The Sumitomo Rubber Group proactively promotes CSR activities under the assumption that not only should efforts be made to raise economic value, but that it is essential to enhance social value as well. These endeavors are undertaken in order to realize sustainable growth and the creation of value, as stated in the Group's VISION 2020 long-term vision.

FUNDAMENTAL PHILOSOPHY OF THE SUMITOMO RUBBER GROUP'S CSR ACTIVITIES

CSR PHILOSOPHY

The Sumitomo Rubber Group carries out its GENKI Activities, which proactively contribute to the environment and communities, in order to become a trusted corporate citizen and part of a sustainable society.

1. Help curb global warming by planting trees 2. Establish better relationships with communities by **GREEN INITIATIVE** planting trees 3. Reduce CO₂ emissions **ECOLOGICAL** 4. Implement worldwide environmental management **PROCESS** 5. Develop environmentally friendly products **NEXT-GENERATION** 6. Pursue safety and comfort, economy, and quality **PRODUCT CSR GUIDELINE DEVELOPMENT** 7. Foster human resource development and make KINDNESS TO jobs rewarding **EMPLOYEES** 8. Create a safe, employee-friendly workplace 9. Achieve a work-life balance 10. Ensure thorough corporate governance **INTEGRITY** 11. Ensure thorough compliance FOR STAKEHOLDERS 12. Promote dialog with stakeholders ntegrity 13. Keep social contribution in constant motion

trees have been planted since 2009

of our domestic factories have switched from heavy oil to cleaner natural gas as boiler fuel

of the Group's production facility waste is disposed of in landfills

CSR Topics

A Hands-on Approach to Green Initiatives

To commemorate its 100th anniversary in 2009, the Group commenced the "One Million Trees Project for Local Forests," aiming to plant one million trees over the next 20 years at its production bases and in their neighboring areas in Japan and overseas. We achieved the project's initial target of planting one million trees in 2012 well ahead of schedule and are now well on the way to achieving a new target of planting a further one million trees. With Group employees spearheading the tree planting, we welcomed their families, former employees and local residents to join us in executing the project. In 2012, a total of 2,300 people in Japan and 2,400 people overseas participated in such planting activities. In addition to tree planting,

other Sumitomo Rubber Group "green initiatives" that entail Group employees using their own hands include weeding and the development of biotopes aimed at promoting biodiversity.



Contributing to the Environment and Society

Sumitomo Rubber Industries is proactively involved in activities aimed at contributing to communities, society and the environment on a Groupwide basis. For example, we dispatch volunteers, donate funds and cosponsor charity events with the aim of supporting areas devastated by disasters. Moreover, the Group is engaged in cleanup activities around its business sites nationwide, participates in blood donation campaigns, supports education for children, conducts national tire safety inspection campaigns and strives to interact meaningfully with people in local communities. The range of such activities expands each year and encompasses our business sites overseas in addition to those in Japan.

Also, the Sumitomo Rubber Group maintains an in-house CSR commendation system to identify and reward activities deemed to be of particular excellence. Every December, we bestow "Environmental

Contribution" and "Social Contribution" awards to outstanding performers in the "Workplace Award" and "Individual Award" categories. In 2012, there were 29 candidates for such commendation.



CSR Fund Granted

In July 2009, Sumitomo Rubber Industries established the Sumitomo Rubber CSR Fund to support various activities aimed at addressing such socially important issues as the global environment. As part of such initiatives, Sumitomo Rubber Industries introduced a matching-gift program in which the Company deducts ¥200 each month from the salaries of participating employees as a donation to the fund, matching these contributions with an equivalent donation. The scope of organizations that the fund helps subsidize includes: environmental preservation activities, including biodiversity promotion; disaster relief; traffic safety; and finding solutions to social issues besetting the communities around individual Group business sites. In the year under review, the Group expanded both the number and the geographical distribution of subsidy recipients. Specifically, in this third round of subsidies granted in July 2012, the

number of recipients grew from 17 organizations to 27 organizations in six locations in Fukushima Prefecture, Tokyo, Aichi Prefecture, Osaka Prefecture, Hyogo Prefecture and Miyazaki Prefecture.



CSR Procurement

In addition to the expansion of Green Procurement, there is a growing trend toward incorporating such themes as compliance assurance, human rights protection and sound labor practices in procurement activities. Reflecting this, the Sumitomo Rubber Group issued the fourth edition of its *Procurement Guidelines*, setting forth guidelines for CSR activities that the Company asks its suppliers to perform or cooperate with it in executing. Simultaneously, the Company requested each supplier to fill out questionnaires aimed at assessing the status of their CSR efforts. Based on the results of these questionnaires, the Company held training sessions for its suppliers on nine occasions during the year under review.

Going forward, the Sumitomo Rubber Group will build on its harmonious and cooperative relationships with its suppliers to

continuously expand the scope of its CSR activities along its entire supply chain. At the same time, the Group will work to further promote CSR initiatives on its own as its customers' trusted supplier.



For details on the Group's CSR activities, please read the *Sumitomo Rubber Group CSR Report*, which is also available on the Group website.

http://www.srigroup.co.jp/english/csr/index.html