

Mission TREEING 2030

~Making our planet safer and more secure for future generations~

By providing value for our planet, for people and society, and for the market economy, we at the Sumitomo Forestry Group will strive to make our planet safer and more secure for current and future generations of people and all living beings. With our long-held strengths in harnessing and expanding the value of forests and wood, we will create change for a new future.



Our Long-Term Vision Mission TREEING 2030 contains detailed business concepts for realizing the Sumitomo Forestry Group's vision with an eye toward achieving a decarbonized society in 2050. To elevate our commitment to achieving this vision, we have set the target year for our Long-Term Vision to 2030, which is the same as the Sustainable Development Goals (SDGs). Additionally, we organized the Group's value proposition into "Value for our planet," "Value for people and society," and "Value for the market economy," and then identified nine material issues

linked to each. As the first step toward creating a foundation for contributing to future growth and decarbonization, we are now implementing our Medium-Term Management Plan called Mission TREEING 2030 Phase 1, covering the three-year period ending in fiscal 2024. (See page 34.) Simultaneously increasing the value associated with our "Value for our planet," "Value for people and society," and "Value for the market economy," while keeping them intact, will position us to achieve our Long-Term Vision.

Nine material issues and related SDGs

Value for our planet	Value for people and society	Value for the market economy
<p>1 To enhance the value of forests and wood through sustainable forest management</p>	<p>4 To provide comfortable and secure spaces for society at large</p>	<p>7 To create new markets with forests and wood</p>
<p>2 To realize carbon neutrality by leveraging forests and wood resources</p>	<p>5 To improve the livelihood of the local communities where we operate</p>	<p>8 To transform markets through DX and innovation</p>
<p>3 To realize a circular bioeconomy by leveraging forests and wood resources</p>	<p>6 To create a vibrant environment for all workers</p>	<p>9 To establish a robust business structure</p>

Business policy for achieving Mission TREEING 2030

1 Maximizing the value of forests and wood to realize decarbonization and a circular bioeconomy > P.16	2 Advancing globalization > P.20
3 Striving for transformation and the creation of new value > P.58	4 Transforming our business foundation for growth > P.80

Financial performance target

2030 recurring income target
250.0 billion yen

The Sumitomo Forestry Group's Wood Solutions

	Forests	Wood	Renewable energy	Construction
Summary	Accelerate the cyclical forest business We will promote zoning forest management to expand conservation forests, which absorb CO ₂ , and accelerate harvesting/replanting of working forests, which encourage carbon storage. With carbon offsets, we want to contribute to the decarbonization of other companies and society and realize a sustainable business.	Promote "wood change" We will enhance the competitiveness of domestic timber while pursuing the value of wood in carbon storage. We want to promote the use of wood throughout society to contribute to decarbonization.		Standardize carbon neutral design We will promote carbon neutral buildings by popularizing LCCM houses both in Japan and abroad, and by establishing and standardizing carbon neutral design methods to contribute to decarbonization of other companies and entities.
Concept	We will create a global forestry fund to expand forest area worldwide, with an emphasis on Asia. Through carbon offsets, we will contribute to other companies and society.	We will make Japanese forestry and wood product manufacturing more efficient with timber industrial complexes and promote the transition to wood-derived alternatives that increase carbon storage amounts.		We will popularize ZEH, ZEB and LCCM housing and net-zero carbon buildings and establish carbon neutral design (One Click LCA*1 x EPD*2) to contribute to the decarbonization of other companies and entities.
Beneficiaries	New customers who are seeking the value of CO ₂ absorption	Supply chain partners		Building owners (general consumers, companies)
Contributions	CO ₂ absorption	CO ₂ reduction (Scope 3 – Category 1)		CO ₂ reduction (Scope 3 – Category 11)
2024 investments*3	2024 Forestry fund related investments (~2024) 12.0 billion yen	2024 Timber industrial complexes investments (~2024) 20.0 billion yen		2024 Overseas non-residential wooden building investments (~2024) 30.0 billion yen
2030 targets	2030 Owned/managed forest area 500,000 ha	2030 Timber industrial complexes domestic timber usage 1.0 million m³/year		2030 Number of housing units supplied yearly 50,000 units

*1 A software that visualizes CO₂ emissions during construction. Our Company signed an exclusive agency agreement for Japan.
*2 An environmental labeling system based on quantitative environmental data evaluated and certified by a third party.
*3 Total investment from FY2022/12 to FY2024/12.

Moving toward a decarbonized society using the wood cycle

One unique aspect of the Group can be found in its business activities around the wood cycle, the upstream to downstream value chain for the sustainable natural capital of wood. With our operations focused on the three pillars of accelerating the cyclical forest business in the forests area, promoting "wood change" in the wood area, and standardizing carbon neutral design in the construction area, we will provide unique wood solutions in Japan and abroad harnessing all of these businesses that lead to a carbon neutral society, from forestry management to procurement and manufacturing of timber and construction materials, wooden construction, and wood biomass power generation. We have set quantitative targets for each of the above three pillars, and by actively promoting initiatives to achieve these targets, we will contribute to the realization of a sustainable and prosperous society as well as our own business growth.

