.2

* Data was taken from ISO14001-certified manufacturing sites.

(Millions of yen)

Global Warming Prevention

The "Yokogawa Group Green Promotion Committee" was formed to step up our efforts to preserve the global environment and enhance our programs to counter global warming. We have set CO2 emission reduction targets for the Yokogawa Group (Japan) for the phases 2010-2014, 2015-2019 and 2020, and are implementing emission reduction programs to achieve those targets. Our ongoing CO2 emission reduction programs include the improvement of production lines, the introduction of high-efficiency heating/cooling equipment, the installation of inverter-driven lights, LED lights and the use of green power.

For our offices and factories, we have employed "InfoEnergy," Yokogawa's proprietary energy conservation support system designed to visualize energy data, in order to reduce CO2 emissions.

Moreover, in order to optimize global distribution, we are making efforts to improve transportation efficiency by changing the design of container boxes to reduce the weight, downsizing them, and revising transportation methods and routes for product shipment.

Yokogawa Electric and Yokogawa Manufacturing participate in the Keidanren's Commitment to a Low-Carbon Society (an industry action policy established subsequent to the first commitment period of the Kyoto Protocol). Specifically, the companies are working on improving their production processes in order to realize greater energy efficiency in production processes, such efficiency being a common goal of the electrical and electronics industry. (Our target is to improve the average annual energy consumption rate by 1% by 2020.)

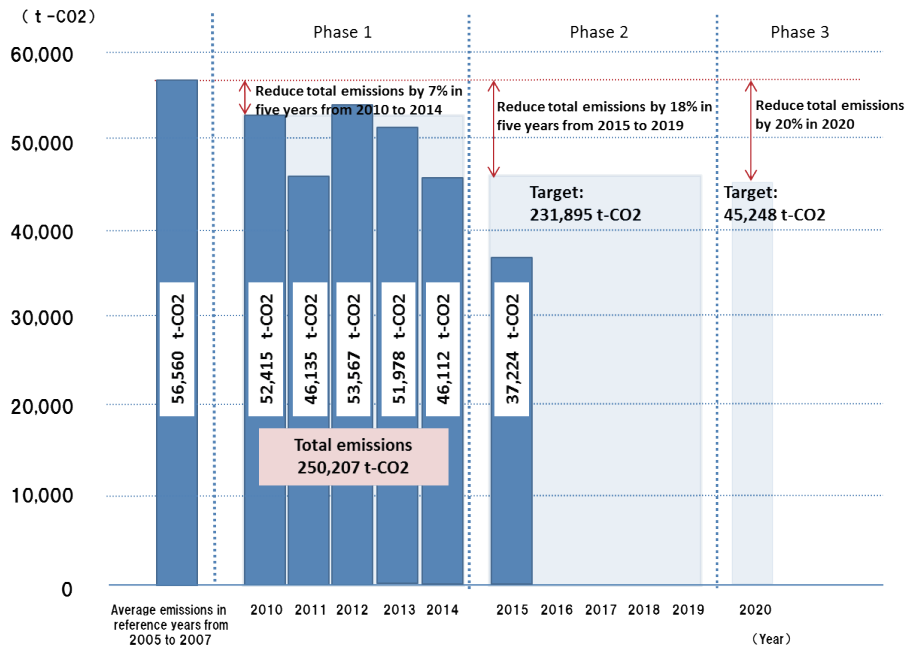
CO2 Emission Reduction Targets and Performance for Yokogawa Group (Japan)

The Yokogawa Group (Japan) has set its CO2 emission reduction targets toward 2020, and is directing its efforts to achieve the targets. By using the annual average of emissions measured over the 2005 to 2007 period as the baseline (56,560 tons of CO2), we have set different reduction targets for three phases with the ultimate objective of achieving the goal set for 2020. Specifically, we are implementing a range of activities to achieve the reduction targets described below:

- 2010 to 2014 period: A 7% reduction in total emissions
(263,005 tons of CO2, with an annual average of 52,601 tons of CO2)
- 2015 to 2019 period: An 18% reduction in total emissions
(231,895 tons of CO2, with an annual average of 46,379 tons of CO2)
- 2020: 20% reduction
(45,248 tons of CO2)

The Yokogawa Group (Japan) produced 37,224t-CO2 of carbon dioxide emissions in 2015, achieving its CO2 emission reduction target. Performance of the average reduction rate of CO2 in the second phase was 34% to 18% of the goal. The target level was achieved as the evaluation of a single year. Overseas, each of our group companies overseas sets its voluntary reduction target and is working to achieve the target.

Graph of CO2 Emission Reduction Targets and Performance
for Yokogawa Group (Japan)



Note: The actual value before 2014 were reviewed because the emission factors of each area are used in the calculation of CO2 emissions associated with electricity use.

Scope 3 CO2 Emissions

In addition to the direct CO2 emissions generated from our use of fuels and manufacturing processes (Scope 1) and indirect CO2 emissions generated through the use of purchased electricity, heat and other sources of energy (Scope 2), we also track and calculate other indirect CO2 emissions (Scope 3).

Category			Emissions (t-CO2)
Upstream	1	Purchased Goods & Services	—
	2	Capital Goods	21,543
	3	Fuel- and Energy Related Activities Not Included in Scope 1 or 2	4,703
	4	Transportation & Distribution	—
	5	Waste Generated in Operations	791
	6	Business Travel	5,732
	7	Employee Commuting	3,097
	8	Leased Assets	—

Downstream	9	Transportation & Distribution	—
	10	Processing of Sold Products	—
	11	Use of Sold Products	—
	12	End-of-Life Treatment of Sold Products	—
	13	Leased Assets	—
	14	Franchises	—
	15	Investments	—
Total			35,867

The scope of category 2, 3, and 5: whole YOKOGAWA Group

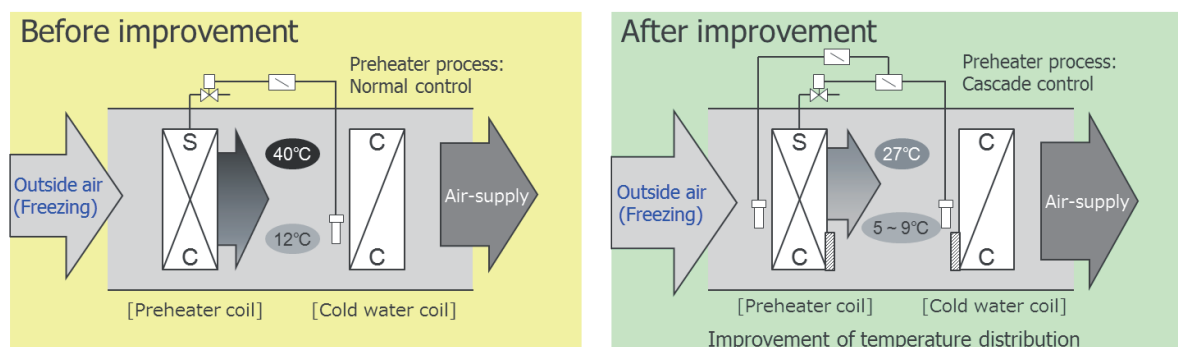
The scope of category 6 and 7: Yokogawa Solution Service and Yokogawa Manufacturing
 (-) indicates that the calculation method is still being examined or the figure is not included.

