


Business Activities and Capital

Through business activities implementing the Wood Cycle value chain centered on trees, the Sumitomo Forestry Group aims to promote decarbonization not only within the Group but also for society as a whole, and to contribute to resource recycling. Below, the Group has marshaled the related capital, stakeholders, business activities in which capital is used, and the issues for each of the three fields of forests, wood and construction.



Forests

Accelerate the cyclical forest business


Investment amount during Medium-Term Management Plan Mission TREEING 2030 Phase 1

Forestry fund related investments (~2024)	12.0 billion yen
2030 target	
Owned/managed forest land area target	500,000 ha


The Group will increase the amount of CO₂ by forming forestry funds and expanding the area of owned and managed forests and peatlands around the world including in Asia, thereby contributing to the offsetting of carbon emissions from other companies and society.

- Establishment of Eastwood Forests LLC, a forest asset management operating company, and formation of a global forest fund through this company to contribute to the offsetting carbon emissions from other companies and society > P.16, 52
- Promotion of NeXT FOREST, a consulting service that combines the world's first sustainable tropical peatland forest management technology with IHI Corporation's observation technologies using satellites > P.16, 52
- Appropriate evaluation of the value of natural capital, such as the value of carbon absorption in forests and soils, the conservation of biodiversity and the water cycle, and contribution to local communities to create higher quality carbon credits. > P.16, 52


Related capital




Natural capital




Human capital




Intellectual capital



Social capital



Financial capital



Wood

Promote "wood change"


Investment amount during Medium-Term Management Plan Mission TREEING 2030 Phase 1

Timber industrial complexes investment amount (~2024)	20.0 billion yen
2030 target	
Timber industrial complexes domestic timber usage volume	1.0 million m³ per year


We will establish timber industrial complexes to improve the efficiency of the domestic forestry and timber manufacturing industries and revitalize local communities. This will also increase carbon storage volume by substituting with wood-derived materials.

- The domestic leader in timber and building materials trading in terms of trading volume > P.44
- Global network from procurement of timber and building materials to product manufacture and distribution > P.44
- Contributing to a decarbonized society by increasing the trading and production volume of Harvested Wood Products (HWP) and promoting carbon storage > P.22
- Establishment of timber industrial complexes the cascade utilization of domestic timber > P.17
- As a ripple effect from the establishment of timber industrial complexes, the Group aims to contribute to decarbonization by increasing the carbon storage period, improve the added value of timber (shift from production of low-grade to high-strength timber among other measures), create employment for forestry workers, and strengthen the stable supply of domestic timber and price competitiveness. > P.17


Related capital




Natural capital




Manufactured capital




Human capital




Intellectual capital



Social capital



Financial capital



Construction

Standardize carbon neutral design


Investment amount during Medium-Term Management Plan Mission TREEING 2030 Phase 1

Overseas non-residential wooden building investments (~2024)	30.0 billion yen
2030 target	
Annual housing units supplied	50,000 (Japan and overseas)


We will contribute to the decarbonization of other companies and other people by spreading ZEH (Net Zero Energy Houses), ZEB (Net Zero Energy Building), LCCM (Life Cycle Carbon Minus) housing, and Net Zero Carbon Buildings and establishing decarbonized design (One Click LCA x EPD).

- Reduction of CO₂ emissions (operational carbon) during living through the spread of ZEH, ZEB, LCCM housing, and Net-Zero Carbon Buildings > P.18, 46
- Significant decrease in CO₂ emissions (embodied carbon) during construction compared to building with steel or concrete > P.18
- Expansion of use of timber for structural frames of medium- to large-scale buildings > P.18
- Promotion of mass timber construction > P.20, 48
- Strengthening of the Group's entire value chain in the United States by establishing the Fully Integrated Turn-Key Provider (FITP) business that provides panel design, manufacturing, delivery, and construction in an integrated process in the United States > P.21, 48
- Expansion of projects for the acquisition of ISO-compliant environmental labeling EPD (Environmental Product Declaration), which visualizes CO₂ emissions throughout the entire life cycle of products > P.18, 44
- Promotion of commissioned calculation business as the sole Japanese agent of One Click LCA, a piece of software that visualizes CO₂ emissions and other indicators over the life cycle of a building. > P.18, 44


Related capital




Natural capital




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