



April 28, 2025

Company name: The Yokohama Rubber Co., Ltd.
 Representative: Masataka Yamaishi, Chairman & CEO,
 Chairman of the Board
 (Securities code: 5101 TSE Prime Market)
 Inquiries: Kazuhiro Masuda
 Head of Legal Dept.
 (Telephone: +81-463-63-0429)

Notice regarding Disposal of Treasury Stock as Restricted Stock Compensation

The Yokohama Rubber Co., Ltd. (hereinafter, Yokohama Rubber, or the Company) announces that the Company's Board of Directors resolved at a meeting held earlier today to dispose of treasury stock (hereinafter referred to as "treasury stock disposal") as restricted stock compensation, as per the following

1. Summary of the Treasury Stock Disposal

(1)	Disposal date	May 23, 2025
(2)	Class & number of shares to be disposed	60,579 shares of the Company's common stock
(3)	Disposal value	¥3,112 per share
(4)	Total disposal value	¥188,521,848
(5)	Allottees, number thereof, and number of shares to be disposed	Members of the Board of the Company: (Note): 5, 46,596 shares Officers of the Company: 15, 13,983 shares
(6)	Others	The Company has submitted an extraordinary report regarding this treasury stock disposal, in accordance with the Financial Instruments and Exchange Act.

Note: Excludes outside members of the Board and members of the Board who are members of the Audit & Supervisory Committee.

2. Purpose and Reason for the Disposal

At the Board of Directors meeting held on February 19, 2018, Yokohama Rubber resolved to introduce a restricted stock-based remuneration system for the Company's members of the Board (excluding outside members of the Board) with the aim of providing them with stronger incentives to contribute to increasing the Company's stock price and corporate value by having them share the benefits and risks of share price fluctuations with shareholders. At the 142nd Ordinary General Meeting of Shareholders held on March 29, 2018, and again at the 147th Ordinary General Meeting of Shareholders held on March 30, 2023, the Company's shareholders approved proposals that (1) set the total amount of claims for monetary remuneration awarded to the

Company's members of the Board (excluding outside members of the Board and members of the Board who are members of the Audit & Supervisory Committee) under this restricted stock-based remuneration system at up to ¥300 million per year, (2) set the maximum number of restricted shares to be allocated in a given fiscal year under this system at 500,000 shares, and (3) set the period of restriction on the transfer of restricted shares to be determined by the Company's Board of Directors at from 5 years to 30 years.

In accordance with a resolution at the Company's Board of Directors meeting held on March 27, 2020, the Board of Directors resolved to introduce the same restricted stock-based remuneration system to the Company's officers for the same purpose.

At the Board of Directors meeting held earlier today, the Company's members of the Board resolved to grant ¥188,521,848 in monetary remuneration claims from five members of the Company's Board of Directors (excluding outside members of the Board and members of the Audit & Supervisory Committee) and 15 officers (hereinafter referred to as "Eligible Persons") and after Eligible Persons paying all claims through an in-kind contribution method, allot 60,579 shares of the Company's common stock as specified restricted shares to the Eligible Persons as restricted stock compensation for the period from the Company's 149th Ordinary General Meeting of Shareholders to the 150th Ordinary General Meeting of Shareholders scheduled to be held in March 2026. The amount of monetary remuneration claims for each Eligible Person is determined by a comprehensive evaluation of their contributions to the Company. In addition, payment of the monetary remuneration claims shall be subject to a restricted stock allotment agreement (hereinafter referred to as the "Allotment Agreement") between each the Eligible Person and the Company, the contents of which are briefly outlined below.

To realize the restricted stock-based remuneration system's initial purpose of providing the Eligible Persons with stronger incentives to contribute increasing the Company's stock price and corporate value by having them share the benefits and risks of share price fluctuations with shareholders for as long as possible, the transfer restriction period is set at 30 years.

