

People









Respect human rights, inside and outside the company, and create an environment where everyone can wo rk safely and securely.

We aim to become an organization where people can fully demonstrate their abilities regardless of gender, nationality, age, etc.

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YRC Group Human Rights Policy

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Human Rights

Management

Our position

Human rights are fundamental rights afforded to all people. Looking back into the stage of procurement of raw materials, we realize the Yokohama Rubber Group's business involves a very large number of people through its supply chain, and that there is a wide range of human rights that must be respected. In addition, with the globalization of our business activities, our interactions with various people have increased, and the possibility of having a direct or indirect impact on human rights violations has also increased.

For this reason, we believe it is important to fulfill our responsibility to respect human rights while taking into consideration the scope of such impact. Accordingly, we have established the <u>"Yokohama Rubber Group Action Guidelines"</u> to indicate our internal and external efforts to respect human rights and to define the actions to be taken by our employees.

Furthermore, based on the United Nations Guiding Principles on Business and Human Rights*, we have formulated the "Yokohama Rubber Group Human Rights Policy", and are promoting initiatives aimed at respecting the human rights of all people involved in our business activities.

The Yokohama Rubber Group recognizes the importance of implementing Group-wide efforts to respect human rights as the basis of our business activities in order to contribute to the realization of a sustainable society as a company that is widely trusted by society.

**The Guiding Principles on Business and Human Rights were approved by the United Nations Human Rights Council in 2011 as a framework for respect for human rights applicable to all nations and all companies. The Guiding Principles position "the responsibility of companies to respect human rights" as an important pillar of this effort, along with "the obligation of states to protect human rights.

Policy

Yokohama Rubber Group Action Guidelines (Excerpt)

We shall respect human rights inside and outside the company

Yokohama Rubber Group Action Guidelines (established in December 2014)

<Basic stance of the Yokohama Rubber Group>

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

<To put our basic stance into practice — our action>

- 1. With an awareness of the diversity of the people working for us, we shall refrain from any action grounded in discrimination for reason of race, ethnicity, nationality, religion, sex, or other attributes. In addition, when we notice any such action, we shall resolutely point it out and urge its correction.
- 2. We shall refrain from harassment in any shape or form.
- 3. We shall not permit any violent behavior in the workplace.

The Yokohama Rubber Group Human Rights Policy

The Yokohama Rubber Group Human Rights Policy (established in April 2022)

In April 2022, the Yokohama Rubber Group formulated the Yokohama Rubber Group Human Rights Policy.

The Yokohama Rubber Group Human Rights Policy serves as the basis for all of the Group's business activities as its top human rights policy, based on the <u>Corporate Philosophy</u> and the <u>Yokohama Rubber Group Action Guidelines.</u>

Our Human Rights Policy applies to all officers and employees of the Yokohama Rubber Group (directors, auditors, executive officers, other persons associated with business execution in relation to management, and those in employment contracts with Yokohama Rubber Group companies, employees accepted on seconded and temporary employees). To ensure that our commitments to human rights can be realized in our business activities, we expect that all of our business partners including suppliers and distributors will also understand and support this policy.

CSR Procurement Guidelines

> CSR Procurement Guidelines

The Yokohama Rubber Group has formulated the CSR Procurement Guidelines to promote CSR activities in our value chain, with the aim of sharing our CSR policy and philosophy through internal briefings and presentations to our business partners. The CSR Procurement Guidelines have been revised in accordance with changes in social conditions and expansion of our activities. In October 2022, the guidelines were revised in line with the formulation of the Yokohama Rubber Group Human Rights Policy and other related policies in such a way as to reflect the human right policy that more strongly requests our suppliers to protect human rights and prohibit discrimination and harassment in the supply chain.

Sustainable Natural Rubber Procurement Policy

> Sustainable Natural Rubber Procurement Policy

Yokohama Rubber revised its Procurement Policy for the Sustainable Natural Rubber in September 2021. The policy was formulated in October 2018, and this revision has incorporated the policy framework adopted by the Global Platform for Sustainable Natural Rubber (GPSNR) at its second general assembly held in September 2020 into our procurement policy. The revision clarifies Yokohama Rubber's intention of striving to achieve a higher level of natural rubber sustainability. Yokohama Rubber, setting policies on "respect for human rights," "fair and equal treatment," "harassment," "child labor," "forced labor," and "appropriate working conditions" in its Sustainable Natural Rubber Procurement Policy, has implemented efforts for the respect of human rights.

Message from a manager

Under the slogan of "Caring for the Future" in its sustainability management, the Yokohama Rubber Group will implement efforts for the respect of human rights as the basis of its business activities based on our "Corporate Philosophy.", "Yokohama Rubber Group Action Guidelines" and "Yokohama Rubber Group Human Rights Policy" in order to contribute to the realization of a sustainable society as a company that is widely trusted by society.

As one of our efforts, we join the Global Platform for Sustainable Natural Rubber (GPSNR), which was launched under the leadership of the Tire Industry Project (TIP) of the World Business Council for Sustainable Development (WBCSD), and we have been working on the procurement of natural rubber, which is fraught with various risks associated with human rights and labor issues, while addressing the establishment of traceability and the problems faced by local communities and farms, with the aim of ensuring the procurement of natural rubber.

By March 2023, we had visited and conducted interviews at 506 farms in the Surat Thani province in Thailand, where our natural rubber processing factory is located.

From now on, we will collaborate with a third party institution to make further reassessment about human rights issues and

take necessary measures as necessary.

For procurement items other than natural rubber, we will more strongly request our suppliers to protect human rights and prohibit discrimination and harassment in the supply chain based on the CSR Procurement Guidelines.

The Yokohama Rubber Group will share these ideas throughout the supply chains involved, respect the human rights of all people involved in our business activities, and continue to make improvements.

Takashi Shirokawa, Head of CSR Division

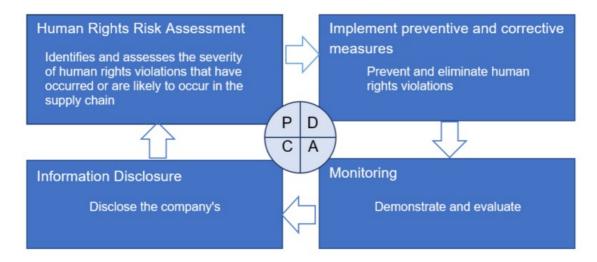
Vision for FY 2023

- We will respect human rights both internally and externally, and respond sincerely to complaints concerning human rights and make improvements to ensure that there is no child labor or forced labor within the company and our suppliers.
- · We will promote the introduction of a global whistle-blowing system to raise the level of compliance across the Group.
- We will sort out cases of problems that have taken place in the Group in the past, and organize a system so that employees can learn from these cases at important milestones in their careers, at the time of employee movement or promotion.

Priority measures

Human Rights Due Diligence

Based on the Yokohama Rubber Group Human Rights Policy formulated in April 2022, the Yokohama Rubber Group will develop and strengthen its human rights due diligence system and conduct human rights due diligence on a regular basis to make sure that responsibilities to respect human rights are carried out, and that related duties are executed properly.



FY2022 initiatives

In FY2022, we conducted the following self-assessments with respect to two rights holders based on the human rights issues identified through inspections at Yokohama Rubber Group business sites and discussions with experts during the Human Rights Policy formulation process.

1 Assessments related to employees working at the Shimbashi head office

Targets: Yokohama Rubber Group employees working at the Shimbashi head office

Main human rights issues: "Discrimination," "harassment" and "occupational health and safety"

The Group has globally developed its business by manufacturing and selling tires and other rubber products, which has been supported by a wide range of employees with different individual attributes engaging in variety of duties. With this background, we have recognized the human rights issues of "discrimination," "harassment" and "occupational health and safety" as potential and important risks, and have taken measures to address them.

The following issues were identified during the FY2022 inspection. Going forward, we will rectify and respond to these issues.

- 1. Human rights education: Insufficient awareness of the Human Rights Policy.
- 2. Occupational health and safety: Insufficient efforts to collect feedback from employees through workplace environment surveys, and other means.
- **3.** Complaint management mechanisms: Although complaints received at consultation services are handled appropriately, the efficacy of these services has not been sufficiently verified.

