



Sustainable Soybean Oil Procurement Policy

March 2021

SUSTAINABLE SOYBEAN OIL PROCUREMENT POLICY

The Goodyear Tire & Rubber Company's (the "Company") Sustainable Soybean Oil Procurement Policy (this "Policy"), along with the Company's Business Conduct Manual and Supplier Code of Conduct, will guide the Company in developing a long-term, sustainable supply chain for its soybean oil requirements. This Policy is intended to help guide the processors, farmers, and all other members of the supply chain to establish practices and make sound environmental and social decisions related to the growing, harvesting, and processing of soybeans. Increasing global demand for the many uses of soybeans (animal feed, protein, cooking oil, industrial use, etc.) has led to natural and existing ecosystems having been converted to soybean fields. This has taken place primarily in tropical areas, where deforestation has in some cases removed important habitats. While Goodyear's use of soybean oil might be small compared to others, we find it valuable and responsible to have a guiding Policy to ensure we implement our own supply chain requirements with a sustainable approach. Through the corruption-free implementation and adherence to this Policy, Goodyear seeks to have a transparent and responsible soybean supply chain and will do its part to help:

- Support the rights of workers and responsible labor conditions;
- Support responsible acquisition and management of land utilized for growing soybeans free from deforestation and Land Grabbing (as defined below);
- Promote Conservation of Important Vegetation (as defined below);
- Promote the use of responsible and sustainable production techniques;
- Promote the best practices for growing and harvesting techniques;
- Align our supply chain with responsible practices and standards; and
- Regularly audit and work with our supply chain on compliance.

This Policy applies to all soybean-based materials sourced by Goodyear operations worldwide. Goodyear expects Suppliers to apply these Policy components throughout their soybean supply chains, including all products grown, harvested, processed, produced, purchased or traded, and all operations, including landholdings, farms, joint ventures and third party suppliers, contractors or subcontractors. Soybean oil producers are expected to have transparency and visibility as to the source of soybeans, including traceability back to the farm.

KEY POLICY COMPONENTS:

Human Rights – In collaboration with external parties and internally, Goodyear will work to ensure its soybean oil supply chain supports and protects the rights of all involved and fosters a positive working environment at all levels of the supply chain.

- All participants in the soybean oil supply chain shall fully comply with all applicable local, national, and international laws and regulations in the countries in which they operate.
- Suppliers shall comply with applicable local child labor laws and employ only workers who meet the applicable minimum legal age requirement for their location. In the absence of local law, Suppliers will not employ children under the age of 15, except as set forth in the next sentence. If local minimum age law is set below 15 years of age, but is in accordance with developing country exceptions under the [International Labor Organization \(ILO\) Convention 138](#), the lower age will apply.
- Suppliers shall comply with applicable wage and hour labor laws including those related to minimum wage, overtime, and legally mandated benefits.
- Unlawful discrimination will not be tolerated in the workplace, and Suppliers shall comply with applicable local laws concerning discrimination, hiring, and employment practices.
- Suppliers will not use forced or involuntary labor, including, but not limited to, prison labor, indentured labor, slave labor, human trafficking, or other forms of compulsory labor.

- Suppliers shall recognize and respect the rights of workers to join organizations of their choosing or to likewise refrain from joining such organizations. Suppliers shall respect the rights of workers to collectively bargain through representatives of their choosing where a union has been established/chosen in accordance with local laws and regulations.
- Suppliers will promote the rights of all workers.
- Suppliers shall provide a safe and healthy work environment in accordance with all local and national laws. All workers shall have the right and ability to leave work each day without injury, and Suppliers shall adapt standards to address occupational health and safety risks. Personal protective equipment shall be provided to employees as necessary to ensure a safe working environment.

Responsible Land Acquisition and Use – Goodyear will work internally, with its supply chain, and with external parties to promote a soybean oil supply chain that is environmentally and socially responsible; that is free from deforestation and Land Grabbing; that promotes Conservation of Important Vegetation; that minimizes impact on biodiversity and local communities; and that is economically viable.

- Suppliers shall fully comply with all applicable local and national laws for land use.
- Suppliers shall take reasonable steps not to use fire in the clearing of land for soybean oil planting. Fires shall be permitted when used in accordance with specified conditions where aligned with best practices such as those outlined by [The Round Table for Responsible Soy](#).
- Where and when appropriate given existing landscape/ biome, new soybean farms shall follow the [High Carbon Stock \(HCS\) toolkit](#), [High Conservation Value Assessment approach \(HCV\)](#), or other equivalent land assessment and management toolkits to ensure land is appropriate for soybean farming and to determine where natural ecosystems should be protected.
- Goodyear will not knowingly, directly or indirectly, contribute to illegitimate appropriation of land in violation of applicable local and national laws, and Legitimate Tenure Rights. Suppliers and growers shall obtain full, fair consent and ensure adequate compensation where land use is granted. Suppliers and growers shall utilize existing legally mandated stakeholder consultation processes or, where these do not exist or are deemed insufficient, deploy alternative approaches for effective stakeholder engagement.

- For land acquired and/or transformed for soybean farming, Suppliers shall apply the Free, Prior and Informed Consent (FPIC) methodology and guidelines developed by the [United Nations Programme on Reducing Emissions from Deforestation and Forest Degradation \(UN-REDD\)](#). In addition, adequate and fair compensation for any land usage/transfer shall be present in all transactions.

