

# Compliance

Relevant material issue	Initiatives
 <b>Corporate Governance</b>	<ul style="list-style-type: none"> <li>• Strengthen the governance system</li> <li>• Developing systems to promote compliance</li> </ul>

**Basic Approach**

In response to the expanding risks due to globalization, the Yokohama Rubber Group established the Group's Competition Law Compliance Policy and Anti-Corruption Policy, defined regulations and guidelines that embody these policies, and shared these requirements to members\*of the Yokohama Rubber Group. By combining the above with the Global Whistle-Blowing System, which are rolled out in our subsidiaries in each country and region, we aim to further raise the level of compliance in the Yokohama Rubber Group.

With regard to product liability, our mission is to contribute to the development of the company and society by winning the trust of our customers and securing appropriate levels of profit. In order to achieve this, we must continue to provide products of quality that satisfy customers around the world and that can be purchased with peace of mind. The Yokohama Rubber Action Guidelines state that, "We shall listen to the views of our customers, accurately ascertain their needs, and develop, design, manufacture, and sell products of genuine use to society"

\*All employees working in the Yokohama Rubber Group, including full-time employees, contract employees, temporary employees, and outsourced employees.

## Compliance System

Yokohama Rubber has established a Corporate Compliance Committee chaired by the director in charge of the Corporate Administration Div. and a Corporate Compliance Department as the department that handles compliance implementation. The committee meets four times a year for ongoing implementation of various measures related to the Yokohama Rubber Group's compliance, and to report on its activities to the Board of Directors and the Audit & Supervisory Board. The Yokohama Rubber Group's Corporate Philosophy and Code of Conduct have been disseminated to all Group companies, including those overseas, and serve as guidelines via internal bulletin, etc. for the execution of duties by the directors and employees of each company. In addition, by assigning a person

from each division to be a concurrent member of the Corporate Compliance Dept., we strive to share updates on workplace training and awareness raising activities and relevant information. We have also appointed a Compliance Promotion Manager at each of the domestic and overseas group companies to carry out the same activities.

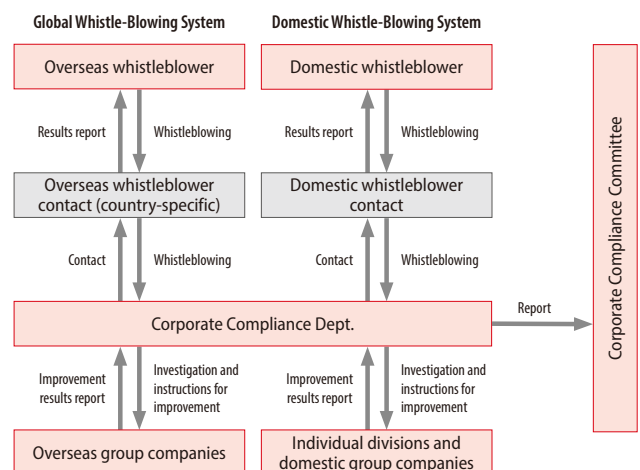
In the event of a quality problem or complaint in the market regarding a product that we have provided to customers, we respond promptly to resolve the problem and take measures to prevent its recurrence. These measures involve regularly conducting quality audits to confirm the implementation status of corrective actions and verifying their effectiveness.

## Whistle-Blowing System

Compliance Hotline is a system available that also handles anonymous whistleblowing in accordance with the Whistle-Blower Protection Act. There are two Compliance Hotlines, one internal and one external. The external Compliance Hotline is set up at a law firm to ensure independence. In addition, the General Counseling Room has been set up as a service for any member of the Group to consult over doubts regarding compliance. In fiscal 2022, the Compliance Hotline and General Counseling Room fielded 142 reports or consultations in total.

For overseas subsidiaries, a Global Whistle-Blowing System which is handled directly by the Corporate Compliance Dept. has been set up and is gradually becoming operational in overseas locations. Despite the delay due to COVID-19, phased introduction has been completed in China, the Philippines, Thailand, North America, Europe, and Vietnam as of 2022, except for a portion of business sites. Starting 2023, introduction is considered for production sites in Indonesia.

### » Whistle-Blowing System



## Education and awareness raising activities

The Corporate Compliance Dept. plans and promotes compliance training for Group members. It distributes educational materials and conducts group learning and training activities at workplaces, depending on whether the content is intended for general employees or specific divisions or ranks as necessary,

In 2022, we continued training on harassment and quality misconduct, and focused on topics such as online defamation, mental health in the workplace, promotion of diversity and inclusion, and business and human rights.

### Compliance Workplace Training Themes (2022)

The Yokohama Rubber Group uses its own educational materials to conduct group training on compliance at each workplace monthly. In fiscal 2022, the following themes were covered.

- January** Online defamation
- February** Mental health in the workplace
- March** Workplace bullying and coaching
- April** Promotion of diversity and inclusion
- May** Occupational injuries and concealing of occupational injuries
- June** Sexual harassment and gender harassment
- July** Business and human rights
- August** Revisions to the whistleblowing regulations
- September** Remarks made in the workplace that abuse one's position of power (maternity harassment and workplace bullying)
- October** Contribution to and consideration of local communities
- November** Improper conduct regarding quality
- December** Internal whistle-blowing system and reporting/consulting anonymously

## Initiatives to Prevent Corruption

The Yokohama Rubber Group Action Guideline states in 6. "We shall observe not only laws and regulations but also social norms." It also declares that "We shall not engage in any activity that is in violation of the competition-related law (antitrust legislation), any acts of bribery, and any other acts that deviate from laws, regulations, or business conventions;" and "We shall maintain sound relations with political groups and public administrative authorities, and shall not engage in any acts of bribery, in Japan or any other country or region. We shall not entertain, give any gifts to, or give any money to business partners for the purpose of gaining illicit advantage." The Yokohama Rubber Group Action Guideline also states actions involving not only public servants, but also business partners as well.

Under our global whistleblowing system, we have established an external contact point to promptly identify illegal activities such as competition law violations and bribery, and we provide training in advance to overseas subsidiaries that are scheduled to introduce the system.

(People)

Training opportunities	Number of people
Pre-departure training for overseas posting	31
Newly appointed career path training	20
Pre-launch training for whistle-blowing system	1,433
<b>Total</b>	<b>1,484</b>

## Initiatives at Group Companies

Between July and November 2022, we invited an external law firm to conduct training on the theme of "Compliance with Competition Laws and Prohibition of Bribery and Fraud" as a preliminary training for the introduction of the global whistleblowing system at YTVI, a tire manufacturing company in Vietnam. A total of 555 people took part in this training. In addition, YTMT, a tire production company in Thailand, started operation of the system in February 2022, and YTRC, a natural rubber processing company, in May 2022.



Preliminary training at YTMT

## Future Issues and Measures

To respond to the growing risks associated with globalization, we will continue to expand the introduction of our global whistleblowing system and provide training. To prevent quality fraud, we will create an environment impervious to fraudulent activity by creating a training program that approaches motives based on case studies of other

companies, and by planning and implementing training for all employees in Japan and overseas, including affiliated companies. In addition, from the perspective of compliance with rules, we are confirming operations and inspecting processes, and if necessary, we will make improvements.