2 Assessments related to workers at a natural rubber plantation in Thailand

Targets: People working at a natural rubber plantation in Surat Thani Province in southern Thailand

Main human rights issues: "Forced labor and child labor" and "impact on local community"

Smallholders' plantations engaged in natural rubber production pose the greatest human rights risks in the Yokohama Rubber Group supply chain, in which the problems of "forced labor and child labor" and "impact on local community (deforestation, land exploitation, etc.)" have been recognized as potential and important risk issues. Starting a survey on natural rubber plantations in June 2019, by the end of December 2022, the Yokohama Rubber Group had visited and conducted interviews about the following items at 437 farms in Surat Thani in southern Thailand where natural rubber processing subsidiary Y.T. Rubber Co., Ltd. (YTRC) is located.

- 1. Work environment: Work schedule, including the number of working hours and days, whether they are subject to work quotas, whether they are free to quit their jobs, whether they receive health insurance, whether there are children under 18 years old in the plantation, the number of children under 18 years old, if any, and whether they are working there.
- **2.** Illegal exploitation/deforestation: Whether these plantations are located in natural parks or conservation areas, the number of years each plantation has been cultivated and whether its land is registered with the Rubber Authority of Thailand (RAOT).

During the survey conducted by December 2022, there were no plantations identified as having problems related to (1) and/or (2). We will consider improving survey methods and expanding the survey scope in the future.

Policy for FY2023 initiatives

In FY2023, we will conduct human rights risk assessments while incorporating advice from external experts, and expand and accelerate efforts to conduct human rights due diligence on a regular basis at Yokohama Rubber Group business sites and in the supply chain, in accordance with the United Nations "Guiding Principles on Business and Human Rights (UNGP)."

Human rights-related complaint response system

1 Complaint response system for Yokohama Rubber Group employees in Japan

As a wide variety of people work at the Yokohama Rubber Group's domestic and overseas sites and subsidiaries, their work styles diversify, and the content of human rights complaints also varies widely, we recognize the importance of having a point of contact for direct consultations on a wide range of human rights issues. In Japan, the Corporate Compliance Department has established two consultation services, the "Corporate Compliance Hotline" and the "General Counseling Room," to directly receive complaints and consultations. In addition, by assigning a "person serving as a concurrent member of the Corporate Compliance Department" to all departments, and a "Compliance Promotion Manager" to related subsidiaries, we have established a network that connects complaints and consultations regarding the human rights of our constituents to the Corporate Compliance Department.

Complaints concerning human resources are jointly resolved by the Corporate Compliance Department and relevant internal departments such as the HR Department.

<Scope of use of the complaint response system>

The system can be used by executives and employees, part-time employees, temporary employees, dispatch employees, and employees of contractors working at the Yokohama Rubber Group, and those who were in one of those positions within one year of their retirement.

<Methods for spreading awareness of the use of the complaint response system>

The usage of the system is described on the Yokohama Rubber Group's intranet available to employees, which clearly states that consultations and reports can be conducted either with one's name stated or anonymously.

In addition, a "Compliance Card" that states matters including the whistle-blowing process is distributed to all employees to inform them of the presence of contact points.

<Resolution process when a complaint is submitted>

- 1. The Corporate Compliance Department verifies the content of a consultation from a whistle-blower.
- 2. The necessary measures are taken in consultation with a relevant internal department.
- **3.** The results are directly reported to whistle-blowers if they have disclosed their names. Reminders are issued within the company as necessary if such whistle-blowers are anonymous.

<Monitoring of the effectiveness of the complaint response system>

Verification of the complaint response system efficacy is reported to the Corporate Compliance Committee, which meets four times a year chaired by the director in charge of the Corporate Administration Division, and then the committee conducts evaluations, implements countermeasures, and monitors progress.

2 Complaint response system for all domestic and international stakeholders

The Yokohama Rubber Group is a member of the "Japan Center for Engagement and Remedy on Business and Human Rights (JaCER)," an impartial and independent institution that promote dialogue and remedy and assist participating companies in the handling of complaints from the professional point of view by providing a non-judicial complaint response platform in compliance with the "United Nations Guiding Principles on Business and Human Rights." The Yokohama Rubber Group has established a system to receive complaints from all domestic and overseas stakeholders of the Yokohama Rubber Group through the JaCER's complaint reporting desk and to respond appropriately.

<Scope of use of the complaint response system>

From a human rights perspective, complaints may be filed by any person who is adversely affected or who has reasonable grounds to believe that he/she may be adversely affected (rights holder), or any person or organization representing such person.

Incidents at Yokohama Rubber Group companies, supply chains, value chains, etc. are also covered.

<Methods for spreading awareness of the use of the complaint response system>

In addition to posting the information about the system on the Yokohama Rubber website, we are considering using posters, cards, and other promotional materials to publicize the system.

<Process of solving submitted complaints>

- 1. JaCER will confirm the contents of the reported case, and if it is judged as a complaint case, JaCER will contact the Compliance
- 2. The Compliance Department confirms the fact of the content of the report contacted by JaCER.
- 3. The Compliance Department will take necessary measures in consultation with JaCER and the relevant in-house departments.
- **4.** The results are directly reported to whistle-blowers if they have disclosed their names. Regardless of whether the caller is onymous or anonymous, information on the progress of the case will be regularly updated in the list of complaint cases posted on the JaCER's website.

<Monitoring of the effectiveness of the complaint response system>

Verification of the complaint response system efficacy is reported to the Corporate Compliance Committee, which meets four times a year chaired by the director in charge of the Corporate Administration Division, and then the committee conducts evaluations, implements countermeasures, and monitors progress.

Education and awareness of compliance cards at YTRC

Y.T. Rubber, a rubber processing factory in Thailand having employees from Thailand and Myanmar, has distributed compliance cards in their respective languages at the time of joining the company since FY2016 in an effort to promote an awareness of compliance. Compliance study meetings are held several times a year to raise their awareness.



Compliance CARD Y.T.RUBBER CO.,LTD. ကုမ္ပဏီဏီေည်းကမ်းချက် နှင့် ဥပဒေဏီစည်းကမ်းချက်များကိုလိုက်နာရ မည် စည်းကမ်းချက်ကိုမလိုက်နာသောဝန်ထမ်းများကိုတွေရှိပါက ဝဝန်ရှိခေါင်းဆောင်ထံသိုအကြောင်းကြာ 🔲 စည်းမျဉ်းစည်းကမ်းချက်များကိုဆန်ကျင်ခြင်း 🔲 မူးယစ်ဆေးဝါး သုံးစွဲခြင်း ရောင်းခြင်း 🔲 ကုမ္ပဏီ၏ပစ္စည်းဥစ္စာကို ဖျက်စီးခြင်း : 02-107-0735 🔲 တရားမဝင်သောအရာများပြုလုပ်ခြင်း 🔲 အိမ်ဖောက်ဖျက်စီးခိုးဝှက်မှုများပြုလုပ်ခြင်း 🗆 အကျင့်ပျက်ချစားမှုများပြုလုပ်ခြင်း အဆိုပါကုမ္ပဏီကိုအမည်မသိစာကိုပေးပိုရန်ခွင့်ရှိသည် 2003:30 အကြုံပြုချက်များနှင့်အလုပ်များကိုပြုပြင်ပြောင်းလဲ အန္တရာယ်ကင်းရှင်းရေး သဘာဝပတ်ဝန်းကျင်ထိန်းသိမ် လူမှုဖုလုံရေး သက်ဆိုင်ရာဌာနကိုအကြောင်းကြားသင့်ပါသည် YOKOHAMA YOKOHAMA

Compliance cards in the Myanmar languages

Compliance cards in the Thai languages

Front side

Code of Conduct for Employees

Please follow the rules. If there is anyone who does not follow the rules, please contact us using any of the following:

- 1. Contact information of personnel in charge of Human Resources*
- 2. Contact information of personnel in charge of compliance (manager)*
- 3. Contact information of management (department head)*

Back side

If there is anyone who does not follow the rules listed below, please contact us.

