

## Social Aspects

36	With Employees
40	With Society
45	With Suppliers
46	With Shareholders and Investors
47	With Customers

## With Employees

### Creating a safe, clean, enjoyable workplace

#### Our Basic Objectives Concerning People

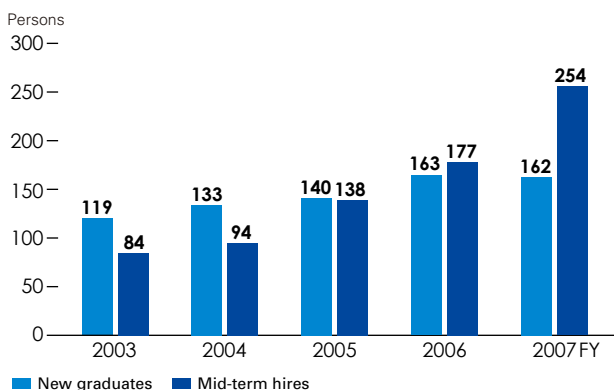
Under a management policy of "creating a workplace that values, improves and energizes people," Yokohama Rubber aims to create an environment where all employees can develop necessary abilities and fully demonstrate them, together with a workplace where they can balance their working and personal lives. The company also strives to develop human resources who can work globally to realize the business and technology strategies of the GD 100 plan.

#### Use of Human Resources

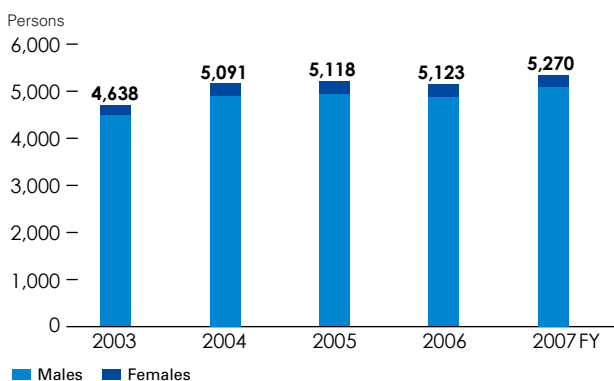
##### Hiring

Adopting a long-range perspective and in accordance with the needs of the business, we combine the steady hiring of new graduates with employment of experienced workers. We employ various persons for fixed terms at our plants, but we also make efforts to hire many of them as permanent employees, as they acquire sufficient experience.

##### Trend in number of hires



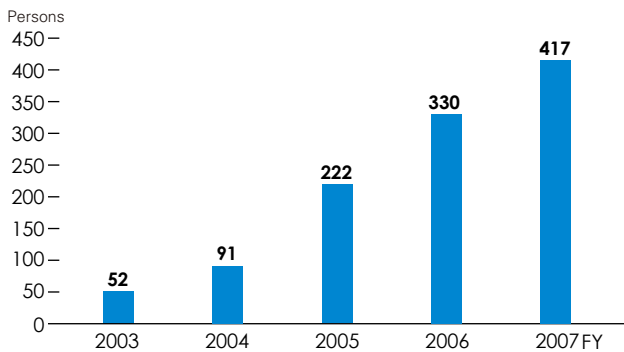
##### Trend in number of employees



### Employment of "Veterans"

Employees hired under the "Partner Program" – introduced in April 2006 to reemploy workers who had reached the mandatory retirement age of 60 – numbered 417 as of the end of March 2008. In FY 2007, 75% of the mandatory retirees were rehired, remaining active as "Meisters" with high levels of technical skills to be passed on to younger employees.

#### Trend in number of workers reemployed

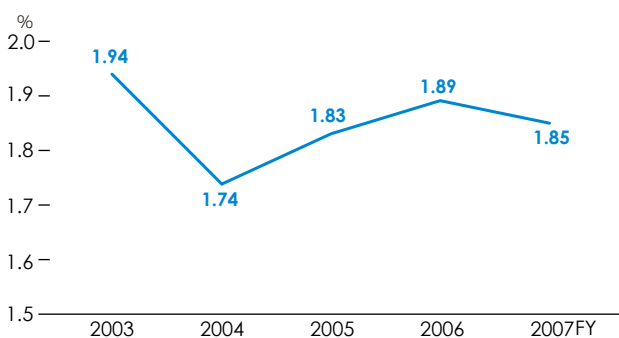


An employee who has been accredited as a technological Meister trains junior employees (Mie Plant).

### Employment of the disabled

We also employ people with disabilities at our production facilities.

