




# Compliance

Relevant materiality	What we aim to do
 <b>Improvement of management resilience by strengthening corporate governance</b>	<ul style="list-style-type: none"> <li>• Strengthen stakeholder engagement</li> <li>• Strengthen governance of sustainability issues</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 can be purchased with peace of mind. The Yokohama Rubber Action Guidelines state that, "We shall provide safe and high-quality products and services."

\* 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 Division 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 an internal bulletin, etc. for the execution of duties by the directors and employees of each company. In addition, by

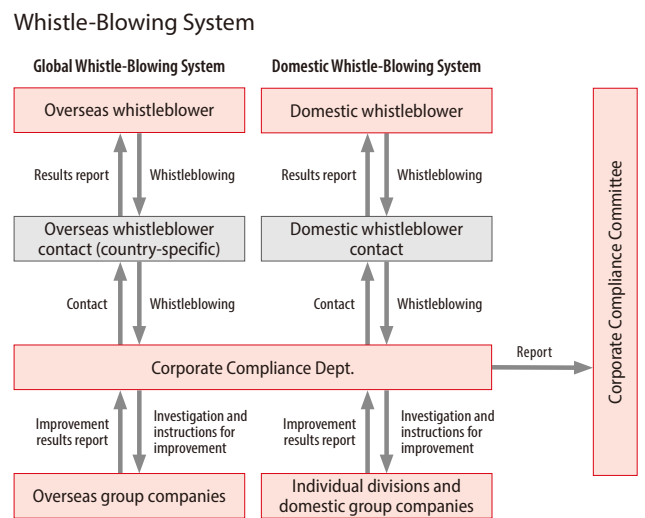
assigning a person from each division to be a concurrent member of the Corporate Compliance Department, we strive to share updates on workplace training and awareness raising activities and relevant information. We have also appointed a Compliance Promoter at each of the domestic and overseas group companies 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

The 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 Compliance Consultation Contact has been set up as a service for any member of the domestic Group to consult over doubts regarding compliance. In fiscal 2023, the Compliance Hotline and the Compliance Consultation Contact fielded 242 reports or consultations in total.

For overseas subsidiaries, a Global Whistle-Blowing System, in which certain whistleblowing is handled directly by the Corporate Compliance Department, 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. The introduction of the system has been advanced at production sites in Indonesia since November 2023.



## 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 2023, we continued training related to harassment and quality fraud, and focused on topics such as personal information protection, paid leave, and workplace accidents.

### Compliance Workplace Training Themes (2023)

The Yokohama Rubber Group uses its own educational materials to conduct Group training on compliance at each workplace monthly. In fiscal 2023, the following themes were covered.

<b>January</b>	Personal information protection	<b>July</b>	Drunk driving
<b>February</b>	Cases in which whistleblowing cannot be handled	<b>August</b>	Industrial accidents
<b>March</b>	Having trouble taking paid leave	<b>September</b>	Seal and sign
<b>April</b>	Observing business guidelines	<b>October</b>	Grooming and appearance
<b>May</b>	Harassment	<b>November</b>	Prevention of quality-related fraud
<b>June</b>	Taking out trade secrets	<b>December</b>	Whistleblower contact

## 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 refers to actions involving not only public servants, but also business partners as well.

In addition, we have established the Yokohama Rubber Group Competition Law Compliance Policy and the Yokohama Rubber Group Anti-Bribery Policy, and have promoted the compliance with these policies and provided management and supervision by making

the policies known to the members of the Yokohama Rubber Group and providing training to them. Under our Global Whistle-Blowing System, we have established an external contact point with a primary focus on promptly identifying illegal activities such as competition law violations and bribery, and we provide training to all employees of overseas subsidiaries that are scheduled to introduce the system in order to increase the effectiveness of the system.

Training opportunities	Number of people
Training concerning antitrust laws (cartel prevention)	2,718
Training concerning antitrust laws (abuse of superior bargaining positions)	3,399
Pre-departure training for overseas posting	23
Pre-departure training for posting as a supervisor at an overseas locations	5
Newly appointed manager training	21
<b>Total</b>	<b>6,166</b>

## Initiatives to Prevent Quality Fraud

Yokohama Rubber Group Action Guidelines states in 4. "We shall provide safe and high-quality products and services." It also declares that "We shall develop, design, manufacture, and sell attractive products that satisfy customers; provide society as a whole with safe and high-quality products and services; and endeavor to enhance the value of the Yokohama Rubber brand."

To prevent quality fraud, we provide quality fraud prevention

training to all members of the Yokohama Rubber Group, and a total of 28,840 employees took part in the training in fiscal 2023.

### Number of participants in quality fraud prevention training

FY	2021	2022	2023
Number of participants	28,168	30,463	28,840

## Future Issues and Measures

To respond to the growing risks associated with globalization, we will continue to expand the introduction of our Global Whistle-Blowing 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.