- 1. Violation of company rules
- 2. Drug use
- 3. Destruction of company assets
- 4. illegal activity
- 5. Act of stealing
- 6. Compliance violations in general

Priority action items to be addressed

Considering the level of impact of business activities and the level of social interest, the following have been established as the important action items to be preferentially addressed by the Yokohama Rubber Group.

Forced or Compulsory
Labor and Child Labor

^{*}Phone number and email address; Burmese interpreters are available.



Human Rights

Forced or Compulsory Labor and Child Labor

KPI

Item	FY 2021 results	FY 2022 results
Businesses specified as being exposed to risks of Forced or child labor (manufacturing plants, etc.) and the number of suppliers	(Consolidated) 0 (Upstream) 0	(Consolidated) 0 (Upstream) 0

Responsible Departments

Raw Materials Procurement Department and Indirect Materials Procurement Department, Procurement Division

Corporate Compliance Department, HR Department

Our position and Targets

Why are "Forced or Compulsory Labor and Child Labor" critical issues for us to address? Explanation of the reason and background

At the Yokohama Rubber Group, we comply with the <u>action guidelines</u> of "respecting human rights both inside and outside of the company," and strictly prohibit "forced or compulsory labor and child labor" in the entire Group including our supply chain as stipulated in our <u>Human Rights Policy</u> and the "<u>CSR Procurement Guidelines</u>" The Group procures natural rubber, the main raw material for tires and industrial products, which are our main products, mainly through trading companies. Since it is believed that forced labor and child labor is most likely to be practiced at the natural rubber production stage, we are also conducting field research at natural rubber farms. There have been no reported cases of forced labor and child labor at the present stage; however, considering the situation surrounding natural rubber farms, it cannot be said that there continue to be no risk of such practices. In addition, as we expand our overseas production and sales, we cannot rule out the risk of unfair labor being forced upon workers at our factories, business sites, and facilities of our business partners. In the light of these factors, believing that "forced labor and child labor" should be recognized as a risk that can be associated with the implementation of our growth strategy, we have defined them as critical issues to be addressed.

Vision and targets

- We will continue to maintain zero forced or compulsory labor and child labor at all of the Group's primary suppliers of natural rubber, including overseas suppliers.
- We will identify their adverse impacts on human rights that arise through business activities by using the human rights due diligence system, and take corrective actions including prevention and mitigation.
- Be developing complaint management mechanism, we will enhance our initiatives for the respect of human rights, and raise the level of compliance in the entire Yokohama Rubber Group.

Measures to pursue our vision

Along with population growth and increased mobility on a global level, demand for tires and natural rubber, the main raw material for tires, are constantly growing. Parallel to such growing demand, there are concerns about problems such as illegal deforestation, land deprivation and human rights violations, as well as negative impacts on biodiversity in areas where natural rubber is produced. Toward solving these problems, Yokohama Rubber takes part as a founding member of the Global Platform for Sustainable Natural Rubber (GPSNR), which was launched at the initiative of the Tire Industry Project (TIP) of the World Business Council for Sustainable Development (WBCSD). In addition, Yokohama Rubber has formulated its "Sustainable Natural Rubber Procurement Policy" and announced its policy of prohibiting child labor. Regarding our supply chains other than that of natural rubber, we completely revised our CSR Procurement Guidelines in 2022, in order to more strongly appeal to our suppliers for the protection of human rights and the prohibition of forced labor and child labor in the supply chains.

Review of FY 2022 Activities

Confirmation of whether forced labor and child labor exist in the Yokohama Rubber Group and in its supply chain

With regard to domestic suppliers of raw materials and other materials, we have conducted a survey on labor conditions using the CSR Self-Assessment Sheet and confirmed that there are no cases of forced labor or child labor. Regarding natural rubber suppliers, we began to investigate some natural rubber farms in Thailand in 2019, and have confirmed that there are no cases of forced labor or child labor. We provide awareness building training through in-house training programs such as new-employee training, newly appointed career path training and pre-departure training for overseas posting, as well as CSR study meetings for suppliers, in order to prevent the practice of child labor, forced labor and human trafficking.

We have confirmed that there are no cases of child labor with children under 15 years of age working (under 14 in some countries) found among employees working in the Yokohama Rubber Group and among people involved. In addition, it has been confirmed that none of our employees work under high-risk labor environments (risky chemical substance, dangerous machine operation, dust, heat and cold, noise, etc.) based on the results of various assessments.

Countermeasures to eradicate forced labor and child labor

We have revised our "Procurement Policy for Sustainable Natural Rubber" and announced our policy to prohibit forced labor and child labor. Regarding our supply chains other than that of natural rubber, we completely revised our <u>CSR Procurement Guidelines</u> in 2022, in order to more strongly appeal to our suppliers for the protection of human rights and the prohibition of child labor in the supply chain.

Response to complaints

There were no reports or consultations related to forced labor or child labor among those accepted by the Compliance Hotline or the General Counseling Room in 2022.

Future challenges

From now on, we will further globalize our efforts by providing guidance and support to rubber farmers and expanding our CSR Procurement Guidelines and CSR Self-Assessment Sheet to overseas suppliers.



Labor Practices

Management

Our position

It is very important for both companies and society to protect the basic rights of workers.

As a manufacturer with rubber manufacturing plants, Yokohama Rubber has established the <u>Human Resource Policy</u> and <u>Basic Policy Towards Health and Safety</u>, while the <u>Yokohama Rubber Group Action Guidelines</u> stipulate the company's basic policy towards creating safe and healthy workplaces and the actions that should be taken by employees.

Policy

Human Resource Policy of Yokohama Rubber

We will create an environment in accordance with our management policy of creating a workplace to value, improve, and energize people, where each of our ever-diversifying personnel can equip themselves with the necessary skills and perform by utilizing their capabilities to the fullest. Also, we aim to create a workplace where our employees can realize a satisfactory work-life balance.

We also respect work-life balance and aim to create a comfortable workplace for all employees.

In addition, we will place the most suitable personnel for the role to play an active role in realizing the business and technology strategies of YX2023, and we will work to strengthen the level of management personnel.

Basic Philosophy towards Health and Safety

Following the Management Policy "Create a workplace that values, improves and energizes people," Yokohama Rubber shall consider the safety and health to be the basis for everything, and focus on preventing occupational accidents and creating workplaces comfortable and healthy both physically and mentally.

Yokohama Rubber Group Health and Safety Policy

- 1. Giving top priority to the safety and health, participating by all members and developing globally, whole Yokohama Rubber group will improve the safety and health activities.
- **2.** Yokohama Rubber will comply with all laws and regulations related to the safety and health, and take continuous improvement for the safety and health.

- **3.** Yokohama Rubber will communicate with stake holders and cooperate with value chains to contribute to the local communities and the society.
- **4.** Yokohama Rubber will strengthen the use of the Occupational Safety and Health Management System and repeat the PDCA cycle for continuous improvement.
- **5.** Yokohama Rubber will carry out Risk Assessments for the "safety of the equipment" and "establishment of the Standard Operating Procedure" to promote reduction of the risk.
- 6. Being a part of the automotive industry, Yokohama Rubber will take preventive measures against traffic accidents.
- **7.** Yokohama Rubber will create the safe and comfortable workplace, and take measures to promote physical and mental health positively.
- **8.** Yokohama Rubber will make employees recognize the importance of the safety and the health, and provide education and training for them as required.
- 9. Yokohama Rubber shall publish this policy and make it known to all.

Yokohama Rubber Group Action Guidelines (Excerpt)

We shall create workplaces that are safe and healthy

Yokohama Rubber Group Action Guidelines (established in December 2014)

<Basic stance of the Yokohama Rubber Group>

- 1. We shall not tolerate child labor or compulsory labor at any of our member companies or suppliers.
- 2. We shall respect the rules governing working hours, days off, leave/vacations, minimum wage, and other factors as defined by laws and regulations in host countries and regions (i.e., those where we do business).
- 3. We shall place top priority on the assurance of safety and health in the workplace, and strive to prevent accidents and disasters.
- **4.** We shall aim for the growth of all members of the Yokohama Rubber Group through their work, and proactively support their career and capacity development.
- 5. We shall confer with worker representatives in good faith in order to build and maintain sound labor-management relations.

