




Human Resources Strategy

Relevant materiality	What we aim to do
 Development of human capital capabilities for sustainable corporate value enhancement	<ul style="list-style-type: none"> • Foster diversity and inclusion • Create innovation and increase productivity through employee development • Develop safe and healthy work environment • Respect the human rights of employees

Basic Approach

The Yokohama Rubber Group believes achieving sustainable growth amid drastic changes in the operating environment requires improving the value of human capital. We also recognize it is important to encourage our employees from various backgrounds to embrace various work styles with each other, promote work styles that are not bound by conventional rules and ways of thinking, and create a workplace environment that enables employees to work together cheerfully with vigor and enthusiasm. Based on the penetration of our Corporate Philosophy consisting of the Basic Philosophy, Management Policies, Action Guidelines and Corporate Slogan, as well as the direction of business specified in our long-term vision, we hold up "Human resources who can commit themselves to results even when they are hard to achieve and contribute to the growth of the Company with their own growth regardless of generation, nationality, and gender," as a vision of desired human resources," and is working on the development of such human resources and the improvement of in-house environments.

Human Resources Development Policy

Development of professional human resources and personnel assignment of right person to the right position

Recognizing that it is integral for the Group, which is expanding its business on a global scale, to deploy professional human resources with a strong desire to achieve and a broad range of perspectives who demonstrate their capabilities while having an impact on people around them, we are promoting measures such as ones for the development and selection of such human resources as well as ones for the assignment of the right person to the right position. 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 also work to secure and develop management-oriented human resources who can carry the Company on their shoulders so that we can prevail amid global competition.

Human resources development program

In order to respond to changes in the global business environment, we are working to strengthen its human capital through human resource development program. 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. At the same time, we are working on the development of desired human resources through various measures such as by dispatching employees at the managerial level to a domestic MBA course for the development of future management-oriented human resources, as well as by providing educational programs to train DX leaders for the promotion of nurturing DX personnel to serve as administrative and technical staff.

Human resources development program

Name	For	Cumulative number of participants (FY2023)		Details
		Men	Women	
Training for new employees	Newly hired employees	20	6	With the aim of solidifying a foundation for future growth as a member of the Company, participants acquire the awareness needed as members of society and acquire basic knowledge common to administrative and technical work.
Follow-up training for new employees	Employees in their second year	8	4	In addition to organizing and sharing what they learned during the business assignment and training period, participants transform their mindset ahead of their third-year as employees.
Training for newly appointed managers	Managers	18	3	Participants understand and acquire the knowledge necessary for a managerial position, and are taught about the expectations, roles, and responsibilities required.
Training for newly appointed personnel holding managerial positions	Managers	0	0	For the purpose of supporting adaptation to management work, participants gain a better understanding of the roles of organizational managers and acquire basic management knowledge and practice in the workplace.
Training for evaluators	Managers	25	0	Through case studies, participants learn appropriate evaluation methods to prevent variation in evaluations and how to improve the degree of satisfaction in feedback interviews.
Training prior to re-employment	Employees planning to be re-employed	27	4	In the midst of a major career transition, participants eliminate any concerns arising from their new assignment and reconsider how to approach work after re-employment.

Developing core human resources

In order to support the achievement of the YX2026 New Medium-term Management Plan in terms of human resources, we have created a personnel system that allows employees to gradually acquire the skills required of core human resources. For employees at the management level, this is achieved by increasing the links between posts (jobs), results and compensation, and for general career track employees by clearly indicating the added value (expected results and expected behavior) required for each level and linking these to the development system. This personnel system was revised in 2020 to further increase the linkage between posts (jobs) and compensation for employees at the management level. In addition, in 2021, we introduced an early selection system for general career track employees that allows them to be assigned to managerial positions as early as at the age of 30, thus ensuring that the right person is placed in the right place regardless of age.

Policy for In-house Environment Improvement

Promoting work styles free from the constraints of place or time

In March 2023, Yokohama Rubber relocated and integrated its head office functions from Minato-ku, Tokyo to the Hiratsuka Factory in Hiratsuka City, Kanagawa Prefecture, with the aim of improving operational efficiency through function integration and reforming work styles. We will expand the application of various systems such as the work-from-home scheme to establish a work system compatible with various situations, and realize integrated operations of planning, production, sales, technology, and logistics, as well as faster decision-making.