General Guidelines on Supply Chain GHG Emission Accounting
 (Ministry of Economy, Trade and Industry and the Ministry of the Environment)

Promotion of Company-Wide Energy-Saving Measures

At the Yokogawa Electric head office, the new building constructed in 2014 adopted LED lighting in the whole building and the special windowpanes to insulate/shield heat, and introduced the system to reduce sunlight heat load. In fiscal year 2015, we continued to further increase LED lighting in the Kofu and the Komine offices including the head office, and improve the operation of the air-conditioning system in the Komagane office clean room and that of the water-heating system in the Komine office. Such energy-saving activities reduced about 9,000 tons of CO₂ emissions in the whole YOKOGAWA Group in Japan.

Modification of open air treatment air-conditioning machine in Komagane clean room and optimization of its operation.



Improvement of the operation of the air-conditioning system in the Komagane office

Reduction of Energy Consumption due to Change in Nitrogen Supply System

Yokogawa Electric Komagane Factory

Energy consumptions have reduced significantly by revising the manufacturing method for compressed nitrogen used on semiconductor manufacturing lines in the Komagane office.

On the semiconductor manufacturing lines, compressed nitrogen with different purity is used according to the application. Conventionally, the Komagane office had used the compressed nitrogen, which always had high purity, generated from the liquefied nitrogen purchased from its contractor. Now, the Komagane office has introduced new compressed nitrogen manufacturing equipment with a PSA system that supplies nitrogen after separating it from air, and has changed some compressed nitrogen with high purity to that with low purity by the PSA system. As a result of the reduced usage of such liquefied nitrogen, energy consumptions to manufacture liquefied nitrogen at the contractor have reduced from about 1 to 2 kWh/m³ to about 1 kWh/m³. In the whole life cycle, up to 135 MWh of them have reduced.



The compressed nitrogen manufacturing equipment with a PSA system

Introduction of the "Green Power Certificate" System

Yokogawa Electric

A portion of the electricity used by the headquarters building of Yokogawa Electric come from "Green Power" harnessed through "biomass power generation"(300,000 kWh/year).



Biomass
power generation

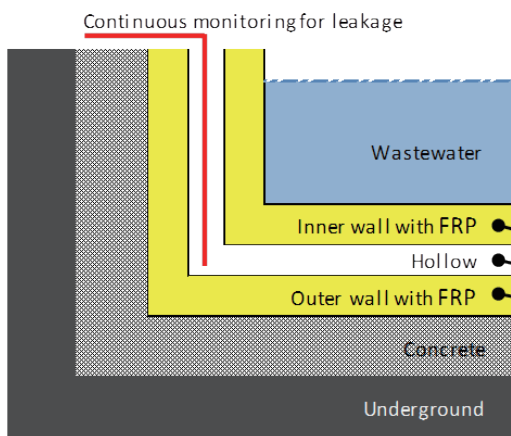
Eliminating the Leakage Risk of Chemical Substances by Changing the Structure of Wastewater Storage Tank

Yokogawa Electric Komagane Factory

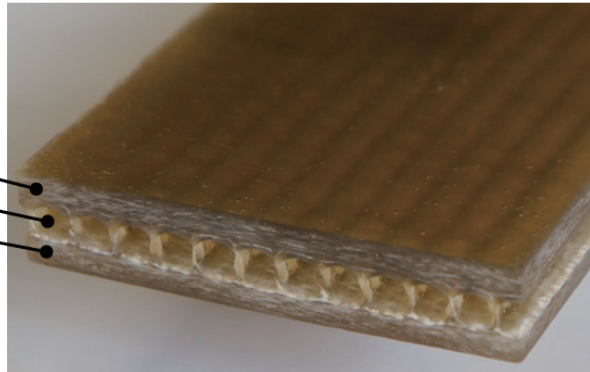
In the Komagane office, the risk of wastewater leakage has been eliminated by applying a special structure to the inner wall of the underground raw water tank that stores wastewater from the semiconductor manufacturing lines.

Conventionally, the Komagane office had checked for leakage by periodically inspecting the water level of the raw water tank. In order to prevent the leakage accident of wastewater due to its deteriorated inner wall, they applied the FRP lining (*1) with honeycomb structure to the inner wall and also introduced the system to always check for leakage from the inner layer. This has eliminated the risk that chemical substances contained in wastewater may leak to the outside.

* 1: Surface treatment with Fiber Reinforced Plastics



Structure of the raw water tank [Sectional view]



The FRP lining with honeycomb structure

Chemical Substance Reduction, Waste Reduction and Resource Conservation

The Yokogawa Group is thorough in managing chemicals that are harmful to humans and the global environment. Also, Yokogawa is developing and introducing alternative processes in an effort to reduce chemical use and waste as well as to conserve resources. Furthermore, to comply with RoHS directives restricting the use of certain chemicals in electrical and electronic equipment in Europe, as well as with the REACH Regulation (Registration, Evaluation, Authorization and restriction of Chemical substances), we are implementing efforts for the reduction and management of such chemical substances.

► [Product-Related EHS Compliance Activity: REACH Compliance](#)

PRTR Substances

The amount of substances reported under PRTR* requirements (1,000 kg/year or more handled) is shown in the table.

*PRTR System:

The PRTR, or Pollutant Release and Transfer Register, was established to enable society as a whole to manage chemical substances through the disclosure of toxic chemical emissions data and other information.

Fiscal Year 2015 PRTR Data

Factory	Factory substance	Amount used (kg)	Amount emitted (kg)				Amount transferred (kg)	
			Air	Public water area	Soil	Landfill	Sewage system	Outside site
Yokogawa Manufacturing Komagane Factory	Hydrogen fluoride and its water-soluble salt	2,170	0	98	0	0	0	1,200
	Ferric chloride	2,855	0	0	0	0	0	0
Yokogawa Manufacturing Kofu Factory	Ferric chloride	11,800	0	0	0	0	0	0

Water Resource Conservation

The Yokogawa Group implements resource-saving/energy-saving measures and initiatives designed. Specifically, we are working to reduce the amount of water usage by improving our production processes and by introducing water-saving systems to our office water supplies.

Efforts in the Middle East and Southeast Asia

In regions where securing water resource is a serious challenge, the companies of YOKOGAWA group are promoting efforts regarding water resource through measures such as monitoring water usage and securing alternative water resource.

Yokogawa Middle East & Africa (Bahrain)

In Middle Eastern countries, shortage of water is a serious problem. Yokogawa Middle East & Africa contributes to the government's water protection measures through efforts as follows:

- Sets the target for reduction in water consumption per employee per year, and manages the progress.
- Use normal tap water for non-drinking purposes.
- Complying with local regulations on water protection including conservation and contamination.
- Imparting awareness on water protection amongst employees.
- Inspecting any water leakages during the HSE(Health, Safety and Environment) inspection tour at all facilities and taking immediate corrective and preventive measures on any detected abnormality in the water supply system.

Yokogawa Electric Asia / Yokogawa Engineering Asia / Yokogawa Electric International (Singapore)

To support the measures by the Singaporean government such as maintaining drinking water resource and utilizing alternative water resource, Yokogawa group companies in Singapore implement the following measures:

- Strictly comply with the guideline set by PUB (Public Utilities Board) to avoid excess use of water.
- Use NEWater (recycled water produced from treated used water) for air conditioning systems instead of normal tap water.
- Install water-saving devices to lavatories and water utilities.
- Regularly check water consumption to find water leakage early.