3. Outline of Allotment Agreement

(1) Transfer Restriction Period

May 23, 2025 to May 22, 2055

During the transfer restriction period set forth above (hereinafter the "Transfer Restriction Period"), Eligible Persons to whom restricted shares are allotted (hereinafter referred to as the "Allotted Shares") shall not dispose of the Allotted Shares in any manner, including transfers to a third party, creation of a security interest, creation of a mortgage, advancement and testamentary bequest (hereinafter "Transfer Restrictions").

(2) Gratis acquisition of Restricted Shares

Should an Eligible Person who has been allotted Restricted Shares retire or resign from their position as a member of the Board, officer, or employee of the Company during a period from the starting date of the Transfer Restriction Period to the date preceding the first Ordinary General Meeting of Shareholders of the Company to be held thereafter, the Company will automatically acquire the Allotted Shares without contribution at the time of the Eligible Person's retirement or resignation, except when there is a reason (such as the expiration of the term of office) recognized as justifiable by the Company's Board of Directors.

In addition, if the Allotted Shares include shares for which transfer restrictions have not been lifted in accordance with the provisions for lifting the restrictions in (3) below at the expiration of the Transfer Restriction Period (hereinafter "Expiration Date"), the Company shall automatically acquire such shares without contribution immediately after the Expiration Date.

(3) Lifting of restriction on transfer

The Company will lift the restrictions on the transfer of all Allotted Shares at the Expiration Date on the condition that the Eligible Person who was allotted the Restricted Shares continues to serve as a member of the Board, officer or employee of the Company from the starting date of the Transfer Restriction Period until the date of the first Ordinary General Meeting of Shareholders of the Company held thereafter. However, if an Eligible Person who has been allotted Restricted Shares retires or resigns from their position as a member of the Board, officer, or employee of the Company prior to the end of the Transfer Restriction Period for a reason deemed justifiable by the Board of Directors of the Company (such as expiration of the term of office), the restriction on the transfer of Allotted Shares shall be lifted immediately after said retirement or resignation, and the number of shares for which the transfer restriction will be lifted shall be calculated by dividing the number of months from April 2025 through the month in which the person retires or resigns by 12 (if the result of the calculation exceeds 1, it shall be deemed as 1) and then multiplying the result by the number of Allotted Shares held at the time (any fractional share resulting from this calculation shall be rounded down).

(4) Share management

Allotted Shares will be deposited and held in accounts opened by Eligible Persons with SMBC Nikko Securities Inc. as specified by Company, and the Allotted Shares will remain in the accounts until transfer restrictions are lifted.

(5) Treatment in the case of organizational restructuring

In the event that, during the Transfer Restriction Period, an organizational restructuring—such as merger agreement in which the Company becomes a dissolved entity, a share exchange agreement or share transfer plan under which the Company becomes a wholly owned subsidiary, or similar other organization restructuring—is approved at the Company's General Meeting of Shareholders (or by the Company's

Board of Directors if the organizational restructuring does not need to be approved at a General Meeting of Shareholders), the Company's Board of Directors will resolve to lift restrictions on the transfer of Allotted Shares immediately before the business day preceding the effective date of the reorganization, etc. At that time, the number of shares subject to this lifting shall be calculated by dividing the number of months from April 2025 through the month including the date of approval by 12 (if the result of the calculation exceeds 1, it shall be deemed as 1) and then multiplying that result by the number of Allotted Shares held by Eligible Persons on the date of approval (any fractional share resulting from this calculation shall be rounded down).

In this case, on the business day before the effective date of a reorganization, the Company shall automatically acquire without contributions all remaining Allocated Shares for which the transfer restrictions have not been lifted as of that day pursuant to the above provisions.

4. Basis for calculating the value of shares to be disposed and specific details

To eliminate arbitrariness in determining the price of disposed treasury stock, the Company has set the disposal price at ¥3112 per share, which was the closing price of the Company's common stock on the Tokyo Stock Exchange on April 25, 2025, the business day immediately preceding the date of the Board of Directors' resolution on the disposal of treasury stock. As this price reflects the stock's most recent market value before the resolution, the Board considers it a fair and reasonable price.