<To put our basic stance into practice — our action>

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

Message from a manager

In order to realize the business and technology strategies of YX2023, we believe it is important to address the challenge of promoting diversity and inclusion. To achieve diversity, we believe it is important to create an environment in which the identity of every individual is respected, and every one can join an organization naturally and give full play to one's abilities. As part of our efforts related to working styles, following the integration of the Head Office and Hiratsuka Factory in March 2023, we introduced a "home office scheme" that allows employees to have offices developed at their homes and do their work there basically. In addition, we opened the Satellite Office, a free-address office with a cafe space, promoting improved communication between our employees including workers using the home office scheme.

As further efforts to realize diversity, we will develop company rules that approve common law partners and same-sex marriage partners of our employees as their spouses. We will continue to work on the creation of a work environment that allows all employees to play active roles more fully. Since all of our activities are based on the health of our employees, we will continue to work on health promotion.

Shingo Ishimitsu

General Manager, Head of HR Department

At all business sites around the world, it is important to ingrain the culture of "creating a safe and comfortable working environment and good health" that Yokohama Rubber has fostered. By preventing the recurrence of disasters and identifying and eradicating latent causes of disasters through safety diagnosis and monitoring the progress, and by conducting activities to eliminate unanticipated risks through conducting risk assessments and providing education programs for each level, we will further improve our workplace from one with zero accidents to the one with zero risks. In addition, we will work on the promotion of mental health through stress checks, environmental improvement by taking measures to deal with hot conditions, enhancement of health checkups, and response to new infectious disease risks, as well as work to cooperate with health insurance associations in order to promote the health of our employees.

Yoshiaki Mori

General Manager, Head of Safety & Health Management Department, Corporate Social Responsibility Division

Vision for FY 2023

- We will become an organization where diverse human resources can give full play to their abilities regardless of age, gender, nationality,
- · We will establish a safety culture aiming for zero risks while promoting both physical and mental health.

Employee-employer relationship

Basic position

Yokohama Rubber respects the three labor rights (the right to organize, the right to collective bargaining, and the right to act collectively or the right to strike), and strives to maintain a good and trust employee-employer relationship based on collaboration and coordination between labor and management. The labor union and the company deliberate various issues that both of us face by sharing medium-term issues between both labor and management. Not only at opportunities for discussion for the entire company, discussion about labor conditions relating to safety and health, production and sales activities, salaries, and social benefits are also discussed at business sites, some of which are making efforts to improve their labor conditions by incorporating the opinions and requests about their facilities from union members.

(Major labor-management consultations and committees)

- · Collective bargaining in spring and autumn
- Central Labor-Management Council meeting (five times a year)
- Regional Labor-Management Council meeting (six times a year)
- Working Hours Committee meeting (12 times a year)
- · Health and Welfare Committee meeting (12 times a year)
- Equal Pay for Equal Work Committee meeting (twice a year)

Number of employees joining the labor union

Yokohama Rubber adopts the union shop system, in which an employee automatically becomes a member of the labor union when hired or recruited as a regular worker. All employees except for several employees holding managerial or executive positions are in the union at work.

· Number of the members of the labor union: 5,001

Labor conditions

Yokohama Rubber ensures that employees are informed of their labor conditions including a compensation system, a pay rise system, standards for pay rise, etc. by setting forth them in the company rules, etc. in an effort to secure transparency. Regarding labor conditions newly made in labor-management consultations, both labor and management inform changes in conditions of employees to gain their understanding and support. For overtime work and late-night work, we provide allowances more than what are specified by laws and regulations.

Grievance System for Labor Practices

We have an internal and external (lawyer's firm) hotline for consultation on labor practice-related compliance.

Whistle-blowing system (Compliance Hotline) and Anything Goes Counseling Service

Priority action items to be addressed

Considering the level of impact of business activities and the level of social interest, the following have been established as the important action items to be preferentially addressed by the Yokohama Rubber Group.

Occupational Health and Safety >

Training and Education (Human Resource Development)

Diversity and Equal Opportunities

)



Labor Practices

Occupational Health and Safety

KPI

Item	FY 2021 results	FY 2022 results
Lost-time injury frequency rate (global, directly employed)	(Consolidated) 0.18 Domestic 0.45 Overseas 0.07	(Consolidated) 0.24 Domestic 0.55 Overseas 0.10
Scope of application of Occupational Health and Safety Program	100%	100%
Number of workers with a high risk of accident or illness	Zero	Zero
Formal agreement with labor unions regarding occupational health and safety matters	Yes (at those business locations where there is a labor union)	Yes (at those business locations where there is a labor union)

Responsible Departments

Each business location

**Activities are conducted by each business location, and the Central Committee of Safety and Health that the Safety and Health Management Department serves as a secretariat implements company-wide policy discussions and activities.

Our position and Targets

Why is "Occupational Health and Safety" a critical issue to be addressed? Explanation of the reason and background

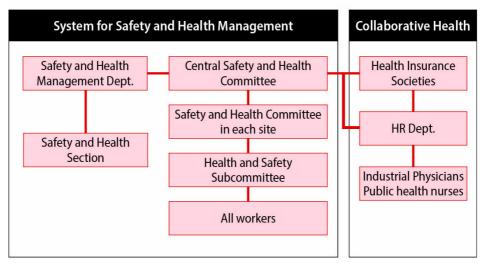
We believe that the labor environment that allows workers to be able to work in a secure and safe manner constitutes a foundation for operations. As regards work-related accidents at the Yokohama Rubber Group in Japan and overseas, the accident frequency rate of the Group is lower when compared with that of the overall industry or the manufacturing industry, but not zero, and analysis of the causes of such accidents has revealed that many of them could have been prevented by taking precautions. As it is necessary to handle large machinery at our production plants due to the nature of our business, defects in equipment specifications or incorrect operation can lead to serious accidents; it is necessary to take appropriate safety measures. Additionally, with mental health issues accounting for an increasing proportion of long-term absences from work, we must properly look after the mental health of employees as well as their physical health. For this reason, at the Yokohama Rubber Group, we have defined occupational safety and health as a critical issue to be addressed.

Health and safety management system

In Japan, under the Central Safety and Health Committee chaired by the head of the CSR Division, each business site has its "Business Site Safety and Health Committee (legally mandated)" and each department and workplace have their

"Department Safety and Health Committee. As safety and health activities are important initiatives for both the company and the union, we are promoting them in concerted effort between labor and management while sharing safety information with other companies and labor unions through interaction with the Japan Rubber Manufacturers Association or the Japan Rubber workers' union Confederation. We also share our activities with our subcontractors by having them join their respective committees. In addition, to create a workplace where employees can work in good health for a long time, we promote health and physical fitness based on "Collaborative Health" in cooperation with health insurance associations. Each overseas company has developed its own system in accordance with the laws of each country. The Safety and Health Management Department coordinates health and safety activities in Japan and overseas.

➤ Health and Productivity Management Structure



* Collaborative Health: An approach where health insurance societies and businesses actively collaborate to efficiently and effectively implement prevention and health development for insured employees based on a clear division of roles and a good workplace environment.

Vision and targets

- 1. We will promote the creation of a safe and pleasant working environment and good health.
- 2. We will foster a culture of safety to remove all hazards, aiming to achieve zero occupational accidents.

Measures to pursue our vision

We will implement the following seven initiatives to create workplaces that enable employees to work in a safe and healthy manner.

