

Corporate Governance

Basic Perspective

Sumitomo Rubber Industries' basic management policy is to enhance not only its economic value but also its societal value and to contribute to the development of a sustainable society by ensuring that "Our Philosophy" is the foundation for all decision making and the starting point for all actions. Under this policy, the Company considers the enhancement of corporate governance to be one of its major management objectives.

We are thus engaged in initiatives aimed at realizing this objective and, to this end, endeavoring to secure overall management efficiency, strengthen the relationship of trust between us and society and improve the Company's operations in terms of fairness and transparency. Based on the above convictions, we have established the following basic approaches in terms of the further enhancement of corporate governance.

- ① Develop an environment that protects the rights of shareholders and helps them exercise such rights
- ② Strive to improve corporate value via sound collaboration with a

broad range of stakeholders

- ③ Disclose the Company's financial and non-financial information in an accurate and timely manner
- ④ Work to enhance the content of discussions undertaken by the Board of Directors regarding management policies, medium- to long-term business planning and other matters related to the general direction of the Company by establishing the Management Meeting, which is tasked with deliberating a large proportion of business execution matters. In addition, strive to secure fairness in the Board of Directors' operations via rigorous audits by standing and outside Audit & Supervisory Board Members as well as the objective supervision offered by independent outside directors
- ⑤ Endeavor to achieve the sustainable improvement of corporate value via engagement in shareholder dialogue

Reasons for Adopting the Current Corporate Governance Structure

We adopted a Company with an Audit & Supervisory Board governance system and consider the audit functions the Audit & Supervisory Board and its members currently provide to be a matter of critical importance to the development of an integrated management framework encompassing the entire Sumitomo Rubber Group. These functions are also essential to strengthening our relationship of trust with society and enhancing the transparency of the Group's overall governance and business operations. As part of its efforts to enhance corporate governance, since 2016 the Group has voluntarily maintained the Nomination and Remuneration Committee, an advisory body to the

Board of Directors. The majority of committee membership is accounted for by independent officers, with an Independent Outside Director acting as the committee chair. This committee is tasked with improving the objectivity and transparency of officer candidate selection and other key procedures. Moreover, we have appointed five Independent Outside Directors and distribute questionnaires targeting Directors and Audit & Supervisory Board Members to identify issues to be addressed going forward. The implementation of these and other measures ensures that the Board of Directors' effectiveness is continually enhanced.

Overview of the Governance Structure

(Fiscal year ended December 31, 2023)

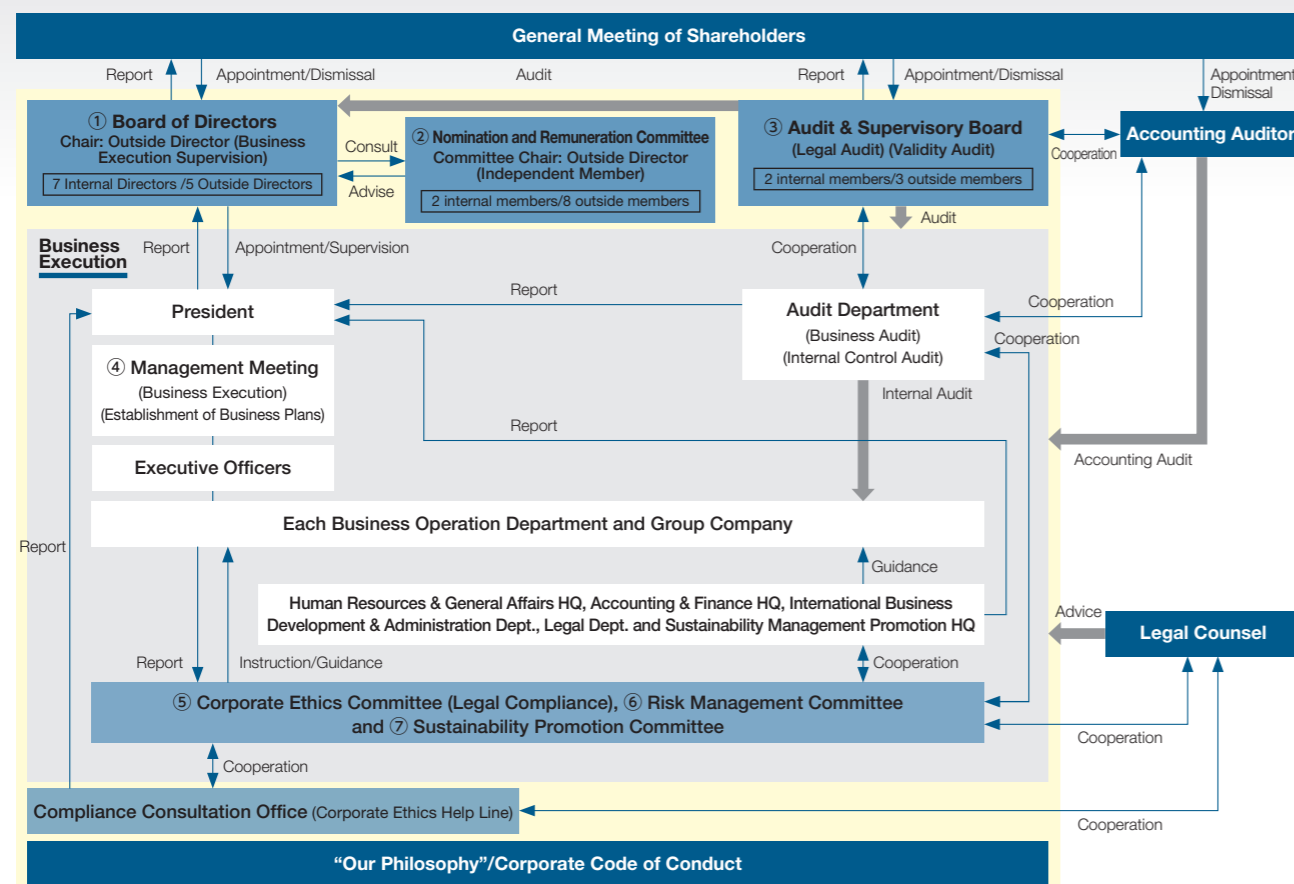
Organizational design	A Company with an Audit & Supervisory Board
Directors (Outside Directors)	11 (4)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	5 (3)
Term of Directors	1 year
Executive Officer System	Yes
Number of Board of Directors Meetings Held	15
Number of Audit & Supervisory Board Meetings Held	12
Advisory Body to the Board of Directors	Nomination and Remuneration Committee
Officer Remuneration System	Fixed remuneration, short-term performance based remuneration and medium- to long-term incentives
Accounting Auditor	KPMG AZSA LLC

History of Changes in the Governance System

2003	Established the "Rules Concerning Systems & Organizations for the Promotion of Corporate Ethics" and the "Corporate Code of Conduct" while instituting the "Corporate Ethics Committee"
2003	Introduced an Executive Officer System
2004	Promoted separation between management supervision and business execution and clarified responsibilities and authorities to be borne by each business in order to develop an agile management structure capable of swiftly adapting to changes in the environment
2004	Established a "Compliance Consultation Office" under the President's direct supervision and appointed an external lawyer to serve as an external contact for consultation, with the aim of ensuring the earlier detection of corporate misconduct
2006	Established the "Basic Policy on the Internal Control System (the basic policy for a system that performs the functions necessary to ensure the ongoing propriety of business)"
2013	Initiated meetings with institutional investors
2013	Began holding exchanges of opinions with institutional investors regarding corporate governance in order to further enhance corporate value
2015	Initiated the adoption of the Corporate Governance Code
2015	Established the Nomination and Remuneration Committee
2015	Voluntarily established the Nomination and Remuneration Committee, an advisory body to the Board of Directors, to secure the transparency and objectivity of procedures for nominating officer candidates and determining officer remuneration
2016	Began conducting questionnaires to evaluate the Board of Directors' effectiveness (in 2021, conducted a third-party evaluation for the first time)
2020	Began issuing the Integrated Report
2020	Established "Our Philosophy," a corporate philosophy structure
2021	Formulated a Skills Matrix for Directors and Audit & Supervisory Board Members
2021	Formulated a skills matrix that lays out the skills of Directors and Audit & Supervisory Board Members needed for the Company to achieve the goals of the Mid-Term Plan
2022	Introduced a stock-based remuneration system designed to offer the Company's shares with transfer restrictions
2023	Appointed an Independent Outside Director as Chair of the Board of Directors

Corporate Governance Structure

(As of March 28, 2024)



① Board of Directors 15 meetings in fiscal 2023
All Directors and Audit & Supervisory Board Members: 100% attendance

Chair: Independent Outside Director
Note: Chairman of the Board (non-executive) served as Chair before March 2023

Objectives and roles:

- Determine corporate philosophy, medium- to long-term management plans and other matters related to basic policies for corporate management
- Supervise the execution of Directors' duties
- Formulate the basic policy for and monitor the status of internal control

Main activities in 2023:

- Monitored the progress of the Mid-Term Plan and its issues
- Monitored the status of business execution on a global basis and made decisions to ensure timely and appropriate response
- Confirmed the status of cross-shareholdings and promoted initiatives to reduce such shareholdings
- Conducted questionnaires to confirm the Board of Directors' effectiveness and determined responses to the issues identified via these questionnaires

② Nomination and Remuneration Committee 3 meetings in fiscal 2023
All Committee members: 100% attendance

Chair: Independent Outside Director

Objectives and roles:

- Deliberate on proposals to be submitted to the General Meeting of Shareholders regarding the selection or dismissal of Directors and Audit & Supervisory Board Members in response to requests for consultation from the Board of Directors and provide advice to the latter
- Deliberate on the content of director and executive officer remuneration to be paid to individual recipients in response to requests for consultation from the Board of Directors and provide advice to the latter

Main activities in 2023:

- Deliberated on and determined a draft proposal on Director and Audit & Supervisory Board Member candidates as well as new Executive Officer candidates
- Deliberated on and determined a draft proposal on director and executive officer remuneration
- Deliberated on and determined a draft proposal on the content of stock-based remuneration (granting of the Company's shares with transfer restrictions) for Directors, excluding Outside Directors

③ Audit & Supervisory Board 12 meetings in fiscal 2023
All Audit & Supervisory Board Members: 100% attendance

Chair: Standing Audit & Supervisory Board Member

Objectives and roles:

- Audit the execution of Directors' duties
- Audit financial statements and business reports

Main activities in 2023:

- Attended the Board of Directors and other important meetings and held exchanges of information and opinions with Outside Directors
- Conducted audits of the status of business execution on a global basis in accordance with audit plans and contributed audit observations
- Conducted trilateral audits based on collaboration with the internal audit office and the Accounting Auditor

④ Management Meeting 26 meetings in fiscal 2023

Facilitator: Officer in charge of corporate planning

Participants: Internal Directors, Executive Officers appointed by President, etc.

