Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

The Yokohama Rubber Group believes that achieving sustainable growth amid drastic changes in the operating environment requires improving the value of human capital.
We will create a workplace environment that enables diverse human resources to embrace various work styles and work together cheerfully with vigor and enthusiasm to increase our human capital capabilities.

Basic Approach

We hold up "Human resources who, regardless of generation, gender, or nationality, commit to results even under challenging circumstances and contribute to the Company's growth through their own personal growth," as our desired personnel profile to continuously improve our corporate value. We respect the character and individuality of our employees, strive to develop personnel with a strong drive to achieve and broad perspectives, and work to create a safe and comfortable internal environment where diverse talent can thrive.

Human Resources Strategy to Achieve the Basic Policy of "Offense & Defense"

Yokohama Rubber aims to enhance corporate value sustainably by simultaneously advancing its basic policy of "Offense & Defense" (a dual-pronged management approach where "Offense" represents exploration and growth, and "Defense" represents exploitation and improvement).

People are the greatest driving force in realizing this growth strategy.

We will promote a human resources strategy that enables us to respond flexibly to the rapidly changing business environment and the challenges we face, and to succeed in global competition.

Changes and challenges in the business environment	Human resources strategy to address challenges	Specific priority measures	Target state to be achieved through these measures
Accelerating growth through the practice of "Offense & Defense," our basic management policy Accelerating "Hockey Stick Growth" (skyrocketing growth)	■ Sustained development of next-generation management talent and core human resources capable of promoting high growth ■ The company and individuals grow together by sharing strategy and executing it with enthusiasm ■ A remuneration system linked to corporate value enhancement and performance	■ Development of future business leaders (p. 59) ■ Next-generation executive succession plan (p. 59) ■ Personnel assignment of the right person to the "right position" (p. 59) ■ Early promotion program for managerial positions (p. 59) ■ Promoting understanding of strategies through dialogue (p. 60)	■ All employees deeply understand our strategy and act autonomously with a high level of engagement ■ The next generation of business leaders is continuously developed and a significant increase in corporate value is achieved ■ Fair evaluations help retain talented employees and enable them to perform at their best
Structural changes in the global tire market (Intensifying competition due in part to the rise of makers in emerging countries)	■ Development of DX human resources capable of leading new value creation and process reform from the frontlines ■ Building a safe and healthy workplace and workforce as the foundation for high quality and high productivity	■ Promoting the development of DX human resources among employees (p. 59) ■ Occupational safety and health (p. 63)	■ 10% of administrative and technical staff serve as DX leaders and data-driven process reforms take root through frontline initiatives ■ A safety culture of zero occupational accidents takes root globally
Globalization and business expansion to realize our grand design for the tire business (Globalization and expansion in organizational scale through M&A and other initiatives)	■ Assignment of local professional executives with in-depth knowledge of local markets ■ A shift from homogeneous management to management that fosters synergy among a diverse workforce, and flexible work styles	■ Appointment of local talent to executive positions (p. 20) ■ Building a pipeline of female managers (p. 62) ■ Encouraging male employees to take childcare leave (p. 62) ■ Promoting the active participation of seniors (p. 62) ■ Work styles free from the constraints of place and time (p. 61)	■ Human resources with in-depth knowledge of local markets serve as top management ■ A corporate culture where diverse human resources respect one another and can perform at their best through flexible work arrangements

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Metrics and Targets for Human Capital

The Group has set the metrics (KPI) and targets for major measures with a primary focus on "Development of human capital capabilities for sustainable corporate value enhancement" as a materiality related to human capital.

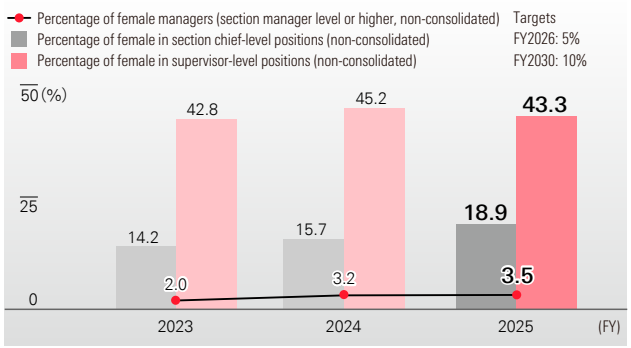
Since metrics and targets related to human capital are set independently by each consolidated subsidiary, below we list the metrics, results, and targets for the Company (non-consolidated), which operates our main businesses.

Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement: Progress and KPIs for Fiscal 2025

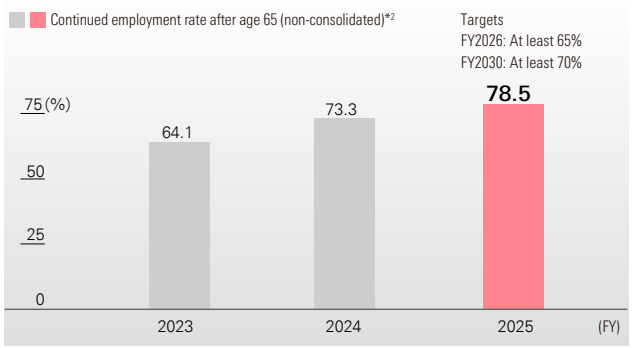
Metrics (KPIs)	Targets	FY2025 results	Evaluation
(1) Percentage of female managers (section manager level or higher, non-consolidated)	FY2026: 5% FY2030: 10%	3.5%	Behind
(2) Percentage of male employees taking childcare leave (non-consolidated)*1	FY2026: 100% FY2030: 100% (expansion of acquisition period)	100.7%	On track
(3) Continued employment rate after age 65 (non-consolidated)*2	FY2026: At least 65% FY2030: At least 70%	78.5%	Ahead
(4) Participation rate in capability development training	FY2026:		
・Participation rate in management education programs such as MBA courses (non-consolidated)	• 15% of department managers (cumulative)	8.1%	Behind
・Participation rate in digital transformation leader development training (non-consolidated)*3	• 10% of administrative and technical employees (cumulative)	5.6%	Behind
(5) Employee engagement score*4	FY2026: 70	69.0	Behind

Metrics (KPIs)

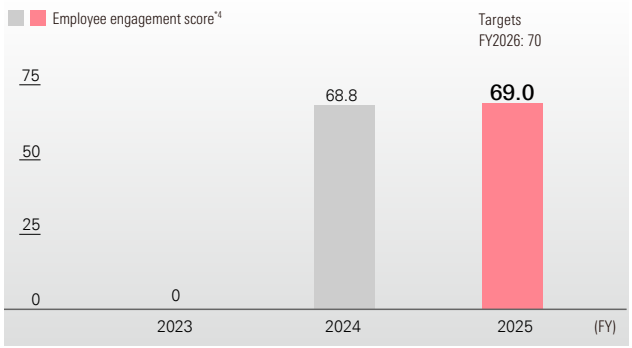
Female managers (section chief/supervisor-level positions)



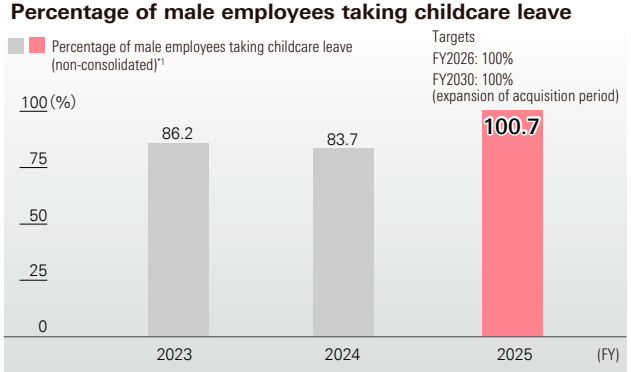
Continued employment rate after age 65



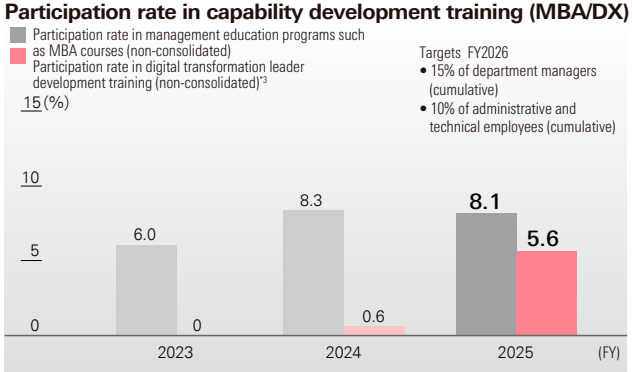
Employee engagement score



Percentage of male employees taking childcare leave



Participation rate in capability development training (MBA/DX)



