Environment: Contribution to a Decarbonized Society and Circular Economy

**The Yokohama Rubber Group positions "Contribution to a Decarbonized Society and Circular Economy" as one of its most material management issues.
We aim to realize a sustainable society and achieve sustainable corporate growth by reducing environmental impact and making effective use of resources throughout the entire value chain.**

Basic Approach

We aim to minimize the burden on the environment in accordance with the Yokohama Rubber Basic Environmental Policy, the Yokohama Rubber Environmental Policy, and the Yokohama Rubber Group Action Guidelines. We promote the development and introduction of environmental technologies, work with stakeholders to reduce atmospheric emissions throughout the value chain, and strive to expand the use of renewable and recycled raw materials in our products. Based on the belief that sustainability activities should be compatible with corporate growth, we will proceed with environmental investments in accordance with the same investment recovery discipline as ordinary investments, ensuring long-term profitability.

Yokohama Rubber Basic Environmental Policy, Yokohama Rubber Environmental Policy, and Yokohama Rubber Group Action Guidelines
https://www.y-yokohama.com/global/sustainability/environment/natural/

Contribution to a Decarbonized Society and Circular Economy: Fiscal 2025 Progress and KPIs

Metrics (KPIs)	Targets	FY2025 Results	Evaluation
Reduction of greenhouse gas emissions (Scope 1+2)	・FY2026: 30% reduction compared to FY2019 ・FY2030: 40% reduction compared to FY2019 ・FY2050: Achieve carbon neutrality	10.2% reduction compared to FY2019	Behind
Percentage of electricity used by the Company from renewable energy sources	・FY2050: Achieve 100%	6.8%	Behind
Percentage of renewable and recycled raw materials used	・FY2026: 28% ・FY2030: 40% ・FY2050: Achieve 100% sustainable materials	30.4%	Ahead

Contribute to a Decarbonized Society Through Our Products

We began working to improve the environmental performance of tires in 1996, launched ECO Tire DNA in 1998, and developed BluEarth in 2010, accelerating the spread of fuel-efficient tires. Fuel-efficient tires utilize specialized rubber compounds—with optimized mixtures of materials such as silica—and nano-level blending technology to significantly reduce the energy loss (rolling resistance) caused by tire deformation during driving, thereby lowering fuel consumption and CO_2 emissions.

In addition, in 2023, we introduced the "E+" mark for electric vehicle tires. We are also helping to improve the overall fuel and energy efficiency of vehicles by commercializing aerodynamic technologies that control airflow around the tires and by pursuing technologies to reduce the weight of the tires themselves.

Furthermore, we are promoting the development of products for a decarbonized society, such as flame-retardant conveyor belts that reduce running resistance to achieve lower energy costs and CO_2 emissions.

See page 29 for details **Products and Services: Provision of Products and Services that Contribute to a Sustainable Society**

Reduce Greenhouse Gas Emissions and Energy Consumption

Achieving SBT Validation for Greenhouse Gas Emissions Reduction Targets

To strengthen our efforts to reduce greenhouse gas emissions, we received SBT validation from the Science Based Targets initiative (SBTi) in April 2026, confirming that our reduction targets set for 2035 are scientifically consistent with the Paris Agreement.

Using 2024 as the baseline year, the validated targets are to reduce total direct and indirect emissions (Scope 1 and Scope 2) associated with our business activities by 63.0%, and to reduce total indirect emissions across the entire supply chain (those Scope 3 emissions from purchased products and services, as well as fuel and energy activities) by 37.5%.

To achieve our set targets, we will promote the installation of solar power generation systems and the use of electricity generated from renewable energy sources at our domestic and overseas factories, while continuing to disclose and reduce indirect emissions to further accelerate the reduction of greenhouse gas emissions across our entire supply chain.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Reducing Energy Consumption

To reduce greenhouse gas emissions and prevent resource depletion, we comply with international agreements on proper energy use, regulations in each country where we operate, and the policies of relevant organizations, and promote proper energy use and reduction activities.

At our production sites, we are actively pursuing system improvements (development of energy-saving vulcanization systems, use of cogeneration), savings improvements (expansion of LED use, improvement of equipment operating rates), and process improvements (optimization of rubber mixing processes). Furthermore, as a company-wide initiative including departments outside of production sites, we are implementing the "1% annual in-house improvement activity," which continuously reviews and improves equipment, machinery, and transportation processes.