Objectives and roles:

- Make swift management judgments based on deliberation or reports on important management matters

⑤ Corporate Ethics Committee 4 meetings in fiscal 2023

Chair: President and CEO, Representative Director

Objectives and roles:

- Assess, analyze and evaluate compliance risks
- Plan and implement compliance training
- Investigate root causes of violations and formulate measures to prevent recurrences while disseminating these measures throughout the Sumitomo Rubber Group

⑥ Risk Management Committee 2 meetings in fiscal 2023

Chair: President and CEO, Representative Director

Objectives and roles:

- Investigate and confirm whether business and other risks are properly recognized and addressed, thereby providing supervision over risk management activities
- Investigate and confirm whether the Company's risk management system is functioning effectively

⑦ Sustainability Promotion Committee 2 meetings in fiscal 2023

Chair: Director in charge of sustainability

Objectives and roles:

- Strengthen governance over ESG management by conducting a management review
- Share important Company-wide issues
- Review progress status of the Long-Term Sustainability Policy

Corporate Governance

Directors, Audit & Supervisory Board Members, and Executive Officers (As of March 28, 2024)

Directors

Satoru Yamamoto
President and CEO, Representative Director (President)
Born June 14, 1958
Number of Shares of the Company Held 47,030
Career Summary and Position at the Company
April 1982 Joined the Company
March 2019 President and CEO, Representative Director (President) of the Company (incumbent)

Hidekazu Nishiguchi
Representative Director (Managing Executive Officer)
Born December 8, 1960
Number of Shares of the Company Held 27,400
Career Summary, Position at the Company and Duties
April 1983 Joined the Company
March 2023 Representative Director (Managing Executive Officer) of the Company (incumbent)
[Duties] Supervision of Tire Business and Automotive System Business

Kiyoshige Muraoka
Director (Senior Executive Officer)
Born February 21, 1961
Number of Shares of the Company Held 11,800
Career Summary, Position at the Company and Duties
April 1985 Joined the Company
March 2022 Director (Senior Executive Officer) of the Company (incumbent)
[Duties] Supervision of Technology and Production

Masatsugu Nishino
Director (Senior Executive Officer)
Born February 8, 1962
Number of Shares of the Company Held 18,400
Career Summary, Position at the Company and Duties
April 1984 Joined the Company
March 2022 Director (Senior Executive Officer) of the Company (incumbent)
[Duties] Supervision of Hybrid Rubber Products Business, Human Resources & General Affairs and Legal Affairs

Naoki Okawa
Director (Senior Executive Officer)
Born July 9, 1961
Number of Shares of the Company Held 15,800
Career Summary, Position at the Company and Duties
January 2020 Joined the Company
March 2022 Director (Senior Executive Officer) of the Company (incumbent)
[Duties] Supervision of Financial Strategies and Accounting

Yasuaki Kuniyasu
Director (Senior Executive Officer)
Born September 4, 1969
Number of Shares of the Company Held 3,900
Career Summary, Position at the Company and Duties
April 1992 Joined the Company
March 2023 Director (Senior Executive Officer) of the Company (incumbent)
[Duties] Supervision of Business Strategy, ESG and DX Promotion

Hideaki Kawamatsu
Director (Senior Executive Officer)
Born February 3, 1964
Number of Shares of the Company Held 14,403
Career Summary, Position at the Company and Duties
April 1986 Joined the Company
March 2024 Director (Senior Executive Officer) of the Company (incumbent)
[Duties] Supervision of Sports Business

Keizo Kosaka
Outside Director
Born December 11, 1945
Number of Shares of the Company Held 1,900
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1970 Admitted to the bar and joined Irokawa Law Office
April 1995 Vice President of Osaka Bar Association
January 2001 Irokawa Law Office Representative Partner
June 2006 Outside Audit & Supervisory Board Member of Toyo Aluminum K. K. (incumbent)
March 2009 Outside Director of the Company (incumbent)
June 2012 Outside Audit & Supervisory Board Member of Sekisui Plastics Co., Ltd. (incumbent)
June 2016 Outside Audit & Supervisory Board Member of Techno Associe Co., Ltd. (incumbent)
January 2020 Chairman of Irokawa Legal Professional Corporation (incumbent)
June 2020 Outside Audit & Supervisory Board Member of SEIREN CO., LTD. (incumbent)

Mari Sonoda
Outside Director
Born July 24, 1959
Number of Shares of the Company Held 300
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1982 Joined the Ministry of Finance
July 2010 Director of the Non-Administrative Asset Utilization and Disposition Policy Division, Financial Bureau, Ministry of Finance
July 2012 Director General of General Affairs Division, Federation of National Public Service Personnel Mutual Aid Associations
January 2014 Secretary-General of Secretariat, Specific Personal Information Protection Commission
January 2016 Secretary-General of Secretariat, Personal Information Protection Commission
March 2021 Outside Director of the Company (incumbent)
September 2023 Special Assistant to the Minister of Digital Agency (incumbent)

Takashi Tanisho
Outside Director
Born February 26, 1949
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1973 Joined Hitachi Zosen Corporation
April 2013 Representative Director, President & Chief Operating Officer of Hitachi Zosen Corporation
April 2016 Representative Director, President & Chief Executive Officer of Hitachi Zosen Corporation
April 2017 Representative Director, Chairman of the Board & President of Hitachi Zosen Corporation
April 2020 Representative Director, Chairman of the Board & Chief Executive Officer of Hitachi Zosen Corporation
April 2022 Representative Director, Chairman of the Board of Hitachi Zosen Corporation
March 2023 Outside Director of the Company (incumbent)
April 2023 Director and Senior Corporate Advisor of Hitachi Zosen Corporation
June 2023 Senior Corporate Advisor of Hitachi Zosen Corporation (incumbent), Outside Director of Tsukamoto Chain Co. (incumbent), Outside Director of Matsumoto Yushi-Sayaku Co., Ltd. (incumbent)

Misao Fudaba
Outside Director
Born February 23, 1956
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1979 Joined Daicel Corporation
June 2006 Executive Officer, Deputy Head of Corporate Support Center of Daicel Corporation
June 2008 Head of Raw Material Purchasing Center of Daicel Corporation
June 2010 Representative Director, President and CEO of Daicel Corporation
June 2019 Chairman of the Board of Directors of Daicel Corporation
June 2022 Advisor of Daicel Corporation (incumbent)
March 2023 Outside Director of the Company (incumbent)

Naomi Motojima
Outside Director
Born August 21, 1963
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1987 Joined Sumitomo Marine & Fire Insurance Co., Ltd. (currently Mitsui Sumitomo Insurance Company, Limited)
April 2018 Executive Officer of Mitsui Sumitomo Insurance Company, Limited, Executive Officer of MS&AD Insurance Group Holdings, Inc. Managing Executive Officer, General Manager of Claims Support Division of Mitsui Sumitomo Insurance Company, Limited
April 2023 Managing Executive Officer of Mitsui Sumitomo Insurance Company, Limited (incumbent), Managing Executive Officer of MS&AD Insurance Group Holdings, Inc. (incumbent)
March 2024 Outside Director of the Company (incumbent)

Audit & Supervisory Board Members

Kazuo Kinameri
Standing Audit & Supervisory Board Member
Born August 15, 1956
Number of Shares of the Company Held 41,194
Career Summary and Position at the Company
April 1979 Joined the Company
March 2015 Representative Director and President of Dunlop Sports Co. Ltd.
March 2018 Representative Director (Vice President) of the Company
March 2023 Standing Audit & Supervisory Board Member of the Company (incumbent)

Hiroki Ishida
Standing Audit & Supervisory Board Member
Born July 11, 1958
Number of Shares of the Company Held 56,200
Career Summary and Position at the Company
February 2010 Joined the Company
March 2011 Director (Senior Executive Officer) of the Company
March 2022 Standing Audit & Supervisory Board Member of the Company (incumbent)

Asli M. Colpan
Outside Audit & Supervisory Board Member
Born October 25, 1977
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 2008 Program-Specific Associate Professor at Kyoto Center for Japanese Studies, Columbia University
October 2012 Visiting Scholar at Reichbauer Institute of Japanese Studies, Harvard University, Visiting Associate Professor at Massachusetts Institute of Technology (MIT) Department of Political Science and Sloan School of Management
July 2015 Outside Director of GOURMET KINEYA CO., LTD.
March 2018 Outside Audit & Supervisory Board Member of the Company (incumbent)
April 2018 Professor at Graduate School of Economics, Kyoto University (incumbent), Professor at Graduate School of Management, Kyoto University (incumbent)
March 2019 Outside Director of NISSHA Co., Ltd.

Hirofumi Yasuhara
Outside Audit & Supervisory Board Member
Born August 28, 1956
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
April 1979 Joined Matsushita Electric Industrial Co., Ltd. (currently Panasonic Holdings Corporation)
June 2008 Director of PanaHome Corporation (currently Panasonic Homes Co., Ltd.)
June 2012 Representative Director, President of PanaHome Corporation
June 2015 Senior Audit & Supervisory Board member of Panasonic Corporation (currently Panasonic Holdings Corporation)
June 2019 Outside Auditor of Santen Pharmaceutical Co., Ltd.
March 2020 Outside Audit & Supervisory Board Member of the Company (incumbent)
June 2020 Outside Auditor of Hitachi Zosen Corporation (incumbent)
June 2023 Outside Director of Sumitomo Densetsu Co., Ltd. (incumbent)

Toshikazu Tagawa
Outside Audit & Supervisory Board Member
Born May 8, 1953
Number of Shares of the Company Held 0
Career Summary, Position at the Company and the Status of Significant Concurrent Positions
November 1979 Joined Asahi & Co. (currently KPMG AZSA LLC)
March 1983 Registered as a Certified Public Accountant (incumbent)
January 1996 Tax Partner of New York Office of Ernst & Young (currently EY)
July 2008 Partner of Ernst & Young Tax Co., based in Japan
July 2010 Tax Partner of Shanghai Office, based in China, and Supervising Partner of Tax Services, Japanese Corporation Department of Ernst & Young
July 2012 Managing Director of the Finance Department of ShinNihon LLC (currently Ernst & Young ShinNihon LLC)
May 2015 Administrative Officer of Japan SR Association
June 2016 Outside Audit & Supervisory Board Member of Sumitomo Mitsui DS Asset Management Company, Limited (incumbent)
September 2016 Visiting Professor at Faculty of Economics of Musashi University
September 2018 CEO of Ranzan USA Corporation (incumbent)
May 2021 Independent Non-Executive Director of OTIC Limited (incumbent)
June 2022 Auditor of Music Dialogue (incumbent)
March 2024 Outside Audit & Supervisory Board Member of the Company (incumbent)

