


# Risk Management

Relevant material issue	Initiatives
 <b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>• Strengthening governance system</li> <li>• Strengthening the Business Continuity Plan (BCP)</li> </ul>

**Basic Approach**

Yokohama Rubber is working to strengthen risk management as part of its internal control in order to minimize diversifying risks. We are focusing on identifying matters that have a significant impact on our business, taking preventive measures to stop risks before they occur, and creating a system for prompt and appropriate responses to minimize damage in the event of a serious risk incident.

Currently, there is a need to respond to various changes in the business environment in Japan and overseas, such as growing awareness of human rights and global business expansion. In addition, the impacts of risks caused by the external environment, such as the COVID-19 pandemic, tight supply and demand of raw materials, and cyberattacks, are also enormous.

In light of these circumstances, we recognize that risk management is one of the most important issues in terms of management sustainability, and we are working to maintain and strengthen our risk management system.

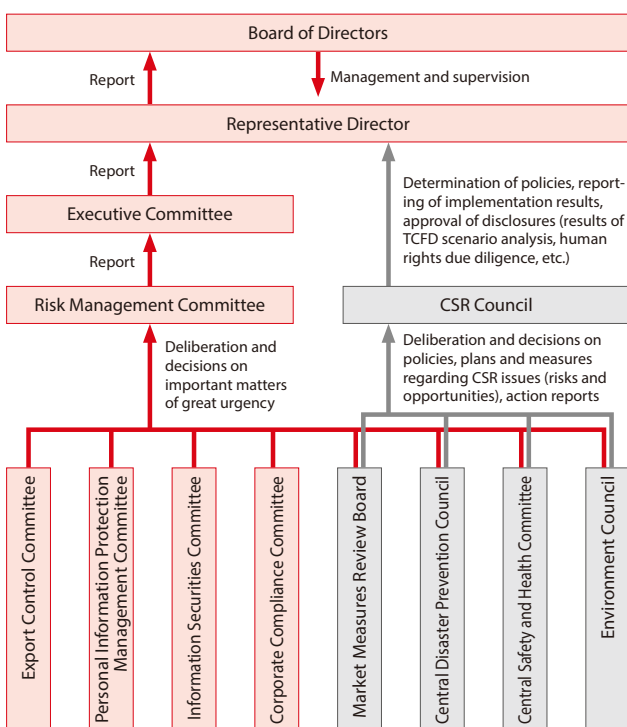
## Risk Management System

In order to strengthen our defense system against various risks facing the company, we have established the Risk Management Committee, chaired by the executive in charge of risk management, to manage risks that may have a significant impact on management in a cross-functional manner and to appropriately evaluate and respond to them. The status of activities is regularly reported to the Board of Directors. In addition, for matters related to compliance, occupational health and safety, disasters, the environment,

information security, and export control that pose specific risks, the Corporate Compliance Committee, the Central Safety and Health Committee, the Central Disaster Prevention Council, the CSR Council, the Environment Council, the Information Securities Committee, the Personal Information Protection Management Committee, the Export Control Committee, etc. have been established, rules, guidelines, and manuals put into place and training provided.

The activities of the Risk Management, Corporate Compliance, Export Control, and Personal Information Protection Management committees are regularly reported to the Board of Directors. The status of activities of meeting bodies other than the above is reported to the Executive Committee as appropriate, and those deemed necessary are reported to the Board of Directors.

### » Risk management system



### Fiscal 2022 results

In addition to the regular meetings of the Risk Management Committee and other committees twice a year, ad hoc committee meetings may be held based on the standards stipulated in the committee rules. In fiscal 2022, the Risk Management Committee and the Personal Information Protection Management Committee held extraordinary committee meetings, and the results of these meetings were as follows. Going forward, we will continue to work more on PDCA activities to identify possible risks, consider countermeasures, inform related parties, and verify them while sustaining our normal day-to-day business activities.

### » Committee meetings (including extraordinary meetings)

Risk Management Committee	22 times
Personal Information Protection Management Committee	4 times
Export Control Committee	2 times
Information Securities Committee	2 times

## Information Security Initiatives

The Yokohama Rubber Group is implementing a variety of information security measures to protect customers' personal information and other confidential information from threats such as cyberattacks, which are becoming more sophisticated and complex every day, along with other information leakage risks.

As information security rules and regulations, we have established information security management rules and procedures, and regularly review them in response to changes in the environment surrounding information security.

As an initiative of the Yokohama Rubber Group as a whole, we have assigned information management managers to each

organization and Group company, established an information security communication network, and collect and provide information, including problems from stakeholders, through the Information Security Desk. In the unlikely event of an information security incident, we are working to strengthen our relationships so that we can respond promptly. We also regularly conduct targeted e-mail attack drills and e-learning for employees. In 2022, the information security management system acquired TISAX (Trusted Information Security Assessment Exchange) certification, which is an information security assessment formulated by the German Association of the Automotive Industry.

## Activities in Fiscal 2022

### Fire and disaster prevention initiatives

Learning from the fire that occurred at YOKOHAMA TIRE PHILIPPINES, INC. (YTPI)'s production site in the Philippines in 2017, we are working to operate our business with safety as a top priority based on our vow to never cause a fire or accident again. In terms of fire prevention activities, in May 2022, we revised the company-wide Fire Prevention Guideline, which aim to prevent fires and prevent the spread of fires in the event of an emergency. In this way, we have established a system to prevent recurrence. We will continue this activity after fiscal 2022 and strengthen the Yokohama Rubber Group's fire prevention system by implementing the PDCA cycle for improvements that leads to fire prevention.

In terms of disaster prevention activities, we revised the Disaster Prevention Guidelines in September 2021 to clarify our preparedness for intensifying natural disasters and infectious diseases occurring over a wide area. With the aim of maintaining corporate activities based on human life first, these guidelines clarify the actions that employees should take in the event of a disaster, the company's disaster prevention system, and the enhancement and management of disaster stockpiles, and they promote the strengthening of Yokohama Rubber's disaster preparedness capabilities. Disaster prevention drills are also held on a regular basis, and the content, frequency, and number of participants are confirmed to prepare for a quick response to disasters.



Fire prevention audit

### BCP initiatives

We have introduced a safety confirmation system covering the Company and our domestic production subsidiaries and conduct ongoing drills. In addition to conducting safety confirmation drills regularly at each site, we have been conducting nationwide safety confirmation drills since March 2021. By increasing the frequency of safety confirmation drills, we are working to improve our initial response capabilities in the event of a disaster and raise our employees' awareness of disaster prevention. In addition, since 2017, the Disaster Prevention Guidelines have stipulated the stockpiles to be deployed at each site, including the quantity. Based on this, we manage and confirm in the database that stockpiles are secured for the required number of days, and replenish any shortages, including replacement of expired items.

With regard to the Business Continuity Plan (BCP), we have prepared guidelines for responding to various destructive and non-destructive disasters, such as infectious diseases, that include the Basic BCP Guidelines, and revise them as necessary. In 2022, we conducted a total of six BCP drills. Going forward, we will continue our efforts to protect our employees from disasters and strengthen our systems and mechanisms to continue the supply of products and services when our business is exposed to disasters.



BCP training (Hiratsuka Factory)

## Future Issues and Measures

As the environment surrounding companies is becoming increasingly severe symbolized by the unstable global situation, the intensification and frequency of natural disasters due to climate change, and cyberattacks, which are becoming for advanced and stealthy, further strengthening of risk management will continue to be an issue.

Going forward, we will continue to improve risk countermeasures by implementing the PDCA cycle by each department in charge, and raise the awareness of each and every employee through BCP drills and information security training and drills.