Adopting Water-Saving Systems for Office Water Supplies

Yokogawa Electric Corporation (Japan)

Water-saving systems have been introduced at Yokogawa Electric head office to reduce the amount of water usage.

Promoting Biodiversity

In line with the environmental policy of the Yokogawa Group, all group companies are working to preserve biodiversity.

"Tokyo Greenship Action": A Collaborative Effort Between Local NPO and Residents to Protect the Woodlands

Yokogawa Electric

Since 2009, Yokogawa has been a participant in "Tokyo Greenship Action," a collaborative effort among the city of Tokyo, local NPOs, and businesses to conserve and revive the woodlands in the hills of Tokyo, and contribute to their biodiversity.



Tokyo Greenship Action

Protecting Large Trees in the City of Musashino

Yokogawa Electric

In the city of Musashino, where Yokogawa Electric's headquarters is located, there are approximately 2,000 large trees in the city designated as "environmentally protected." It is under a program called "2000 Large Trees/Symbolic Trees Plan", which has been in place since 1994. Fifty large trees within the premise of Yokogawa Electric's headquarters have been designated under this program and are protected as such.



Protected Large Trees

Participation in the Tenryu River Eco Picnic

Yokogawa Electric

The employees of Yokogawa's Komagane Factory and their families participated in the cleanup activities along the Tenryu River in Nagano Prefecture, as hosted by the Nagano Techno Foundation.(May,2015)

This event is organized as part of an "environmental beautification campaign" intended to teach the significance and importance of waste sorting, encourage a first-hand view of the current state of the Tenryu River and help achieve a recycling-based society.



Tenryu River Eco Picnic

Installing vending machine to assist Borneo

Yokogawa Solution Service Corporation, Semiconductor Service Center in Tachikawa Office

Vending machines are installed in Tachikawa Office to assist Borneo. A part of the money raised through sales from these vending machines are donated to the specified non-profit corporation Borneo Conservation Trust Japan and used for activities to conserve the rain forest and wild animals in Borneo.



Vending machine to assist Borneo

Cleanup at the Uchikawa dam

Yokogawa Electric

The employees of Yokogawa's Kanazawa Office participated in the cleanup activities around the Uchikawa Dam, which were sponsored by the Kanazawa Water and Energy Center. This cleanup event is designed to "preserve water environments" through the cleanup of the Uchikawa Dam, which is an important local water supply and an "area designated for preservation of water source."(May,2015)



Cleanup at the Uchikawa dam

Activities to protect the woods of the forests in Kanazawa

Yokogawa Electric

The employees of Yokogawa's Kanazawa Office participated in the activities to protect the woods in Kanazawa City's "Forests of the Kanazawa Techno Park" (approximately 2 hectares).

The activities are organized as part of the community contribution and environmental preservation programs, in which underbrush is cleared and trees are thinned, paths are maintained, among others.(April and May,2015)



Activities to protect the woods of the forests

Environmental milestones

Various global environmental conservation activities had been carried out before Yokogawa Kofu office was certified with the ISO14001 certification in 1997 followed by officially implementing the environmental management system across the entire Yokogawa group. The environmental practices of Yokogawa group since 1971 are listed below in chronological order.

History of Environmental Practices of Yokogawa (in time series)

1971		Yokogawa establishes a pollution prevention organization
1974	July	Yokogawa completes construction of wastewater treatment facilities to comply with ordinance of Tokyo compliant with municipal bylaws
1987	May	Yokogawa begins environmental assessment studies
1989	October	Yokogawa establishes a chlorofluorocarbon (CFC) reduction committee
1991	April	Yokogawa sets up an organization to promote an Environment management
	August	Yokogawa starts "Save the Earth" campaign
1993	February	Yokogawa appoints a Vice President of Environmental Management and forms a Global Environment Committee
	July	Yokogawa establishes a voluntary environmental activities plan
1994	August	Yokogawa reports the results of voluntary environmental activities in fiscal year 1993
	December	Yokogawa completely eliminates specific CFCs and trichloroethane for cleaning
1995	June	Yokogawa Board of Directors decided to obtain ISO14001 certification and merge a voluntary environmental activity plan into ISO14001 plan.
	October	Yokogawa reorganize a Global Environment Committee
1996	March	Yokogawa establishes corporate rules for environmental management
	May	Yokogawa forms a Global Environment Committee at Yokogawa Electric Headquarters & Main Factory, Kofu Office (current Yokogawa Manufacturing Kofu Factory), and Komine Factory (current Yokogawa Manufacturing Komine Factory). Solar power generators for disaster use installed at Yokogawa Electric Headquarters & Main Factory. Yokogawa signs a disaster prevention accord with Musashino City.
1997	April	Issued "Green Times", a company newsletter

	July	The Kofu Office (current Yokogawa Manufacturing Kofu Factory) obtains ISO14001 certification
1998	February	Yokogawa Electric Headquarters & Main Factory and the Komine Factory (current Yokogawa Manufacturing Komine Factory) obtain ISO14001 certification
	May	Two co-generation power generators (585 kw,2 units) go online at the new main building of Yokogawa Electric Headquarters & Main Factory
	June	Yokogawa begins publishing Yokogawa Environmental Catalogue
1999	September	Yokogawa publishes Yokogawa Environmental Report 1999. Also the company introduces environmental accounting and makes data available to public.
	November	Yokogawa introduces environmental labeling (Type II)
2000	July	Yokogawa Electric Headquarters & Main Factory reached its goal of generating zero landfilled waste
	August	Yokogawa introduces Japan's first returnable container recycling service for customers
	September	Yokogawa publishes Yokogawa Group Environmental Report 2000 and introduces third-party verification system
	November	Suzhou Yokogawa Meter Co. joins the China-Japan 3E (Energy, Environment, and Economy) Research Project and is selected as a model company for environmental accounting study
2001	March	Yokogawa establishes The principles of Yokogawa Group Environmental Management Standards.
	July	Yokogawa publishes Yokogawa Group Environmental Report 2001
	September	Three Yokogawa sites receive comprehensive ISO14001 certification
	November	The Kofu Office (current Yokogawa Manufacturing Kofu Factory) reached its goal of generating zero landfill waste
2002	February	The Yokogawa Manufacturing Akiruno Office (current Yokogawa Manufacturing Komine Factory) accomplishes its goal of generating zero landfill waste. The Kofu Office (current Yokogawa Manufacturing Kofu Factory) installs a light through type solar power generating system
	July	Yokogawa publishes Yokogawa Group Environmental Report 2002
	August	Four Yokogawa sites receive comprehensive ISO14001 certification
2003	February	The Econo-Pilot energy-saving system for water pumps receive the Agency of Natural Resources and Energy Director-General's Award at the Energy Conservation Award ceremony.