Senior Executive Officers

Tomohiko Masuta Hiroshi Matsui
Yasuo Watanabe Hiroshi Hamada

Executive Officers

Toshihiko Komatsu Susumu Tanaka
Kenji Saito Masahiro Tsuzaki
Jiro Kawase Hitoshi Hino
Yoichi Mizuno Takeshi Asakura
Kiyoshi Ikawa Keiji Moriyama
Shingo Sakashita Hidenori Suzuki

Reasons for the Selection of Independent Outside Directors

Name	Reasons for selection
Keizo Kosaka	Mr. Keizo Kosaka, making full use of his abundant knowledge as a lawyer with expertise in corporate legal affairs, has provided the Company with invaluable advice and opinions from an objective point of view. He has also chaired the Board of Directors since March 2023. Judged to be suited to serve as a Director of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed him in expectation that his continued provision of advice and opinions as an Outside Director leveraging his expertise in Corporate Management and Business Strategy and Legal and Governance will result in improving the Company's corporate governance.
Mari Sonoda	Ms. Mari Sonoda has held important positions at the Ministry of Finance and other organizations and has been involved in developing personal information protection systems, including My Number, the national identification number. Based on such experience, she provides the Company with invaluable opinions and suggestions to general corporate management by making full use of her expertise and extensive experience in finance, fiscal affairs and policy-making. Judged to be suited to serve as a Director of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed her in expectation that her continued provision of advice and opinions as an Outside Director leveraging her expertise in Legal and Governance, Financial Strategy and Accounting, and DX and IT will result in improving the Company's corporate governance.
Takashi Tanisho	Mr. Takashi Tanisho has experience as Representative Director, President, and Chairman of Hitachi Zosen Corporation, which operates globally in the environmental field, including energy, water, and decarbonization, and has gained extensive experience and broad insights as a manager, and has extensive business experience, particularly in the areas of manufacturing and technology, business strategy. Judged to be suited to serve as a Director of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed him in expectation that his continued provision of advice and opinions as an Outside Director leveraging his expertise in Corporate Management and Business Strategy, Production and Technology, Sales and Marketing, and DX and IT will result in improving the Company's corporate governance.
Misao Fudaba	Mr. Misao Fudaba has gained extensive experience and broad insights as a manager based on his experience as President and Chairman of Daicel Corporation, which operates globally in manufacturing and sales of chemical products and high-performance materials, and has extensive business experience, particularly in the areas of business strategy and financial strategy. Judged to be suited to serve as a Director of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed him in expectation that his continued provision of advice and opinions as an Outside Director leveraging his expertise in Corporate Management and Business Strategy, Legal and Governance, and Financial Strategy and Accounting will result in improving the Company's corporate governance.
Naomi Motojima	Ms. Naomi Motojima has gained extensive experience and broad insights as a manager based on her experience as Managing Executive Officer at MS&AD Insurance Group Holdings, Inc., which operates non-life and life insurance businesses globally, and its group company, Mitsui Sumitomo Insurance Company, Limited, and has extensive business experience, particularly in the areas of sales, sustainability, and DE&I. Judged to be suited to serve as a Director of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed her in expectation that her provision of advice and opinions leveraging her expertise in Corporate Management and Business Strategy and Sales and Marketing will result in improving the Company's corporate governance.

Reasons for the Selection of Independent Outside Audit & Supervisory Board Members

Name	Reasons for selection
Asli M. Colpan	Ms. Asli M. Colpan has extensive knowledge in corporate management based on her advanced academic knowledge as a university professor specializing in business strategy and corporate governance as well as practical experience in corporate management as an Outside Director of both GOURMET KINEYA CO., LTD. and NISSHA Co., Ltd. She expresses her opinions as an Outside Audit & Supervisory Board Member on the execution of business by Directors from an objective viewpoint, reflecting her experience in addition to providing suggestions related to the enhancement of the Company's corporate governance and expressing her opinion on the Mid-Term Plan. Judged to be suited to serve as an Outside Audit & Supervisory Board Member of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed her in expectation that her continued provision of advice and opinions leveraging her expertise in Corporate Management and Business Strategy, International Business, and Legal and Governance will continue to contribute to strengthening the audit system of the Company.
Hirofumi Yasuhara	Mr. Hirofumi Yasuhara has extensive insight into corporate management based on his experience in finance and corporate management as Representative Director of PanaHome Corporation (currently Panasonic Homes Co., Ltd.), Senior Audit & Supervisory Board Member of Panasonic Corporation (currently Panasonic Holdings Corporation), Outside Auditor of Santen Pharmaceutical Co., Ltd. and Hitachi Zosen Corporation, and Outside Director of Sumitomo Densetsu Co., Ltd. Judged to be suited to serve as an Outside Audit & Supervisory Board Member of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed him in expectation that his provision of advice and opinions leveraging his expertise in Corporate Management and Business Strategy, International Business, and Financial Strategy and Accounting will continue to contribute to strengthening the audit system of the Company.
Toshikazu Tagawa	Mr. Toshikazu Tagawa has a wealth of knowledge as a certified public accountant with a thorough knowledge of corporate accounting, and has broad insight into international business and international taxation due to his experience working in the United States and China, as well as experience in business management at overseas companies. Judged to be suited to serve as an Outside Audit & Supervisory Board Member of the Company in light of the Company's Policy of Election for Directors and Audit & Supervisory Board Members, the Company thus appointed him in expectation that his provision of advice and opinions as an Outside Audit & Supervisory Board Member leveraging his expertise in Corporate Management and Business Strategy, International Business, and Financial Strategy and Accounting will contribute to strengthening the audit system of the Company.

Corporate Governance

Concepts regarding the Balanced Distribution of Specialist Strengths among Members of the Board of Directors and Its Compositional Diversity, etc.

At Sumitomo Rubber Industries, the competencies required of Directors and Audit & Supervisory Board Members in their areas of specialty have been mapped out in the form of a skills matrix. Our intention in adopting the skills matrix is to enable the Board of Directors to properly engage in decision-making and fulfill its management supervisory functions and thereby realize “Our Philosophy”— our corporate philosophy structure— address medium- to long-term material issues (materiality) via the promotion of ESG management and execute the Mid-Term Plan announced in February 2023. Each skills matrix item has been determined by the Board of Directors after being deliberated by the Nomination and

Remuneration Committee, with due consideration given to the business environment, the Company’s management plan and characteristics of its business. Through this process, we have identified up to four items per individual to determine strengths required of each Director and Audit & Supervisory Board Member in his/her area of specialty.

The selection of candidates for Directors and Audit & Supervisory Board Members is thus informed by the skills matrix to form an optimally sized, well-functioning Board of Directors with a balanced portfolio of specialists in diverse fields.

Skills Matrix for Directors and Audit & Supervisory Board Members

Name	Position ¹	Years in Office	Corporate Management and Business Strategy	Production and Technology	International Business	Sales and Marketing	Legal and Governance	Financial Strategy and Accounting	DX and IT	Fiscal 2023 Status of Attendance	
										Board of Directors meetings	Audit & Supervisory Board meetings
Satoru Yamamoto	President and CEO, Representative Director (President)	9 years	●		●	●				15/15	—
Hidekazu Nishiguchi	Representative Director (Managing Executive Officer)	3 years	●		●	●			●	15/15	—
Kiyoshige Muraoka	Director (Senior Executive Officer)	2 years		●					●	15/15	—
Masatsugu Nishino	Director (Senior Executive Officer)	2 years	●		●	●	●			15/15	—
Naoki Okawa	Director (Senior Executive Officer)	2 years			●			●		15/15	—
Yasuaki Kuniyasu	Director (Senior Executive Officer)	1 year	●	●					●	12/12	—
Hideaki Kawamatsu	Director (Senior Executive Officer)	Newly appointed	●	●	●	●				—	—
Keizo Kosaka	Outside Director ²	15 years	●				●			15/15	—
Mari Sonoda	Outside Director	3 years					●	●	●	15/15	—
Takashi Tanisho	Outside Director	1 year	●	●		●			●	12/12	—
Misao Fudaba	Outside Director	1 year	●				●	●		12/12	—
Naomi Motojima	Outside Director	Newly appointed	●			●				—	—
Kazuo Kinameri	Standing Audit & Supervisory Board Member ³	1 year	●		●	●	●			15/15	12/12
Hiroki Ishida	Standing Audit & Supervisory Board Member	2 years	●		●		●	●		15/15	12/12
Asli M. Colpan	Outside Audit & Supervisory Board Member	6 years	●		●		●			15/15	12/12
Hirofumi Yasuhara	Outside Audit & Supervisory Board Member	4 years	●		●			●		15/15	12/12
Toshikazu Tagawa	Outside Audit & Supervisory Board Member	Newly appointed	●		●			●		—	—

Note: Up to four skill items are presented per individual in line with the Company’s expectations regarding their contributions in their respective areas of specialty. The above matrix does not fully describe the business experience and expertise possessed by each individual.

¹ The position in parentheses is the position held as an Executive Officer of the Company.

² Chair of the Board of Directors, Chair of the Nomination and Remuneration Committee

³ Chair of the Audit & Supervisory Board

Reasons for Adopting Skills Matrix Items

Skill Item	Reasons for adoption
Corporate Management and Business Strategy	Realization of “joy and well-being for all” requires Board Members who are capable of formulating sustainable growth strategies, including ESG management (such as carbon neutrality and D&I), and who possess experience and a solid track record in corporate management. Moreover, in order to bring the Company’s economic and social values to even higher levels, it is essential to create new value. In order to achieve this, it is necessary to have Board Members who identify business changes promptly, pursue new possibilities beyond existing businesses, and have skills and expertise in business portfolio strategy formulation and organizational transformation.
Production and Technology	We aim to provide customers with “joy and well-being for all.” To this end, it is necessary for the Company to have Board Members who have a wealth of knowledge about the advanced technologies that the Company has cultivated through tireless technological innovation, and who have skills and knowledge related to the creation of human and environmentally friendly products for the realization of a sustainable recycling-oriented society.
International Business	In order to maximize the results of the global structure in the Company’s business, it is necessary to have Board Members who have experience in representation at overseas subsidiaries and equivalent positions as an overseas representative, and have skills and knowledge related to overseas business management.
Sales and Marketing	In order to expand global sales of high-performance products created by the Company’s advanced technologies and to continue to provide high-value-added products that respond to rapidly developing CASE and MaaS, thereby creating value that exceeds expectations from customers and society, the Company needs Board Members with skills and knowledge in understanding market trends and formulating sales strategies.
Legal and Governance	The foundation for the Company’s continued global expansion and creating “joy and well-being for all” is the establishment of an appropriate governance system. In order to improve the effectiveness of management supervision throughout the Group, the Company needs Board Members with legal knowledge and skills and expertise in corporate governance and risk management.
Financial Strategy and Accounting	In order to maximize corporate value through efficient management of the Company’s capital, the Company needs Board Members who have the skills and knowledge necessary for accurate financial reporting, establishment of a strong financial base, promotion of growth investments (including M&As) for sustainable enhancement of corporate value, and formulation of appropriate financial and capital strategies to enhance shareholder returns.
DX and IT	In order to realize “innovation creating a future,” it is necessary to establish a data-driven corporate culture that makes active use of AI and the IoT. The Company needs Board Members who have track records of promoting various innovations, and skills and knowledge in the digital technology field.

