

October 6, 2006



Establishing a Framework for Dealing in Certified Timber and Building Materials

Sumitomo Forestry Receives CoC Certification from the FSC

In September 2006, Sumitomo Forestry Co., Ltd. (Ryu Yano, President; corporate headquarters: 8-1 Marunouchi 1-chome, Chiyoda-ku Tokyo) received Chain of Custody (CoC) certification from the Forest Stewardship Council (FSC; headquarters; Bonn, Germany). This certification confirms that the sawn timber, plywood, MDF, raw wood, veneer and other building materials handled by our Business Headquarters is being sourced and sold under responsible management. CoC certification was received for processed lumber and plywood in March 2006, and the scope of the certification has now been extended to a wider range of wood products and building materials, including raw timber, MDF, and veneers.

In the context of rising social concern over environmental issues such as the prevention of illegal logging and protection of natural forests, this CoC certification enables us to build a framework for handling materials certified to be legally and sustainably harvested, and supply wood products in an environmentally responsible way. The FSC logo on the products we carry is proof that they were produced under responsible forest management, responding to the desire of our customers to procure environmentally sound wood products.

FSC certification is a system designed to offer proof that products are made from wood materials taken from responsibly managed forests. There are two types: Forest Management Certification, which guarantees that a forest is being managed responsibly, and Chain of Custody Certification, which guarantees that all products manufactured from raw materials from certified forests have been managed so as to ensure that no non-certified materials have been included in any phase of production, processing, or distribution.

For the wood products we distribute to carry the FSC logo, they must be made of materials harvested from an FSC certified forest, and all of the businesses involved in their production, processing, and

distribution must also have received CoC certification. This is what is meant by “Chain of Custody”: a chain of responsible management covering the entire process from forest to consumer. Purchase of the increasing number of products bearing the FSC logo that are now reaching the market will help to preserve responsibly managed forests and support such responsible management.

Basic Facts on CoC Certification:

Certifying organization: FSC (Forest Stewardship Council)

Certified organization: Sumitomo Forestry Co., Ltd.

Scope of certification: FSC pure and FSC mixed certified sawn timber, plywood, MDF, raw wood, veneer, and wood products for use as building materials

Certification number: SGS-COC-2556

Certification date: September 13, 2006

■ FSC (Forest Stewardship Council)

A non-profit, non-governmental organization founded in 1993 by representatives of environmental groups, the timber trade and forestry profession, indigenous people’s organizations, community forest groups, and forest product certification organizations, and headquartered in Bonn, Germany. A system of two types of FSC certification, Forest Management Certification and Chain of Custody Certification, has been established with the purpose of promoting environmentally responsible, socially beneficial and economically viable management of the world's forests.

- FM (Forest Management) Certification
A system certifying that a forest is being responsibly managed in compliance with strict standards to meet environmental, social and economical goals, i.e., logging commensurate with the growth of the trees and that due consideration is given to the ecosystem including the soil, water quality, and wild life.
- CoC (Chain of Custody) Certification
A system certifying that producers and distributors meet the conditions for responsible management of wood products, i.e., that the raw materials from FSC-certified forests are managed separately from those from non-certified forests throughout all stages of production, processing, and distribution to avoid any chances of mingling. .