

Identifying Priority Issues and Promoting Dialogue with Stakeholders

Taking into account international guidelines and stakeholders' views, we determined priority issues to be tackled through our activities.

Having determined priorities in the indicators of the Activity Guidelines, we will push ahead further with these initiatives.

Priority Issue Identification Process

Our organized efforts to energize sustainability activities and become a corporate group deserving of society's trust date back more than a decade. In fiscal 2008, we formulated our Activity Basic Philosophy along with Activity Guidelines that specified five areas, namely, "Green (Green initiative)," "Ecology (Ecological process)," "Next (Next-generation product development)," "Kindness (Kindness to employees)" and "Integrity (Integrity for stakeholders)," comprising 13 indicators.

In fiscal 2011, we identified the priority issues among these 13 indicators in light of their materiality.

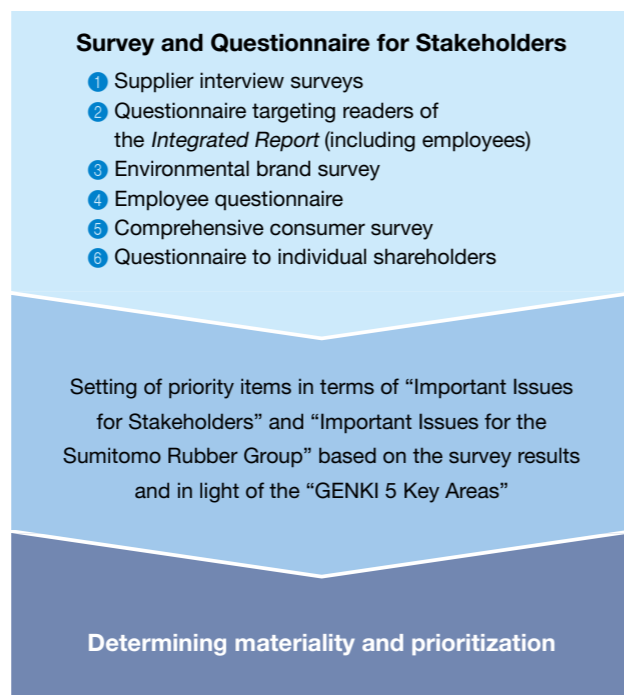
In fiscal 2014, we worked to update these priority issues, taking into account changes in the business environment and resulting impacts on stakeholders and society.

In fiscal 2015, we further refined the priority of the issues to be addressed with reference to the requirements of the "GRI Guidelines (G4)" and based on a survey of various stakeholders.

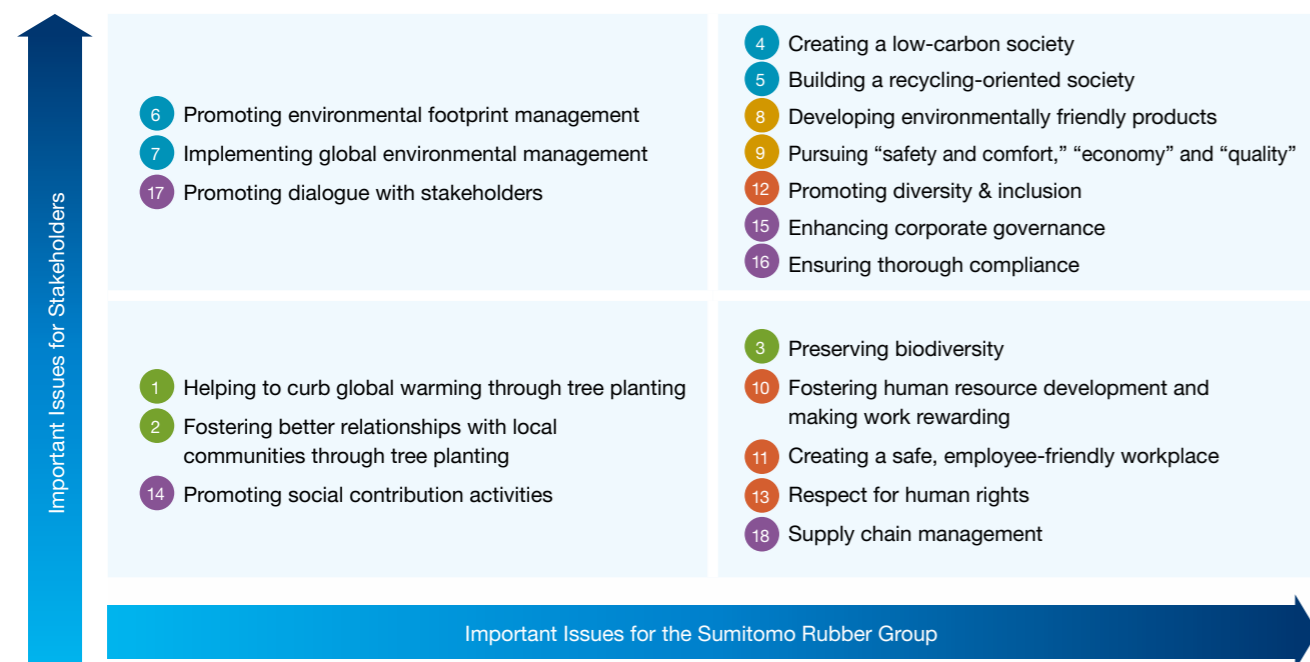
Embarking on fiscal 2021, we merged together "Achieving a good work-life balance" and "Promoting diversity" into "Promoting diversity & inclusion." This current total of 18 indicators has again been updated according to priority.