Policy of Election and Dismissal Standards for Directors and Audit & Supervisory Board Members

Sumitomo Rubber Industries, Ltd. (the “Company”) shall follow the policy and standards set forth below in selecting and dismissing Directors and Audit & Supervisory Board Members (“Officers”).

Proposals for selecting and dismissing Directors are deliberated and determined by the Board of Directors based on the rigorous deliberations and reports of the Nomination and Remuneration Committee. Proposals for the selection or dismissal of Audit & Supervisory Board Members shall be decided by the Board of Directors with the consent of the Audit & Supervisory Board. Thereafter, a proposal for each candidate will be submitted to the General Meeting of Shareholders.

(1) Basic Policy

Officer candidates shall have the ability, motivation, and experience to effectively fulfill their roles and responsibilities on the Board of Directors and be capable of contributing to the improvement of the Company’s corporate governance and solution of social issues through the Company’s business.

(2) Election Standards

The Company’s officers must meet the following conditions.

- Possess a deep understanding of the Company’s corporate philosophy, “Our Philosophy,” and embody it in their duties
- Demonstrate the ability to view the overall Group objectively and to analyze and judge the Group in light of changes in the surrounding environment

③ Make every effort to improve the Company’s corporate value over the medium to long term in accordance with the Company’s management policy

④ Collectively possess expertise in the fields of Corporate Management and Business Strategy, Production and Technology, International Business, Sales and Marketing, Legal and Governance, Financial Strategy and Accounting, and DX and IT, which are the items specified in the skills matrix of the Company’s Board of Directors. They must have a sufficient track record in such fields of expertise, and their election must ensure a balanced and diverse skills matrix on the Company’s Board of Directors

⑤ Outside officers must be persons suitable to act as management executives of the Company from the perspective of promoting the sustainable growth of the Company and enhancing its corporate value over the medium to long term.

(3) Dismissal Standards

The Company shall review the dismissal of any Company officer when said officer fails to properly fulfill the roles and responsibilities required of them. (This includes any of the grounds for dis-qualification as stipulated by law, when an officer commits an act that offends public order and morals, when an officer is unable to continue to perform their duties due to health reasons or for any other reason, etc.)

Corporate Governance

Initiatives to Enhance the Effectiveness of the Board of Directors' Operations

The Board of Directors' Operations

To ensure that agenda items submitted to the Board of Directors are fully examined and discussed, we provide Outside Directors and Outside Audit & Supervisory Board Members with materials describing these items and presentations prior to each meeting based on their questions about said items. Also, the content of discussions at the Management Meeting is shared with the above individuals. With regard to decision-making on management matters of particular importance and requiring discussion at the Board of Directors, Executive Officers in charge of such matters occasionally provide prior briefings outlining agenda items. These are but a few examples of our initiatives to enhance the content of discussions undertaken by the Board of Directors. Since March 2023, the Board of Directors has been chaired by an Independent Outside Director, resulting in even more open and constructive discussions and exchanges of opinions.

Main topics of discussion at Board of Directors meetings in 2023 (agenda items)

- Tangible issues confronting each execution department and the status of response
- Response going forward in light of the results of the questionnaire on the effectiveness of the Board of Directors
- Status of the Risk Management Committee, Corporate Ethics Committee and Sustainability Promotion Committee
- Disposal of a portion of cross-shareholdings
- Status of audits by the audit office
- The TOWANOWA concept
- Formulation of a Human Rights Policy
- Selection and concentration of existing businesses (withdrawal from and sale of two businesses)
- Measures to achieve management that is conscious of cost of capital and stock price

Training for Directors and Audit & Supervisory Board Members

The Company encourages Directors, Audit & Supervisory Board Members and Executive Officers to participate in external executive training at its own expense. By doing so, we ensure that these individuals are fully equipped with the knowledge necessary to serve as members of a key decision-making body of a listed company. We also hold guidance briefings for newly appointed internal Directors, inviting external specialists to deliver lectures to help said individuals acquire an in-depth understanding of their roles and responsibilities as Directors. Furthermore, we provide individuals who are newly appointed as outside officers with opportunities to be briefed on such topics as the Sumitomo Rubber Group's business outline, its operating results and challenges it is currently facing, thereby enhancing their ability to present well-informed advice on improving the Company's standing.

Conducting Questionnaires regarding the Board of Directors' Effectiveness

Fiscal 2016 to 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
<p>■ Evaluation methods</p> <ul style="list-style-type: none"> • Questionnaires targeting the Board members were sent out by the secretariat. The completed questionnaires were analyzed for quantitative data, while comments from respondents regarding qualitative matters were similarly consolidated. Based on the results, we identified issues and implemented countermeasures (fiscal 2016 to 2020, fiscal 2022 to 2023). • Questionnaires targeting and interviews with members of the Board of Directors were conducted by an external assessment firm (an independent third party). The Board of Directors received and deliberated on a report from said assessment firm at its meeting held in December 2021 (fiscal 2021). 			
<p>■ Main initiatives</p> <ul style="list-style-type: none"> • Raising the monetary criteria for tabling an item at a Board of Directors meeting • Earlier provision of materials • Prior acceptance of questions with regard to agenda items and provision of answers, etc. 	<p>■ Evaluation results</p> <p>The Company's Board of Directors is equipped with strengths in (1) enhanced information sharing involving outside officers and (2) securing diversity, and it was confirmed that the overall effectiveness of its operations is robust.</p> <p>■ Main initiatives</p> <ul style="list-style-type: none"> • Further review of criteria for tabling an item at a Board of Directors meeting • Enhancement of opportunities for information sharing involving outside directors 	<p>■ Evaluation results</p> <p>Improvement was confirmed in both of the following items, which were identified as issues in the course of the fiscal 2021 evaluation.</p> <ul style="list-style-type: none"> • More time for discussions at the Board room must be secured • More complete information needs to be provided to outside officers in advance <p>■ Main initiatives</p> <ul style="list-style-type: none"> • Enhancement of opportunities for discussions regarding important themes • Enhancement of opportunities for information sharing related to IR/SR activities 	<p>■ Evaluation results</p> <p>Various efforts, including open exchanges of opinions at two off-site meetings and the addition of new IR activity reports, have improved the questionnaire score of items at issue.</p> <p>■ Main issues</p> <ul style="list-style-type: none"> • Diversity of Board Members • Insufficient discussion of some topics

The Board of Directors' activity policy for fiscal 2024

The Board of Directors will properly engage in decision-making and fulfill management supervisory functions while pursuing improvement in corporate value by realizing "Our Philosophy," the Group's corporate philosophy structure, addressing medium- to long-term material issues (materiality) via the promotion of ESG management and executing the

Mid-Term Plan.

In fiscal 2024, the Board of Directors will steadily promote the selection and concentration of existing businesses and lay the groundwork for growth lines of business toward 2025, a year identified as a turning point in the Mid-Term Plan.

Remuneration of Directors and Audit & Supervisory Board Members

Matters Related to Remuneration and the Company's Policies for Determining Its Calculation Method

① Basic policy

With regard to the remuneration of officers (Directors and Executive Officers), the Company's basic policy is to adopt a remuneration system that is linked to the interests of shareholders, so that it effectively functions as an incentive package rewarding members for their efforts to sustainably enhance corporate value. The Company also ensures that the remuneration of individual recipients is set at an appropriate level in light of their respective responsibilities.

Specifically, remuneration for Directors (excluding Outside Directors) and Executive Officers consists of a basic salary constituting a fixed portion and bonuses constituting a performance-based portion. Except for Outside Directors, Directors are also granted stock-based remuneration as medium- to long-term incentives. For Outside Directors who assume management supervisory functions, the Company furnishes only a basic salary with a view to ensuring their professional independence.

② Policy for the determination of the amount of basic salary for each recipient

Basic salary is a fixed amount paid monthly and is determined based on each recipient's position, responsibilities and years in office and in accordance with basic salary tables determined after comprehensively taking into consideration the level of remuneration at peer companies, the business performance of the Company, salary levels for employees and other factors.

③ Policy for the determination of the content, amount of and calculation methods for short-term performance-based remuneration

To enhance recipients' awareness of their duty to improve business performance each business year, short-term performance-based remuneration is paid in cash in a way that reflects performance indicators. An amount corresponding to the degree to which performance indicators have been met is paid at a predetermined time each year.

When determining the amount of performance-based remuneration, the Company selects business profit, profit attributable to owners of the parent company and other performance indicators considered particularly important in light of its corporate strategy. The target values for these indicators are determined when Mid-Term Plans are formulated in a way that is consistent with said plans and revised as necessary in accordance with changes in the environment, taking into consideration any recommendations from the Nomination and Remuneration Committee.

When determining the allocation of remuneration to each individual, the individual's position, operational duties, level of responsibility, level of achievement of key targets within departments under his or her supervision, level of contribution to business performance and other factors are taken into account from a medium- to long-term perspective.

④ Policy for the determination of the content and amount of medium- to long-term incentives

Medium- to long-term incentives are designed to motivate recipients to strive for the sustainable improvement of the Company's corporate value. At the same time, these incentives are intended to promote the sharing of value between Directors and shareholders. Accordingly, recipients are granted the Company's shares with transfer restrictions with the restrictions enforced until said recipients step down from the post of Director due to reasons deemed just and approved by the Board of Directors. The determination of the number of shares granted is based on the position held by the recipient with reference to a stock-based remuneration table formulated with comprehensive consideration of the level of remuneration at peer companies, employee salaries and other factors.

⑤ Policy for the determination of composition of remuneration for individual recipients

With regard to the proportional composition of remuneration for Directors (excluding Outside Directors) and Executive Officers by type, the composition of each type of remuneration is engineered to ensure that the weighting of performance-based incentives is higher for individuals in higher positions than it is for those in lower positions. This determination is benchmarked against the remuneration levels of companies of a similar business scale to the Company or in a related industry or with a similar business format. This composition is also discussed by the Nomination and Remuneration Committee.