*1 Calculated in accordance with the Act on Promotion of Women's Participation and Advancement in the Workplace. Because the calculation includes employees whose childcare leave spans more than one fiscal year, the rate may exceed 100%.
*2 Percentage of administrative, technical, and skilled employees who have reached age 65 and continue employment with the Company or its subsidiaries (three-year rolling average).
*3 DX leader development training started during fiscal 2024. *4 Calculated based on results of the Employee Awareness Survey conducted among employees of the Company (non-consolidated since fiscal 2024.

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Human Resources Development

Development of Professional Human Resources and Personnel Assignment of the Right Person to the "Right Position"

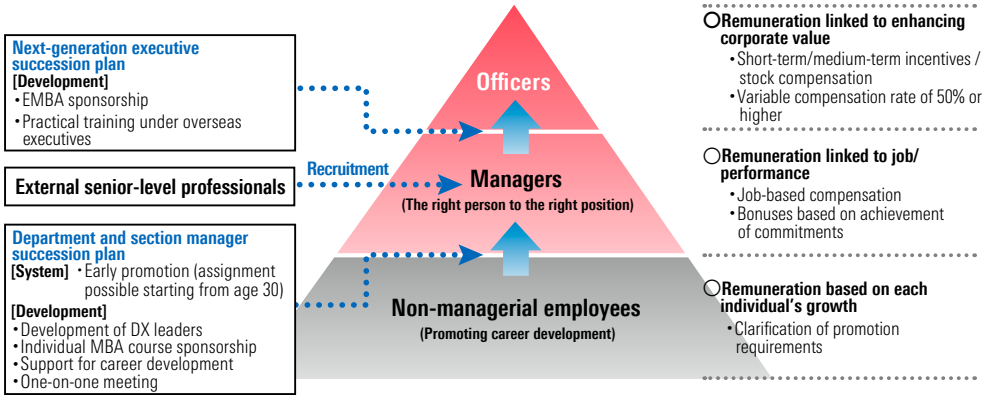
It is integral for the Group, which conducts business on a global scale, to deploy professional human resources with a strong desire to achieve targets and broad perspectives who demonstrate their capabilities while having an impact on the people around them. Based on the belief that individual growth drives corporate development, the Group is promoting initiatives such as the development and selection of professional talent, as well as personnel assignment of the right people to the "right positions." We fully support each employee in actively taking advantage of learning opportunities and growing independently, while also focusing on securing and developing future leaders who will take charge of the company's management.

Development of Core Human Resources

To support the realization of the YX2026 Medium-term Management Plan from a human resources perspective, we are strengthening the development of core human resources through HR systems. As a measure for the development of the next generation of executives, we have introduced a next-generation executive succession plan, under which we have identified successor candidates for each executive position and established personnel development plans that incorporate external perspectives and expertise. These measures are implemented following deliberation by the Personnel Remuneration Committee for Corporate Officers and Directors and the Board of Directors. In addition, for managers at the department and section levels who are expected to play key roles in the future, we are developing future executives through both formal learning and practical experience, including management education programs such as MBA courses and opportunities to work under seasoned executives overseas.

For managers, we are strengthening the link between posts (jobs), results, and compensation and in fiscal 2025 introduced a new bonus system tied directly to performance achievement rates. At the same time, for non-managerial employees, we have organized our system with a focus on early development. Specifically, we introduced an early promotion program in fiscal 2021 that makes it possible for them to be placed in a management position as early as age 30. In addition, we define DX education as "IT literacy/data utilization (D) × business skills and planning/creativity (X)," and based on our policy of positioning the next generation of managers as DX leaders, we are implementing training initiatives.