- 1. Enhancement of equipment measures

 Conducting risk assessments and creating facilities that do not allow either human bodies to be placed at hazardous sources, or their hands to reach them, in order to prevent the recurrence of similar accidents
- 2. Development of safety-conscious human resources

 Aiming to develop people with the sensitivity to perceive hazardous events as dangerous through providing education on a one-on-one basis, increasing safety awareness, retraining workers to practice "stop/call/wait" and take countermeasures in response to risk causes, implementing hazard prediction training (KYT), and conducting near-miss (hiyari-hatto) detection and improvement activities, as well as providing experiential training
- 3. Development of standard work manuals

 Conducting open work observation to identify all unsafe areas of insecurity and behaviors and review our standard work manuals

4. Promotion of physical and mental health

Strengthening measures for mental health (management of working hours, face-to-face guidance and work improvement suggestions for employees working long hours, education for improving communication skills through attentive listening training classes, and implementation of stress checks)

5. Improvements in workplaces

Chemical risk assessment, maintenance of personal protective equipment and facilities, improvement of work methods, rigorous implementation of 5S (seiri [tidiness], seiton [being organized], seisou [cleanliness], seiketsu [hygiene], shitsuke [discipline]) activities, and improvement of high temperature work environment

6. Prevention of traffic accidents

Conducting accident prevention activities and identifying high-risk points on commuting routes in order to achieve the target of zero accidents causing injury or death

7. Establishment of a safety and health platform

Enhancing checking functions by continuously using and steadily improving the occupational health and safety management system, and developing training system for each level, as well as conducting top safety diagnoses, safety patrols, and safety diagnosis, and monitoring the benefits of such measures

Review of FY 2022 Activities

The following activities were conducted to promote each initiative in FY2022.

1. Enhancement of equipment measures

We systematically and continually conduct risk assessments for all facilities and operations, and implement safety measures with a focus on the safety of the equipment. In parallel with these efforts, we operate a system for monthly follow-up on the number of risks and improvements. Top safety diagnoses are conducted by directors at our domestic plants. In addition, we are enhancing company-wide efforts to share information on disaster countermeasures to prevent recurrence of similar disasters.







Top safety diagnosis

Safety diagnosis

2. Development of safety-conscious human resources

We aim to develop people with the sensitivity to perceive hazardous events as dangerous. To this end, we provide hazard prediction training (KYT), which all employees practice every day, along with near-miss (hiyari-hatto) detection and improvement activities as well as experiential training called "Taikan Dojo," both of which are voluntary activities that all workers are encouraged to participate in. In addition, we continue to conduct safety education that emphasizes communication, in which supervisors talk with workers one-on-one to help them to understand the meaning of each task and are able to act more safely at their own discretion In addition, as fellow workers, we have encouraged our employees, who are also our partners, to participate in these activities to prevent the occurrence of accidents and improve their safety levels.



Risk assessment training



Hands-on safety drills with overseas plant safety personne (Hands-on experience of stairs with holding a load)



Newcomer KYT Training



Techno-College

3. Development of standard work manuals

We systematically and continually conduct open work observation to identify all unsafe behaviors and areas of insecurity, and are working on the development of standard work manuals. At workplaces with workers from overseas, the standard work manuals are also provided in their native languages.



Singing the Safety Chant together before beginning work.

4. romotion of physical and mental health

Our efforts in mental health initiatives include management of working hours through an attendance management system, face-to-face guidance and work improvement suggestions for employees working long hours, and education for improving communication skills through attentive listening training classes, etc. In addition, we began to conduct a stress check in FY2016. This has been practiced with the main purpose of preventing mental health issues among employees (primary prevention) by improving our workplaces to create pleasant working environment through assessing the level of workers' stress and making them more conscious of their own stress.

For the reinstatement of long-term absentees who have been absent due to mental health reasons, we conduct an interviews with them, and consult with their attending physicians, industrial physicians, public health nurses, and workplace representatives to discuss matters such as the means of reinstatement, timing, and work limitations in order to achieve a well-planned reinstatement. We have supported the reinstatement of employees at the Head Office and the Hiratsuka Factory in cooperation with the Jikei University Hospital and three industrial doctors for mental health; there are still not many companies staffed by industrial doctors for mental health.

Even after the reinstatement of an employee, regular three-party interviews are conducted between the employee, the industrial doctor, and the workplace representative, and continuous support will be provided with work-related restrictions gradually being lifted, until such restrictions are completely removed.

We also conduct activities to help employees quit smoking, and hold seminars on physical fitness in order to promote their health.

In FY2022, we signed a Memorandum of Understanding (MOU) with health insurance associations to establish a health and safety management system. We have introduced health applications, and held various events featuring health measurement, health-related quizzes, walking event, etc.



Stress check study session at Onomichi Plant

Health Promotion Activities at Mie Plant



Labor-management co-sponsored hikes



No Smoking Day at the Mie Plant

5. Environmental improvements in workplaces

At workplaces handling chemical substances, we conduct chemical risk assessment to prevent health disorders caused by chemical substances. We have also promoted the maintenance of equipment and provision of personal protective equipment, the improvement of working methods, and the maintenance of facilities to manage the maintenance of a comfortable working environment based on environment measurement results. In addition, based on the 5Ss (seiri [tidiness], seiton [being organized], seisou [cleanliness], seiketsu [hygiene], and shitsuke [discipline]) activities, we are promoting the manufacturing that creates only products that are needed and have no unsafe parts as many as needed. Moreover, considering "life-threatening heat" we have been suffering in recent year, we view heat stroke as a disaster that can lead to fatal accidents just as injuries, and are measuring WBGT values at our workplaces, working to lower these values, such as by discharging hot air.

**WBGT (wet-bulb globe temperature) value (heat index): It is an index focusing on heat exchange between human body and external environment (heat balance), which takes into account the three factors having significant impact on human body's heat balance: (1) humidity, (2) surrounding thermal environment including solar insolation and radiation, etc., and (3) temperature.



Visualizing the Workplace Environment with WBGT Meter*.

%WBGT meter: a device that measures and displays WBGT values

6. Preventing traffic accidents

At each of our business site, we hold traffic safety seminars by local police departments and conduct activities to raise awareness in cooperation with traffic safety-related organizations. In addition, we are working to raise traffic safety awareness through education using drive recorders and by talking to people passing at the front gate to invite their attention to safety.

7. Establishment of a safety and health platform

We have acquired a certification for Occupational Safety and Health Management System (JISHA/OSHMS/ISO45001) at 18 (21) domestic and overseas business sites, with eight sites renewing their certification in FY2022. (The certification process is still ongoing at other business sites.)

We will continue to improve our management system and implement the PDCA (plan, do, check and action) cycle as we work to enhance our safety and health infrastructure.

As other initiatives, we work to ensure the safety of the equipment and devices regularly by conducing safety diagnosis by the Safety and Health Management Department at domestic factories twice a year.

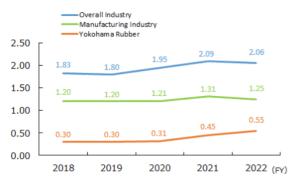








The frequency of occupational accidents was 0.24. We will continue our efforts to achieve zero accidents and zero risks.



Frequency of Occupational Accidents (Lost-time injury frequency rate)

Descriptions of the figures

 \times Lost-time injury frequency rate = (number of work-related injuries / total working hours) \times 1,000,000 hours

%All figures in the data represent annual aggregated values (from January to December)

**Figures for the overall industry (excluding general contracting business) and the manufacturing industry are based on the "Survey on Industrial Accidents" statistical table released by the Ministry of Health, Labor and Welfare

Introduction of Initiatives

In April 2019, we held a safety exchange meeting with Central Japan Railway Company (JR Tokai) at our Mie Plant. Through interacting with another company at safety and health exchange meetings, we are working to improve the level of safety and health of both companies.

In addition, employees belonging to the Safety and Health Section of the Onomichi Plant received the Green Cross Award at the National Industrial Safety and Health Convention held in October 2019. The award was presented to them in recognition of their daily efforts in health and safety activities.

In February 2020, a "Safety Personnel Meeting" was held at the Mishima Plant. Representatives from each plant in Japan and people involved gathered to participate in a lively question and answer session on safety measures.



Announcements on safety activities by employees from each plant



Observed equipment safety measures



JR Tokai exchange meeting

Future challenges

We are implementing various measures aimed at creating a safe and employee-friendly workplace environment, and at safeguarding employees' health; however, the current situation is that we have yet to realize our goal of reducing the number of accidents to zero.

Besides proceeding with equipment-related measures that focus on maintaining distance from sources of danger, we are also working to cultivate employees who know how to act safely.



Labor Practices

Training and Education (Human Resource Development)

KPI

Item	FY 2021 results	FY 2022 results
Total number of training participants per year	(Non-consolidated) Regardless of gender, 1,875 total participants (managerial positions) 242 participants (technical positions)	(Non-consolidated) Regardless of gender, 1,151 total participants (managerial positions) 208 participants (technical positions)

Responsible Departments

HR Department

Our position and Targets

Why is "Human Resource Development through Training and Education" a critical issue to be addressed?