		The Kofu Office (current Yokogawa Manufacturing Kofu Factory) receives award from the Director-General of the Kanto Bureau of Economy, Trade and Industry in recognition of its achievements in reducing energy consumption.
	July	Yokogawa publishes Yokogawa Group Environmental Report 2003
	October	The Plant of newly established Yokogawa Electric China starts operations in Suzhou as an environmentally aware manufacturing site
2004	March	New environmentally optimized facilities at the Yokogawa Manufacturing Komine Factory and Kofu Factory start operations
	June	Yokogawa publishes Yokogawa Group Environmental Management Report 2004
	August	Yokogawa Electric Headquarters & Main Factory obtain a separate ISO14001 certification
2005	March	Energy Conservation Guided Tours start at the Yokogawa Manufacturing Kofu Factory
	April	Yokogawa joins the Team Minus 6% national campaign
	June	Yokogawa publishes Yokogawa Group Environmental Management Report 2005
2006	March	Yokogawa Manufacturing Kofu Factory and Komagane Factory attain zero CO2 emissions
	September	Yokogawa publishes Yokogawa Group Sustainability Report 2006
	October	Yokogawa introduces the Green Power Certification System (300,000kwh) The Kanazawa Office receives the New Office Promotion Award, Environment Award and Good Design Award for architectural design
2007	June	Yokogawa publishes Yokogawa Group Corporate Social Responsibility Report 2006
	September	Yokogawa Group establishes the Energy Conservation and Environment Protection Solution Division in order to promote environmental management solutions to customers
2008	June	Yokogawa publishes Yokogawa Group Corporate Social Responsibility Report 2007
2009	May	Yokogawa completely abolishes the usage of HCFC
	June	Yokogawa publishes Environmental Report 2009 on its website.
	October	The Kofu Office receives "Green IT Award 2009 Minister of Economy, Trade and Industry Award" for its energy-saving activities
2010	February	The ESCO business receives the 2009 Energy Conservation Grand Prize

	September	Yokogawa established the "Yokogawa Group Green Promotion Committee" with the aim of stepping up group-wide efforts to conserve the global environment and prevent climate change.
2013	April	Joined the Keidanren (Japan Federation of Economic Organizations)'s "Commitment to a Low-Carbon Society."
2015	January	Yokogawa Manufacturing Corporation's Kofu Factory received the Judging Committee Special Prize of the 2014 Energy Conservation Grand Prizes for reductions in power consumption and wastewater.

The Yokogawa Group is tackling challenges that affect the global environment and society to contribute toward the realization of a thriving global society.

Yokogawa's corporate citizenship

Yokogawa, with awareness of its responsibilities as a "good citizen", strives for harmonious coexistence with the communities it serves. We not only contribute to society as a whole through business activities but also implement wide-ranging community programs. We at Yokogawa are committed to cooperating with the communities and governments in all countries and regions in which we do business, to thereby achieve their goals and contribute to growth.

We also encourage our employees to participate in community programs as "good citizens".

Specifically, we drive and participate in skill-development programs and environmental conservation activities in local communities. We also provide volunteer programs designed to let our employees make use of their various skills and competences for the community.

- ▶ [The Yokogawa Philosophy](#)
- ▶ [Standards of Business Conduct for the Yokogawa Group](#)



Finding solutions to social issues,
Helping build a sustainable society

Corporate citizenship by Yokogawa group companies

The following are some of the community programs in which our group companies are involved:



Corporate Citizenship in Japan

Supporting to Develop Next-Generation Talent

Yokogawa Science workshops addressing the fundamental technologies that are the basis for Yokogawa's business-optics, electrics, radio, etc.

As members of their community, our employees are engaged in various programs designed to support school education as well as to help children with disabilities and students to be self-supporting and participate in society.

Yokogawa Science Workshops

As a company engaging in business on the strength of its technology in the areas of measurement, control, and information, Yokogawa holds the YOKOGAWA Science Workshops to support science education for elementary school students.

Yokogawa launched the YOKOGAWA Science Workshops in 2006. We now conduct the workshops several times a year, primarily in Tokyo.

The themes of the workshop are related to light, electricity, radio waves, and other topics related to the basic technologies that support Yokogawa. Employee volunteers act as instructors and provide personal instruction during hands-on construction projects. After the employee volunteers have explained the mechanisms of light or electricity according to the theme, the participating children begin the construction tasks, including soldering. Afterward, the employees provide an introduction to technology jobs. Drawing on the children's interest in technology, they teach the children the importance of thinking and making improvements. This interaction with children leads to the growth of the employees as well.

Through such activities, Yokogawa deepens its interactions with communities and contributes to the development of human resources that have an interest in science and technology. Our wish is to nurture these people who will support the earth in the future.

Date	Venue	Program	Content
July 18, 2015	Musashino City, Tokyo	Forming a Temperature Investigation Team	Constructing a radiation thermometer and measure temperatures without contact
August 1, 2015	Sendai city, Miyagi	Same as above	Same as above
August 27, 2015	Kanazawa City, Ishikawa	Same as above	Same as above
March 5, 2016	Musashino City, Tokyo	Capturing Radio Waves	Construct a germanium radio that requires no batteries and listen to radio broadcasts



Yokogawa Science Workshop

Participation in Musashino Science Festa

Each year Yokogawa participates in the "Musashino Science Festa," an annual event held by the city of Musashino. It's a comprehensive event for scientific experimentation in which elementary and junior high school teachers, businesses, volunteer organizations, etc., in the city set up booths to exhibit their experimentation. There are approximately 1,000 visitors to the event each year.

The theme of Yokogawa's booth was "Discovering the Secrets of Voice." Visitors to our booth observed what their voices looked like, using a hand-made microphone amplifier and oscilloscope. The children seemed really interested as they watched the waveform change according to the loudness of their voices and the frequency, or pitch, of the sound. Yokogawa staff, who participated in the event as volunteer staff, enjoyed themselves as they instructed the visitors how to observe their voices using the oscilloscope.



Observing child's own voice on the oscilloscope

Support for Events at a nursery and Elementary School

Concerts at a Nursery and Elementary School

Upon request from a nursery and elementary school, the "Ensemble Yokogawa" orchestra club held concerts for the children and students.



Concert at the Tokyo Metropolitan Akiruno Gakuen



Concert at the Toho University School of Nursing

Date	Venue	Subject
October 6, 2015	Tamagawa Public Elementary School, Chofu City Tokyo	Elementary school student in Tamagawa public elementary school
October 9, 2015	Tokyo Metropolitan Akiruno Gakuen School, Akiruno city Tokyo	The children of the crippled sector and the intellectual disability sector in Tokyo Metropolitan Akiruno Gakuen School
February 27, 2016	Toho University, Ota-ku Tokyo	The children who had been hospitalized in the perinatal center of Toho University and their families

Interacting with Children through Basketball

On March 6, 2016, Yokogawa's basketball team had a basketball event with the elementary school children from the Kyuden Shooting Stars, a children's basketball team in Setagaya, Tokyo. The two basketball teams have been jointly doing volunteer activities at a nursery home for the elderly in Musashino, Tokyo.



Interacting with Children through Basketball

Support for Classes, Events and Recreational Activities at Special Schools

As a member of the "Tokyo Metropolitan Council for Community Education Promotion Network," Yokogawa supports classes provided at special schools and is contracted under the Tokyo Metropolitan Government's "After School Children's Class" program to support recreational activities at special schools, including the

"Akiruno Club," which is organized mainly by the PTA of the Tokyo Metropolitan Akiruno Gakuen Special School. The Yokogawa employees work as volunteers and interact with children with disabilities, increasing their awareness as "good citizens."