Development of Core Human Resources Through HR Systems



Comments from Participants in the DX Leader Development Program

The Company has held the DX leader development program since November 2024 with the aim of developing hands-on DX talent capable of driving onsite improvements and new initiatives. The second cohort completed the program by 2025, and it has already achieved tangible results, such as participants' acquisition of the skills required of DX leaders and their practical experience in identifying business challenges and formulating hypotheses. Here, we spoke with two participants who have begun driving transformation in their own departments by applying what they learned in the program, and asked them to share the results they have seen in putting their knowledge into practice and their goals for the future.

VOICE



Masakimi Naruse
Tire Designing Department
No. 2

The Challenge of Transforming Operations Themselves Through DX

Through this training, I realized that the essence of digital transformation is not merely the implementation of IT, but rather the transformation of operations themselves. Drawing on what I learned, I am carrying out initiatives to prevent manufacturing defects as part of "speeding up development"—one of the guiding principles of YX2026—but it's a daily process of trial and error. I am currently using the AI analysis tool dotData to analyze the causal relationship between design specifications and manufacturing defects. However, in addition to the difficulties in collecting data, the results were limited to expected trends, highlighting insufficient consideration of the factors. Therefore, with the cooperation of the relevant departments, we have now taken the first step toward identifying new factors and establishing a data infrastructure.

Moving forward, we intend to continue developing the necessary infrastructure while exploring the complex interplay of various factors, with the goal of establishing a system that designers can utilize. I intend to keep taking on challenges so that I don't just stop at data analysis, but work together with those around me to steadily achieve results.

VOICE



Kento Haga
HR Department

Moving Beyond Instinct and Experience to Data-Driven HR Strategies

Before taking the program, I thought it was simply technical training to master IT tools, but in essence, it was a transformative experience designed to thoroughly hone our ability to plan and execute initiatives aimed at creating business value. After completing the program, I began implementing a new strategy in the HR Department to reduce employee turnover, moving away from the traditional approach that relied on instinct and experience and instead basing it on objective data. In response to the challenges highlighted by our analysis, rather than taking a reactive approach, we are developing and implementing measures to shift toward a proactive HR strategy that identifies high-potential talent early on and nurtures their talents through practical experience.

Having completed this program, my mission is to create a workplace environment that encourages each employee to take on new challenges by leveraging their individual strengths and diverse perspectives, without being constrained by past practices or one-size-fits-all frameworks. Building on the sound, data-based decision-making skills I have cultivated through the program, we will build a strong organization where everyone can feel the potential of their own future and thrive, thereby contributing to Yokohama Rubber's process transformation (YX).

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Human Resources Development Program

In order to respond to changes in the global business environment, we are working to strengthen human capital through a multifaceted human resources development program. We provide training based on the "three reals philosophy"—a hands-on learning approach—aimed at helping employees acquire the mindset, abilities, and skills necessary to make sound judgments and take appropriate action, as well as develop specific skills such as leadership and negotiation abilities tailored to each organizational level. In addition to sending managers to domestic MBA programs to develop future business leaders, we are working to develop employees who meet our desired personnel profile through initiatives such as DX leader training programs designed to foster digital transformation skills among administrative and technical staff.

Name	For	Cumulative participants (FY2025)		Details
		Men	Women	
Training for new employees	Newly hired employees	41	11	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 basic knowledge common to administrative and technical work.
Follow-up training for new employees	Employees in their second year	17	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 with the Company.
Newly appointed manager training	Managers	34	3	Participants understand and acquire the knowledge necessary for a managerial position, and deepen their awareness of the expectations, roles, and responsibilities required.
Training for newly appointed personnel holding managerial positions	Managers	26	2	For the purpose of supporting adaptation to management work, participants gain a better understanding of the roles of personnel holding managerial positions, while aiming to acquire basic management knowledge and practice in the workplace.
Training for evaluators	Managers	26	3	Through case studies, participants learn appropriate evaluation methods to prevent variation in evaluations and how to improve acceptance in feedback interviews.
Training prior to re-employment	Employees planned to be re-employed	35	5	In the midst of a major career transition, participants eliminate any concerns about working under reemployment arrangements and reconsider how to approach work after reemployment.

Employee Engagement

The Group conducts an Employee Awareness Survey on a regular basis to grasp how much the strategies and policies of the Medium-term Management Plan "YX2026" have been thoroughly instilled in employees, the level of enthusiasm toward executing them, and whether a workplace environment and corporate climate have been fostered that allow our diverse human resources who contribute to the development of the Company through their own growth to work together cheerfully with vigor and enthusiasm. In this survey, we go beyond simply comparing scores to focus on the substance of the results, conducting an analysis that places particular emphasis on "strategic understanding" and "enthusiasm to execution." The results of the fiscal 2025 survey and the measures taken to address the identified issues are as follows.