The President and CEO, Representative Director, to whom the Board of Directors has delegated authority over the matter stipulated in ⑤ below, determines the details of remuneration for individual recipients in a manner that honors recommendations from the Nomination and Remuneration Committee and within the scope of the proportional composition set forth in such recommendations for each type of remuneration.

Furthermore, as a general rule regarding the proportional composition of each type of remuneration, fixed remuneration (basic salary), short-term performance-based remuneration (bonus) and medium- to long-term incentives (stock-based remuneration) account for 75%, 20% and 5%, respectively, of total remuneration for Directors except for Outside Directors. As for remuneration for Executive Officers, fixed remuneration and short-term performance-based remuneration account for 80% and 20%, respectively. (The above proportions are premised on the full achievement of performance indicators.)

Notwithstanding the foregoing, the amount of performance-based remuneration may fluctuate due to such factors as consolidated business profit. Accordingly, proportional composition can fluctuate within the range presented below.

Position	Fixed remuneration (Basic salary)	Short-term performance-based remuneration (Bonus)	Medium- to long-term incentives (Stock-based remuneration)
Directors	72~95%	0~20%	5~8%
Officers other than Directors	80~100%	0~20%	—

⑥ Matters related to the delegation of authority over the determination of details of remuneration for individual recipients

With regard to the determination of remuneration for individual recipients, via a resolution, the Board of Directors delegates authority over the details of such remuneration to the President and CEO, Representative Director. Based on this authority, the President and CEO, Representative Director, determines the amount of basic salary for officers and allocates bonuses to each based on his evaluations of operating results achieved by businesses under the recipient's supervision.

The Board of Directors strives to ensure that the above authority is properly exercised by the President and CEO, Representative Director and, to this end, consults with the Nomination and Remuneration Committee to obtain its recommendations, including a draft outlining remuneration packages. The President and CEO, Representative Director, to whom authority is delegated as explained above, is requested to determine the matter in accordance with said recommendations from the Committee.

Total Amount of Remuneration by Officer Category, Total Amount of Remuneration by Remuneration Type and the Number of Recipients

Officer category	Total amount of remuneration (millions of yen)	Number of recipients
Directors (excluding Outside Directors)	353	8
Audit & Supervisory Board Members (excluding Outside Members)	55	3
Outside officers	81	9

Note: The above number of recipients includes three Directors and one Audit & Supervisory Board Member who stepped down from their positions on March 28, 2023.

① The resolution passed at the General Meeting of Shareholders regarding remuneration

The limits on the total amount of remuneration for Directors and Audit & Supervisory Board Members have been set based on a resolution by the 123rd Ordinary General Meeting of Shareholders held on March 26, 2015, as detailed below: Directors: up to ¥800 million per year (of this amount, remuneration for Outside Directors: up to ¥70 million per year); Audit & Supervisory Board Members: up to ¥100 million per year. In addition, at the time of the above resolution, the Board of Directors consisted of 11 Directors (including two Outside Directors), while the Audit & Supervisory Board consisted of five Members (including three

Outside Audit & Supervisory Board Members). Subsequently, the limit on the total amount of stock-based remuneration to be granted to Directors (excluding Outside Directors) separately from the above-mentioned remuneration, has been set based on a resolution by the 130th Ordinary General Meeting of Shareholders held on March 24, 2022, to furnish incentives to the recipients in the form of the Company's shares with transfer restrictions. Based on this resolution, the limits on such remuneration have been set at ¥40 million and 20,000 shares, respectively, in terms of the value and number of shares that can be granted annually. At the time of said resolution, the Board of Directors consisted of seven Directors (excluding Outside Directors).

② Activities undertaken by the Nomination and Remuneration Committee and the Board of Directors in the process of determining remuneration to be paid for the most recent fiscal year

The Nomination and Remuneration Committee met on July 31, 2023, November 29, 2023 and February 1, 2024 with the attendance of all members, including the Committee Chair to discuss the Company's remuneration system, the level of remuneration paid under said system as well as the amount of basic salaries and bonuses and the appropriateness of these matters. Based on recommendations formulated by the committee, the Board of Directors met on February 29, 2024 to discuss the amounts to be awarded as bonuses, thereby determining the full details of remuneration.

Corporate Governance

Basic Policy on the Internal Control System

(Translation of original full text)

The Board of Directors of the Company has adopted a resolution on the establishment of the Internal Control System, a system that performs the necessary function of ensuring the propriety of business undertaken by the Sumitomo Rubber Group (Sumitomo Rubber Industries and its subsidiaries as defined by the Article 2, Paragraph 3 of the Companies Act) as described below:

(1) A system to preserve and manage information concerning the execution of business by the directors

Information concerning the execution of business by directors, such as documents on proposals or decisions, shall be recorded and managed appropriately in accordance with the Regulations Concerning Preservation of Documents. The Directors and Audit & Supervisory Board Members shall be permitted to view these records at all times.

(2) Rules concerning the risk management of loss and other systems

Management risks involving product quality, law, the environment, credit, accidents, disasters, etc., that may materially and adversely affect our business activities, shall be addressed by the relevant division and/or subsidiary in advance, via the analysis of those risks and the planning of countermeasures in accordance with the Regulations Concerning Risk Control, which define risk management methods for the entire Sumitomo Rubber Group. These risks shall be then referred to the Management Meeting and other bodies for discussion. If necessary, advice and guidance may be sought from professionals, including legal counsel, in analyzing and planning countermeasures for such risks.

Any risk affecting the Group as a whole shall be addressed by individual departments under the administrative divisions overseeing their business operations in coordination with other relevant departments and subsidiaries.

The Risk Management Committee shall oversee Groupwide risk management activities and, on an as necessary basis, investigate and confirm whether the risk management system is functioning effectively.

If any material risk affecting the Sumitomo Rubber Group as a whole emerges or is expected to emerge, the President shall establish a risk control headquarters pursuant to the Regulations Concerning Risk Control.

(3) A system to ensure the efficient execution of business by Directors

In order to ensure that the Directors and managerial personnel may execute their business properly and efficiently, their duties, authority and relevant departments to be placed under their supervision, along with operations conducted by these departments, shall be specifically determined in accordance with the Regulations Concerning the Allocation of Responsibility and Duties. Each subsidiary shall develop a similar organizational structure and reporting lines. Furthermore, an Executive Officer System shall remain in place to ensure flexible business execution in response to the changing environment and customer needs. With respect to the performance and efficiency of each division and subsidiary, a medium-term management plan shall be drawn up, targets shall be set at budget meetings (and reviewed as necessary) and the status of achievement regarding those targets shall be reported, reviewed and analyzed on a monthly basis at the Group's performance meetings.

For all business operations undertaken by the Sumitomo Rubber Group, we shall actively utilize IT and digital technology to enhance efficiency in the execution of business.

(4) A system to ensure the execution of business by Directors and employees is in compliance with law/regulations and the Articles of Incorporation

The Company ensures that the corporate philosophy of the Sumitomo Rubber Group, "Our Philosophy," is the foundation for all decision-making and the starting point for all actions. Our corporate Code of Conduct, as well as various compliance manuals, shall be widely distributed, with top management clarifying its principles. Moreover, it shall be made thoroughly clear to all Sumitomo Rubber Group members that compliance with laws and corporate ethics constitutes the basic foundation of management.

The Corporate Ethics Committee, chaired by the President, shall identify, analyze and evaluate those compliance risks affecting the Group as a whole in addition to planning and conducting necessary training. The Committee shall

also work to ascertain the cause of any violation, propose measures to prevent their recurrence and ensure thorough familiarization with these matters throughout the Group.

A Corporate Ethics Help Line shall be established to allow employees, et al., to directly report and consult on any actions that are questionable in light of corporate ethics. Information received by the Corporate Ethics Help Line shall be reported to the Corporate Ethics Committee, which, in turn, shall assess the situation and adopt the necessary measures. The Sumitomo Rubber Group's Corporate Code of Conduct shall stipulate that any ties with antisocial forces must be severed, with the aim of securing a structure that refuses any requests from such forces.

(5) A system regarding reporting on the execution of business by directors at subsidiaries to the Company

Each business division shall periodically receive reports from the directors of each subsidiary under its supervision with regard to their performance targets and the achievement of such targets. Pursuant to the Regulations Concerning Management of Subsidiaries, such division shall also receive reports from each subsidiary on an as necessary basis regarding risk management, compliance and other specific matters that need to be reported to and discussed at the Company's Management Meeting and its Board of Directors so that directors at such subsidiaries may directly deliberate these matters with Directors at the Company.

(6) A system to ensure adequate financial reporting

The Company shall strive to maintain the Internal Control System in accordance with the Financial Instruments and Exchange Law and assessment/audit standards and implementation standards prescribed by the Financial Services Agency as well as to enhance systems to ensure adequate financial reporting by the Sumitomo Rubber Group.

(7) Establishment of a position to assist the duties of Audit & Supervisory Board Members at the request of such members

An employee shall be selected to work as an Audit & Supervisory Board Members' dedicated assistant to support them in the execution of their duties. This individual shall operate solely based on instructions by Audit & Supervisory Board Members.

The opinion of the Audit & Supervisory Board shall be sought in advance prior to carrying out personnel changes and evaluating the performance of this individual.

(8) Systems to allow Directors and employees to report to Audit & Supervisory Board Members and to allow other reports to be made to such members

Standing Audit & Supervisory Board Members shall participate in Management Meetings and other important meetings to accurately assess the status of the Sumitomo Rubber Group.

Important matters involving risk management shall be reported directly by Directors or heads of divisions to Audit & Supervisory Board Members as necessary.

Matters reported to the Corporate Ethics Help Line (excluding minor problems) shall be reported to the Audit & Supervisory Board. In accordance with "Regulations on Corporate Ethics Activities," which apply to all Group companies, the Company shall establish a structure that prohibits anyone from disadvantageously treating persons who report to the Corporate Ethics Help Line or Audit & Supervisory Board Members on the grounds of such reporting and protects the confidentiality of their identities.

(9) Other systems to ensure effective audit coverage by Audit & Supervisory Board Members

Audit & Supervisory Board Members shall be given opportunities to receive explanations from the Sumitomo Rubber Group's Directors and division heads as necessary.

The Company shall reimburse expenses, including incidental expenses, incurred by Audit & Supervisory Board Members in the course of the execution of their duties to a reasonable extent.

Risk Management

Management risks involving product quality, law, the environment, credit, accidents, disasters, etc., that may materially and adversely affect our business activities, shall be addressed by the relevant division and/or subsidiary in advance, via the analysis of those risks and the planning of countermeasures in accordance with the Regulations Concerning Risk Control, which define risk management methods for the entire Sumitomo Rubber Group. These risks shall be then referred to the Management Meeting and other bodies for discussion.

