

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities Code: 3861  
June 6, 2022

## NOTICE OF THE 98TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholder:

We are pleased to announce the 98th Ordinary General Meeting of Shareholders of Oji Holdings Corporation (the “Company”), which will be held on Wednesday, June 29, 2022, at 10:00 a.m., Japan Standard Time (The reception desk is scheduled to open at 9:00 a.m.), at its Headquarters, 7-5, Ginza 4-chome, Chuo-ku, Tokyo, Japan.

In order to prevent the spread of COVID-19, **we request shareholders to refrain from attending on the day of the meeting in person.** Instead, please review the attached Reference Documents for the General Meeting of Shareholders, and **exercise your voting rights in advance by mailing the enclosed voting form or via the Internet, etc.**, following the “Instruction for Exercising Voting Rights” described on page 3.

**<Deadline>**

**By mailing the voting form: Tuesday, June 28, 2022 at 5:30 p.m.**

**Via the Internet, etc.: Tuesday, June 28, 2022 at 5:30 p.m.**

Sincerely yours,

Hiroyuki Isono,  
Representative Director of the Board  
President and Group CEO  
Oji Holdings Corporation  
7-5, Ginza 4-chome, Chuo-ku, Tokyo, Japan

## **MEETING AGENDA**

### **Items to Be Reported:**

1. The business report and consolidated financial statements for the 98th term (from April 1, 2021 to March 31, 2022); and report on auditing results of the consolidated financial statements by the Accounting Auditor and the Audit & Supervisory Board
2. The non-consolidated financial statements for the 98th term (from April 1, 2021 to March 31, 2022)

### **Items to Be Resolved:**

**Item 1: Partial Amendments to the Articles of Incorporation**

**Item 2: Election of Twelve (12) Directors**

**Item 3: Election of One (1) Audit & Supervisory Board Member**

## Instruction for Exercising Voting Rights

### How to Exercise Your Voting Rights

As the exercise of voting rights in the General Meeting of Shareholders is an important right for all shareholders to participate in the management of the Company, please review the attached Reference Documents for the General Meeting of Shareholders (on pages 7 to 26) and exercise your voting rights. You may exercise your voting rights by the following methods.

- **If you attend the General Meeting of Shareholders:**

To exercise your voting rights at the General Meeting of Shareholders:

Please present the enclosed voting form at the reception desk.

Also, please bring Notice of Convocation of the 98th Ordinary General Meeting of Shareholders (this document) to the meeting.

Date and time of the meeting: **Wednesday, June 29, 2022, at 10:00 a.m. Japan Standard Time**  
(The reception desk is scheduled to open at 9:00 a.m.)

- **If you do not attend the General Meeting of Shareholders:**

1. To exercise your voting rights in writing:

Please indicate whether you are for or against for each agenda item listed on the enclosed voting form, and return the form by post so that it reaches us by the deadline below.

Deadline: **Tuesday, June 28, 2022 at 5:30 p.m. Japan Standard Time**

2. To exercise your voting rights via the Internet, etc.:

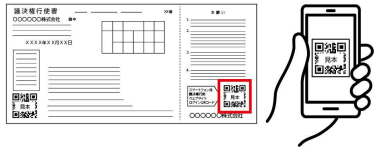

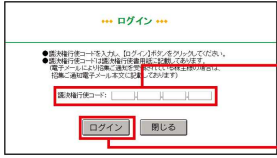
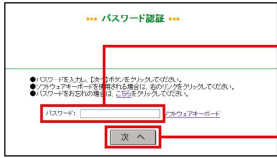
Please confirm the following items stated below, and use a personal computer or a smartphone to exercise your voting rights by the deadline. Please see the following page for details.

Deadline: **Tuesday, June 28, 2022 at 5:30 p.m. Japan Standard Time**

### Notes:

- In the case that a voting form without indication of approval or disapproval for an agenda was submitted, it will be handled as an approval.
  - If you exercise your voting rights both in writing and online, the latter will prevail. In addition, if you exercise your voting rights online more than once, the last exercise of your voting rights will prevail.
- **“ICJ Platform,”** a platform for electronic exercise of voting rights operated by ICJ Inc., will be available for institutional investors.

