

October 25, 2024

Obtained FSC® Project Certification for Using Wood With Assured Traceability:

A First for General Contractor HQ Buildings in Japan

Toda Corporation (Head Office: Chuo-ku, Tokyo; President: Otani Seisuke) has obtained FSC Project Certification^{*1} (FSC-P002014) for the construction of its new head office, the Toda Building, making it the first general contractor headquarters building in Japan to do so. On October 25, 2024, an award ceremony was held with the attendance of representatives from FSC Japan and SGS Japan, in recognition of the rare case of the large-scale use of wood with assured traceability for non-combustible interior materials in a skyscraper.

*1: https://jp.fsc.org/jp-ja/Project_certificate



From left, Cindy Cheng, Regional Director for Asia, FSC Headquarters, FSC Japan The Company's President and Representative Director Otani Seisuke Lisson Yan, Management Director, SGS Japan Inc. Norihiko Shiraishi, FSC Japan Director (Professor Emeritus, The University of Tokyo)

1. Background

In supplying oxygen and providing habitats for animals and plants, forests serve an important function in maintaining the balance of the ecosystem. We must protect these forests.

FSC certification*² is an international certification for the promotion of sustainable forest management.

Shimokawa Town in Hokkaido, which is famous for having obtained this certification, strives to achieve cyclical forestry and sustainable resource management. It has formulated a forest conservation plan to pass the forests—which are maturing thanks to the efforts and hard work of previous generations—on to the next generation, and to continue cyclical forest management based on the principles of FSC certification.

Following the conclusion of a comprehensive cooperation agreement with Shimokawa Town in Hokkaido on July 18, 2023^{*3}, we have been working to revitalize the forestry industry in Shimokawa Town and add value to its timber. As part of this initiative, we examined the possibility of obtaining FSC project certification for the use of Shimokawa timber in the Toda Building to actualize the ideals of the "Remember the Forest Project[™]."

- *2: FSC certification is a system that provides consumers with a clear path to access products made from properly managed forests and other low-risk forest products in a way that provides social and economic benefits.
- *3: Comprehensive Cooperation Agreement for Regional Development with Shimokawa Town, Hokkaido <u>https://www.toda.co.jp/news/2023/20230719_003230.html</u>

2. Concerning the Parts Covered by the FSC Project Certification

We have obtained FSC project certification in four locations, including the hallway and meeting rooms in the executive area of the Toda Building, and the countertop of the cafe. (Certification issued in 2024)



(Ceiling trusses)

(Wooden frames for ceiling lighting)

(Surface finishing materials)

3. About the Remember the Forest Project[™]

Toda Corporation seeks to contribute to the regeneration of forest ecosystems and the realization of nature-positive construction by offering customers the "Remember the Forest ProjectTM", which utilizes digital technology to add the value of "tree memory" to construction, in addition to the CO_2 sequestration effect and the warmth and comfort of wood, and by establishing a mechanism for the Lumber TraceabilityTM of domestically produced, forest-certified timber^{*4}.

Our philosophy is to communicate the story behind the wood being used, in particular concerning the appropriate management of the forest, the wishes of those involved in the procurement of the wood, and the added value associated with the wood, to those who use it.

*4 Biodiversity-conscious procurement

https://www.toda.co.jp/sustainability/environment/biodiversity.html#anc-5

4. Future Prospects

Toda Corporation will continue to promote sustainable business management in its endeavors to promote the use of wood sourced from the forest resources of municipalities that practice sustainable forestry in the structural and ornamental elements of architecture.

We will strive to optimize our business portfolio by promoting strategic investments in priority management businesses and intangible assets that will drive future growth, and to achieve our mid- to long-term goal of 8% ROE, as well as to further enhance corporate value.



⁽Walls and ceiling louvers)