Explanation of the reason and background

We provide a full-range of support to our employees based on the belief that encouraging each individual employee to actively make good use of growth opportunities will lead to the company's advancement. We recognize that at our business sites expanding on a global scale, it is integral to deploy professional human resources with a strong desire to achieve and a broad range of perspectives who can make a significant contribution while having an impact on people around them. To achieve this objective, we are promoting various measures such as the development of effective education and training systems.

We will also work on new measures to develop the next generation of managers who can respond quickly to changes of the times.

Our position and Targets

In the midst of global business development, we provide training that adheres to the "three reals philosophy" where employees learn through interaction and experience with the aim of developing the mindset, abilities, and skills necessary to make the right decisions and execute, as well as individual skills such as rank-based leadership, the ability to solve problems closely related to the workplace, and presentation and negotiating skills.

Measures to pursue our vision

We are implementing the following measures to achieve our vision.

Personnel system GLOBAL (development of core human resources)

In order to support the realization of our mid-term management plan "Yokohama Transformation 2023 (YX2023)" in terms of human resources, this human resources system is designed to enable our employees to acquire the abilities needed as core human resources in a step-by-step manner by enhancing the linkage between post (job), performance, and compensation for employees at the management level, and by clearly specifying the added value (expected results and expected actions) required for each level and links it to the training system for general-level employees.

This personnel system introduced in 2010 was revised in 2020 to further increase the linkage between posts (jobs) and compensation for employees at the management level in order to promote the principle of the right person in the right place toward the realization of YX2023. In 2021, we introduced an early selection system for general-level employees that enables them to be assigned to managerial positions at the earliest age of 30, thus ensuring that the right person is placed in the right place regardless of age.

Use of re-employment employees aged 60 or above

Yokohama Business Association Corporation (YBAC), which was established in July 2013 as a staffing company specializing in re-employed workers, has been actively involved in the creation of the stage for re-employed workers. Currently, the system allows employees to work up to the age of 70, with 177 employees (as of April 2023) actively working after age 65. In addition, to further promote the use of re-employed workers, in 2021, we started a system that allows employees to continue working and hold an official position after the mandatory retirement age of 60.

Human resources development program

- 1. Newly hired employees
 - **1-1.** Training for new employees

We provide all new career-track employees with on-site training, mainly by having them work the shifts at the production plant and accompany sales staff at selling sites. By actually placing them at the site of manufacturing to experience what is done there, we raise their awareness of being an employee working for a manufacturer.

1-2. Tutor-supporter system

In response to the diversification of work styles including telecommuting, we have renovated our system to foster new employees by introducing a "tutor-supporter system." Under this system, a tutor (possible to assign more than one tutor depending on business content to be handled) gives specific operational guidance to new employees, and supporters (basically all members at the same workplace) respond to various consultations from them. Separating roles between a tutor and supporters enables new employees to steadily improve their skills and communicate smoothly with others at their workplace.

2. Training for employees in comprehensive work positions

According to the concept of "desired personnel at each job level" specified in the personnel system, we have created training programs for each job level to learn the basic knowledge necessary to work at Yokohama Rubber and the technical knowledge about our products. In addition, we provide support programs to train mindset and capabilities, and to improve skills necessary for employees in comprehensive positions, and some of these programs are designated as mandatory and are required for promotion.

3. High-level professionals

At Yokohama Rubber, professionals are positioned not only as workers whose expertise is approved, but also as ones taking a post (job) where they are expected to realize our strategy by exercising their high level of expertise.

In the area of technology, we approve staff members who have achieved high results with top-level expertise in their respective technical fields and are deemed necessary to bolster our business as high-level professionals" for them to focus on technical activities. In 2020, we also introduced a system to approve administrative managers who take on responsibility for important areas in the mid-term plan of the business and have exercised their expertise and achieved excellent performance as "high-level professionals."

4. Technical meister system

Employees in the technical field who are able to train juniors by utilizing their specialized skills and knowledge are approved as "technical meister" to pass on our technology to the new generation.

5. Education for company personnel taking on overseas assignment and their family members

Amid the global expansion of our businesses, the number of company personnel assigned to work overseas is increasing every year. Since FY2009, we have provided overseas pre-departure training for all employees who accepted overseas posting before leaving for overseas duty. The seminars consist of various programs providing necessary information such as how to proceed with work operations in different cultures, regionally oriented safety lectures (necessary knowledge regarding the state of public order and for ensuring safety), medical training, legal and compliance training, training on accounting and internal control, language training, and information on schooling for accompanying children.

6. Incentive to employees to obtain official certifications

We have established an incentive system to encourage as many employees as possible to obtain high-level official certifications which are difficult to obtain, but essential for business operation

7. Allowance for qualified responsible person

The company provides an allowance to employees who are registered as qualified persons holding the official qualifications required for plant operations.

8. Financial incentive for language learners

To encourage employees to learn foreign languages, we provide financial incentive to employees learning a foreign language other than their native language who have achieved at advanced level and above.

9. Feedback for human resources development

In order to continuously develop employees' abilities and to make evaluations more transparent and convincing, we have set clear expectation levels for each role, and have established a system in which supervisors and subordinates can make sure "whether to meet the expectation levels" and "what points need to be improved" during the semi-annual evaluation feedback to support human resources development. In the face of the diversification of work styles including telecommuting, to ensure proper management and human resources development, we have provided an opportunity for a supervisor and a subordinate to meet in-person once a month in which the subordinate can consult his or her supervisor about anything, not limited to business, and enjoy more open communication.

Review of FY 2022 Activities

The measures implemented FY2022 produced the following results.

Use of re-employment employees aged 60 or above

As of the end of December 2022, there were 362 re-employment employees enrolled, including both partner employees directly employed by Yokohama Rubber and employees at Yokohama Business Association Corporation (YBAC). In FY2022, 79% of employees who reached the mandatory retirement age continued working by using the re-employment system, and played active roles by leveraging their experience and advanced skills, while making efforts to train juniors and pass on their specialized skills.

Personnel Training Program

(Unit: persons)

Name of training program		Number of participants			
Name of Calling Program	Men	Women	Total		
New employee training	23	8	31		
New employee follow-up training	42	10	52		
Newly appointed key position training	18	3	21		
Newly appointed organization management position training	21	2	23		
Evaluator training	358	2	37		
Training prior to re-employment	36	4	40		

Education and training expenses	155 million yen
Total number of training participants per year (managerial positions)	1,151 employees

 $\% Regardless \ of \ gender, \ the \ total \ number \ of \ training \ participants \ per \ year \ for \ technical \ workers \ was \ 242$

<System users and number of applicable employees for each program>

%As of December 2021

1 New employees	Tutor-supporter system	31 employees
2 Advanced Specialists and Skills Meister	Advanced Specialists	41 employees
System	Skills Meister System	38 employees
3 Education for Company Expatriates and their Family Members		23 employees
4 Incentive to Obtain Official Certifications		10 employees
5 Qualified Employee Allowance		127 employees (Actual salary in December 2021)
6 Foreign Language Subsidy		116 employees (Actual salary in December 2021)

< Number of employees that obtained official certifications >

(Unit: persons)

Certification	Number of Achievement Cases				
Ceruncation	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Radiation Protection Supervisor	1	1	-	-	-
Certified Measurer	1	2	-	-	-
Special Boiler Expert	-	1	1	-	-
Qualified Energy Manager	2	-	2	3	-
Class-1 Health Supervisor	2	2	1	3	3
Industrial Hygiene Health Officer	1	-	-	1	-
High Pressure Gas Production Safety Manager	-	-	4	1	2
Class-1 Boiler Expert	2	2	1	1	-
Operations chief of radiography with X-rays	-	2	2	-	2
Class-3 Electrical Chief Engineer	-	2	1	1	1
Manager in Charge of Pollution Control	1	-	-	1	2

Future challenges

To develop human resources at Group companies in Japan and overseas, we will continuously improve development structures for cultivating the mindset, capabilities, and skills needed to support the implementation of our business activities, and create a program to produce high-performance human resources as well as develop young employees. At the same time, it is necessary to "create new values" for the development of the company. To this end, it is indispensable to "leverage diverse strengths." We will continue to advance the development of ability of managing diverse human resources to create an environment for employees with diverse values to embrace those of others within the company.