Overview of Employee Awareness Survey Results

Item	FY2024 results	FY2025 results
Number of target employees	5,522	5,575
Response rate of target employees	95.7%	94.6%
Employee engagement score	68.8	69.0
YX2026 penetration (level of strategic understanding)	57.0	69.6

High Motivation to Participate and Improved Engagement Score

The response rate for the fiscal 2025 survey was 94.6% (fiscal 2024: 95.7%), maintaining a consistently high level. This confirms that many employees take a keen interest in company policies and the workplace environment and are highly motivated to participate in the organization.

In addition, the employee engagement score (out of 100), which is based on job satisfaction, a sense of fulfillment, pride, and motivation to remain with the company, stood at 69.0 (a 0.2-point increase from the previous fiscal year).

Major Improvement in the YX2026 Penetration (Level of Strategic Understanding)

The fiscal 2024 survey highlighted a gap in strategic understanding between management and non-management employees, as well as between administrative/technical employees and manufacturing employees, as a key issue.

To address this issue, we strengthened internal dialogue led by each division head to raise awareness of the connection between individual actions and business strategy. As a result, the company-wide strategic understanding score was 69.6, representing a significant improvement of 12.6 points from the previous fiscal year. The score gap between administrative/technical employees and manufacturing employees narrowed substantially, from 19.6 to 6.6 points, indicating steady progress in fostering a sense of unity across the company.

Future Outlook and Addressing Further Challenges

Going forward, we plan to gradually expand the scope of the survey to include our subsidiaries and overseas sites.

In addition, a new challenge that has been identified is that young employees perceive a weak connection between company growth and their own sense of personal growth.

With this in mind, we will work to deepen understanding within the company of how each individual's contributions support the realization of our business strategy, while also enhancing our human resources development initiatives.



Head Office and Hiratsuka Factory

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Creating a Company Environment Free From the Constraints of Place and Time

Fostering an Organizational Culture that Embraces Diverse Work Styles

Achieving sustainable growth in a drastically changing business environment requires enhancement of the value of human capital. We promote work style reforms to enable our diverse human resources to exert their full potential in their respective fields by introducing flexible work styles that are not bound by conventional practices and thinking and creating a workplace environment that allows all employees to engage in their work duties together with vigor and enthusiasm.

By respecting work-life balance and fostering an organizational culture where we mutually recognize diverse work styles, we will support all employees so they can continue to grow and steadily build their careers while balancing work and personal life.

Promoting Work Styles Free from the Constraints of Place and Time

In March 2023, the Group relocated and consolidated its head office functions from Minato Ward, Tokyo, to the Hiratsuka Factory in Hiratsuka City, Kanagawa Prefecture, with the aim of improving operational efficiency through the consolidation of functions and promoting work-style reform.

We are expanding the application of various systems, such as our work-from-home program, to establish work arrangements capable of accommodating diverse circumstances, while also achieving integrated operations across planning, production, sales, engineering, and logistics, as well as rapid decision-making.

Establishment of the Tokyo Office and a Satellite Office

In conjunction with the consolidation of our head office functions at the Hiratsuka Factory, we have established the Tokyo Office and a satellite office in Shinagawa Ward, Tokyo. The Tokyo Office houses the headquarters of Yokohama Tire Japan Co., Ltd. and Yokohama Rubber MB Japan Co., Ltd., as well as a portion of the sales division of The Yokohama Rubber Co., Ltd.

In addition, by establishing the satellite office that utilize a hot-desking system, we are working to foster communication among employees across organizational boundaries.



Shinagawa Intercity, housing the Tokyo Office and a satellite office



Communication area at the satellite office

Upgrading of Work-from-Home and Flexible Work Systems

We introduced a work-from-home program in 2018 with the aim of improving operational efficiency, supporting employees in balancing work with childcare and caregiving, and reducing long working hours to promote employee health.

