



Production & Quality

Related material issues	Initiatives
 Products	<ul style="list-style-type: none"> • Manufacture and sell tires and industrial materials with advanced safety, quality and environmental performance • Manufacture and sell carbon neutral products • Develop products and services utilizing AI and IoT (wear detection, road surface detection, tire management and damage prediction) • Manufacture and sell tires for industrial and construction vehicles supporting social infrastructure and tires for agricultural and forestry machinery supporting natural capital
 The Earth	<ul style="list-style-type: none"> • Achieve carbon neutrality of our own activities by 2050 • Achieve 100% usage of sustainable materials by 2050

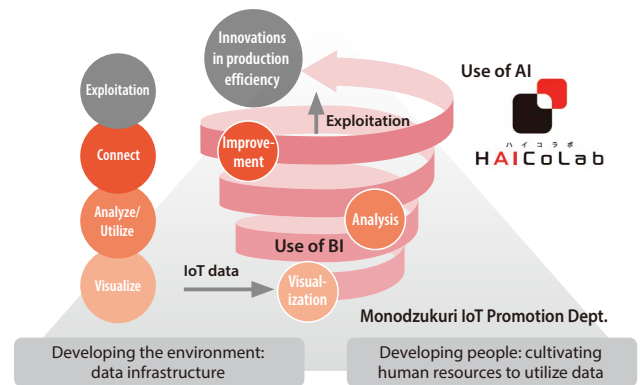
Production Initiatives

Building a production and logistics structure that is resilient to environmental changes and fluctuating orders

In order to supply good quality products at a low price in a timely manner to customers around the world, Yokohama Rubber conducts manufacturing at its global production bases with the latest technology and thorough quality management. As it is a fundamental policy in YX2023 to raise the high-value-added tire sales ratio, we strive to push forward with our strengths in high-mix low-volume production systems, and enhance production efficiency through the utilization of digital technology, such as IoT and AI, and Jidouka (autonomation).

Yokohama Rubber also puts efforts into creating an environmentally friendly production system. In fiscal 2022, efforts were implemented to achieve carbon neutrality at the Shinshiro-Minami Plant, which serves as a model plant. All production bases in Japan have achieved complete zero emissions by reducing the amount of landfill disposal of industrial waste to zero. Going forward, we plan to implement IT-based initiatives in overseas locations as well as strive to achieve a circular economy.

Developing Infrastructure for the Utilization of Manufacturing Data and Fostering a Data-Driven Culture



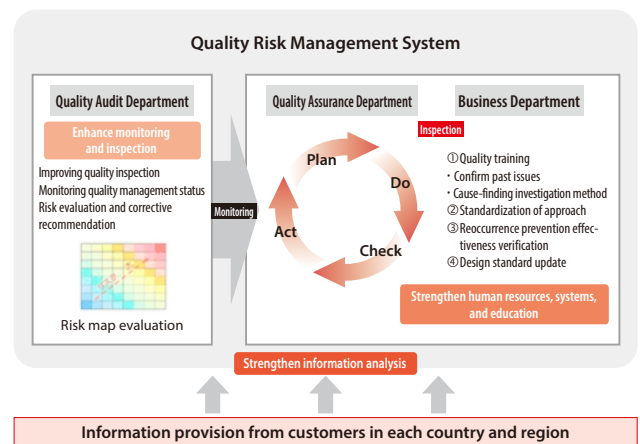
Quality Initiatives

Quality management system

Yokohama Rubber places the safety of customers as a top priority. We have developed our own risk map to ensure prompt, legal, and appropriate internal processes are carried out in business, quality assurance, and service departments, which are overseen and monitored by the Quality Audit Department.

We conduct quantitative categorization of potential risks following the quality management system (QMS) and embrace proactive safety design approach based on FMEA* to establish a structure that prevents the reoccurrence of similar quality issues. Moreover, we conduct internal quality training as well as encourage managers and supervisors to acquire the certification of internal quality auditor. In fiscal 2022, three employees obtained their certification (total 147 certified to date).

We appoint experienced engineers at sales subsidiaries and sales locations in the domestic and overseas markets to systematically host internal training on product knowledge and handling.



* Failure Mode and Effect Analysis (FMEA): A method of systematically analyzing potential failures for the purpose of failure/defect prevention.