SUMITOMO FORESTRY

February 20, 2018

Sumitomo Forestry Co., Ltd.

Selected as a "Health and Productivity Stock Selection 2018"

Also selected as a "2018 Certified Health and Productivity Management Organization" (in the large enterprise category)

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Headquarters: Chiyoda-ku, Tokyo) was selected as a Health and Productivity Stock Selection 2018 on February 20, 2018. This is the first time in two years that Sumitomo Forestry has been selected and the second time overall. On the same day, Sumitomo Forestry was also selected as a 2018 Certified Health and Productivity Management Organization in the large enterprise category. This is the second consecutive year that Sumitomo Forestry was certified under this program.

The health and productivity stock selections are based on comprehensive assessments from four perspectives: corporate philosophy and policies, organizational systems, implementation of systems and initiatives, and evaluation and reform. Sumitomo Forestry was highly rated for corporate philosophy and policies and organizational systems.

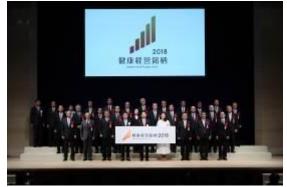
The Sumitomo Forestry Group is promoting diversity management, as Respect for Humanity is one of the company's Action Guidelines. The company advocates "The importance of family: Valuing oneself and one's family to build an abundant future," and strives to maintain and improve the health of each employee, promoting the creation of a work environment where

everybody can work happily.

Systems are in place to achieve a work-life balance, including a telecommuting program, and for employees raising children or caring for family members, reduced working hours, as well as flexible starting and finishing times. Sumitomo Forestry also has initiatives to help employees engage energetically in their jobs with a healthy body and mind, and employees are encouraged to take consecutive days of "refresh leave" in addition to the summer holidays, etc., in total more than 10 days of paid leave each year.



From the left: Parliamentary Vice-Minister Masaki Ogushi, Senior Managing Executive Officer Tatsuru Sato, and Homare Sawa



The presentation ceremony

Sumitomo Forestry introduced a flextime program and a work period interval program in FY2017 to reduce long working hours. The company is actively taking other measures such as creating planned annual vacations. The Housing Division, which is closed on Tuesdays and Wednesdays, established Family Friendly Day Leave to encourage employees to take leave on weekends, allowing employees to spend time with family or pursue their interests.

Sumitomo Forestry is working to reduce long working hours and conducts regular health checkups



for employees. The company also has an in-house health nurse and clinical psychologist and has established systems that provide employees easy access to these professionals for consultations.

The in-house counselor (clinical psychologist) conducts training for those in managerial positions, and the company has introduced a Mental Health Checkup (Self Check) on its corporate intranet. The company will continue with these efforts to ensure that all employees understand the importance of mental health, and will implement appropriate preventative measures in each workplace.

In March 2015, the Sumitomo Forestry Group established its Mid-Term CSR Management Plan, which it aims to achieve by FY2020, including specific goals to promote a work-life balance. Through these initiatives, the Group will promote creation of a workplace where a diversity of people can thrive, and will continue to contribute to the realization of a sustainable society.

Reference

About the Health and Productivity Stock Selection

Under this joint initiative, the Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange select companies listed on the Tokyo Stock Exchange that consider employee health promotion from a management perspective and strategically undertaken exceptional health and productivity management. The health and productivity certification is based on four criteria: corporate philosophy and policies, organizational systems, implementation of systems and initiatives, and evaluation and reform, and financial performance and other factors are also taken into consideration.



Health and Productivity Management Organization Certification Program

This program recognizes large enterprises and small and medium businesses that take action tailored to regional health issues, encourage improvements in health promoted by the Nippon Kenko Kaigi, and practice particularly outstanding health and productivity management. The objective is bring attention to outstanding enterprises that address health and productivity management in order to encourage the creation of environments worthy of social praise by employees, job seekers, affiliated companies, financial institutions, and others at business enterprises that consider employee health promotion from a management perspective and



undertake strategic initiatives. Two categories—small and medium businesses and large enterprises—were established, and outstanding health and productivity management organizations are certified in each category.