#### Trend in proportion of persons with disabilities



### Development working environment

#### <Childcare leave scheme>

Rules on childcare leave were established in 1992, basically providing support for employees with children less than a year old. Arrangements for reduced working hours have also been made for parents of preschool children, and employees with children up to the third grade can take advantage of staggered working hour arrangements.



An employee using the childcare leave program (PC & LT Tires Products Planning Dept.)

#### Trend in number of persons taking childcare leave scheme (Unit: persons)

2003	2004	2005	2006	FY2007
9	4	11	16	13

#### <Nursing care leave scheme>

Since April 1994, we have provided support for employees with family members requiring ongoing nursing care, such as reduced working hour arrangements. Child nursing leave for parents of sick children has also been expanded to include parents of elementary school children. (Under statutory requirements, only parents of preschool children must be included.)

#### Trend in number of persons taking nursing care leave scheme (Unit: persons)

2003	2004	2005	2006	FY2007
0	1	3	0	0

#### <Measures against sexual harassment>

The company has a fundamental commitment to maintaining a workplace free of sexual harassment, and a counseling service has been set up to deal with complaints and requests for advice. The system is also included in the Personnel Corner on the intranet.

#### <Mental health care>

We survey all employees for stress and feed the results back to them, so that they can be aware of their own conditions. We also provide employees with access to counseling by psychiatrists and specialist counselors, both in person and by phone. And in order to prevent physical disorders as a result of overwork, an occupational health physician is available to meet with anyone who desires it.

#### <Leave for volunteer activities>

In April 2008, we established a leave program that facilitates employees' participation in volunteer activities.

### Development of Human Resources

Based on our belief that individual growth translates into corporate growth, a training program has been put in place to develop “professional human resources” – people who display ability, are highly motivated, maintain a broad outlook, and have a positive effect on those around them.

#### Development of core human resources

Employees are encouraged to develop the mindset necessary to do business in the global marketplace, and to acquire level-specific leadership, presentation, negotiating, and other skills.

#### Domestic and overseas external study program

In order to develop personnel with high degrees of specialist knowledge and broad outlooks, arrangements have been established to enable employees to undertake postgraduate study at graduate schools in Japan and abroad, and to join outside research institutes on a temporary basis. Two or three employees undertake external study in this way each year.

#### “C2S” development-oriented personnel program

“C2S” stands for “Challenge & Communication System,” which is aimed at revitalizing both the organization and individuals through fair-minded treatment of employees based on information that is as objective as possible. At the beginning of an evaluation period, each employee talks with their superior and sets their own performance targets. The two then meet again at the end of the period to assess results, achievements and growth.

#### Repertory and tradition of skills and techniques

High-achieving employees with advanced, specialist skills needed to enhance operations are accredited as “advanced specialists,” to concentrate on the appropriate technical activities (as of March 2008, there were 24). Technical workers who are capable of using their specialist skills and knowledge to provide guidance to junior workers are accredited as “technical Meisters” (as of March 2008, there were 31).

#### Scholarships for acquisition of official qualifications

In order to encourage more employees to obtain official qualifications essential to our business operations and that are difficult to acquire, a scholarship program has been established.

#### Training system

Training for Next-Generation Managers	Training for Senior Managers
<b>Level-specific training</b>	Training for new hires and new-recruit follow-up training Leadership training Training for newly appointed management-track employees Training for general managers Senior training
<b>Job-based training</b>	Improvement of workplace problem-solving skills
<b>Skills development training</b>	Global human resource development Development of general business skills Development of particular and specialist skills
<b>Training for all employees</b>	Training in corporate ethics and compliance
<b>Self-development support training</b>	Language training Correspondence training
<b>External study program (individual goals)</b>	Domestic external study program Overseas external study program

#### MD group activities

MD stands for muda-dori – “waste reduction” in Japanese. MD activities are carried out throughout the production sector of the group, including overseas subsidiaries, to promote effective use of time, materials, space, inventories, etc.



The Niko Niko Shimbun at the Ibaraki Plant. MD activities are introduced in every issue.

### State of Labor-management Relations

Recognizing that the growth of the company and stability in workers' lives are in the interests of both labor and management, arrangements for joint labor-management consultations on a wide range of matters concerning employment, working conditions, and fringe benefits have been established. Worker-management councils include the

Central Labor-Management Council, regional labor-management councils at the level of individual business establishments, and also various other worker-management committees, which deliberate on and confirm numerous important issues.

