

# The Sumitomo Forestry Group's Corporate Philosophy and Our Values



## Corporate Philosophy

The Sumitomo Forestry Group utilizes wood as a healthy and environmentally friendly natural resource to provide a diverse range of lifestyle-related services that contribute to the realization of a sustainable and prosperous society. All our efforts are based on Sumitomo's Business Spirit, which places prime importance on fairness and integrity for the good of society.

## Our Values

- We provide high-quality products and services that bring joy to our customers.
- We create new businesses that lead to happiness for generations to come with a fresh perspective.
- We promote a free and open-minded corporate culture that respects diversity.
- We set and strive to achieve ambitious goals through ongoing effort.
- We do work that wins us the trust of society with fair and honest conduct.

## The Sumitomo Forestry Group Code of Conduct

### Purpose and scope of application

Based on its Corporate Philosophy and Our Values, the Sumitomo Forestry Group shall manage its operations, including the supply chain, in accordance with this Code of Conduct.

### Fair and transparent corporate activities

- |   |   |
|---|---|
| 1. Strict adherence to laws and regulations | 8. Relationships with companies we do business with |
| 2. Prevention of corruption                 | 9. Protection of intellectual property rights       |
| 3. Fair business transactions               | 10. Protection of personal information              |
| 4. Fair accounting procedures               | 11. Responsible advertising/promotional efforts     |
| 5. Communication with stakeholders          | 12. Healthy relationship with the government        |
| 6. Maintaining confidentiality              | 13. Stance on organized crime                       |
| 7. Information security                     | 14. Establishment of a whistleblowing mechanism     |

### Ethical conduct


- |   |  |
|---|--|
| 15. Avoidance of a conflict of interest               | 18. Appropriate gift giving and entertainment        |
| 16. Prohibition of misappropriation of company assets | 19. Prohibition of political or religious activities |
| 17. Prohibition of insider trading                    |  |

### A respectful, healthy workplace

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|--|------------------------------------|
| 20. Respect for human rights                                     | 25. Work/life balance              |
| 21. Prohibition of discrimination and the promotion of diversity | 26. Occupational health and safety |
| 22. Prohibition of forced labor and child labor                  | 27. Human resources development    |
| 23. Freedom of association and collective bargaining rights      | 28. Prohibition of harassment      |
| 24. Appropriate working hours and wages                          | 29. Protection of privacy          |

### Business activities that respect society and the environment

- |                                       |   |
|---------------------------------------|---|
| 30. Customer satisfaction and safety  | 32. Contribution to the local community |
| 31. Co-existence with the environment |   |

 The Sumitomo Forestry Group Code of Conduct  
<https://sfc.jp/english/corporate/philosophy/code.html>



# Value Creation Story

## The Sumitomo Forestry Group's Sustainability Management

The Sumitomo Forestry Group has been engaged in sustainable management based on its Corporate Philosophy of "The Sumitomo Forestry Group utilizes wood as a healthy and environmentally friendly natural resource to provide a diverse range of lifestyle-related services that contribute to the realization of a sustainable and prosperous society. All our efforts are based on Sumitomo's Business Spirit, which places prime importance on fairness and integrity for the good of society."

We formulated Mission TREEING 2030 in February 2022, our Long-term Vision which identifies Nine Material Issues from the three perspectives of our planet, people and society, and the market economy,

with a view to our ideal state in 2030. We aim to expand growth and realize a decarbonized society through business activities that spin the Wood Cycle, a value chain centered on wood.



### Corporate Philosophy [▶ P.2](#)

#### Long-term Vision [▶ P.22](#)

## Mission TREEING 2030

~Making our planet safer and more secure for future generations~

By providing value for our planet, for people and society, and for the market economy, we at the Sumitomo Forestry Group will strive to make our planet safer and more secure for current and future generations of people and all living beings. With our long-held strengths in harnessing and expanding the value of forests and wood, we will create change for a new future.

