

December 26, 2023

For Immediate Release

Sumitomo Forestry Co., Ltd.

Sumitomo Forestry registers as a TNFD Early Adopter ~Accelerating nature positive management~

Sumitomo Forestry Co., Ltd. (President and Representative Director: Toshiro Mitsuyoshi; headquarters: Tokyo; hereinafter, Sumitomo Forestry) is pleased to announce that on December 14, it has registered as a TNFD Early Adopter,^{*1} signaling a commitment to adopt disclosure recommendations announced in September by the Taskforce on Nature-related Financial Disclosures (hereinafter, TNFD). In addition to promoting disclosure in line with TNFD recommendations, Sumitomo Forestry is committed to accelerating efforts to conserve and restore biodiversity and nature and contributing to nature positive.

TNFD is a global initiative founded by Global Canopy, the United Nations Development Programme (UNDP), the United Nations Environment Programme Finance Initiative (UNEP FI), the World Wide Fund for Nature (WWF), and others with the aim to develop and provide a framework for financial information disclosure related to biodiversity and natural capital.

Since February 2022, Sumitomo Forestry has been participating in the TNFD Forum, a collective of stakeholders who support the development of the TNFD framework. In our Sustainability Report published in April 2023, we announced the results of our trial analysis using TNFD's LEAP approach.^{*2} In addition, as a member of WBCSD's Forest Solutions Group (FSG), we were the only Japanese company to help prepare TNFD's draft guidance for the forestry sector released in December 2023.

Sumitomo Forestry Group formulated Mission TREEING 2030, our long-term vision with the same 2030 target year as the United Nations' SDGs. In this vision, we defined nine material issues from the perspective of providing value for our global environment, for people and society, and for our market economy. In our medium-term management plan, Mission TREEING 2030 Phase 1 (2022~2024), we specified the further integration of business and ESG as one of our basic policies and to achieve this, created our Mid-Term Sustainability Targets 2024, which incorporates sustainability strategies and material issue initiatives. By achieving the targets for each material issue, we aim to fulfill SDGs, respond to society's expectations, and raise corporate value.

^{*1} TNFD Adopter is a company or organization that has registered on the TNFD website its intent to disclose information in line with TNFD recommendations. Registered companies must indicate their intention to adopt either 2024 or 2025 TNFD recommendations. Furthermore, companies that are registered by January 10, 2024, will be announced as "Early Adopters" at the World Economic Forum to be held in Davos the same month.

^{*2} The LEAP approach is a TNFD-developed systematic, science-based assessment process of nature-related risks and opportunities. It is comprised of four phases: Locate, Evaluate, Assess, and Prepare. Sumitomo Forestry Group has conducted trial assessments using the LEAP approach on its timber procurement operations.

<https://sfc.jp/english/sustainability/environment/biodiversity/>

<Reference>

About TNFD:

<https://tnfd.global/>

About TNFD Adopters:

<https://tnfd.global/engage/tnfd-adopters/>

WBCSD Forest Sector Nature-Positive Roadmap:

<https://www.wbcsd.org/Sector-Projects/Forest-Solutions-Group/Resources/Forest-Sector-Nature-Positive-Roadmap>

Sumitomo Forestry Group's efforts to realize a sustainable society are published in the Sustainability Report 2023:

<https://sfc.jp/english/sustainability/>

Sumitomo Forestry Group's policies and targets for biodiversity conservation:

<https://sfc.jp/english/sustainability/environment/biodiversity/>

Sumitomo Forestry Group's participation and sponsorship of initiatives:

<https://sfc.jp/english/sustainability/management/vision.html>