Date	Organization to support	Program	Participant
June 20, 2015	Akiruno Club	Let's Play with a Foreign Language!	Volunteer employee
June 20, 2015	Akiruno Club	Let's Decorate with Flowers!	Flower arrangement club members
August 22, 2015	Akiruno Club	Tea Ceremony Workshop	Tea ceremony club members
Total of four days in July and August 2015	Tokyo Metropolitan Nanao Special School	Support for the "Opening of school's swimming pool to the Public"	Swimming club members
October 17, 2015	Akiruno Club	Walk Rally Let's play with a rugby ball	Mountaineering club members and Yokogawa Musashino Atlastars
October 9, 2015	Tokyo Metropolitan Akiruno Gakuen School	Community interaction events for special schools	Orchestra club members
Official games in 2015 season	Tokyo Metropolitan Special Schools	Invitation to the official games of Japan Football League	Yokogawa Musashino Football Club
December 19, 2015	Akiruno Club	A Christmas Event Held at a Special School	Yokogawa Musashino Football Club
January 23, 2016	Akiruno Club	Let's Play with a Soccer Ball!	Yokogawa Musashino Football Club



Let's play with a foreign language!



Let's decorate with flowers!



Tea ceremony workshop



Support for the "Opening of school's swimming pool to the Public"



Let's play with a rugby ball!



Walk rally



Kick target



Let's play with a soccer ball!

An Award Was Received for Support Activities for After School Children's Class Program "Akiruno Club" of Tokyo Metropolitan Akiruno Gakuen

For our commitment to the after school children's class promotion program "Akiruno Club" of the special needs education school Tokyo Metropolitan Akiruno Gakuen, we received the judges panel special award (large corporate sector) of "2015 Award for Companies Promoting Experience-based Learning Activities for the Youth" from the MEXT (Ministry of Education, Culture, Sports, Science and Technology). Moreover, we received the "TMBE 2015 Commendation for Contributing Companies" from the Tokyo Metropolitan Board of Education.

Moreover, these activities have been published in "Learning Through Experience: Human Resources Development by Companies" of "White Paper on Children and Young People 2016" by the Cabinet Office.

We have dispatched about 60 YOKOGAWA Group employees as volunteers, an average of about nine times per year, for consecutive five years since fiscal year 2009, and have given children with disabilities the pleasure of various fields, such as calligraphy, flower arrangement, tea ceremony, English, mountain climbing, volleyball, soccer, and rugby. We will continue to cooperate in the activities supporting society as a good corporate citizen.

"Akiruno Club"

The "Akiruno Club" is an organization that plans and organizes community and recreational activities designed to help children with disabilities live rich, fulfilling lives and to promote their lifelong learning, and thereby supports such children and their families. The club and its activities were launched in June 2004, primarily by the parents and families of students of Tokyo Metropolitan Akiruno Gakuen School.

The Akiruno Club has, since 2004, been contracted by the Ministry of Education, Culture, Sports, Science and Technology of Japan and the Tokyo Metropolitan Government to sponsor a variety of projects, which are implemented with focus on "providing many programs to choose from," offering programs not just to the current Akiruno students but also to other.

Collaborative Efforts with External Organizations

Yokogawa is committed to fulfilling its responsibilities as a global company by finding solutions to various social issues.

"Tokyo Greenship Action": An Initiative to Conserve Undeveloped Woodlands

Yokogawa has, since 2009, been a member of the "Tokyo Greenship Action," a collaborative initiative by the Tokyo Metropolitan Government, regional NPOs and corporations aimed at conserving/regenerating undeveloped woodlands and copses on the hills of Tokyo and thereby contributing to biodiversity.

One of the areas covered by this initiative is the landscape conservation area in Tatemachi, Hachioji City (spanning 24,392 square meters), a familiar conservation area surrounded by houses on the Tama hills in Hachioji. Fireflies thrive along a clear stream that runs through this conservation area. Local volunteer groups regularly organize weeding and bush-thinning operations in order to regenerate the natural environment.

The area used to be undeveloped woodland, which was richly endowed with nature and well taken care of. However, years of neglect made it an abandoned forest where trees were never planted, thinned or trimmed. Tokyo Greenship Action organizes weeding, dead-tree trimming/organization operations and tree planting on an ongoing basis in order to preserve the beautiful landscape of this hilly copse and nurture the area's rich biodiversity.

Yokogawa participated in a program arranged by Tokyo Greenship Action in 2015 as it did in the previous year. Employees of our group companies worked with the members of NPO Green Support Hachioji to trim the thickets and cut down large trees to thin the forest.



Tree thinning and mowing

Collaborating with the Community on Disaster Preparedness

Yokogawa and Musashino City, where Yokogawa's head office is located, signed a memorandum in 1996 on cooperation in the event of a major disaster, spelling out the terms under which Yokogawa would cooperate with Musashino City to ensure the safety of citizens. Therefore, in the event of a disaster, Yokogawa will open some areas of its premises to provide water and supplies, among others. In January 2014, Yokogawa Solution Service also signed an agreement with Musashino City on cooperation in the event of a disaster.

In 2006, Yokogawa also signed an agreement with the Musashino Fire Department on support operations in the event of an earthquake. Should an earthquake hit, Yokogawa will cooperate with the Musashino Fire Department to the greatest possible extent in order to help extinguish the fire and rescue the injured. We are also conducting disaster drills with the department on a regular basis.

Participating in Local Cleanup Drives near Factories

To practice our corporate philosophy of "good corporate citizen," our group companies are regularly participating in the cleanup drives organized by local municipalities and are making voluntary efforts to clean up the areas around their factories. At Yokogawa, we are contributing to the beautification and environmental conservation of the regions in which we operate while fostering deeper friendships and understanding of the communities we serve.

● Yokogawa Electric Corporation

Twice per year, the city of Musashino conducts cleanup activities around major train stations in the municipality. Each time, a total of about 50 Yokogawa employees and family members take part in the work.

● Yokogawa Solution Service Corporation

This company takes part in cleanup activities throughout the country in areas around its worksites. In fiscal 2015, a total of 156 employees participated in the activities.

● Yokogawa Manufacturing Corporation

This company took part in cleanup activities around its work places in Japan and around nearby train stations.

Promoting the employment of the people with disabilities

Yokogawa, in addition to promoting the employment of the people with disabilities by its group companies, collaborates with NPO Japan SELP Center to engage in the following activities to provide more work opportunities in local communities.

Purchasing Waste Cloths from an Employment Support Service Hiring the People with Disabilities

Yokogawa Manufacturing's Kofu Factory has, since April 2010, purchased 150kg of waste cloths (used to wipe off oil, impurities and other dirt from factory machines) every month from an employment support service that hires disabled persons.

The waste cloths thus purchased consist of material recycled from old clothes and fabrics, which means that

their production does not require any resource or energy and does not produce CO2 emissions.

By purchasing reused waste cloths from this service provider, we help people with disabilities to obtain work. Thus, our purchases contribute to the conservation of the global environment.



Waste cloths



Producing waste cloths

Outsourcing the Production of Envelopes

Beginning with the 2010 Annual General Meeting of Shareholders, we have outsourced the production of envelopes for meeting notices and other share-related documents to a sheltered workshop that hires disabled persons.