If necessary, advice and guidance may be sought from professionals, including legal counsel, in analyzing and planning counter-measures for

such risks.

Any risk affecting the Group as a whole shall be addressed by individual departments under the administrative divisions overseeing their business operations in coordination with other relevant departments and subsidiaries. The Risk Management Committee shall oversee Groupwide risk management activities and, on an as necessary basis, investigate and confirm whether the risk management system is functioning effectively.

If any material risk affecting the Sumitomo Rubber Group as a whole emerges or is expected to emerge, the President shall establish a risk control headquarters pursuant to the Regulations Concerning Risk Control.

Groupwide Risk Management System



Main Initiatives in Fiscal 2023

Based on the Company's Regulations Concerning Risk Control, the Risk Management Committee met twice to supervise risk management activities vis-à-vis risks affecting the Sumitomo Rubber Group as a whole. The Committee also confirmed that the risk management system for the entire Group is functioning effectively.

Furthermore, in light of growing geopolitical risks overseas, we created specific scenarios to prepare for a possible emergency. Based on our past response to incidents, we determined what needs to be done to secure the safety of employees and their families, support their livelihoods, and continue logistics, raw material procurement, and other

Business Continuity Plans (BCPs)

Having directly experienced fallout from the Great Hanshin-Awaji Earthquake and the Great East Japan Earthquake, the Sumitomo Rubber Group has developed BCPs by drawing on takeaways from these two major earthquakes.

Specifically, we completed the formulation of well-thought-out BCPs encompassing our Head Office, overseas and Japan-based factories and domestic subsidiaries to protect human life as well as to facilitate the early resumption of product deliveries to customers at times of emergency. We also conduct periodic drills to enhance the effectiveness of these BCPs.

Also, aware of the growing magnitude of the threats of typhoons, heavy rains and other natural disasters that have been striking the country in recent years, we have upgraded the content of BCPs by incorporating lessons learned in the course of disaster responses. For example, in fiscal 2019 we established standards for exempting employees from attendance

activities. We then implemented risk countermeasures and other measures in collaboration with business divisions and administrative departments with specific functions to protect human life as well as to minimize said risks' impact on the Group's overall business management and operating results.

In addition, after COVID-19 was reclassified as a Class 5 infectious disease under the Infectious Disease Control Law and other countries' response to the disease returned back to normal, the Company gradually relaxed its infectious disease control measures in coordination with business divisions and administrative departments with specific functions.

at or allowing them to leave early from their workplaces when public transportation is disrupted by an earthquake or when evacuation is instructed by government agencies due to heavy rains or flooding. We have also provided employees with a renewed version of the Basics of What to Do When a Disaster Strikes handbook, which incorporates the above standards to ensure robust employee understanding of these matters.

We also upgraded the BCPs to be executed in the case of war. This upgrade was informed by fresh discussions regarding how to secure the safety of expatriates and local employees at times of emergency and how to continue sales, logistics, raw material procurement and other essential activities, drawing on takeaways from our response to past incidents.

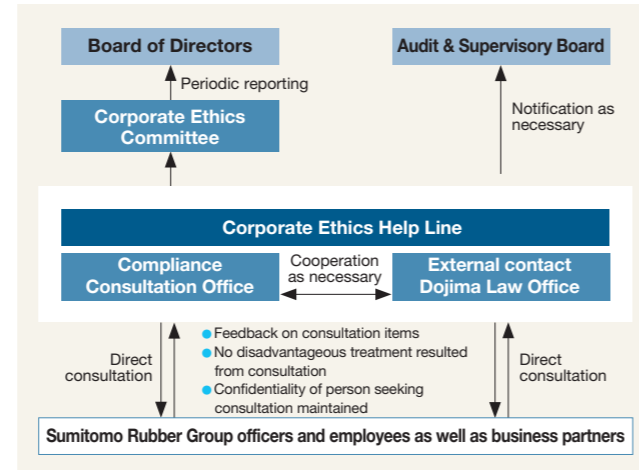
Looking ahead, we will develop a more robust structure capable of keeping our BCPs up-to-date from the perspectives of ensuring the safety of employees and securing business continuity.

Corporate Governance

Compliance

In the Sumitomo Rubber Group, we believe that “legal compliance and the upholding of corporate ethics form the cornerstone of a company’s survival and are crucial to long-term corporate vitality and competitive-ness.” To ensure that this belief is embraced by all, we formulated the “Regulations on Corporate Ethics Activities” and the “Sumitomo Rubber Group Code of Conduct” in February 2003. These principles are continually enforced, informing our efforts to develop a compliance structure for the entire Group and foster compliance awareness among employees. In addition, in 2004 we established a Compliance Consultation Office offering an in-house point of contact and have commissioned an external lawyer to serve as an external contact. Furthermore, we provide all employees with a compliance card featuring a message designed to instill compliance awareness as well as the abovementioned office’s contact information to facilitate reporting. In this way, we ensure that every employee knows about the compliance reporting line, which operates outside the regular reporting lines within the job hierarchy. We have thus developed a structure capable of ensuring the early detection of misconduct.

Structure of Compliance Initiatives

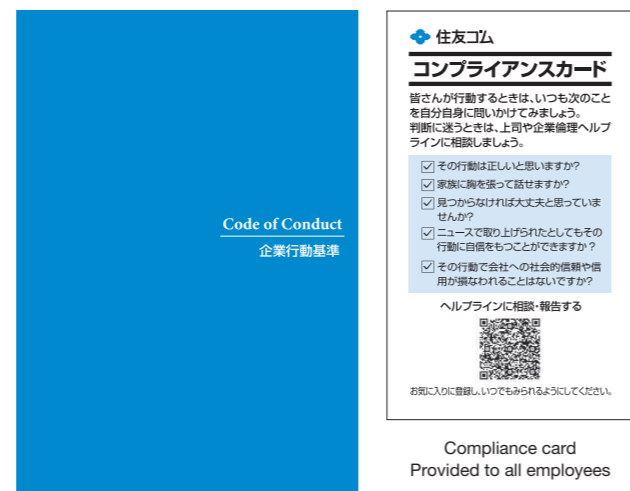


Our Code of Conduct provides all Sumitomo Rubber Group officers and employees with specific, easy-to-understand guidelines regarding the basic stance they should take and the mindset they should adopt in the course of their business activities from the aspect of legal and regulatory compliance.

Moreover, our business partners in transactional relationships with the Group are expected to act in accordance with this Code of Conduct.

The Code of Conduct is translated into the eight languages listed below. All versions can be accessed on the Company's corporate website.

- Japanese
- English
- Chinese
- Thai
- Indonesian
- Vietnamese
- Turkish
- Spanish



Corporate Code of Conduct

Compliance card Provided to all employees

Main Initiatives in Fiscal 2023

While the Board of Directors met 15 times to exercise supervision over compliance matters, the Audit & Supervisory Board met 12 times to conduct audits to confirm that the execution of business by Directors was in conformity with laws, regulations and the Company’s Articles of Incorporation. Also, the Corporate Ethics Committee, tasked with deliberating compliance issues for the Sumitomo Rubber Group, met four times to implement countermeasures against compliance and risk management issues affecting the Group as a whole. This Committee also strove to ensure that each case reported via the Corporate Ethics Help Line

was properly handled.

In addition, in October, which is designated as Legal Compliance and Corporate Ethics Awareness Month, the entire Group worked to raise awareness of compliance by, for example, reading together the Corporate Code of Conduct at each division and each Group company.

In December, we formulated the Sumitomo Rubber Group Human Rights Policy to further strengthen our initiatives to promote respect for human rights. In 2024, we will promote the human rights risk survey and assessment of the Group companies inside and outside Japan.

Transparency with Respect to Taxes

In 2020, the Company disclosed its “Tax Policy” on its corporate website. Also, we are promoting global strategies for tax affairs, with the target year set at 2025.

Tax Policy

As a global enterprise that is dedicated to observing and respecting all applicable laws and regulations, engaging in fair and transparent business activities, contributing extensively to local communities and society and earning the trust and respect of our stakeholders, the Sumitomo Rubber Group (hereinafter, “our Group”) has made it its basic management policy to continue producing new value that will make customers’ lifestyles more pleasant and attractive while pursuing the ongoing enhancement of corporate value for stakeholders.

One aspect of this basic management policy is our Group’s dedication to fulfilling our tax obligations in an appropriate and ethical manner so that we may contribute to the development of the local and regional communities in which we operate. We will ensure timely and appropriate tax payments by observing relevant tax laws and other international rules in the countries where we operate and following the spirit of such rules.

Our Management of Tax Risks

By a resolution of our Board of Directors, our Group has established and fully implemented the necessary framework to ensure the proper execution of business of our Group. Management risks that may adversely and materially affect the business activities of the Group shall be addressed by the relevant division and/or subsidiary in advance through the analysis of said risks and the planning of countermeasures in accordance with corporate regulations concerning risk control, which stipulate risk management rules for the entire Group. Furthermore, we have also established and implemented a system of checks to ensure that our business activities are fair and honest while striving to minimize our Group’s tax risks. If necessary, advice and guidance may be sought from professionals, including our tax advisors, in analyzing and planning countermeasures against such risks.

Our Approach to Tax Planning

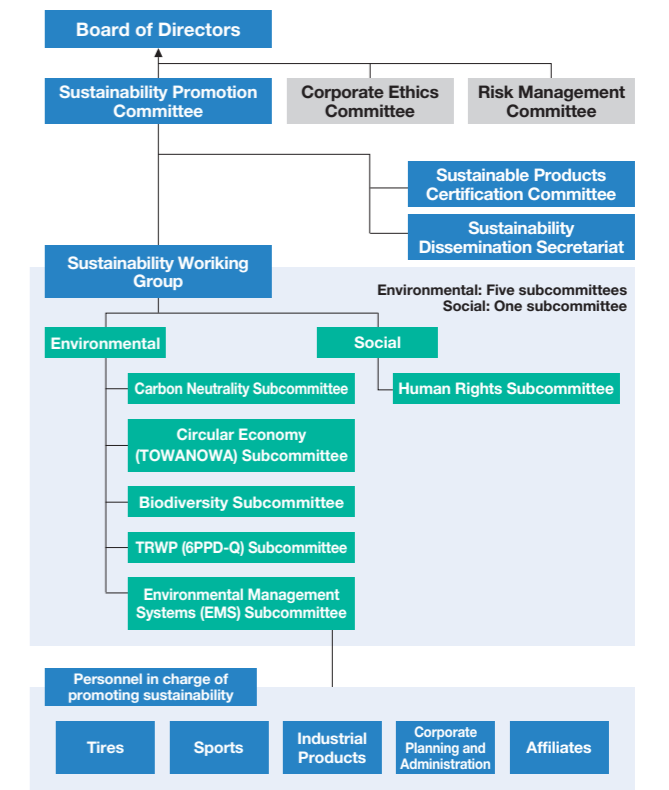
Our Group engages in tax planning activities that appropriately reflect economic entities and are in full accordance with OECD Guidelines as well as the relevant laws and regulations of the various countries in which we operate. Furthermore, our Group has pledged that we will neither exploit tax havens as a means of avoiding taxation nor engage in business dealings whose primary aim is the reduction of our tax burden.