This report presents the results of efforts aimed at attaining our targets for each indicator.

* Global Reporting Initiative: An international organization that issues CSR reporting guidelines. Currently issues the GRI Standards.



18 Indicators Included in "GENKI" Activity Guidelines and Priority Issues



Stakeholder Dialogue

We periodically carry out surveys to learn about the various opinions and expectations of stakeholders, and, while taking their views into account, we also place importance on daily dialogue with stakeholders in pursuing our business activities.

We are conscious of our responsibilities towards stakeholders, and are working to promote communications through a variety of means.

How We Communicate with Stakeholders

	Features	Main responsibilities	Communications method
Customers 	Automobile manufacturers, manufacturing companies, sales companies, sports facilities, etc.	<ul style="list-style-type: none"> Quality management Development of safer products Safe driving awareness Providing product information and services 	<ul style="list-style-type: none"> Customer consultation and service contact Customer response through service and sales departments Providing information via website and other media Exhibitions and events, etc.
Business partners 	Rubber raw materials manufacturers, other materials manufacturers, trading companies, processing companies, etc.	<ul style="list-style-type: none"> Fair and reasonable procurement CSR procurement 	<ul style="list-style-type: none"> Dialogue through day-to-day business Confirmation visits to procurement partners, and feedback Questionnaires to procurement partners Explanatory meetings, etc.
Local community 	Residents, municipalities, local government, educational institutions, and other organizations near factories and offices	<ul style="list-style-type: none"> Social contribution activities Green initiatives Preserving biodiversity 	<ul style="list-style-type: none"> Participation in local events Cooperation with NGOs and NPOs in social contribution activities Participation in economic and industry organizations Dialogue with local governments, etc.
Shareholders and investors 	Number of shareholders: 41,177 (individual and institutional investors, etc.) (as of December 31, 2020)	<ul style="list-style-type: none"> Return of profits to shareholders Enhancement of corporate value through dialogue with shareholders and investors 	<ul style="list-style-type: none"> General meeting of shareholders Timely disclosure of news releases and publications Issuance of financial information including fact books and shareholder communications Providing information via website and other media Results briefings, etc.
Employees 	Sumitomo Rubber Group: 39,298; Sumitomo Rubber Industries: 7,371 (male employees: 6,530, female employees: 841) (as of December 31, 2020)	<ul style="list-style-type: none"> Fostering human resources Occupational health and safety Health management Diversity in employment Consideration of work-life balance Consideration of human rights Dialogue with employees 	<ul style="list-style-type: none"> Providing information through internal newsletters, intranet, etc. Consultation with labor-management councils and employee representatives Compliance consultation service Round-table discussions with president to exchange views with management Integrated Report questionnaire, etc.