



While it is unclear when the COVID-19 pandemic that began in 2020 will end, we are finally beginning to see a return to normal daily life thanks to vaccinations, restrictions on activities and other measures. Nonetheless, the fragmentation to the supply chain that the pandemic caused continues to disrupt the balance of supply and demand, causing chaos in the distribution network, soaring wood prices and other issues. In addition, countries worldwide are experiencing a shortage of supplies and inflation with worsening geopolitical risks.

At COP26 held last year in Glasgow, the world made its first real step toward realizing a decarbonized society with member countries agreeing to limit global warming to 1.5°C compared to pre-industrial levels. In these turbulent times, companies are being tasked to play an increasingly important role in the sustainable development of society.

Sumitomo Forestry Group's origins go back to 1691 with the opening of the Besshi Copper Mine where we managed forests to procure wood for fuel and mining wood. In the more than 330 years since, we have operated our businesses based on Sumitomo's Business Spirit, which places prime importance on fairness and integrity for the good of society. In 1894, we formulated the Great Afforestation Plan to begin rejuvenating the surrounding forests that were damaged from smoke and other factors from copper smelting. In a time when there was no awareness of ESG or SDGs, our predecessors strove to conduct business that was in harmony with public interest. Their DNA continues to be passed down to this day as reflected in our Group's Corporate Philosophy and Our Values.

Sumitomo Forestry Group has long contributed to the global environment and people's lifestyles through a wide range of business activities centered on wood, such as forest management, wood building materials manufacturing, distribution, wood building construction and biomass power generation. In a world grappling with climate change and energy problems, now more than ever before, we must adhere to the values handed down from our predecessors and create businesses that resolve societal issues in a way that only Sumitomo Forestry Group can. With the aim to be an integral element of people's lives, we are committed to contributing to a sustainable and prosperous society through our business activities.

Akira Ichikawa
Representative Director, Chairman of the Board