Our Relationship with Tax Authorities

Our Group considers daily communication with every stakeholder to be an essential aspect of staying on top of the responsibilities of our Group. Our Group hopes to maintain trust-based relationships with Tax authorities through the appropriate disclosure of all pertinent information in a timely manner and fully intends to enhance the transparency of our operations. We will also file tax returns and pay taxes on time in accordance with all relevant laws and regulations while working with Tax authorities to cooperate with official requests by promptly providing all requested information.

Sustainability Management Structure

The Sumitomo Business Philosophy, which has been handed down over the course of its 400-year history, lives on in all of the Sumitomo Rubber Group’s business activities. Based on this philosophy, the Group has established the corporate philosophy structure “Our Philosophy.” With this philosophy as the basis for all decision-making, we are working on various activities that contribute to the realization of a sustainable society in accordance with the Long-Term Sustainability Policy: “Driving Our Future Challenge 2050” that looks to the world of 2050 and beyond.



To promote sustainability management, the Sustainability Promotion Committee, which is chaired by the officer in charge of sustainability and consists of officers in charge of respective divisions as its members, meets twice a year to enforce Group-wide policies and monitor the progress on material issues. We will continue to strengthen our sustainability initiatives through monitoring and reviews by management in the Committee and build a solid foundation for our business that supports sustainable growth, thereby contributing to the realization of a sustainable society. All matters deliberated or reported at the Committee will be reported to the Board of Directors. In Particular, for each theme that requires action taken by a cross-sectoral organization, a subcommittee has been established with the approval of the Sustainability Promotion Committee. These subcommittees are collectively called the Sustainability Promotion Working Group. Each working group, consisting of management and member divisions, is responsible for planning and promoting activities and reporting to the Sustainability Promotion Committee and the management team, among others.

Outside Directors Roundtable Talk



Challenges at Sumitomo Rubber Group from the Perspective of the Outside Directors

Takashi Tanisho
Outside Director

Keizo Kosaka
Outside Director

Misao Fudaba
Outside Director

Our First Year of the Mid-Term Plan: Demonstrated Ability to Execute

Kosaka We've now wrapped up the first year of our mid-term plan that began in 2023. Under this new plan, we're engaged in structural reforms around the selection and concentration of existing businesses, with 2025 set as a milestone. In my view, this exercise has been instrumental in re-evaluating our longstanding practices— to put it dramatically, it's a break with the past. One aspect of these reforms is the dissolution of the Three-Region Structure and the transformation of our executive structure. As outside officers, we've been drawing attention to pending issues like the North America business. But there is now a clear commitment across the Company to resolve these challenges through the structural reforms. I feel this marks a turning point for us. President Yamamoto has communicated a strong message that has led to a change in mindset among all employees.

Tanisho In the 2023 structural reforms, we decided to withdraw from the gas hoses business and the business of rubber parts for medical applications in Europe. As part of this business selection and concentration process, we decided to prioritize profitability over scale and standardize our metrics across the Company, which I think was a good move. We're making good progress in laying the foundations for 2025. The challenge for 2024 and 2025 will be to further solidify these foundations within the limited time available.

Fudaba Having joined as an Outside Director last year, I've witnessed President Yamamoto's strong dedication to the "Be the Change" Project for strengthening our management foundations. He has been resolute in sorting out the past and initiating a cultural change among employees. At last year's "Be the Change" reporting session, I saw colleagues from various departments, regardless of their position or years of service, sharing their thoughts and examples of transformation. That really made me feel that the entire company was united on this.

Kosaka Regarding the selection and concentration of businesses, there were times when I, having interacted with people on the front line, wondered if it was really okay to withdraw from certain businesses. However, matrices were drawn up and tough management decisions were made based on the data, not on emotions. This was also a case where I recognized the difference in perspectives between those internal and external to the Company.

Fudaba In terms of business selection and concentration, I joined after most of the discussions had taken place, and honestly speaking, I sometimes wonder how certain choices were made when there didn't appear to be much difference in the numbers. Predictions for the future

can change significantly based on selling prices and the number of customers. However, I understand that we are where we are now after having gone through a period of trying to do things more boldly and freely, while changing our mindset through measures like ROIC management and initiatives like "Be the Change."

On the other hand, I still see many challenges. As we prioritize key businesses, there will inevitably be things that have to be postponed. Those internal to the Company may feel things are moving faster than before, but from an external standpoint, certain things still seem to be on the slow side. There is a culture of encouraging the reporting of "bad news" and issues that people might not always want to hear, but it can still take time for these things to actually get reported. For those in more senior positions, it's inevitable that they must present solutions along with the problems, but I sometimes feel that if these issues had been raised at an earlier stage, there would have been more room for discussion in Management Meetings or Board of Directors meetings.

Tanisho A sense of urgency is indeed important. On the other hand, it's also necessary to nurture new businesses like SENSING CORE and ACTIVE TREAD with a long-term perspective. In any manufacturing industry, it takes time for a product to go from development to market. We must be

prepared for the considerable time it takes to further improve the product, expand its audience, and develop it into a highly profitable business.

Fudaba On the organizational front, the Tire Business HQ was established this January. It was surprising that, despite approximately 85% of our sales revenue coming from the Tire Business, there had never been an organization to oversee this major segment from a holistic perspective. There may have been difficulties in integrating the organization horizontally due to the rapid overseas expansion that took place over an extended period. That being said, I am hopeful about such an organization having been created for the first time since the Company was founded.

When it comes to strengthening human capital, it's important to place the right people, already within the Company, in the right positions. While I believe our training and development programs are progressing well, what I really want to see is everyone becoming a bit more involved in supporting one another— offering a helping hand if another business unit is having difficulties, and so on. Machines and equipment are of course important, but ultimately, it's the people who run the business. It may be a bit irritating at times, but I believe that being a little nosy about others' business can go a long way toward improving the organizational culture.

A Board of Directors with an Open and Diverse Culture

Fudaba The other day, I attended my first General Meeting of Shareholders as an Outside Director. Based on my experience, I had expected the Board of Directors meeting that followed to be a very routine one. But at Sumitomo Rubber, important issues are discussed by the Board directly after the General Meeting of Shareholders. Even the newly appointed Outside Directors on that day were actively sharing their opinions right away. This further reinforced my impression that the Board of Directors is seriously committed to management.

Tanisho At Sumitomo Rubber, Mr. Kosaka, an Outside Director, serves as Chair of the Board of Directors. The Board of Directors tends to be influenced by the Chair's approach, and it is clear that Mr. Kosaka conducts his role with a supportive attitude toward President Yamamoto on the executive side. My impression is that our Board of Directors is able to engage in open and lively discussions, and much of that is down to the positive atmosphere.

Kosaka In my view, outside officers should essentially serve as a support team for the president. We may question the executive team's decisions by asking, "Is this really okay?" But once we're satisfied that a decision is the right one to take, our role is to support the president by saying, "Go for it, we're with you!" Furthermore, it's great that all the outside officers are in their roles because they genuinely like the Company. We naturally raise tough points, but that's because we care about the Company. Our outside officers have become a very cohesive unit since a certain point in

time. We exchange information as needed and actively interact outside of Board of Directors meetings as well. We have female officers and non-Japanese officers as well, each speaking from their area of expertise and contributing to a rich diversity of viewpoints.

I have been an Outside Director at Sumitomo Rubber for 15 years, and I feel that the corporate culture naturally changes depending on the president's personality. In the past, there was a time when important proposals would be thoroughly discussed in Management Meetings before the Board of Directors meetings. Then during the latter, the officers responsible would simply explain the proposals, with the president rarely saying much. However, the current president expresses his opinions clearly, so it's easy to know where he stands on things.



Outside Directors Roundtable Talk



Fudaba In terms of providing information to outside officers, those responsible for business execution are invited to the Audit & Supervisory Board meetings, where Outside Directors also have the opportunity to listen to the issues. Having a forum for extensive discussion beforehand helps in understanding the issues better. Additionally, as a member of the Nomination and Remuneration Committee, I'm able to meet and get to know the Executive Officers, with whom I wouldn't normally interact much. This helps me to make more informed decisions. As a result, I feel that we achieve better consensus compared to companies where there is no interaction between outside directors and outside audit & supervisory board members.

Various Innovative and Sustainable Initiatives

Fudaba I'd also like to touch on our sustainable initiatives.

As I mentioned earlier, our Tire Business accounts for approximately 85% of our sales revenue, and many people are involved in the related R&D. On the other hand, there are not many people involved in entirely new businesses. We will need to develop that area going forward.

Moreover, although we've been moving away from a focus on volume-led approaches and sales expansion, our net sales surpassed ¥1 trillion in fiscal 2023. Be that as it may, I hope we will continue to provide our customers with good products, and sustainable ones at that, without ever changing our stance on this. For example, the ACTIVE TREAD all-season tires, scheduled for release this fall, feature highly advanced technology. However, from another perspective, they eliminate the need to change tires between summer and winter, which could potentially reduce net sales. Yet, my hope is that the Company will continue to develop and provide good products from a sustainability perspective. The same goes for SENSING CORE.

Tanisho The biggest challenge in the Tire Business is the development of materials. In the coming era, it will be difficult to pursue innovation solely on our own. The Company is currently using advanced external equipment, such as supercomputers, to analyze the components of rubber. However, moving forward, I believe we should make even better use of external institutions in our R&D activities.

On the other hand, we cannot focus solely on materials development forever. The challenges for the future lie in the shortage of labor. Increasing the employment of women and senior workers will be vital in this regard. But the challenge is how to create a supportive environment for them to work effectively in factories that operate 24 hours a day. We must also advance R&D into fully autonomous driving and fully automated production by leveraging external expertise and cutting-edge tools.

Fudaba Among the questions made in advance of the recent General Meeting of Shareholders, there was a query about resin spoke tires. I don't believe this is something that can be achieved overnight. However, we have introduced the TOWANOWA concept, a Circular Economy Business Model utilizing big data. I believe that declaring such long-term goals both internally and externally is beneficial, as it clarifies our direction of travel.

