Overview of Long-term Vision

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.

Value for our planet × Value for people and society × Value for the market economy

Nine Material Issues and related SDGs

Value for our planet	SDGs
1 To enhance the value of forests and wood through sustainable forest management	13, 15
2 To realize carbon neutrality by leveraging forests and wood resources	7, 13
3 To realize a circular bioeconomy by leveraging forests and wood resources	11, 12, 15

Value for people and society	SDGs
4 To provide comfortable and secure spaces for society at large	3, 9, 11
5 To improve the livelihood of the local communities where we operate	3, 8, 11
6 To create a vibrant environment for all workers	3, 5, 8

Value for the market economy	SDGs
7 To create new markets with forests and wood	9, 11
8 To transform markets through DX and innovation	9
9 To establish a robust business structure	16

Our Long-term Vision Mission TREEING 2030 contains detailed business concepts for realizing the Sumitomo Forestry Group's vision with an eye toward achieving a decarbonized society in 2050. To elevate our commitment to achieving this vision, we have set the target year for our Long-term Vision to 2030, which is the same as the Sustainable Development Goals (SDGs). Additionally, we organized the Group's value proposition into "Value for our planet," "Value for people and society," and "Value for the market economy," and then identified Nine Material Issues linked to each. Simultaneously increasing three values while keeping them intact will position us to achieve our Long-term Vision.

Business policy for achieving Mission TREEING 2030

1. Maximizing the value of forests and wood to realize decarbonization and a circular bioeconomy
2. Advancing globalization
3. Striving for transformation and the creation of new value
4. Transforming our business foundation for growth

Financial performance target

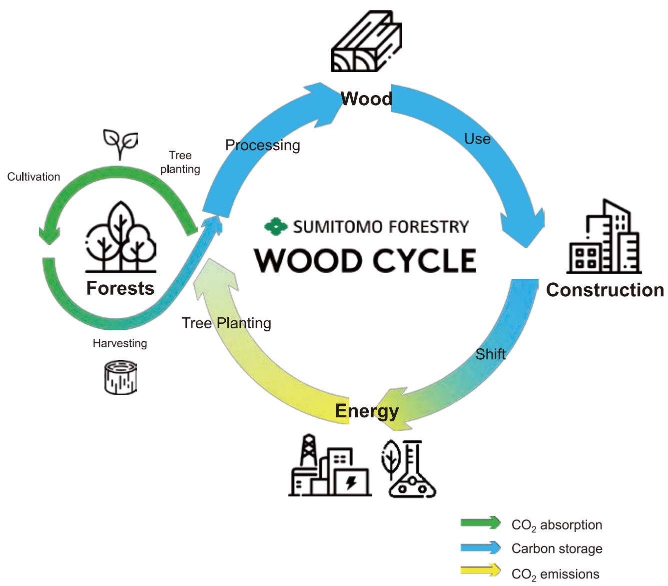
2030 recurring income target

350.0 billion yen

Overview of Long-term Vision

Moving toward a decarbonized society using the Wood Cycle

One unique aspect of the Group can be found in its business activities around the Wood Cycle, the upstream to downstream value chain for the sustainable natural capital of wood resources. With our operations focused on the three pillars of accelerating the cyclical forest business in the forests area, promoting wood change in the wood area, and standardizing carbon neutral design in the construction area, we will provide unique wood solutions in Japan and abroad harnessing all of these businesses that lead to a carbon neutral society, from forestry management to procurement and manufacturing of timber and construction materials, wooden construction, and wood biomass power generation.



The Sumitomo Forestry Group's wood solutions

Forests

Accelerate the cyclical forest business

Form forest funds to expand forest coverage by protecting and expanding forests and peatlands around the world, especially in Asia. Contribute to carbon offsets for other companies and society.

- **Beneficiaries**
  New customers who are seeking the value of CO_2 absorption
- **Contributions**
  CO_2 absorption

2030 targets

Owned/Managed forest area

1,000,000 ha

Wood / Energy

Promote wood change

Establish a timber industrial complex that will improve the efficiency of domestic forestry and timber production, and contribute to the increase of carbon storage by substituting wood-derived materials.

- **Beneficiaries**
  Supply chain partners
- **Contributions**
  CO_2 reduction (Scope 3 – Category 1)

2030 targets

Timber industrial complexes domestic timber usage

1.0 million m³/year

Construction

Standardize carbon neutral design

Contribute to the decarbonization of other companies and others through the spread of ZEH, ZEB, LCCM housing, and net-zero carbon buildings, as well as the establishment of carbon neutral designs (One Click LCA*1 x EPD*2).

- **Beneficiaries**
  Building owners (general consumers, companies)
- **Contributions**
  CO_2 reduction (Scope 3 – Category 11)

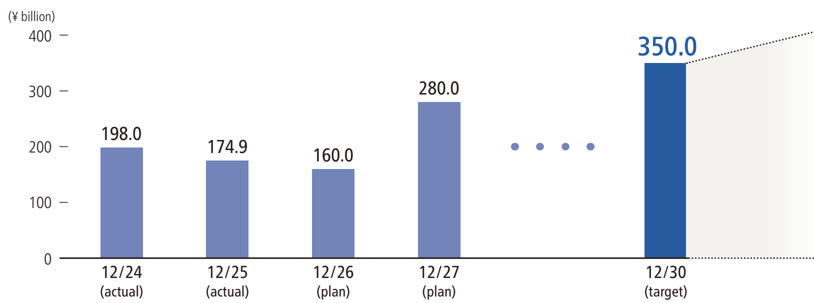
2030 targets

Number of housing units sold yearly

65,000 units (in Japan and overseas)

*1 A software that visualizes CO_2 emissions during construction. Our Company signed an exclusive agency agreement for Japan.
*2 An environmental labeling system based on quantitative environmental data evaluated and certified by a third party.

Recurring income target



(¥ billion)

	12/30 Target	12/25 Actual
Timber and Building Materials	25.0	12.8
Housing	60.0	41.3
Global Construction and Real Estate	270.0	119.7
Environment and Resources	6.0	-1.3
Other	2.5	4.9
Adjustments	-13.5	-2.4

*The planned figures are based on those announced on February 13, 2025, and the segment classifications are based on the categories used at the time of the announcement.