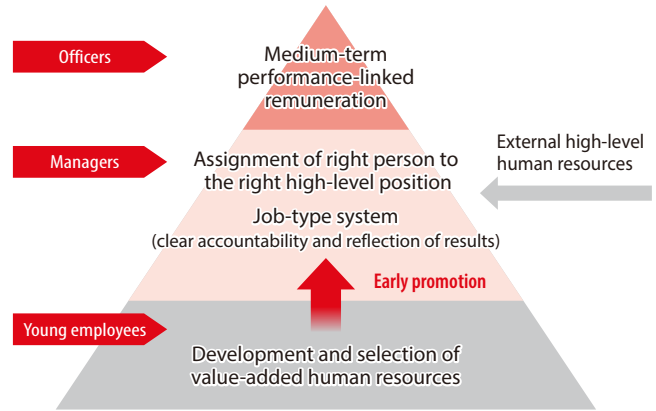
Introduction of home office system

In March 2023, 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 as well as for those who moved to accompany a spouse on a job transfer. 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. As of December 2023, 108 employees were working under this scheme. By promoting work styles free from the constraints of location, we will strive to build the foundation for diverse workforces to maximize their abilities.

Establishment of the Tokyo Office and the Satellite Office

In connection with the integration of the Head Office and Hiratsuka Factory, we established the Tokyo Office and the Satellite Office at Shinagawa Intercity. The Tokyo Office houses the Head Offices of Yokohama Tire Japan and Yokohama Rubber MB Japan along with some of the sales departments of Yokohama Rubber. Satellite offices using hot desking are intended to promote improved communication between our people.

Assignment of right person to the right position



Upgrading of work-from-home and flexible work systems

In 2018, we introduced the work-from-home system with the goal of promoting work-life balance in terms of childcare or family care, increasing operational efficiencies and preventing prolonged time commitments for work (health concerns). From 2023, we expanded the conditions so that employees can use it to cut down on the time they spend commuting. At the same time, we abolished the usage limit and shifted to the most suitable telecommuting operation for each workplace according to work (results and efficiency). In addition, we have applied a flextime system to administrative and technical employees in principle, abolished core working hours, expanded the shortened working hours and flextime systems, and established a system that enables employees to produce work results regardless of location or time.

Employee engagement

With the aim of creating a work environment and a corporate climate that allow diverse human resources contributing to the growth of the Company with their own growth to work together cheerfully with vigor and enthusiasm, Yokohama Rubber conducts an employee awareness survey on a regular basis. We will work on our initiatives for the enhancement of corporate value by reforming the organizational climate and improving productivity while grasping the gap between the vision to be achieved by the organization and the actual situation.



New dual purpose conference room and cafeteria in Hiratsuka



Human Resources Strategy

Ensuring Diversity in Human Resources

Vision to be achieved

At the Yokohama Rubber Group, 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 YX2026. 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.

As part of efforts to implement various measures and expand various programs for that purpose, we launched diversity promotion activity by establishing the Women's Participation and Advancement Taskforce in 2016. It was later renamed in 2019 as the Diversity Promotion Taskforce, and once again renamed in 2023 as the Diversity & Inclusion Promotion Taskforce to coincide with an expanded scope of activities.

Examples of diversity related training

	2020	2021	2022	2023	
Number of programs	8	17	16	7	
Total number of participants	214	327	1,127	675	
Main programs	Diversity	<ul style="list-style-type: none"> Enhanced management of diverse human resources 	<ul style="list-style-type: none"> Enhanced management of diverse human resources Participation in wwP 	<ul style="list-style-type: none"> Diversity training Enhanced diversity management Participation in wwP 	<ul style="list-style-type: none"> Keynote session on diversity and inclusion Unconscious bias training LGBTQ+ training Participation in wwP
	Women's career development	<ul style="list-style-type: none"> Encouragement Business skills training 	<ul style="list-style-type: none"> Encouragement Business skills training 	<ul style="list-style-type: none"> Leadership for women 	<ul style="list-style-type: none"> Round-table discussion for female management personnel
	Support for work-life balance	<ul style="list-style-type: none"> Career development for employees returning to work Networking sessions for working parents 	<ul style="list-style-type: none"> Career development for employees returning to work Individual consultation for working parents 	<ul style="list-style-type: none"> Career development for employees returning to work Individual consultation for working parents 	<ul style="list-style-type: none"> Career development for employees returning to work Individual consultation for working parents
	Healthcare	<ul style="list-style-type: none"> COVID-19 preventive measures 	<ul style="list-style-type: none"> Prevention of turnover due to nursing care/nursing care finances 	<ul style="list-style-type: none"> Post-partum care class support 	<ul style="list-style-type: none"> Post-partum care class support

* wwP: It refers to a volunteer group, work with Pride, which supports the promotion and establishment of diversity management relating to sexual minorities such as LGBTQ+ in the workplaces of companies, groups and other entities.

Promotion of women's participation

We strive to create a female-friendly work environment through expanding and implementing a variety of systems and initiatives to enhance the percentage of women in managerial positions. As of December 31, 2023, the percentage (non-consolidated) of managerial positions (section manager or higher) filled by women at Yokohama Rubber was 2.0%. However, as the percentage of female section chiefs who were next managerial position candidates was 14.2%, and the percentage of female supervisors who could be assigned to managerial positions by early promotion was 42.8%, we expect the number of managerial positions filled by women to increase in the future. We will also utilize an early promotion system while conducting career development assistance seminars for the promotion of women's participation and improving a system to promote work-life balance, with the aim of further improving the percentage of managerial positions filled by women.