Starting in 2023, we expanded the eligibility criteria to allow the program to be used for the purpose of reducing the burden of commuting, removed the cap on the number of uses, and transitioned to an operational model that maximizes results and efficiency at each workplace.

In addition, as a general rule, all administrative and technical employees are now covered by the flex-time system, and we have partially eliminated core hours. Moreover, we have put in place systems—such as expanding our shortened work hours flex-time system—that enable employees to deliver results regardless of location or time.

Introduction of the Home Office System

In March 2023, we introduced the Home Office System, which designates the employee's home as the primary workplace for employees who began commuting long distances due to the consolidation of head office functions, as well as those accompanying their spouses on job transfers. We promote a work style unconstrained by place by not assigning fixed desks in the office and providing company-funded support to set up a work environment at home.

We are also working to prevent career interruptions due to family circumstances and to build a foundation that enables diverse human resources to thrive.

VOICE



Miki Nakamura
Legal Department

Continuing a Career from the Home Office System Even When a Spouse Relocates

Since April 2024, due to my spouse's relocation, I have been working from home in Hiroshima Prefecture under the company's Home Office System. Currently, I am primarily responsible for the initial review of workflow applications related to security trade controls. I am very grateful that this role is well-suited to working from home, as the system allows me to clearly track the number of cases, their details, and their progress.

Since working from home relies heavily on email and online conferencing, it can sometimes be time-consuming to clarify minor details, and it can be difficult to gauge the reactions of others during meetings. However, thanks to the understanding and cooperation of my colleagues in the same group, we have created an environment where I can feel free to consult with them at any time, which allows us to carry out our work very smoothly.

I feel it was very meaningful that we were able to start our new life in this new place as a family without having to take a leave of absence. On my days off, I enjoy the unique lifestyle of the region by traveling to the islands of the Seto Inland Sea, as well as to Shikoku and Kyushu. This system, which allows me to adapt flexibly to changes in life stages and continue my career on my own terms, has been a tremendous source of support for me.

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Ensuring Diversity in Human Resources

Expanding Diversity and Inclusion Initiatives

As the Group's business expands globally, the sustainable enhancement of corporate value requires the recruitment of diverse talent and the promotion of diversity and inclusion that respects various working styles. We aim to build a corporate culture that embraces diversity by hiring without regard to attributes such as nationality, gender, LGBTQ+, educational background, or experience. Under the leadership of the Diversity & Inclusion Promotion Taskforce, we are expanding a wide range of initiatives, including enhancement of internal systems, training to eliminate the gender gap, and career development support. In 2025, continuing on from last year, we were certified as a Best Workplace, the highest rating, in the D&I AWARD 2025.

Promotion of Women's Participation

Through initiatives such as expanding various systems, implementing measures, and increasing the proportion of women in management positions, we are working to create a work environment that is more supportive of women. As of December 31, 2025, women accounted for 3.5% of managers at the section manager level and above (non-consolidated). However, women represent 18.9% of employees at the section chief level, who are candidates for future management positions, and 43.3% of employees at the supervisor level, from which early promotion to management positions is possible. In this way, we are building a pipeline for steadily increasing the number of female managers in the future. Going forward, we aim to further increase the proportion of women in management positions by holding career development seminars, establishing systems to support work-life balance, and making greater use of our early promotion program.

Promoting Women's Active Participation at Production Sites in India

The Yokohama Rubber Group has four production sites in India. Although employment opportunities for women in manufacturing settings are still considered limited in India, the Group's sites are actively hiring women, and the proportion of female employees has increased significantly.

Starting with the hiring of our first female employees at the Dahej Plant in 2018, our other three locations began hiring women sequentially from 2021. As a result of our ongoing efforts, as of March 2026, the proportion of female employees at the Dahej Plant and Visakhapatnam Plant stands at approximately 40%, and has risen to 31.4% across all of our production sites in India.



Female employees working at a production site in India

Employment of Persons with Disabilities

With the aim of creating employment opportunities for people with disabilities, we established Yokohama Peer Support Co., Ltd., a special subsidiary, in 2012. The company employs 32 people (as of June 1, 2025), primarily those with intellectual disabilities. Four companies—Yokohama Rubber Co., Ltd., Yokohama Peer Support Co., Ltd., Yokohama Tire Japan Co., Ltd., and Yokohama Rubber MB Japan Co., Ltd.—have received special recognition as related companies, and their combined employment rate for people with disabilities stood at 2.6% based on 2025 reporting results (as of June 1, 2025). Going forward, we will continue to develop new work opportunities with a view to expanding the scope of occupations.