Business policy for achieving Mission TREEING 2030

- |   |   |
|---|---|
| <p><b>1</b> Maximizing the value of forests and wood to realize decarbonization and a circular bioeconomy</p> <p><b>3</b> Striving for transformation and the creation of new value</p> | <p><b>2</b> Advancing globalization</p> <p><b>4</b> Transforming our business foundation for growth</p> |
|---|---|

### Material management issues

Nine Material Issues [▶ P.52](#)

### Mission TREEING 2030 Phase 1 Medium-term Management Plan

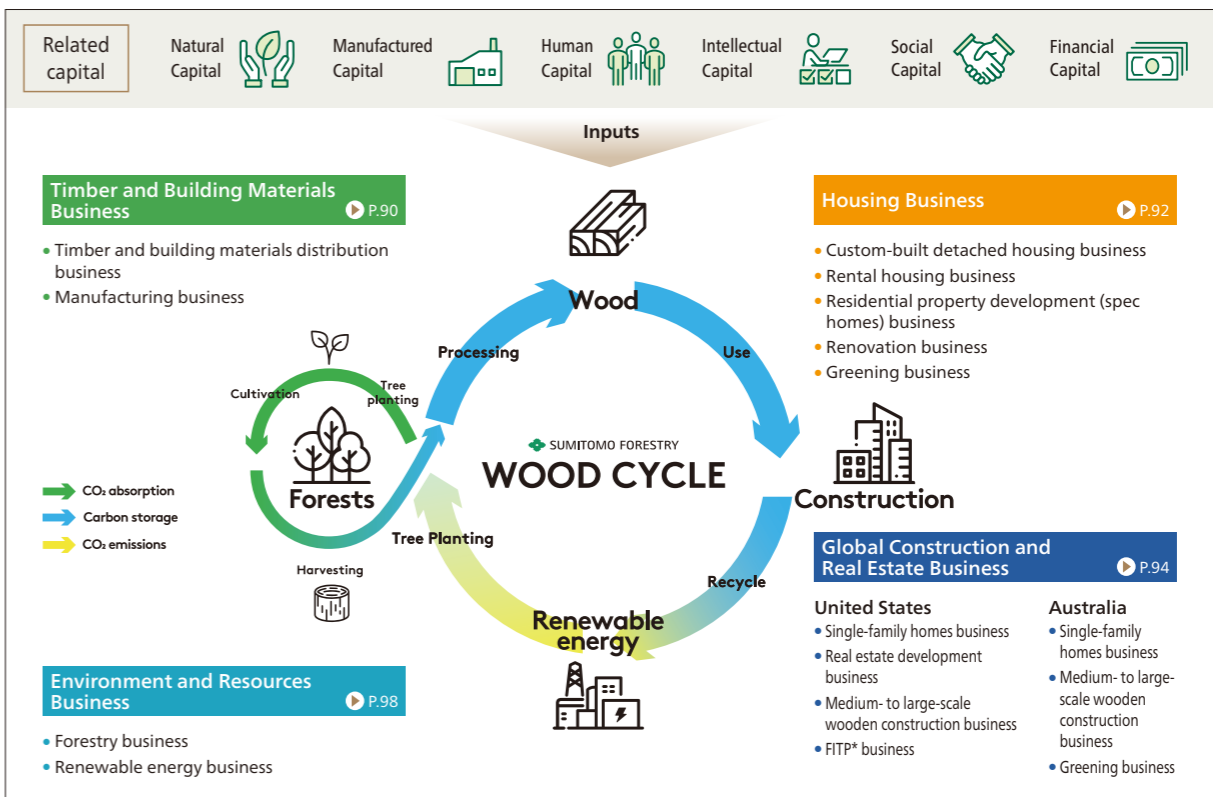
(Fiscal year ended December 31, 2022 to fiscal year ending December 31, 2024)

Three years for creating a foundation aimed at future growth and contribution to decarbonization

- |                       |  |   |
|-----------------------|--|---|
| <p>Basic Policies</p> | <p><b>1</b> Efforts to address decarbonization challenges using wood resources</p> <p><b>3</b> Acceleration of global expansion</p> <p><b>5</b> Further integration of business operations and ESG</p> | <p><b>2</b> Promotion of a more resilient earnings base</p> <p><b>4</b> Strengthen management base for sustainable growth</p> |
|-----------------------|--|---|

[▶ P.41](#)

### Value Creation Process [▶ P.34](#)



Stakeholders of the Sumitomo Forestry Group

- Shareholders and Investors
- Global Society and Local Communities
- Government and Regulatory Authorities
- Business Partners
- Employees and Their Families
- Global Environment
- Industries and Companies in the Same Business
- Students
- NPO/NGO
- Customers

Stakeholder Engagement [▶ P.68](#)

### Outcomes Value created



\* The Fully Integrated Turn key Provider (FITP) business provides integrated services from design of panels to manufacturing, delivery, and installation.