Soybean Oil Processing – Goodyear expects its Suppliers who process soybean oil for its usage to manufacture their products in a responsible and environmentally friendly manner.

- Suppliers shall ensure compliance with all applicable legal requirements, including, but not limited to, applicable environmental, health and safety laws and regulations, and those regarding water usage.
- Suppliers shall ensure that all wastewater produced from soybean oil production is properly treated in full compliance with applicable laws and regulations.
- Suppliers shall use reasonable efforts to maximize water recycling in the production process.
- Suppliers shall optimize energy usage where possible and practicable.
- Suppliers shall control, use, and dispose of all chemical substances used in soybean oil processing in line with applicable laws and regulations.
- Suppliers shall ensure compliance with all local laws and regulations regarding the manufacturing process and land usage for the manufacturing facility.
- Suppliers shall utilize processing techniques that minimize scrap and waste.
- Suppliers shall use soybean feedstock in accordance with this Policy.
- Suppliers should be aware of the geographical (country level) region in which their soybean feedstock originates and should disclose origination information if requested.

Soybean Growing and Harvesting – Goodyear encourages its Suppliers and any sub-suppliers in the Goodyear soybean oil supply chain to implement the best-known cultivation and agricultural practices, including, as applicable, those outlined by [The Round Table for Responsible Soy](#). Goodyear also encourages its Suppliers of soybean oil to promote the best-known cultivation and agricultural practices with their suppliers.

Supplier Alignment – Goodyear encourages the selection of soybean oil Suppliers and sub-suppliers demonstrating commitment to responsible practices through one or more of the following:

- A public sustainability policy/principles;
- Where and as appropriate based on existing biome, regional, and community conditions, application of land-use practices that help promote a supply chain free from deforestation consistent with Responsible Land Acquisition and Use as described in this Policy, and, beyond forests, in the Cerrado, Gran Chaco and Llanos biomes, application of practices to promote conservation of impacted native vegetation important to those biomes or their communities (“Conservation of Important Vegetation”);
- Adoption of best practices such as those promoted or identified by the Round Table for Responsible Soy Standard; and
- Where applicable, being able to confirm that they are parties to, or adhere to practices consistent with the requirements of, the Amazon Soy Moratorium 2006.

Policy Implementation and Compliance – Goodyear is committed to the corruption-free and transparent implementation of this Policy.

- Goodyear will review with 100% of all active tier-one soybean oil Suppliers every year for compliance. Issues, gaps, and non-compliances identified will be addressed with collaborative efforts to close associated gaps.
- Goodyear will consult external companies and experts to focus further on sustainability-related areas and will use data from that consultation to identify and close compliance gaps.

- Goodyear will appoint an independent third party to verify that this Policy is being implemented by Goodyear.
- Goodyear commits to the corruption-free implementation of and adherence to this Policy and expects all Suppliers and sub-suppliers in the supply chain to adhere similarly in a corruption-free manner.
- Violations of this Policy may be confidentially reported, including anonymously, through the Goodyear Integrity Hotline (phone numbers and web intake form may be accessed at www.goodyear.ethicspoint.com).
- Suppliers shall comply with this Policy and shall cascade it to the relevant members of their supply chain. Goodyear expects that all Suppliers will monitor the relevant members of their supply chains for compliance using reasonably available means.
- Substantiated non-compliance and/or failure to close agreed identified gaps in compliance may result in suspension or termination of the business relationship.
- Goodyear will use reasonable means to be an active business sector participant in appropriate processes and programs that seek sustainable outcomes, deliver social and environmental benefits, and are economically viable.
- Goodyear will transparently report on progress regarding the implementation of this Policy.

Goodyear reserves the right to update, enhance, or change this Policy at any time, for any reason, or as deemed appropriate by future learnings and experiences gained through the implementation of this Policy.

DEFINITIONS

FPIC & UN-REDD:

<http://www.uncclearn.org/sites/default/files/inventory/un-redd05.pdf>

ILO 138:

http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C138

HCS:

<http://highcarbonstock.org/the-high-carbon-stock-approach/>

HCV:

<https://www.hcvnetwork.org/>

Land Grabbing:

"Land Grabbing" as defined by The International Land Coalition is land acquisitions or concessions that are based on one or more of the following characteristics: (i) in violation of human rights, particularly the equal rights of women; (ii) not based on free, prior, and informed consent of the affected land-users; (iii) not based on a thorough assessment, or are in disregard of social, economic, and environmental impacts, including the way they are gendered; (iv) not based on transparent contracts that specify clear and binding commitments about activities, employment, and benefits sharing; and (v) not based on effective democratic planning, independent oversight, and meaningful participation. (<http://www.landcoalition.org/en>)

Legitimate Tenure Rights:

Legitimate Tenure Rights as defined by the U.S. Agency for International Development (USAID) is the relationship that individuals and groups hold with respect to land and land-based resources. Land tenure systems are based on rules which legally define the ways in which property rights to land are allocated, transferred, used, or managed in a particular society. When land tenure is legitimate and secure, land can be a cornerstone for economic growth and an incentive for investment, but when land rights are insecure, this can lead to conflicts, instability, and the exclusion of vulnerable groups, such as women, indigenous people, and the poor. (<https://www.land-links.org/what-is-land-tenure/>)

Suppliers:

Entities or individuals that directly supply Goodyear or its subsidiaries with products or services related to soybean oil.