

**Selected as a “Health and Productivity Stock Selection 2016”
A corporation with outstanding “health and productivity”**

Sumitomo Forestry Co., Ltd. has been selected as a “Health and Productivity Stock Selection 2016,” a title jointly conferred by the Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

The Health and Productivity Stock Selection recognizes enterprises listed on TSE which feature outstanding “health and productivity management” and which focus on employee health from a management viewpoint and undertake strategic initiatives accordingly. It also introduces attractive enterprises to investors who prioritize improvement in corporate value from a long-term perspective. The 2016 Selection is the second such selection.



In its Corporate Philosophy and Action Guidelines, the Sumitomo Forestry Group highlights the importance of “Respect for Humanity.” Indeed, in its Ethical Action Guidelines, entitled “Our Values and Ideals,” the Group focuses on “Respect for Families: We maintain respect for ourselves and our families and strive to build and abundantly rewarding future.” It strives to maintain and promote the health of every employee, and promotes the creation of a working environment where employees can carry out their tasks with vitality.

More specifically, the Group has implemented various systems that enable its employees to enjoy an optimal work-life balance, including reduced working hours and a telework program. So that they can maintain their health and apply themselves to their work vigorously, the Group encourages its employees to take in excess of ten days designated paid leave every year, which include the “Refresh Leave” of successive holidays, and a summer vacation. The Housing Division, which is closed on Tuesday and Wednesdays, encourages its members to take leave on weekends by establishing a “Family Friendly Day Leave,” which allows them to spend time with their families or engaged in their own hobbies.

From a management perspective, the physical health of the Group’s employees is maintained and promoted by reducing long hours, implementing regular health checkups; for the mental health of its employees, the Group has stationed a clinical psychologist in the Personnel Department’s Workstyle Diversification Department, thereby creating an environment in which it is easy for employees to seek help. In addition, so that Group employees recognize the importance of mental health and so that the appropriate preventative measures are in place in every workplace, the Group’s resident counselor (clinical psychologist) conducts training with those in managerial positions and, from FY2013, the Group has introduced a “Mental Health Checkup (Self Check)” on its corporate intranet.



The presentation ceremony

In March 2015, the Sumitomo Forestry Group announced its Mid-Term CSR Management Plans, which it aims to achieve by FY2020. These plans set out concrete targets for the promotion of work-life balance. Through the initiatives laid out therein, the Group intends to create a lively working

Happiness Grows from Trees

environment in which a variety of personnel can excel and, going forward, aims to continue to contribute to the realization of a sustainable society.

About the Health and Productivity Stock Selection

This joint initiative by METI and TSE is one of a number of measures aimed at achieving the goal of “extending the nation’s life expectancy,” set out in the Japan Revitalization Strategy. Under this initiative, METI and TSE will select enterprises listed on the TSE that feature outstanding health and productivity management, and introduce them to investors who prioritize the improvement of corporate value from a long-term perspective. Through this program, METI and TSE aim to encourage enterprises to further tackle efforts for health and productivity management.

In order to evaluate whether enterprises are succeeding in their health and productivity initiatives from a variety of perspectives, ranging from top management to employees in the field, METI emphasizes certain criteria. These include: whether or not health and productivity are incorporated in an enterprise’s management philosophy and policies; whether or not an organized framework has been established for tackling health and productivity management; whether or not systems have been established for tackling health and productivity management, and whether or not the necessary measures have been implemented; whether or not measures have been established for assessing and improving health and productivity management; and whether or not laws and regulations are being observed. (Reference: METI website)