

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.		
CSR GUIDELINE	G _{reen}	GREEN INITIATIVE	<ol style="list-style-type: none"> 1. Help curb global warming by planting trees 2. Establish better relationships with communities by planting trees
	E _{cology}	ECOLOGICAL PROCESS	<ol style="list-style-type: none"> 3. Reduce CO₂ emissions 4. Implement worldwide environmental management
	N _{ext}	NEXT-GENERATION PRODUCT DEVELOPMENT	<ol style="list-style-type: none"> 5. Develop environmentally friendly products 6. Pursue safety and comfort, economy, and quality
	K _{indness}	KINDNESS TO EMPLOYEES	<ol style="list-style-type: none"> 7. Foster human resource development and make jobs rewarding 8. Create a safe, employee-friendly workplace 9. Achieve a work-life balance
	I _{ntegrity}	INTEGRITY FOR STAKEHOLDERS	<ol style="list-style-type: none"> 10. Ensure thorough corporate governance 11. Ensure thorough compliance 12. Promote dialog with stakeholders 13. Keep social contribution in constant motion

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.

1,485,000

trees have been planted since 2009

100%

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

0%

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

CSR Topics

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. Under this project, Group employees gather seeds, raise them into seedlings and plant them in nearby mountain areas with the aim of preserving biodiversity. Also, the Group is setting aside a portion of sales returns from specific tire products to fund the planting of mangrove trees. As part of the project, local residents are invited to interact and work hand in hand with employees in forest development activities. The One Million Trees Project for Local Forests thus encompasses a variety of initiatives, and employees from domestic and overseas business sites have proven enthusiastic participants. As of the end of 2014, the number of trees planted reached 1,485,000.



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 recognize 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 2014, there were 30 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 the fifth round of subsidies granted in April 2014, the number of recipients grew from 29 organizations to 32 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 has compiled Procurement Guidelines encompassing the CSR Code of Conduct, wherein the Company calls for its suppliers to perform CSR activities or cooperate with it in its pursuit of these activities. In addition, the Company periodically provides suppliers with CSR-themed training sessions that reflect issues brought to light by the questionnaires routinely sent out to each supplier in order to assess their CSR efforts. 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>