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 2.58% for 2023 (results for April 2022 to March 2023). Going forward, we will continue to develop new business operations as we broaden the scope of employing persons with disabilities.

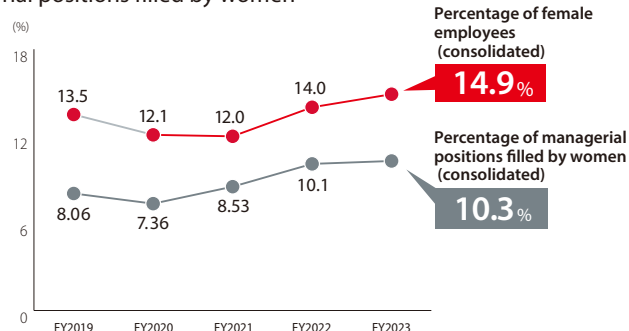
Employment of persons with disabilities

As a subsidiary to create places of employment for persons with disabilities, in 2012, we established Yokohama Peer Support, where 31 people with disabilities including those with intellectual disabilities were employed (as of December 31, 2023). 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

Utilization of senior human resources

In order to provide human resources having a strong desire to work aged 60 and older opportunities in which they can give full play to their wealth of knowledge and experience, we have introduced a system that allows our employees to be re-employed after mandatory retirement and continue working until they turn 70 years of age. (Yokohama Business Association, our 100%-owned subsidiary re-employ administrative and technical employees and dispatch them to Yokohama Rubber.)

Change in the percentage of female employees and managerial positions filled by women



Initiatives for sexual minorities

With the aim of supporting the active participation of various human resources including sexual minorities collectively called LGBTQ+, in October 2023, we introduced the Partner & Familyship System, which accepts a same-sex partner and a common-law partner as spouses, and accepts such partners' family as spouses' family. In addition, while

inviting external intellectuals to hold LGBTQ+ seminars to deepen the understanding of our employees, we have established help desks to provide consultation services related to LGBTQ+ inside and outside the Company. Thus, we have been developing a system that enables us to respond to consultations concerning systems and troubles.

Metrics and Targets

The Group set the following metrics and targets for major measures in 2020, 2021, 2022 and 2023 with a primary focus on "development of human capital capabilities for sustainable corporate value enhancement" as a material issue related to human capital, and is carrying out XY2026.

Metrics, results and targets

Metrics (KPIs)		Results			Targets
		FY2021	FY2022	FY2023	
Ratio of female managers (section manager or higher) (non-consolidated)		1.6%	1.7%	2.0%	
Reference	Ratio of female section chief-level positions (non-consolidated)	10.7%	11.0%	14.2%	FY2026: 5% FY2030: 10%
	Ratio of female section supervisor-level positions (non-consolidated)	38.5%	40.9%	42.8%	
Ratio of male employees taking childcare leave (non-consolidated)		66.3%	59.5%	86.2%	FY2026: 100% FY2030: 100% (expansion of acquisition period)
Ratio of employees with continued employment after reaching 65 years old (non-consolidated)*2		Period average 63.6%			Average between FY2024 and FY 2026: 65% or more Average between FY2027 and FY 2030: 70% or more
Ratio of participation in skill development training					FY2026: • 15% of department managers (cumulative) • 10% of office and technical employees (cumulative)
• Ratio of participation in management education programs including MBA courses (non-consolidated)		-	-	6.0%	
• Ratio of participation in education programs for DX leader development (non-consolidated)		-	-	-	
Employee engagement score		-	-	-	Conduct ongoing employee engagement surveys starting from FY2024 and set targets will be set by FY2026

*1 "-" indicates that there were no results.

*2 It refers to the ratio of employees who continued to be employed by the Company or our subsidiary after turning 65 among the administrative and technical employees aged 65 or over.

Voice of Employee

I want future fathers to experience child rearing as they can only do now.

I took a childcare leave of about three months including post-partum paternity leave in accordance with the time of the birth of the second child. After the birth of my first child, I got my wife to take care of the baby alone, which made her totally exhausted. From this experience, I took this parental leave without hesitation. During the childcare leave, I was busy doing housework such as taking care of the older child, and preparing meals for the family and doing laundry, in addition to feeding the baby and changing diapers. With so many things to do, one day passed so quickly. Neither my wife nor I was not a beginner in child-rearing anymore when the second child was born, and as I took childcare leave, we were able to concentrate on raising our child while consulting with each other, which I found very good. Above all, I was able to take care of my newborn baby, which was an experience that I would never have in my life, and has become a precious asset to me. As Yokohama Rubber has introduced various systems to support child-rearing, I would like to encourage people who are going to be a father to actively utilize these systems without hesitation and experience child rearing that they can only do now.



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