Initiatives for Sexual Minorities

To support the active participation of a diverse workforce, including LGBTQ+ individuals, we introduced the Partner & Familyship System in October 2023, which recognizes same-sex partners and de facto partners as spouses and treats their families on an equal footing with those of married employees. In addition, we are deepening our employees' understanding by hosting LGBTQ+ seminars led by external experts, and we have established dedicated help desks both within and outside the Company to provide support regarding the use of our systems and address individual concerns. These initiatives were recognized, and in 2025, continuing on from last year, we received the Gold rating in the PRIDE Index 2025 by the work with Pride Association.

Utilization of Senior Human Resources

To provide opportunities for employees who remain highly motivated to work even after reaching the mandatory retirement age of 60 to utilize their extensive knowledge and experience, we have introduced a system that re-employs retirees, allowing them to continue working up to the age of 70. For administrative and technical employees, we support the continued active participation of senior employees by having our wholly owned subsidiary, Yokohama Business Association Co., Ltd., re-employ them and then dispatch them to the Company.

Promotion of Paternity Leave for Men

To promote the participation of male employees in childcare, we have established systems that accommodate diverse childcare support needs in addition to the legally mandated childcare leave. Specifically, we have introduced systems that allow up to ten days of childcare leave in one-day increments and a postnatal paternity leave system that allows work during the leave period, providing flexible childcare leave options. As a result of these efforts, the male paternity leave uptake rate reached 100.7% in 2025. We will continue to encourage employees to take parental leave and improve the environment for taking it, with the goal of further extending the leave period in the future.

Examples of Diversity-related Training

		FY2021	FY2022	FY2023	FY2024	FY2025
Number of programs		17	16	7	6	17
Total number of participants		327	1,127	675	743	1,715
Main programs	Diversity	• Enhanced management of diverse human resources • Participation in wwP*	• Diversity training • Enhanced diversity management • Participation in wwP	• Keynote session on diversity and inclusion • Unconscious bias training • LGBTQ+ training • Participation in wwP	• Unconscious bias training • LGBTQ+ training • Psychological safety seminar • Participation in wwP	• Unconscious bias training • LGBTQ+ training • Psychological safety seminar • Participation in wwP
	Women's career development	• Motivation & empowerment • Business skills training	• Leadership for women	• Round-table discussion for female managers	• External mentor trial	• External mentoring
	Support for work-life balance	• Career development for employees returning to work • Individual consultation for working parents	• Career development for employees returning to work • Individual consultation for working parents	• Career development for employees returning to work • Individual consultation for working parents	• Seminar for employees returning from childcare leave	• Seminar for employees returning from childcare leave
	Health and caregiving	• Prevention of turnover due to caregiving / Caregiving and finances	• Post-partum care class support	• Post-partum care class support	• Caregiving seminar • Post-partum care class support	• Dementia caregiving seminar • Post-partum care class support

* wwP refers to the work with Pride Association, which supports the promotion and integration of diversity management relating to sexual minorities such as LGBTQ+ in the workplaces of companies, groups and other entities.

Human Capital: Development of Human Capital Capabilities for Sustainable Corporate Value Enhancement

Occupational Safety and Health

Safety and Health Management System

In Japan, we have established the Central Safety and Health Committee chaired by the head of the CSR Division, and each business site has its own Business Site Safety and Health Committee (statutory), while each department and workplace has its own Safety and Health Working Subcommittee. As safety and health activities are important initiatives for both the company and the union, we are promoting them in a concerted effort between labor and management while sharing safety information with other companies and labor unions. We also urge our partner companies to join their respective committees in order to share activities.

In addition, we promote the improvement of the health and physical fitness of our employees based on "Collaborative Health*" in cooperation with the health insurance society. Each overseas company has developed its own safety and health system in accordance with the laws of each country. The Safety and Health Management Department coordinates safety and health activities in Japan and overseas, which contributes to raising the level of safety and health throughout the Group.