Produced envelopes for notices of annual general meetings of shareholders



Producing envelope at a workshop

From the 2012 Annual General Meeting of Shareholders, we initiated the distribution of cookies produced by the "A Box of Cookies Makes You Fall in Love with Miyagi" Project--a group formed by ten factories employing disabled persons in Miyagi Prefecture, which was hit by the Great East Japan Earthquake--to the attending shareholders as take-home gifts.



Producing cookies

Installing Welfare Vending Machines

Yokogawa, in September 2008, installed one SELP (Support of Employment, Living and Participation) on the premises of its Musashino City Facility in Tokyo. When one purchases a drink from one of these vending machines, a portion of the money goes to NPO Japan SELP Center to help persons with disabilities obtain employment.

Regular vending machines and SELP vending machine are positioned side by side on the premises of the head-office factory. Receipts from the SELP vending machine have increased by approximately 30% compared to the regular vending machines that previously operated in the same place. This is proof that many employees act consciously to contribute to society.

SELP vending machines are currently located in Musashino-shi and Akiruno-shi, Tokyo and Kofu-shi, Yamanashi Prefecture. Cumulatively, the donation from the SELP vending machines between 2008 and 2015 amounts to 2,249,266 yen.



Welfare vending machine

Providing Educational Support for Developing Countries through the Recycling of Used Books and CDs

In November 2009, we joined "Book Magic", a social program designed to utilize books, CDs and DVDs collecting dust for the educational support projects in Afghanistan, Sudan, etc. From the collection boxes installed at 50 locations within the factories in Musashino City, Tokyo and Kofu City, Yamanashi, we have collected 15,801 items and donated 306,683 yen as of March 2016.



Health education for children in Afghanistan

Sending School Bags across the Sea

Yokogawa has, since 2008, contributed to the "Sending School Bags across the Sea" campaign sponsored by Kuraray Co., Ltd. In fiscal 2015, too, we collected unneeded stationery and used school bags packed with the memories of the donating employees, and sent these overseas to support children's education in Afghanistan and Mongolia where literacy rates are notably low. The number of school bags donated by employees over the past 8 years has reached 493.



School bags presented from employees



Children and school bags

Blood Donation

Yokogawa Electric Corporation has held blood donation campaigns in its premises to cooperate with Japanese Red Cross Tokyo Metropolitan Blood Center. Since 1966, total of 40,000 volunteer employees have participated in the campaigns actively.



Blood donation
at Yokogawa Clinical Center

Improving the Health of Mothers and Children in Indonesia

Yokogawa has, since 2008, worked with Peoples' HOPE Japan (a certified NPO) to improve the health of mothers and children in Serang Regency, Indonesia. Located 80 km west of the capital Jakarta, the province of Serang has many poor villages scattered across its territory. A major problem the region faces is the fact that many pregnant women and babies die as the result of birth complications. Moreover, significant numbers of infants and children under five years of age suffer from malnutrition.

For the specific efforts on improving the health of mothers and children, visit the website of Peoples' HOPE Japan (a certified NPO).

► [People's HOPE Japan](#)

Corporate Citizenship in North and South Americas

Education(United States)

- Volunteers from Yokogawa Corporation of America(Sugar Land office, Texas) joined Junior Achievement in the fall of 2015 and spring of 2016 to help mentor children in a local school, Walker Station Elementary School. The volunteers introduced fifth grade students to work readiness through hands-on class room activities. The program provides students with practical information about the nation's free market system and how it serves as an economic engine for businesses and careers. Junior Achievement volunteer-delivered programs foster work-readiness, entrepreneurship and financial literacy skills, and use experiential learning to inspire students in grades kindergarten-12th to dream big and reach their potential.



Volunteers from Yokogawa Corporation of America and class room activities for Junior Achievement

- Yokogawa Corporation of America offered a scholarship to a student from DeVry University as a part of the events in Yokogawa Users Conference.

Health(United States)

- Yokogawa Corporation of America participates in the annual charity event, "March for Babies," sponsored by the March of Dimes, a non-profit organization that works to improve the health of babies. This event is held across the United States in order to help prevent premature birth and other problems that threaten our babies. Employees of Yokogawa Corporation of America and their families participated in the charity walk in 2015, too. The fund raised through this event was donated to the March of Dimes as a matching gift with the company.

Helping Socially Vulnerable People (United States, Brazil)

- Volunteers from Yokogawa Corporation of America(Newnan location, Georgia, US) participated in a Newnan-Coweta Habitat for Humanity local build in Palmetto, Georgia. Through the work of Habitat for Humanity, thousands of low-income families have found new hope in the form of affordable housing. Since 1976, Habitat has helped 6.8 million people find affordable shelter.



Volunteers from Yokogawa Corporation of America working at the build

- Yokogawa Corporation of America(US) made a donation to Deaf Equal Access Foundation, a non-profit organization helping the deaf people get an equal access in their social lives. They advocate the deaf and provide sign language interpreting services.
- Yokogawa America do Sul Ltda.(Brazil) had an internal campaign to collect and donate foods and hygiene and cleaning products to Casa Maria Maia and Casa José Eduardo Cavichio(CAJEC), non-profit organizations for needy children.

Sports(United States)

- Yokogawa Corporation of America supports sports in the communities and made monetary donations to teams or associations for basketball, volleyball, baseball, softball, lacrosse, etc.

<For more information>

▶ [Yokogawa Corporation of America](#)

Corporate social responsibility of Yokogawa Corporation of America

(Language: English)

Corporate Citizenship in Asia

Human Resources Development, Education

Lecture and Demonstration : National University of Singapore (Singapore)

Yokogawa Engineering Asia Pte. Ltd. and Yokogawa Electric International Pte. Ltd. provided a presentation on safety engineering and Yokogawa's advanced control technologies to 45 students of the Master of Science class, National University of Singapore, on 15th October, 2015. A team of specialists from Yokogawa worked with the university's lecturer to develop the topics relevant to their curriculum. This allowed the students to have a real-life experience of the industrial safety products in Yokogawa's Live Simulation Demo Plant. The team also conducted a simulated product demonstration in the Yokogawa demo room.

The presentation and demonstration helped increase the awareness of the students on the importance of safety and Yokogawa's role in the oil & gas industry. The students gave a feedback that all of them felt that the topics were very relevant, informative and eye-opening. Many of the students are working adults from the industries, and partnership with the local university helps create awareness of Yokogawa's products and competency. It also builds a pipeline of engineers keen on the oil and gas industry in general and interests them on possible employment opportunities in Yokogawa.

Training Programs : Bandung Institute of Technology, Sepuluh Nopember Institute of Technology Surabaya, University of Indonesia (Indonesia)

PT Yokogawa Indonesia has special programs for our future and next generation talent; Technical Trainee Program and Junior System Engineer. Objective of the programs is to give opportunity to the society, especially university graduates to learn more through proper experiences in the real working environment.

Yokogawa Indonesia employees conducted "Walk to Campus" to the reputable universities and some polytechnics in Indonesia. The programs are classroom training and on-the-job training on basic knowledge and direct project-executing experience. The participants will acquire technical, non-technical skills and business ethic from the program with Yokogawa Indonesia.

Yokogawa Indonesia also conducts campus events or seminars as an introduction on several topics related with business expertise in automation industry such as basic instrumentation, basic control, and automation industry.