Labor Practices

Diversity and Equal Opportunities

KPI

Item	FY 2021 results	FY 2022 results
Female employee ratio	(Consolidated) 12.0% (Domestic) 7.5%	(Consolidated) 14.0% (Domestic) 7.2%

Responsible Departments

HR Department

Our position and Targets

Why is "Human Resources Diversity" a critical issue to be addressed? Explanation of the reason and background

Our new medium-term management plan "YX2023," which started in FY2021, calls for transformation through exploitation and exploration. In order to achieve this goal, we believe it is important to further promote diversity in human resources through encouraging our employees from various backgrounds to embrace various work styles each other, promote work styles that are not bound by conventional rules and ways of thinking, and create workplaces that enable employees to work together cheerfully with vigor and enthusiasm.

Vision and targets

We will continue to conduct hiring regardless of attributes such as nationality, sexual or gender identity (LGBTQ+), educational background and experience, and strive for the most optimal human resources placement aimed at achieving the business and technical strategies of YX2023.

Moreover, we strive to create a workplace that fosters the continued growth of all employees and enables career development by respecting their work-life balance and embracing diverse human resources and various work styles.

Measures to pursue our vision

We are implementing the following measures to achieve our vision.

<Selection of suitable persons from various fields>

We hire new graduates in a stable manner with a long-term perspective. We also hire people with experience (mid-career hires) according to the needs of our business.

In addition, we appoint and assign the most suitable person for each job from various fields such as senior personnel, or by early promotion within the company.

<Employment of people with disabilities>

Regarding the employment of persons with disabilities, up until now, we have periodically accepted new graduates at each business site and offered jobs that can be carried out within our existing operations despite their handicaps. Going forward, we will continue to develop new business operations as we broaden the scope of employing persons with disabilities.

<Support for diverse work styles through various systems>

We have established a system that enables employees to be successful at work regardless of time or place by improving the work-life balance through enhancing working systems that allow employees to work anytime from any place, such as a work from home system, a flex-time system to eliminate core working hours, and a short working-hour system. In addition, we aim to establish a work system that allows employees to continue building their career along with their personal life events, such as nursing care or childcare, by expanding the systems for childcare leave, nursing-care leave, spouse accompaniment leave, and career return.

<Support through seminars, etc.>

As part of our efforts to promote diversity, we have conducted educational activities to promote a culture that recognizes diversity focusing on the elimination of unconscious bias, education to promote "ikubos" and LGBTQ education, while developing various systems to support the balancing of work and life in order to create a comfortable working environment. In addition, we hold various seminars to support the activities of diverse human resources, such as seminars to strengthen diversity management capabilities, career development support seminars to promote the activities of women, networking events for employees balancing child-raising and career, and health seminars (mental health measures, harassment prevention measures, measures to prevent breast cancer, uterus cancer, etc.)

Review of FY 2022 Activities

During FY2022, we conducted the following activities to ensure the diversity of human resources and provide equal opportunities, and produced good results.

Employing diverse employees in comprehensive work positions

Since the introduction of an area-limited comprehensive position system in July 2014, this system has been continually implemented and deployed at each business sites, leading to employing employees in area-limited comprehensive positions at four business sites up until now.

<Stable new graduate hiring and mid-career hiring according to business strategy>

During FY2022, 31 new graduates were hired.

Including mid-career hires, a total of 62 people were hired for comprehensive positions, with the ratio of female employees at 16.1%.

Number of female employees (managerial positions: new graduates + mid-career) (unit: persons)

	FY 2020	FY 2021	FY 2022
Women	17	9	10
Men	51	13	52
Total	68	22	62
(Ratio of women)	25%	41%	16%

 $^{{}^{*}\}text{Mid-career hires}$ include those who have been promoted to full-time employees.

Number of employees by age and gender (non-consolidated) (unit: persons)

	Employee category	Gender	Japan	Asia	North America	Europe	Other	Total
	Regular employees	Women	63	1	0	0	0	64
Less than 30 years old	Regular employees	Men	753	0	0	0	0	753
	Contract employee	Women	1	-	-	-	-	1
	Regular employees	Women	233	5	0	0	0	238
	Regular employees	Men	3,119	37	16	4	0	3,176
Age 30 to 50	Junior employees	Women	3	0	0	0	0	3
	Contract workers	Women	2	0	0	0	0	2
	Contract workers	Men	13	1	0	0	1	15
Pegular employees	Regular employees	Women	112	0	0	0	0	112
	Regular employees	Men	1,189	42	10	1	4	1,246
Above age 50	Junior employees	Women	2	0	0	0	0	2
Contra	Contract workers	Women	3	0	0	0	0	3
	Contract Horners	Men	20	5	1	0	0	26
Above age 70	Contract workers	Men	3	0	0	0	0	3
Grand total			5,516	91	27	5	5	5,644

<Employment of people with disabilities at Yokohama Peer Support Co., Ltd. (special subsidiary company)>

Yokohama Peer Support Co., Ltd. was established in 2012 as a special subsidiary company of Yokohama Rubber for the purpose of creating employment opportunities for people with disabilities.

We have gradually increased the number of employees with disabilities by regularly accepting and recruiting interns every year since it was founded, while working to create employment opportunities by expanding business.

As of April 2023, we have 48 employees with disabilities, 31 of whom are persons with intellectual disability.

Their duties include cleaning more than 160 restrooms, various meeting rooms, and break rooms as well as greening, sorting and delivering mail and internal mail, and making business cards at the Hiratsuka Factory.

After assigning tasks according to individual characteristics, we train them to improve their skills by expanding the scope of their work or encouraging them to provide guidance to new employees. As part of our efforts for human resource development, we also work on the revision of their evaluation system to recognize their efforts.

Their mentors, most of whom are our former employees, provide careful guidance on a daily basis to create a working environment in which each and every employee with disability can work with peace of mind.

In addition to daily consultations, we conduct individual interviews every six months to understand their careers, requests, and concerns as well as to improve their job retention rate. We will continue to encourage them to perform our tasks as a group of professionals while firmly adhering to safety and basic things, and aim to create a workplace in which they can play active roles for many years to come.

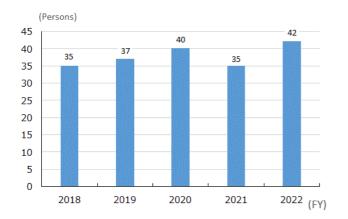
In addition, the four companies of Yokohama Rubber, Yokohama Peer Support, Yokohama Tire Japan, and Yokohama Rubber MB Japan have obtained the special approval as being the affiliated companies under the disabled person employment ratio system and the grant system for the employment of persons with disabilities, with the employment rate of people with disabilities in four companies' combined total was 2.67% for 2022 (results for April 2021 to March 2022).

Support through our Systems

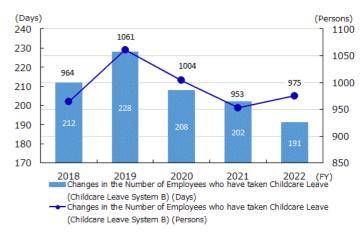
<Childcare Leave System>

We have introduced a system that allows male workers to take ten days of childcare leave by the day to meet diverse childcare support needs (Childcare Leave B), and a post-partum paternity leave system for fathers that allows male employees to work while on leave (Childcare Leave C), in addition to statutory childcare leave (Childcare Leave A), for male employees to take part in child-rearing more easily. As a result, we were able to raise the ratio of male workers taking childcare leave to 59.9%* in 2022, but we will continue to recommend eligible workers to take childcare leave aiming at achieving the target of 100% (ratio of female workers taking childcare leave: 100%).

**The ratio of the number of male employees who had children in 2022 and took Childcare Leave A, B or C for one day or longer in the same year.



