

## Wood raw material procurement report for FY 2017

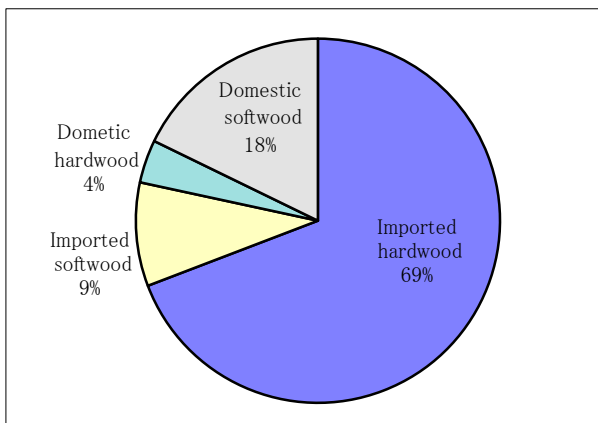
Our wood raw material procurement guidelines address “CSR procurement for wood raw material” by purchasing resources under the sustainable forest management.

We received 548 traceability reports from domestic woodchip suppliers, 220 reports on each shipment from overseas woodchip suppliers and 385 reports from pulp suppliers for the fiscal year 2017.

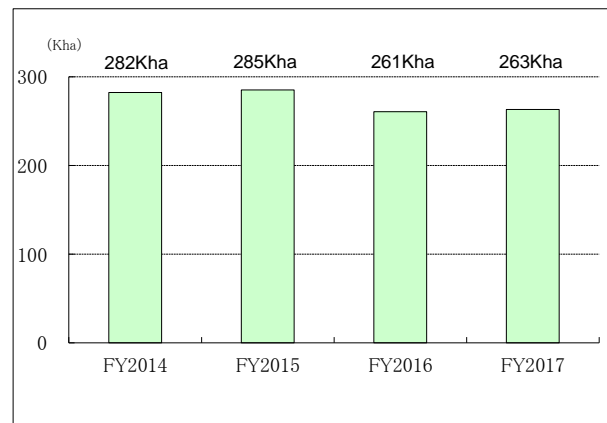
The reports have confirmed our procurement complies with the wood raw material procurement guidelines.

The pie chart below shows the breakdown of purchased woodchips in the fiscal year 2017 and the bar graph shows the area of our own overseas plantation.

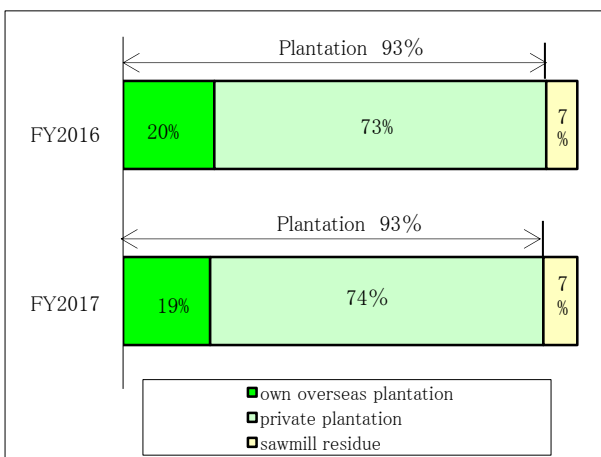
22% of woodchips came from domestic suppliers and 78% from overseas.



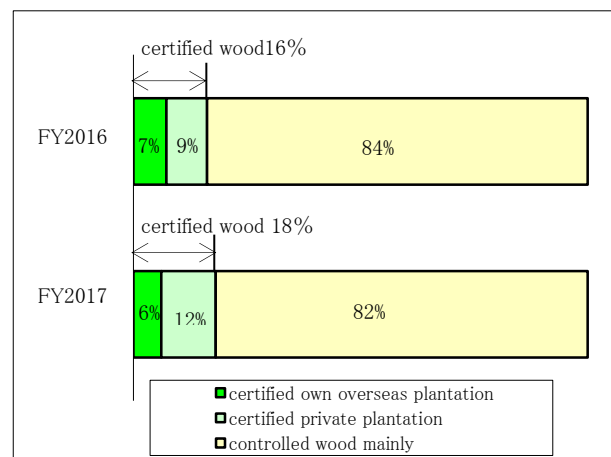
The area of our own overseas plantation at the end of the fiscal year 2017 was 263Kha.



Imported woodchips are all from plantation or sawmill residue. The imported plantation woodchips ratio remained the same at 93%. Our own overseas plantation ratio was 19%.



The certified plantation woodchips ratio in imported woodchips increased from 16% to 18%. Woodchips except for certified plantation woodchips came from controlled wood mainly.





SGS Japan Inc.

# Oji Forest & Products Co., Ltd.

## Summary Report for Third Party Audit on Wood Raw Material Traceability Reports 2017

### 【Purposes of the Audit】

The audit was conducted, regarding the operation of Traceability Report program in 2017 which is aimed to ensure traceability of all wood supplies procured, to confirm that Oji Forest & Products Co., Ltd. had acquired traceability information report from each of the suppliers of wood raw material and reports included description required for each defined point.

