

Sumitomo Forestry Group Announces Declaration of Biodiversity Biodiversity Long-Term Targets Set in Line with Aichi Biodiversity Targets

Sumitomo Forestry Co., Ltd. (President and Representative Director: Akira Ichikawa; Head Office: Chiyoda-ku, Tokyo) has formulated a Declaration of Biodiversity presenting its Group perspective and position on biodiversity-related issues, as well as Biodiversity Action Guidelines stipulating the Group's internal policy on biodiversity efforts going forward and accompanying Biodiversity Long-Term Targets for taking concrete action. The long-term targets are the first in the industry in Japan to be incorporated into business activities on the operational level and aligned with the Aichi Biodiversity Targets,* international objectives agreed upon at the 10th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP10).

Having articulated its social responsibility to these international objectives and its planned course of action for meeting them, the Sumitomo Forestry Group will step up environmental management efforts that respect the value of biodiversity and help mitigate global warming.

■ Objective

Efforts to conserve, restore, and wisely use biodiversity are gaining importance on a global scale. The adoption of the Strategic Plan for Biodiversity accompanying Aichi Biodiversity Targets at COP10 in Nagoya in October 2010 was an important milestone in this movement. Given the size of their impact on biodiversity, corporations in particular are strongly urged to take steps to conserve biodiversity and use its services sustainably.

The Sumitomo Forestry owns roughly 1/900th of the forested land in Japan and operates forest-related businesses worldwide—everything from the manufacture and distribution of timber from forests, to housing construction, renovation, and distribution, to urban greening. Trees are a veritable symbol of the services of biodiversity, born from the collaborative work of myriad organisms. To Sumitomo Forestry, conserving biodiversity means protecting the foundation on which our business rests.

The Sumitomo Forestry Group has formulated the Declaration of Biodiversity, the Biodiversity Action Guidelines, and the Biodiversity Long-term Targets with the objective of guiding its activities toward improved conservation and sustainable use of biodiversity. Sumitomo Forestry Group has a deep connection to biodiversity through its business activities using timber, a sustainable resource. Therefore, the Group will demonstrate its commitment to fulfilling its social responsibility and step up biodiversity efforts as a united organization by setting targets that are fully cognizant of the Aichi Biodiversity Targets.

* Aichi Biodiversity Targets

Officially part of the Strategic Plan for Biodiversity 2011–2020, the Aichi Biodiversity Targets are the global community's goals for biological diversity. Key elements of the Plan include a Vision for “Living in Harmony with Nature”; a Mission to “take effective and urgent action to halt the loss of biodiversity”; and 20 separate targets. To achieve these, governments around the world are being called on to draw up national strategies, establish and abolish legislation, and take various actions. These activities are expected to have implications for broader society in the coming years.

■ Declaration of Biodiversity

Based on the Declaration of Biodiversity, the Group's activities to protect biodiversity are as follows.

The Sumitomo Forestry Group Declaration of Biodiversity

The forefather to the Sumitomo Forestry Group was founded more than three centuries ago, and since then we have developed our businesses while conserving forests, whose clear water, air, and soil are the source of life for many living creatures. Going forward, we at Sumitomo Forestry will continue to place the greatest importance on preserving biodiversity through our forestry business for providing timber, which is a renewable natural material, and for managing forests, which support diverse ecosystems. We shall also strive to help realize a sustainable society that exists in harmony with nature.

■ Biodiversity Action Guidelines

The Company formulated the following Action Guidelines to guide Group companies as they actively pursue initiatives to protect and promote biodiversity.

The Sumitomo Forestry Group's Biodiversity Action Guidelines

1. Position biodiversity as a key issue with the goal of coexisting with the environment and, together with its stakeholders, pursue initiatives to protect and promote biodiversity.
2. Ensure that each and every employee in the Group understands the importance of biodiversity and acts while considering both the direct and indirect consequences of their actions on biodiversity.
3. Minimize the impact of all Group activities on biodiversity
4. Through its timber and forest-related businesses, provide to society the gifts acquired from forest ecosystems and contribute to the improvement of people's lives.

■ Biodiversity Long-Term Targets

In order to globally develop its key biodiversity initiatives both within Japan and overseas, the Company formulated the Long-term Targets described below. To efficiently achieving these targets, it has also established incremental time schedules for reaching each target, and going forward it will progress initiatives specifically designed to achieve them.

The Sumitomo Forestry Group's Biodiversity Long-Term Targets: Summary

Group-wide targets

1. Aim to achieve sustainable forests

In all timber-related businesses, from upstream to downstream, work to prevent any reduction in forest areas and aim to achieve sustainable forests.

- Regenerate forests through reforestation and the natural regeneration of vegetation and maintain logging to less than grown volume of the forest.
- Increase the procurement and use of sustainable timber, including forest certified timber, plantation forest timber, and Japanese timber.
- Promote the efficient use of timber and, recycle, and reuse timber.

2. Increase the amount of CO₂ absorbed by and sequestered in forests and timber

In order to increase the amount of CO₂ absorbed by and sequestered in forests and timber, promote the use of timber by cultivating healthy forests and encouraging the use of timber construction materials and the construction of wooden buildings. In this way, contribute to the protection of biodiversity and help alleviate climate change.

Individual targets
<p>3. Forests</p> <p>Promote forest management that regenerates, maintains, and increases biodiversity</p> <ul style="list-style-type: none"> · Carry out zoning that protects ecosystems and the habitats of living creatures. · Maintain the environment protection priority forest area of Company-owned forests in Japan to 20% or more. · Maintain Company-owned forests in Japan to 100% forest certified. · Establish targets for protecting endangered species based on the results of the biodiversity monitoring conducted within Company-owned forests in Japan starting 2012. · Conduct operations at plantation forests overseas while considering how best to contribute to local communities, economies and education. <p>4. Products</p> <p>Provide products and services that are considerate to biodiversity, such as forest-certified timber and products and services that have received an environmental assessment.</p> <p>5. Construction</p> <p>Work to develop homes and communities that are in harmony with the natural environment and their surrounding urban landscapes.</p> <p>6. Design</p> <p>Manage and minimize waste generation through promoting a zero-emissions policy in construction operations.</p> <p>7. Greening</p> <p>Be considerate to the surrounding ecosystems and tree species and actively cultivate native species.</p> <p>8. Plants</p> <p>Manage and minimize the generation of pollutants, waste, and noise pollution, and reduce their impact on biodiversity.</p> <p>9. Public relations</p> <p>Actively communicate the importance of biodiversity to all stakeholders, including customers, business partners, and local communities.</p> <p>10. Research</p> <p>Collect the latest information and develop preservation technologies in order to implement measures to protect biodiversity.</p> <p>11. Social contribution</p> <p>Protect those trees that are historically and culturally important and preserve their genetic material.</p>

■ Group Initiatives on Biodiversity

In fiscal 2007, the Sumitomo Forestry Group articulated a respectful attitude toward biodiversity in a revision to its environmental policies and established a new Timber Procurement Philosophy and Policy, thereby publicly declaring its commitment to conserving biodiversity in timber procurement. A basic policy on biodiversity conservation in the management of company-owned forests in Japan was established in fiscal 2006.

In fiscal 2009, the Group performed inspections and assessments of business fields thought to have a particularly significant impact on biodiversity to determine the effects of those fields on biodiversity. Today, initiatives are effectively carried out in each business division based on the survey findings, with third-party views incorporated to maintain objectivity.

In 2010, the Sumitomo Forestry Group hosted the largest exhibition space among private enterprises at the Interactive Fair for Biodiversity, an outdoor fair held in conjunction with COP10.