## Creating a Safe Workplace

Having formulated a basic policy on safety and health management and key measures, we are making our utmost efforts at all business establishments.

Basic Policy
<p>Safety is a fundamental concern that underlies everything.</p> <p>As the starting point in creating a safe workplace, every employ of the Yokohama Rubber Group shall always put safety above all else and strive to create a safe, accident-free workplace under the firm leadership of managers and supervisors</p>
Key Measures
<ol style="list-style-type: none"> <li>1. Ensuring the safety of all equipment/facilities</li> <li>2. Development of safe human resources</li> <li>3. Creating of a comfortable workplace</li> <li>4. Health and fitness in mind and body</li> <li>5. Preventing of road accidents</li> </ol>

### Implementing key measures

#### <Ensuring the safety of all equipment/facilities>

Using a risk assessment method, we determine all potential risks in regard to equipment/facilities, evaluate them, and strive to minimize them. For new equipment/facilities and for modification, we address safety at the design stage and implement a risk assessment.

#### <Development of safe human resources>

We aim to develop human resources who are able to understand and recognize danger. While working to train managers, supervisors and leaders who can develop such safety-oriented employees, we encourage everyone working at production sites to join the efforts to prevent accidents, etc.

#### <Creating of a comfortable workplace>

In order to keep the working environment pleasant, we strive to develop/improve facilities, work processes and methods, and to provide facilities where employees can relieve stress and refresh themselves.

#### <Health and fitness in mind and body>

To prevent physical disorders caused by overwork and stress, we endeavor to grasp the reality of working hours through a working management system, and to improve working conditions for those working long-term. In the area of mental health, we have established a "Returning to Work" program, including care after illness.

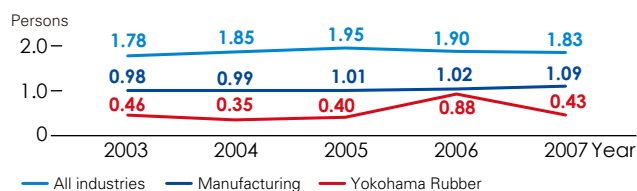
#### <Preventing of road accidents>

Activities of the company's traffic safety groups have been reinforced at each site, with a special focus on preventing occupational and traffic accidents during commuting. We also carry out educational activities in cooperation with local police and traffic-safety organizations.

### Industrial accidents

The rate of lost-work-time injuries\* in 2007 was considerably lower than in the year before. In order to totally eliminate accidents wherein people are "caught in a machine" – a description that accounts for half of all accidents – we have carried out thorough risk assessments and are working on improvements, starting with situations involving the highest degrees of risk.

#### Frequency of industrial accidents

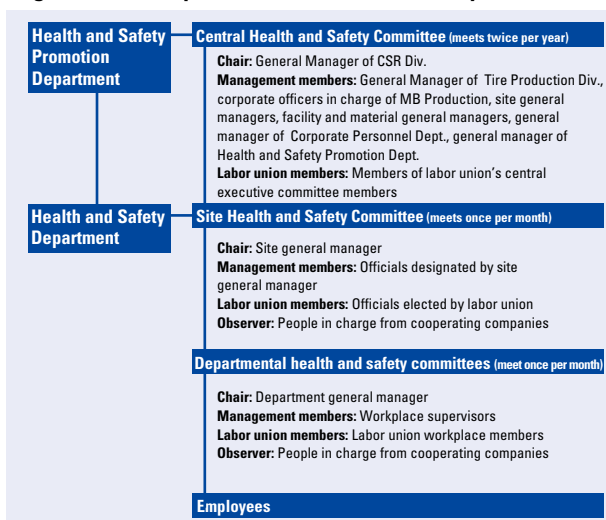


\* Lost-worktime injuries = (number of work accidents / total hours worked) x 1,000,000 hours  
Data on manufacturing and on all industries (except general contractors) are from Survey on Industrial Accidents.

### Industrial health and safety promotion framework

Below the Central Health and Safety Committee, there are site health and safety committees (mandatory) at each business establishment, and departmental health and safety committees in each department and workplace – each reflecting concerted efforts by labor and management. We also ask companies with whom we deal to participate in activities of the relevant committees.

#### Organizations responsible for health and safety



### Companywide safety and disaster-prevention rallies

Companywide Safety and Disaster-Prevention Rallies have been carried out since FY 2005 to inspire employees in rebuilding a safe workplace environment, and in their disaster-prevention preparedness. Since FY 2007, overseas plants have also held such rallies.