* An approach where health insurers and businesses actively collaborate to efficiently and effectively implement disease prevention and health promotion for insured employees based on a clear division of roles and a good workplace environment.



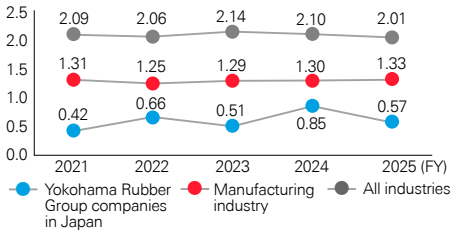
Safety assessment by executive management

Occupational Safety and Health Management System

We have acquired certification for our Occupational Safety and Health Management System (ISO 45001) at 16 out of our 20 domestic and overseas business sites, with three sites renewing their certification and two sites becoming newly certified in fiscal 2025 (with certification maintained at the other sites). Through continuous improvement of the management system and the operation of the PDCA cycle, we will further enhance our safety and health foundation.

Frequency of Occupational Accidents (Lost-Time Injury Frequency Rate)

The frequency of occupational accidents (Japan) in fiscal 2025 was 0.57. We will continue our efforts to achieve zero occupational accidents and zero risks.



* Lost-time injury frequency rate = (number of occupational accidents / total working hours) × 1,000,000 hours
* All figures in the data represent annual aggregated values (from January to December)
* Figures for all industries (excluding general contracting business) and the manufacturing industry are based on the "Survey on Industrial Accidents" statistical table released by the Ministry of Health, Labour and Welfare

Initiatives Toward Safe and Healthy Workplace Environments

Enhancing Equipment Measures

We are strengthening safety measures by systematically conducting risk assessments for all equipment and operations, and by continuously reviewing and improving them. We have established a system for monthly follow-up on the number of risks and improvements, and constantly monitor the progress of safety measures. Safety assessments by executive management are conducted at our domestic plants to further strengthen safety measures. In addition, we are enhancing Company-wide implementation of accident countermeasures to prevent recurrence of similar accidents.

Developing Safety-Conscious Human Resources

Aiming to develop each employee's sensitivity to danger, we conduct hazard prediction training (KYT) every day, along with near-miss (hiyari-hatto) identification and improvement activities involving all employees, as well as experiential training called "Taikan Dojo." In addition, supervisors talk with workers one-on-one for close communication to help them to understand the meaning of each task so that they are able to act safely on their own discretion. Furthermore, we also invite employees of partner companies to participate in the Group's safety awareness improvement activities to deepen their understanding of our safety activities and strengthen cooperation, so that together we can build a safe work environment and achieve zero occupational accidents.

Improvements in Workplaces

We aim to realize a safe and comfortable working environment by promptly responding to legal revisions. At workplaces handling chemical substances, we conduct chemical risk assessments to prevent health disorders. We also ensure that equipment is put in place to maintain comfortable conditions, personal protective equipment is provided, and working methods are improved and maintained, based on environment measurement results. As a part of measures against heat stroke, which has become increasingly serious in recent years, we are measuring WBGT (heat index) values at our workplaces and implementing measures such as insulating roofs, discharging hot air, and improving air conditioning. In addition, we have established and disseminated information on response systems and communication networks to prevent workers at risk of heat stroke from developing severe symptoms.

Development of Standard Work Manuals

We systematically conduct open work observation and continually review work processes to identify unsafe processes and behaviors, and are working on the development of standard work manuals. At workplaces with workers from overseas, we are building safe work environments by adding their native languages to the standard work manuals. We have also begun using videos to help employees better understand work procedures.

Promoting Both Physical and Mental Health

We are working to improve mental health through management of working hours via an attendance management system, interviews, guidance, and work improvement suggestions for employees working long hours, and education for improving communication skills including attentive listening training classes. For employees on long-term leave due to mental health issues, we support a planned return to work and gradually lift work restrictions after their return to fully support their reintegration into the workplace. In order to improve employees' health, we also conduct activities to help employees quit smoking, hold seminars on physical fitness, conduct monthly education sessions aimed at improving health literacy, and hold annual training for managers at all offices and workplaces.

Prevention of Traffic Accidents

To ensure the safe commuting of employees, we conduct traffic safety seminars and activities to raise awareness in collaboration with local police departments to encourage greater attention to traffic safety.