Seminar and training on instrumentation, control, and automation

Environment, Biodiversity

Fish Release in the Natural Water(Thailand)

As part of its efforts in sustainable environment, Yokogawa (Thailand) Co., Ltd. contributes actively to supporting the local authorities and sponsors the environmental operation. On March 26, 2016, in conjunction with Pran Buri National Forest Park office, Yokogawa (Thailand) participated in the yearly event to release fish in Pran Buri National Forest Park, Pran Buri District, Prachuap Khiri Khan. More than 5,000 fish were released to the sea in order to preserve local fish species. The fish released was sea bass and red snapper which were carefully chosen not to disrupt the ecosystem.

Over-fishing and changing environmental conditions affect the size of fish populations drastically. This environmental activity will not only increase local fish in ecosystem, but also provide food sources to local people. Nearly 250 volunteers from Yokogawa (Thailand) visited the national forest park and contributed to the activity. They also cleaned up the beach after the event.



Fish release and beach cleaning in Pran Buri National Forest Park

Helping Socially Vulnerable People(China, Korea)

Yokogawa group supports socially vulnerable people in the communities in which we operate. Following is the examples of our activities in fiscal year 2015.

Yokogawa Electric China Co., Ltd.(China)

- Employee volunteers visited senior people living alone and children with leukemia.
- Employee volunteers visited an amusement park with children with disabilities.
- Employee volunteers donated second-hand clothes to the people on the impoverished areas.
- Yokogawa Electric China Co., Ltd. donated winter clothes and driers to children with disabilities.

<For more information>

▶ [Yokogawa China Co., Ltd.](#)

Corporate social responsibility of Yokogawa China Co., Ltd.
(Language: Chinese)

Yokogawa Electric Korea(Korea)

- Employee volunteers made and delivered kimchi, a spicy pickled or fermented mixture of vegetables, to poor families for their wintering.
(Participation in the event by Galsan Welfare Center)
- Employee volunteers delivered charcoal to poor families for their wintering.
(Participation in the event by Yeongdeungpo-Gu Volunteer Center)
- Yokogawa Electric Korea made a monetary donation to Aikwangwon, a home and school for the mentally and physically challenged, located in Kojedo

Corporate Citizenship in the Middle East and Africa

Human Resources Development, Job Creation(Middle East, Africa)

Yokogawa Middle East & Africa B.S.C.(C) believes the most meaningful activity under CSR is to make a difference at the grassroots level and has collaborated very closely with universities/institutes in the regions in which they operate. The activities range from participating in career days, symposia, workshops, seminars and supplementing university curriculum through practical courses. Internship programs are offered every year.

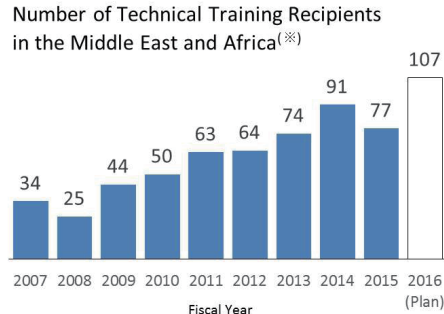
Yokogawa is involved in many large-scale energy development projects in the oil, gas and other sectors in the Middle East and Africa. As we expand our business, we support human resources development in these regions in cooperation with local universities and other educational institutions and provide employment opportunities for local people.

Since 2007, Yokogawa has provided training in measurement and control technologies and engineering for local students. Through this initiative we are contributing to the development of local communities by employing 176 of 522 students who have taken the course in the Yokogawa Group and helping the others find employment with local customers. We plan to accept 107 students in fiscal year 2016.

Yokogawa will further expand such initiatives and contribute to human resources development and job creation wherever we operate worldwide.



Technical training using Yokogawa products



*Bahrain, Saudi Arabia, UAE, Oman, South Africa, Nigeria, etc.

Education(South Africa)

Yokogawa South Africa (Pty) Ltd. supported student robotics competitions in fiscal year 2015.

- Sponsored 2 teams from previously disadvantaged schools to enable them to participate in the First Tech School Robotics Challenge. The sponsorship was provided through the Tshwane University of Technology. Group of the employees were involved in conducting the competitions.
- Sponsored Heldeberg Robotics Club team to help them participate in the international robotics championship held in Katar.

Supporting Toastmasters(Bahrain)

Yokogawa Middle East & Africa B.S.C.(C) sponsored the Bahrain Annual Toastmasters Conference to help the Toastmasters members develop their communication and leadership skills which lead to realization of their potential.

Health, Medicine(Bahrain, Saudi Arabia)

Yokogawa Middle East & Africa B.S.C.(C) (Bahrain) and Yokogawa Saudi Arabia Ltd.(Saudi Arabia) run a campaign for blood donation in the HSE(Health, Safety, Environment) Week every year. In fiscal year 2015 campaign, 195 employees volunteered to donate blood.

Environment(Bahrain, Saudi Arabia)

Employees of Yokogawa Middle East & Africa B.S.C.(C) (Bahrain) and Yokogawa Saudi Arabia Ltd. (Saudi Arabia) participated in the following environmental events.

- More than 300 employees from Yokogawa Middle East & Africa B.S.C.(C) , and 100 family members participated in the nature camp at the desert to highlight the message on the importance of not polluting the environment. (February 2016, Bahrain)
- Yokogawa Middle East & Africa B.S.C.(C) donated 490 trees and the employee volunteers planted them in Riffa walking track. (March 2016, Bahrain)
- Approximately 70 employees from Yokogawa Saudi Arabia Ltd. and their family members participated in the beach cleaning campaign on the Aziziyah Beach. (March 2016, Saudi Arabia)

Corporate Citizenship in Europe

Human Resources Development, Education, Job Assistance (Netherlands, UK)

- Yokogawa Europe B.V. (Netherlands) made a monetary donation to VIA (Vereniging Informatiewetenschappen Amsterdam), a study association for computer science, artificial intelligence and information science at the University of Amsterdam.
- Yokogawa Marex Limited (UK) participated in the Innovation Trust as supporting member for the management of two schools and events in the Isle of Wight.
- Yokogawa Marex Limited (UK) took students from Carisbrooke High School and Medina High School, Isle of Wight, for work experience at the office, and held career events and workshops in the schools.

Helping Socially Vulnerable People(Netherlands, Germany)

- At Christmas time, Yokogawa Europe B.V. (Netherlands) organizes a charity Christmas market where the employees bring gifts and win them by lot. The lottery revenues are doubled by the company and donated as a matching gift to a cause of choice.
- In 2015, Yokogawa Europe B.V. donated to "Het Vergeten Kind" (The Forgotten Child), an organization for the children who have been abused, mistreated, neglected, abandoned, and live in shelters or refuge centers. The organization asks for the attention to the situation of the children, organizes activities and events, and ensures that children enjoy their life without concerns.
- Rota Yokogawa GmbH & Co. KG (Germany) donated food to the Food Bank to help socially vulnerable people in Bad Säckingen.
- Rota Yokogawa GmbH & Co. KG (Germany) made a monetary donation to the Paul Gräb, a charity for mentally challenged people.



Christmas fund-raiser

Health, Medicine(Germany)

- Yokogawa Deutschland GmbH (Germany) made a monetary donation to Hospice St. Raphael, a health-care facility for the terminally ill.



Check handed over to Hospice St. Raphael

Sports(Germany)

- Rota Yokogawa GmbH & Co. KG (Germany) made a monetary donation to the Street Soccer Project.