Changes in the Number of Employees who have taken Childcare Leave (Childcare Leave System A) (unit: persons) Number of persons



Changes in the Number of Employees who have taken Childcare Leave (Childcare Leave System B) (unit: persons)

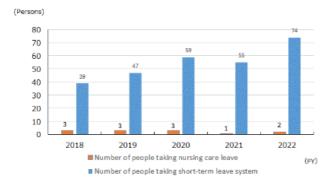
**Figures for fiscal 2016 represent the number of employees taking childbirth and childcare leave and the number of days taken; figures for fiscal 2017 represent the total of the new and old systems for childbirth and childcare leave and Childcare Leave B.

*Figures for fiscal 2017 are combined totals for both the old and new systems: Childbirth and Childcare Leave, and Childcare Leave System B.

<Nursing care leave and short-term leave system>

Employees can take paid nursing-care leave, which is used by many employees every year (non-paid under the law). It is also possible to utilize pension reserve for nursing care up to five days.

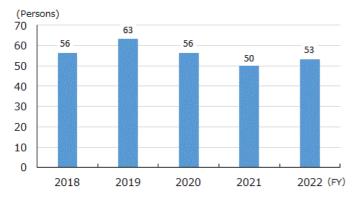
The nursing care leave is for employees who need to provide constant care to a family member, which can be taken up to a year in length and divided into ten separate portions. (Under the law, it can be taken up to three month and divided into three separate portions.)



Changes in the Number of Employees who have taken Nursing Leave for Children (unit: persons) Number of persons

<Shorter working hours system>

Employees with children up to the sixth grade (below the age of three under the law) or relatives requiring care can apply for shortened working hours at their requests. The flex time system for short-hour worker was established in 2023, which allows employees to flexibly balance work and family.



Changes in the Number of Employees who have made use of the Shorter Work Hours Scheme (unit: persons) Number of persons

<Provision of consultation service related to childcare and nursing care>

Since 2019, we have provided consultation service related to childcare and nursing care, being prepared to respond to worries and trouble related to childcare and nursing care employees are facing. In 2022, we received 62 consultations in the whole company.

<Work-from-home system and flex time system>

A work-from-home system and a flex time system have been introduced since 2018 with the aim of the promotion of a balance between work and family including childcare and nursing care, and the improvement of operational efficiency, and the prevention of prolonged restraint (in consideration of the health of workers) as well as the reduction of burdens on workers resulting from commuting.

In 2020, we introduced a flex time system that eliminates a core working hours, and in 2023, following the integration of the Head Office and Hiratsuka Factory, we expanded the work-from-home system by abolishing the weekly usage limit so as for long-distance commuters to benefit from the system.

<Home office system>

Following the integration of the Head Office and Hiratsuka Factory, we introduced a home office system for employees who became long-distance commuters as a result of the integration. This system allows such employees to have an office developed at their home at the company's expense and basically work from home without maintaining a fixed desk at their office. In addition, we opened the Satellite Office, a free-address office with a cafe space for the purpose of promoting improved communication between the workers using the home office system. The home office system has been made available to our employees who have moved to accompany a spouse on a job transfer for them to keep working without taking a career break.

Area-limited employee system

An area-limited employee system has been introduced for people with children younger than elementary school age or those with family members who need nursing care to suspend their job relocation for two years responding to their wishes.

Spouse accompaniment leave system

We have introduced another leave system for employees accompanying their spouse on a domestic or overseas transfer, which has been used by eight employees up until now.

Career return system

Another system we have introduced is a career return system that enables employees who have retired to accompany their spouse on a job transfer, or those who have retired due to childcare or nursing care, to return to work.

Thus far, one employee has rejoined the company using this system.

System for employees to take paid leave by the hour

In 2018, we introduced a system that allows employees to take paid leave by the hour to promote a balance between work and family life.

This system was used by 1,215 employees in 2022.

Introduction of Initiatives

Promotion of gender equality, etc. at Shandong Yokohama Rubber Industrial Products Co., Ltd. (YRSC)

The employment rate of women at YRSC is 10.0% of all employees with four women in managerial positions, accounting for 21.1% of those in managerial positions.

There is no disparity between men and women in terms of promotions. The decision as to where new employees are to be assigned is made with respect and consideration for the wishes and capabilities of individuals. In addition, in order to effectively use corporate housing facilities, one of the rooms has been used as a day-care center to provide childcare support for couples in the prime of life.





Activities of the diversity and inclusive promotion taskforce

In 2016, Yokohama Rubber launched the "Women's Participation and Advancement Taskforce" in order to respond to the Act on Promotion of Women's Active Engagement, and since then the company has been implementing various measures and expanding various systems under the policy of "embracing diverse styles of work and striving to become a company of long-term careers."

In 2018, we introduced and expanded our work-friendly systems; such efforts include the introduction of the working-from-home system, the expansion of the shorter working hours system and the introduction of the system for employees to take paid leave by the hour, etc.

Along with these efforts, we conducted a nursing care questionnaire and interviews with all employees, and also held a working mother exchange meeting, an encourage seminar for women over 40 years of age, a career seminar for those on childcare leave, and a health seminar for those returning to work.

In 2019, as an additional measure, we established a follow-up system to support female employees who are taking maternity leave during their pregnancy until returning to work, and held seminars for supervisors of employees and employees themselves who are returning to work, caregiving-related seminars, and lectures for company officers about the reform of working practices, etc. In addition, the name of the taskforce was changed to "Diversity Promotion Task Force" to further broaden its activities and increase the productivity of diverse members (young people, seniors, women, LGBTQ+, people with disabilities, etc.), not limited to that of women, and to create new value.

In 2020, we provided web-based seminars, instead of in-person ones, on the theme of "Diverse Styles of Work," in addition to conducting a telecommuting survey and interviews with managers.

In 2021, we became a participating member of work with Pride (wwP) * under the theme of "Exploitation of Diversity," and conducted a diversity survey and other various activities. In 2022, we implemented diversity management seminars and leadership seminars for women. We also conducted a workplace LGBTQ+ awareness survey. The taskforce was once renamed in 2023 as the "Diversity & Inclusion Promotion Taskforce," which aims to further promote the creation of a working environment that embraces more diverse human resources and promotes mutual respect.

**work with Pride: A volunteer group that supports the promotion and consolidation of diversity management relating to LGBTQ+ people of companies

Fiscal Year	2019	2020	2021	2022
Number of programs	16	8	17	15
Total number of participants*	503	214	327	181
Main Programs				
Diversity	Diversity Programs Management of Diverse Human Resources	Strengthening Management of Diverse Human Resources	Strengthening Management of Diverse Human Resources Participation in WWP**	Diversity Education Strengthening Diversity Management Participation in WWP**
Women's Career Development	Encouraging Career Development Skill Development	Encouraging Business Skill Development	Encouraging Business Skill Development	 Leadership seminars for women
Work-Life Balance	Reinstatement Carrier Working Mothers Networking	Reinstatement SupervisorPre-mothers' Networking	 Reinstatement Carrier Working Mothers and Fathers Networking 	 Reinstatement Carrier Working Mother/Father Consultation
Health and Nursing	 Menopause/Uterine Cancer Prevention of Nursing Care Leave 	Breast Cancer/Sleep Support Prevention of Nursing Care Leave	• COVID-19 Prevention Measures	 Prevention of Nursing Care Leave Caregiving and Money

**Total number of participants: Excluding all employee training

***WWP: work with Pride

We believe that the key to creating an organizational culture that allows each one of diverse employees to be respected and play active roles lies in the mind-set of mangers.

Therefore, in addition to systematically providing diversity management training as part of the Diversity Promotion Program for those in managerial positions, we will continue to support the activities of diverse employees by providing support for women's career development, promoting a balance between work and family life including childcare and nursing care, and providing support for the activities of people with disabilities and LGBTQ+ people.

We aim to foster a culture of embracing a variety of work styles by our diverse workforce, and evolve into a company that provides all employees with job satisfaction and long-term careers.

Future challenges

From now on, it will become important to apply various measures for the achievement of inclusion as well as diversity. In addition to embracing diversity, it is necessary to create an environment in which the identify of every individual is respected, and all individuals can join an organization naturally and give full play to their abilities.

We will take effective measures to build up an inclusive organizational culture through education and training in a proactive manner, with the aim of gaining employees' understanding for systems, penetrating the system, and promoting the utilization of such measures.