### 【Results of the Audit】

This is to confirm that Oji Forest & Products Co., Ltd. has adequately acquired traceability information reports from all the relevant suppliers in 2017, and that the information presented in each report has adequately covered the following points as requested.

Points confirmed include:

- (1) District of origin of wood raw material \*1
- (2) Quantity of wood raw material, including quantity of each material category such as certified material carrying forest certification claims, plantation wood, native wood, or sawmill residues
- (3) Forest management methods and any relevant forest certificates for each supplier \*2
- (4) Exclusion of wood originating in illegal logging \*2
- (5) Exclusion of wood originating in GMOs (genetically-modified organisms) \*2
- (6) Noninvolvement in logging in officially-recognized high conservation value forests \*2
- (7) Freedom from major social conflicts regarding the relevant wood raw material \*2
- (8) Consideration for protection of human rights and workers' rights \*2

\*1 Except for recycled materials

\*2 Except for sawmill residues and recycled materials

14 AUG 2018

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SGS Japan Inc.

## O&C Fiber Trading Co., Ltd.

# Summary Report for Third Party Audit on Wood Raw Material Traceability Reports 2017

### 【Purposes of the Audit】

The audit was conducted, regarding the operation of Traceability Report program in 2017 which is aimed to ensure traceability of all imported wood supplies procured, to confirm that O&C Fiber Trading Co., Ltd. had acquired traceability information report from each of the suppliers of wood raw material and reports included description required for each defined point.

### 【Results of the Audit】

This is to confirm that O&C Fiber Trading Co., Ltd. has adequately acquired traceability information reports from all the relevant suppliers in 2017, and that the information presented in each report has adequately covered the following points as requested.

Points confirmed include:

- (1) District of origin of wood raw material
- (2) Quantity of wood raw material, including quantity of each material category such as certified material carrying forest certification claims, plantation wood, native wood, or sawmill residues
- (3) Forest management methods and any relevant forest certificates for each supplier
- (4) Exclusion of wood originating in illegal logging
- (5) Exclusion of wood originating in GMOs (genetically-modified organisms)
- (6) Noninvolvement in logging in officially-recognized high conservation value forests
- (7) Freedom from major social conflicts regarding the relevant wood raw material
- (8) Consideration for protection of human rights and workers' rights

20 AUG 2018

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# Oji Green Resources Co., Ltd.

## Summary Report for Third Party Audit on Purchased Pulp Traceability Reports 2017

### 【Purposes of the Audit】

The audit was conducted, regarding the operation of Traceability Report program in 2017 which is aimed to ensure traceability of all pulp supplies procured, to confirm that Oji Green Resources Co., Ltd. had acquired traceability information report from each of the suppliers of domestic and imported pulp and reports included description required for each defined point.

### 【Results of the Audit】

This is to confirm that Oji Green Resources Co., Ltd. has adequately acquired traceability information reports from all the relevant suppliers in 2017, and that the information presented in each report has adequately covered the following points as requested.

Points confirmed include:

- (1) Country of origin of wood raw material
- (2) Composition of raw material, including each material category such as certified or controlled wood material carrying forest certification claims, plantation wood, native wood, or sawmill residues
- (3) Exclusion of wood originating in illegal logging
- (4) Exclusion of wood originating in GMOs (genetically-modified organisms)
- (5) Noninvolvement in logging in officially-recognized high conservation value forests
- (6) Freedom from major social conflicts regarding the relevant wood raw material
- (7) Use of ECF or TCF (bleaching method without chlorine gas) in pulp bleaching processes

14 AUG 2018

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## OJI KINOCLOTH CO., LTD.

# Summary Report for Third Party Audit on Purchased Pulp Traceability Reports 2017

### 【Purposes of the Audit】

The audit was conducted, regarding the operation of Traceability Report program in 2017 which is aimed to ensure traceability of all pulp supplies procured, to confirm that Oji Kinocloth Co., Ltd. had acquired traceability information report from each of the suppliers of domestic and imported pulp and reports included description required for each defined point.

### 【Results of the Audit】

This is to confirm that Oji Kinocloth Co., Ltd. has adequately acquired traceability information reports from all the relevant suppliers in 2017, and that the information presented in each report has adequately covered the following points as requested.

Points confirmed include:

- (1) Country of origin of wood raw material
- (2) Composition of raw material, including each material category such as certified material or controlled wood material carrying forest certification claims, plantation wood, native wood, or sawmill residues
- (3) Exclusion of wood originating in illegal logging
- (4) Exclusion of wood originating in GMOs (genetically-modified organisms)
- (5) Noninvolvement in logging in officially-recognized high conservation value forests
- (6) Freedom from major social conflicts regarding the relevant wood raw material
- (7) Use of ECF or TCF (bleaching method without chlorine gas) in pulp bleaching processes

14 AUG 2018

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