Tanisho Speaking of the circular economy, at our Shirakawa Factory last year, we released Japan's first carbon-neutral tire (at the time of manufacture) using hydrogen energy and solar power. Obtaining technical support and grants from external organizations and starting to use hydrogen at the optimal time was a pioneering example. I believe that undertaking such pioneering initiatives, even though they may be challenging in terms of cost, exemplifies the Company's innovative spirit.



A Supporting Role with a Love for Sumitomo Rubber

Tanisho Lastly, I'd like to talk about my own role as an Outside Director at Sumitomo Rubber.

We are currently implementing an ERP system. As an engineer, I am well aware of the challenges involved in implementing a new system on the ground. When it comes to investing in systems, companies often anticipate operational costs after completion, but fail to account for improvement costs. You never know what issues might arise when you start using the system. I aim to provide advice to ensure that the return on investment is accurately assessed with the operational phase in mind.

Another point is that we are developing software called SENSING CORE, which is installed in vehicles. In addition to direct sales, we may also offer it as a subscription service with a monthly fee. Since we still don't have many colleagues within the Company who are familiar with such methods, I'd like to leverage my experience to provide advice on business development as well.

Fudaba Various issues are brought up in the Management Meetings, but I feel that the ability to monitor them is a bit weak. That's why it's important for us to check in from afar and ask "What happened with the issue you

mentioned three months ago?" When I was a president myself, there were times when I was concerned about delays in progress, so I believe I can offer advice in that respect.

Kosaka Unlike the two of you, I don't have management experience and am not an expert on rubber or tires, but I do have the advantage of being able to assess people based on my experience as a lawyer. I've interacted with past presidents and officers, assessed their personalities and qualities, and provided necessary advice. In other words, I act as a kind of glue between internal officers and outside officers.

As the coordinator for the outside officers, who are a support group for the president, I believe it's my role to encourage and give the president a bit of a push whenever there are issues he is hesitant about. We have Mr. Tanisho, who is knowledgeable about technology and business development. We have Mr. Fudaba, who is knowledgeable about governance and management. And then we have the other highly specialized outside officers. I see my role as bringing together this harmony with love for Sumitomo Rubber, providing support that is both strict and warm at the same time.

Greetings from the Newly Appointed Outside Director



Naomi Motojima
Outside Director

The challenges surrounding corporate management are becoming increasingly severe each year. They include climate change, declining societal dynamism due to widening inequality, technological innovation and the associated risks, and inflation. Additionally, there are declining birthrates and aging populations, structural issues like fiscal reconstruction, and rising geopolitical risks. In this uncertain era where social issues are becoming more diverse and unexpected events more common, we must be prepared to respond swiftly and appropriately to environmental changes.

The cornerstone and foundation of corporate management, therefore, has to be "sustainability."

I was centrally involved in sustainability, DE&I, and other ESG-related fields at MS&AD Insurance Group Holdings, Inc. and its Group companies. Based on my past experience, I feel there are three elements essential for a company to implement sustainable management.

First, it's important to clearly demonstrate how each employee's daily work is connected to social issues, thereby enhancing their job satisfaction. This should form the foundation of everything we do, and it is inextricably linked with the permeation of our mission, vision, and values.

Next, it's essential to establish a system where the head office cooperates with and supports frontline employees, enabling them to understand customers' issues and provide solutions without undue burden.

Lastly, it's important to consider the business environment at each overseas location and engage in close communication to ensure efforts are aligned both domestically and internationally.

I am confident that these three elements will be essential for Sumitomo Rubber to continue enhancing its corporate value sustainably into the future. I intend to closely observe Sumitomo Rubber's sustainability management from an external perspective, different from that of business execution, and to contribute personally as well.

Honors and Certifications from Outside Organizations

Some honors and certifications related to sustainability that the Sumitomo Rubber Group has received from outside organizations are listed below.

FTSE ESG Index Series

The Company was selected for inclusion in the FTSE4 Good Index Series and FTSE Blossom Japan Index, both of which are representative ESG indices, for the third consecutive year.

Moreover, the Company was selected for inclusion in the FTSE Blossom Japan Sector Relative Index, which was newly launched in fiscal 2022.







MSCI Nihonkabu ESG Select Leaders Index

The Group has been selected as a constituent of the MSCI Nihonkabu ESG Select Leaders Index. This index is constructed by selecting companies with excellent ESG performance records, with the aim of including 50% of the constituents in each sector. The Company acquired an "A" rating under an ESG rating program sponsored by MSCI.

2024 CONSTITUENT MSCI NIHONKABU ESG SELECT LEADERS INDEX

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2023	
March	The Shirakawa Factory was chosen to receive the "11th Green Society Contributor Award" under a program sponsored by the Organization for Landscape and Urban Green Infrastructure to commend corporations who are outstanding in terms of their contributions to regional societies and the improvement of the environments surrounding their operations through the development of greenery through ongoing greening initiatives and community contribution activities since commencing its operations. 
March	Dunlop Golf Club Corp. became the first company in Miyakonojo City, Miyazaki Prefecture, to be certified as an excellent business operator under the "Monisu" certification system, a program in which the Minister of Health, Labour and Welfare certifies small- and medium-sized employers with outstanding track records in promoting and stabilizing the employment of people with disabilities. 
March	The Company was certified by Hyogo Prefecture and Kobe City as a "Hyogo Kobe Women's Empowerment Business (Mimoza Company)" in recognition of its progressive stance toward the promotion of D&I and the creation of a workplace in which diverse human resources can achieve success. 
August	The WEB+PLUS Carbon Neutral Hub won the Bronze Award (achieving 28th place out of 94 entries) in the "Web/App In-house Newsletter Category, Single Initiative" of the "In-house Newsletter Awards 2023," a nationwide in-house newsletter planning contest sponsored by wis works, Inc. 
October	The Company received the Excellence Award in the Environmental Category at the 72nd Nikkei Advertising Awards 2023 (sponsored by Nikkei Inc.). The award-winning piece was the corporate advertisement "Rubber and Beyond, Driving Our Future" series (Biomass Raw Materials version) published in the Nikkei on October 28, 2022. 
November	The Company acquired a "Gold" rating for the second consecutive year under the PRIDE Index 2023 rating program designed to assess the level of initiatives undertaken by businesses and other organizations to protect the rights of sexual minorities, including members of the LGBTQ+ community. The Company received recognition for fostering inclusivity by promoting understanding of LGBTQ+ issues and updating its internal regulations to support all employees, including those in same-sex partnerships. 
November	The Company was recognized for its efforts in tire manufacturing utilizing hydrogen energy and solar power, and was awarded the 2023 Minister of the Environment's Award for Climate Change Action (Development and Commercialization Category (Mitigation Field*)) sponsored by the Ministry of the Environment. * Awarded to individuals and organizations with outstanding achievements in climate change mitigation and adaptation. 
November	To achieve carbon neutrality across the entire supply chain, the Company has newly established Scope 3 reduction targets for 2030. The Company is ahead of schedule regarding its 2030 reduction targets for Scope 1 and 2 due to proactive efforts at its bases. Therefore, the Company revised its targets upward. 

December	The Company received the highest accolade of "Best Workplace" certification at the D&I AWARD, Japan's largest award for evaluating, certifying, and honoring companies committed to Diversity & Inclusion (D&I). The Company was recognized for its support for employees in balancing work and childcare, as well as its LGBTQ+ initiatives. 
December	The Sumitomo Rubber Group Human Rights Policy was formulated to further strengthen its initiatives to promote respect for human rights. In 2022, the Company became a signatory to the "United Nations Global Compact" and is working toward establishing and implementing a framework for human rights due diligence.

2024	
January	To address biodiversity conservation challenges, we registered as a TNFD Adopter, adopting the disclosure recommendations published by the Taskforce on Nature-related Financial Disclosures (TNFD) in September 2023. As a result, the Company was announced as an Early Adopter at the World Economic Forum Annual Meeting held in Davos, Switzerland, from January 15, 2024. 
January	The Company signed a comprehensive collaboration agreement with Deloitte Tohmatsu Cyber LLC in the area of cybersecurity. The Company aims to ensure the stable operation of cybersecurity functions and develop a talent development model across a wide range of domains, from IT to factory and product/service security. 
January	In line with our registration as a TNFD Adopter, the Company conducted an initial analysis of its dependency and impact on nature in the course of business based on the final recommendations of the TNFD published in September 2023, and disclosed its findings. 
January	The Company received the Plastic Smart Category Award in the TAMA Sustainable Awards (hosted by the Tama City Green and Environment Council Executive Committee), which recognizes particularly outstanding organizations for their sustainable lifestyle and environmentally friendly initiatives. The Company began a demonstration test to investigate the amount of microplastic generated from artificial turf on tennis courts and to prevent the release of microplastics in Tama City. This was the first such experiment in Japan.
February	For the second consecutive year, the Company was certified by the Japan Sports Agency as a "Sports Yell Company" under the agency's 2024 selection program in recognition of its efforts to support and promote sports activities among its employees. The Company was certified as a "Plus" company with more than 70% of its employees participating in sports activities at least once a week. 
March	At the KANSAI TENNIS ASSOCIATION's 100th anniversary ceremony, Sumitomo Rubber Industries, Ltd. and Dunlop Sports Marketing Co., Ltd. received a certificate of appreciation for their efforts in promoting tennis in the Kansai region. * Photo provided by KANSAI TENNIS ASSOCIATION 
March	The Company was recognized by the Ministry of Economy, Trade and Industry as well as Nippon Kenko Kaigi (Japan Health Council), receiving certification as an excellent company under the "2024 Certified Health and Productivity Management Organization Recognition Program—White 500." The Company was thus named one of "White 500" for the eighth consecutive year. The Company was recognized for its efforts in preventing the progression of serious conditions among individuals at high risk for lifestyle-related diseases and other diseases, as well as for our initiatives to prevent passive smoking and promote smoking cessation. 
March	The Company received a certification for its GHG emissions reduction targets for 2030 from Science Based Targets Initiatives (SBTi), based on the recognition that its reduction targets are consistent with scientific knowledge. Its total emissions targets for Scope 1 and 2 (emissions from its own activities) and Scope 3 (emissions from other companies related to its activities), Category 1 (purchased goods and services) were certified. 
March	At the Tire Technology International Awards for Innovation and Excellence held during the Tire Technology Expo 2024 in Hanover, Germany, the Company's "utilization of hydrogen energy and solar power in tire manufacturing" received the Environmental Achievement of the Year - Manufacturing award. 

Certifications Acquired

- ISO 9001:2015 Quality Management Systems - 28 bases
- ISO 45001:2018 Occupational Health and Safety Management Systems - 12 bases
- ISO 14001:2015 Environmental Management Systems - 37 bases (including 34 bases with integrated certification)
- IATF 16949:2016 Automotive Quality Management System Standard - 27 bases