

Messages from Outside Directors

Message from Outside Director Izumi Yamashita

Making steady efforts toward achievement of the Long-Term Vision

Izumi Yamashita
Outside Director



The business environment surrounding the Company has changed significantly due to ongoing worldwide inflation and rapid hikes in interest rates triggered by Russia's invasion of Ukraine, and the performance of the overseas housing and real estate business, particularly in the United States, has been forced into a considerable downturn.

However, since the medium- to long-term growth potential of these countries is high and they are expected to return to a growth trajectory as interest rates peak, it is time for the Company to solidify the foundation for its next stage of growth, including improving productivity by streamlining construction, while thoroughly managing investment and inventory risks.

The most important management issues for the Company are the revitalization of domestic businesses, which are sluggish against the backdrop of a declining population, lower birthrates and an aging population, and contributing to global environmental issues and decarbonization. To address these issues, the Company must make every effort toward wide-ranging projects set forth in the Long-Term Vision Mission TREEING 2030 and steadily produce results.

In the implementation process, it is essential to (1) thoroughly visualize the processes of each project and implement effective project management through collaboration and cooperation with each organization and department, and (2) utilize collaboration and open innovation with other companies that have excellent technology and know-how. The Company's project for the sustainable comprehensive forest management of tropical peatlands in Indonesia, which is being implemented in collaboration with IHI, is one such leading example.

I am confident that building and nurturing a human resource portfolio of energetic, highly skilled individuals with diverse nationalities and backgrounds through these various projects inside and outside the company, and creating a more open and innovative work environment with a constructive sense of tension will lead to the sustainable and robust growth of the Company's corporate value.

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Message from Outside Director Mitsue Kurihara

Reflecting diverse viewpoints in management to enhance corporate value and social value

Mitsue Kurihara
Outside Director



The Sumitomo Forestry Group is establishing a unique value chain by building the global wood cycle. The business environment is becoming increasingly uncertain amid changes in global economic conditions and heightened geopolitical risks, like a wood shock of soaring lumber prices worldwide, which resulted from a combination of various factors. This situation requires a more advanced level of management.

The Company is presented with a number of business opportunities as a result of social issues such as climate change. In decarbonization, it is important to not only go “carbon negative” by ourselves, but also lead the creation of high-quality environmental value by developing carbon measurement technology utilizing our know-how, standardizing decarbonized design in architecture, and establishing forestry funds, as well as pursuing sustainable forest management in Japan and overseas.

The Company must also enhance risk management, and it is important to reexamine supply chains and strengthen local management capabilities in consideration of the international situation and economic security. In addition, the Company needs to increase sensitivity to respect biodiversity and human rights, and accelerate its efforts and disclosure.

To this end, it is essential that the Company strengthens its management foundation. It is necessary to constantly discuss the ideal financial base taking into account expanded investments for growth and business characteristics. In terms of human resource strategy, the proportion of mid-career hiring of managers and non-Japanese full-time directors at overseas subsidiaries already exceeds 40%, but I would like to see the Company further promote diversity such as a more active role of women and foster a culture that embraces “taking on challenges.”

In addition to promoting DX that includes the Group and supply chains, it is also important to enhance the Group’s communication capabilities. Going beyond horizontal business collaboration, the Company should use management strategies, risk management, and close communication between each business unit to better understand complex and uncertain changes in the business environment and foster greater resilience.

As an Outside Director, I will help to evolve Group governance in normal times while reflecting various viewpoints in management, and strive to further enhance corporate value and social value by helping to increase the organization’s resilience.

Message from Outside Director Yuko Toyoda

Aiming to contribute to governance building and discussions to increase women’s active engagement in the workplace

Yuko Toyoda
Outside Director



1. As an Outside Director, from what perspectives do you intend to be involved in governance?

It is an honor to have joined the Board of Directors in March 2023. At the same time, I recognize the importance of my duties and have a feeling of tension and determination. An Outside Director plays a substantial role in ensuring the effectiveness of supervision by using their independent position and perspectives that differ from those involved in business execution inside the Company. The Outside Director must also live up to the expectations of stakeholders. After mastering these basics, I hope to contribute to governance using diverse viewpoints while utilizing my experience in law.

2. Do you have a credo as a legal professional that could benefit the activities of Directors?

When working on a legal case, it is important for a lawyer to look at the big picture, drawing a clear distinction between areas requiring flexibility and those to be protected. It is necessary to be careful not to become unnecessarily conservative and hinder business, while at the same time accurately pointing out the legal risks that should be avoided and determining the measures to be taken from a bird’s-eye view of the whole. This way of thinking is also useful in my activities as a Director.

3. What role do you hope to play on Sumitomo Forestry’s Board of Directors?

Since corporate governance is not a uniform system, but rather one that requires an appropriate system for each company, it is necessary to deeply consider the company and the surrounding environment based on discussions and trends at the time. By gaining a deep understanding of the Company and holding thorough discussions, I hope to contribute to the establishment of a governance system that suits Sumitomo Forestry. In addition, forest management since the Company’s founding has evolved into a wood cycle that is a powerful solution to global issues, and such management continues to make steady progress in this regard. To ensure that Mission TREEING 2030 is implemented based on a solid governance footing, I would like to contribute to solving various issues, such as promoting Group governance tailored to the characteristics of overseas subsidiaries, implementing and disseminating decarbonization initiatives, and creating an environment for making full use of human resources. In particular, I will give sincere consideration to the more active role of women in the workplace and do my utmost to enable not only women but also each and every employee to play an even more active role.