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Promoting Solar Power Generation at Production Sites in Southeast Asia

In addition to our steady energy-saving efforts—such as improving the efficiency of factory equipment and optimizing operations to simultaneously reduce costs and cut CO_2 emissions—we are also actively promoting environmental investments that ensure long-term profitability in accordance with the same investment recovery discipline as ordinary investments.

In fiscal 2025, we established new solar power facilities at Yokohama Tire Philippines, Inc. (YTPI) in the Philippines and Yokohama Tire Manufacturing (Thailand) Co., Ltd. (YTMT) in Thailand.

The new 7.9 MW solar power facility built at YTPI is expected to reduce CO_2 emissions by approximately 3,600 tons per year. As a result, total power generation capacity, including existing facilities, will reach 11.9 MW, making it the largest solar power facility within the Yokohama Rubber Group.

In addition, the solar power facility built at YTMT has a generating capacity of approximately 4.8 MW and is expected to reduce CO_2 emissions by around 3,000 tons annually.



Solar power facility at YTPI



Solar power facility at YTMT

Contribution to a Circular Economy

To contribute to the realization of a circular economy, we have set a target of using 40% renewable and recycled raw materials by 2030 and 100% sustainable materials by 2050. In addition to conventional recycled rubber, we are promoting the expanded use of a wide variety of raw materials, including wire made from recycled scrap iron, silica derived from non-edible rice husks, and naturally derived resins.

In the field of chemical raw materials, such as synthetic rubber, we are conducting demonstration research to produce butadiene from biomass-derived ethanol, with the aim of reducing dependence on petroleum and cutting CO_2 emissions. As part of a joint project with Zeon Corporation, which was selected for NEDO's Green Innovation Fund Projects, we are working to establish advanced manufacturing technologies with the cooperation of the National Institute of Advanced Industrial Science and Technology (AIST) and other organizations. Starting in 2026, we will begin collecting data using a bench-scale facility at Zeon's Tokuyama Plant, with the goal of implementing the technology in society by the 2030s.

In addition, in support of a project by Japan Race Promotion Inc., we have been supplying racing tires made from renewable and recycled raw materials since 2023. In 2025, we achieved a renewable and recycled raw material ratio of approximately 46%* by incorporating plant-based compounds and recycled rubber, among other materials. We will continue to supply these tires through 2030, balancing environmental considerations with improved driving performance.

Furthermore, as part of our efforts to conserve resources throughout the product lifecycle, we are promoting the widespread use of retread tires for trucks and buses. By replacing the worn rubber surface (tread) and reusing the tire casing, we are significantly reducing resource consumption and CO_2 emissions compared to manufacturing new tires. We will continue to promote these initiatives across the entire value chain and contribute to the realization of a circular economy.

* Average value for dry and wet tires



Butadiene rubber produced from biomass

See page 31 for details Column: Developing Products that Solve Social Issues
See page 46 for details Motorsports Activities

Response to TRWP and 6PPD

Recognizing Issues and Industry Collaboration

We recognize that addressing the environmental impact of tire and road wear particles (TRWP) produced while driving and 6PPD (an anti-aging agent used in tires) is a critical management issue.

In collaboration with industry organizations such as the Tire Industry Project (TIP) under the World Business Council for Sustainable Development (WBCSD), as well as the Japan Automobile Tyre Manufacturers Association (JATMA) and the U.S. Tire Manufacturers Association (USTMA), we are actively participating in scientific impact studies and the establishment of standardized evaluation test methods.

TRWP Reduction Initiatives of the Japan Automobile Tyre Manufacturers Association, Inc.
https://www.jatma.or.jp/environment_recycle/trwpreductioninitiatives.html

Source Control and Research on Alternatives Through Technological Development

Through our proprietary technological development, we are working to reduce the environmental impact caused by TRWP and 6PPD.

Measures for TRWP:

Through the AI utilization framework HAICoLab, we have achieved a high-level balance between safety (grip performance) and environmental performance (wear resistance). By improving the accuracy of wear progression predictions, we are promoting product designs that reduce particle generation.

Measures for 6PPD:

We are working with industry associations to evaluate and explore alternatives to anti-aging agents (such as 6PPD) and their transformation products, which are essential for tire longevity and safety. While placing top priority on product safety and quality, we strive to establish material technologies with a lower environmental impact.