<For more information>

▶ [Yokogawa Europe B.V.](#)

Corporate social responsibility of Yokogawa Europe B.V.

(Language: English)

YOKOGAWA has received a guarantee for social and environmental data by a third-party organization (Lloyd's Register Quality Assurance Limited) to improve the reliability of that.

▶ [Third-Party Verification](#)

Personnel-related date

Number of employees

	2011	2012	2013	2014	2015
Consolidated	19,437	19,685	19,837	19,601	18,464
Non-consolidated	4,211	4,298	2,958	2,871	2,502

(Unit : People)

As of the end of each fiscal year

Disability employment rate

	2011	2012	2013	2014	2015
Yokogawa's disability employment rate	2.25	2.23	2.28	2.15	1.99
Legal disability rate	1.80	1.80	1.80	2.00	2.00

(Unit : %)

As of June 1st each year

Frequency rate of occupational accidents

Frequency rate of occupational accidents = Number of accidents resulting in lost workdays / aggregate number of work-hours × 1,000,000

	2011	2012	2013	2014	2015
In Japan	0.18	0.42	0.31	0.57	0.50
Outside Japan	0.38	0.23	0.45	0.49	0.36
Total	0.29	0.32	0.39	0.53	0.41

(Unit:%)

Social data

Yokogawa Science Workshops

	2011	2012	2013	2014	2015
Number of Workshops	5	6	4	3	4
Number of children	115	129	73	70	69

▶ [Yokogawa science workshops](#)

Visitors for Yokogawa Foundry (special subsidiary for the employment of disabled persons)

	2011	2012	2013	2014	2015
Number of visitors	365 ppl 76 org	272 ppl 64 org	259 ppl 42 org	108 ppl 26 org	129 ppl 25 org

Welfare vending machine

By purchasing a drink in this vending machine, a part of proceeds is utilized to support employment of people with disabilities through SELP, a Non-profit organization.

	2011	2012	2013	2014	2015
Number of drinks sold from welfare vending machine (bottles)	123,732	115,775	97,489	73,782	41,808
Amounts contributed by welfare vending machine (Yen)	462,252	430,304	357,952	265,932	143,514

▶ [Welfare vending machine](#)

In cooperation with Japan SELP center, specified non-profit corporation

Participants in "Tokyo Greenship Action"

Tokyo metropolitan government has conducted nature conservation activities in cooperation with companies, non-profit organization, etc. in some areas. Companies use these occasion as social contribution activities of companies.

	2011	2012	2013	2014	2015
Participants from Yokogawa	27 ppl	26 ppl	19 ppl	9 ppl	13 ppl

▶ [Tokyo Greenship Action](#) Promoted by Environmental Bureau of the Tokyo Metropolitan Government
In cooperation with Midori Support Hachioji, non-profit organization

Donation by "Book Magic"

Book Magic is a program that JEN, a non-profit organization, operates. JEN sells book, CD, DVD, etc., donated by companies' employees, to a used book shop and utilize the sales fund to support the education in developing countries.

	2011	2012	2013	2014	2015
Number of CD and book contributed	2,386	1,505	1,239	1,459	15,801
Donation from selling of CD and books (Yen)	47,122	28,193	23,467	30,910	306,683

▶ [Educational support](#) In cooperation with JEN, specified non-profit corporation

Donation to "Sending School Bags across the Sea"

"Sending School Bags across the Sea" is a program of international cooperation under which Kuraray Co.,Ltd. send school bags once used by Japanese elementary school students along with letters to children in Afghanistan and other countries.

	2011	2012	2013	2014	2015
Number of donated school bags	55	39	27	120	39

▶ [Sending School Bags across the sea](#) Promoted by Kuraray Co.,Ltd.

Environmental Data

Energy consumption

Energy consumption and sales-unit-basis energy consumption for Yokogawa group
Data coverage: Yokogawa companies in Japan and outside Japan

Energy consumption

	2011	2012	2013	2014	2015
In Japan	1,057,533	1,017,210	899,674	849,594	705,944
Outside Japan	849,112	833,647	832,367	840,724	818,109
Total	1,906,665	1,850,857	1,732,042	1,690,318	1,524,053

(Unit : GJ)

Unit basis (Unit-sales-basis energy consumption)

	2011	2012	2013	2014	2015
In Japan	779	759	697	681	555
Outside Japan	427	390	321	299	285
Total	570	532	446	417	368

(unit: GJ/100M¥)

Total CO2 emissions

Total CO2 Emission and unit-sales-basis CO2 emissions for Yokogawa Group
Data coverage: Yokogawa companies in Japan and outside Japan

Total CO2 emissions

	2011	2012	2013	2014	2015
In Japan	46,135	53,567	51,978	46,112	37,224
Outside Japan	48,109	48,745	51,433	51,981	50,784
Total	94,244	102,312	103,411	98,093	88,008

(unit: t-CO2)

Unit basis (Unit-sales-basis CO2 emissions)

	2011	2012	2013	2014	2015
In Japan	33.97	39.98	40.26	36.98	29.29
Outside Japan	24.19	22.79	19.83	18.49	17.72
Total	28.16	29.41	26.62	24.17	21.27

(unit: t-CO2/100M¥)

Water consumption volume

Water consumption volume and sales-unit-basis water consumption for Yokogawa group
Data coverage: Yokogawa companies in Japan and outside Japan

Amount consumed and Total emissions

		2011	2012	2013	2014	2015
In Japan	Amount consumed	555	541	444	439	342
	Total emissions	404	355	382	342	256
Outside Japan	Amount consumed	258	305	293	284	275
	Total emissions	252	294	284	274	268
Total	Amount consumed	813	846	737	723	617
	Total emissions	656	649	666	616	525

(unit: kilo m³)

Unit basis (Unit-sales-basis water consumption volume)

	2011	2012	2013	2014	2015
In Japan	0.41	0.40	0.34	0.35	0.27
Outside Japan	0.13	0.14	0.11	0.10	0.10
Total	0.24	0.24	0.19	0.18	0.15

(unit: kilo m³/100M¥)

Waste emissions

Total waste emissions and unit-sales-basis waste emissions for Yokogawa group
Data coverage: Yokogawa companies in Japan and outside Japan

Total waste emissions and final waste volume

		2011	2012	2013	2014	2015
In Japan	Total emissions	4,356	3,796	3,355	3,607	1,926
	Final waste volume	170	166	159	109	91
Outside Japan	Total emissions	2,350	2,547	1,788	2,416	2,278
	Final waste volume	405	851	782	1,139	941
Total	Total emissions	6,706	6,343	5,143	6,023	4,204
	Final waste volume	575	1,017	941	1,248	1,032

(unit: ton)

Unit basis (Unit-sales-basis water consumption volume)

	2011	2012	2013	2014	2015
In Japan	3.21	2.83	2.60	2.89	1.52
Outside Japan	1.18	1.19	0.69	0.86	0.79
Total	2.00	1.82	1.32	1.48	1.02

(unit: ton/100M¥)

Natural energy

Natural energy consumption for Yokogawa group

Data coverage: Yokogawa Electric and Yokogawa manufacturing

	2011	2012	2013	2014	2015
Solar power generation	89,066	96,856	86,442	85,480	68,816
Green electricity certificates	300,000	300,000	300,000	300,000	300,000

(unit: kWh)