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For Immediate Release

Sumitomo Forestry Co., Ltd.

Greenhouse Gas Emission Reduction Target has been officially approved by SBTi

Goal to reduce group's overall greenhouse gas emissions 21% by 2030

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Headquarters: Chiyoda-ku, Tokyo; hereinafter, Sumitomo Forestry) is pleased to announce that its long-term goal to reduce the Group's overall greenhouse gas emissions 21% by 2030 compared to 2017 levels has been officially approved by the Science Based Targets initiative (hereinafter, SBTi). Sumitomo Forestry is the 25th Japanese company to receive this certification.

The SBTi was established in 2015 as a collaboration of four organizations – CDP (formerly the Carbon Disclosure Project), the UN Global Compact, the World Resources Institute (WRI) and the World Wide Fund for Nature (WWF). The SBTi defines and promotes best practice in science-based target setting, to help companies determine a pathway for reducing their emissions in line with what is required to keep global temperature increase below 2 degrees Celsius compared to pre-industrial temperatures. In Japan, the Ministry of the Environment has translated this in Japanese as “Corporate 2°C Target” and is supporting company efforts.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

With a corporate philosophy to contribute to building a sustainable and prosperous society, Sumitomo Forestry Group has implemented a number of initiatives that have won high regard. For two consecutive years, Sumitomo Forestry Group has won CDP's highest evaluation by being included in the “Climate Change A List.” As a new effort, the Group declared its intent to adopt a science-based target by making a commitment to the SBTi in June 2017. The Group carefully considered and set a new long-term reduction greenhouse gas emissions target, which has been reviewed and approved by the SBTi.

“Sumitomo Forestry Group's new greenhouse gas emission reduction target (SBT)”
Sumitomo Forestry commits to reduce absolute scope 1 and scope 2 GHG emissions 21% by 2030 from a 2017 base-year. Sumitomo Forestry also commits to reduce absolute scope 3 GHG emissions from purchased goods and services and the use of sold products 16% by 2030 compared from a 2017 base-year. In addition to power generation and domestic/overseas manufacturing operations, the Group will work to reduce greenhouse gas emissions from the occupancy of detached houses supplied by the Group.

※¹CDP is an international non-profit that drives companies and governments to reduce their greenhouse gas emissions, safeguard water resources and protect forests. Voted number one climate research provider by investors and working with institutional investors with assets of US\$87 trillion, CDP leverages investor and buyer power to motivate companies to disclose and manage their environmental impacts. Over 6,300 companies with some 55% of global market capitalization disclosed environmental data through CDP in 2017. URL: www.cdp.net

※²Scope defines the range for calculating and reporting greenhouse gas emissions. Scope 1 is defined as direct greenhouse gas emissions from the company's use of fuel and other factors.

※³Scope 2 is defined as indirect greenhouse gas emissions from the consumption of purchased electricity and heat.

※⁴Scope 3 is defined as indirect greenhouse gas emissions other than those in Scope 1 and Scope 2. There are 15 categories, with category 1 being greenhouse gas emissions from the collection, production and shipment of purchased or acquired goods or services and category 11 being greenhouse gas emissions from the use of sold products and services.