## How to exercise your voting rights via the Internet, etc.

Scanning the QR code “Smart vote”	Entering the voter code and password
You can login to the Shareholder Voting Website without entering the voter code and password.	The Shareholder Voting Website <a href="https://www.web54.net">https://www.web54.net</a>
<p>1. Please scan the QR code on the bottom right of the voting form.</p>  <p>* “QR code” is the registered trademark of Denso Wave Incorporated.</p>	<p>1. Please access the Shareholder Voting Website.</p> 
<p>2. After you login, please enter whether you are for or against each agenda item, following the on-screen instructions.</p>	<p>2. Please enter the voter code given on the voting form.</p> 
	<p>3. Please enter the password given on the voting form.</p> 
<p>You may exercise your voting rights using “Smart vote” only once.</p> <p>To change any of your votes after exercising your voting rights, you are requested to access the website for personal computer and login by entering the voter code and password on the voting form to exercise your voting rights again.</p> <p>*You can go to the website for personal computer by scanning the QR code again.</p>	<p>4. After you login, please enter whether you are for or against each agenda item, following the on-screen instructions.</p> <p>*The operation screen is for illustrative purposes only.</p>

### Please read the following if you plan to exercise your voting rights online, etc.

- If you exercise your voting rights online, etc. more than once, the last exercise of your voting rights will prevail.
- If you use the Shareholder Voting Website, your provider may charge for connection fees, and your telecommunications carrier may charge you for communication fees, but these fees must be borne by the shareholder.

- Passwords are a means for confirming that the person exercising voting rights is the shareholder. Please store it with care until the close of this Meeting. Please note that we cannot give out passwords over the telephone.
- If you enter your password incorrectly a certain number of times, the site will become locked and unusable. If this happens, please follow the on-screen instructions.

Please call the number below with any questions about how to vote on this site from a personal computer or a smartphone.

Dedicated Phone Line of Stock Transfer Agency “Web Support,” Sumitomo Mitsui Trust Bank, Limited  
Telephone: 0120 (652) 031 (toll free, Japan only) (Calling hours: 9:00 a.m. to 9:00 p.m.)

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#### Information on the day of the General Meeting of Shareholders

1. When attending the meeting in person, please present the enclosed voting form at the reception desk.
2. Please note that persons other than shareholders who are able to exercise voting rights, including proxies and their companions who are not shareholders, are not permitted to enter the venue.
3. In the case of attendance by proxy, please appoint another shareholder who has voting rights for the Company and submit to the Company a document (letter of proxy, etc.) which evidences the authority of proxy.
4. Please note that the Company's Officers and staff will be dressed in Cool Biz style on the day.
5. Courtesy gifts will not be provided. We appreciate your understanding.

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#### Measures to Prevent the Spread of COVID-19 at the General Meeting of Shareholders

1. In order to prevent the spread of COVID-19, please refrain from attending the meeting in person on the day, of the meeting, and instead exercise your voting rights in advance.
2. We will ensure sufficient space between seats at the venue. Accordingly, we may refuse entry to the venue due to the limited number of seats provided by the Company even if shareholders attend the meeting in person on the day.
3. We request shareholders attending the meeting in person to cooperate with infection prevention measures such as wearing a mask and using alcohol disinfectant. Please note that we may refuse entry by attendees who are unwilling to cooperate with infection prevention measures such as wearing a mask.
4. We will measure the body temperature of shareholders at the entrance of the venue. Please note that we may refuse entry by attendees who have a fever or those who appear to be in poor health.
5. The Company's Officers and staff will also take necessary measures such as wearing a mask to prevent the spread of COVID-19.

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#### Instruction for Live Stream of the General Meeting of Shareholders

1. The General Meeting of Shareholders will be live-streamed over the Internet so that shareholders will be able to watch the proceedings at your home or other locations. Please see the enclosed Instruction for Live Stream of the 98th Ordinary General Meeting of Shareholders for details.
2. Since watching live streaming is not recognized as participating in the General Meeting of Shareholders under the Companies Act, shareholders will not be able to participate in the resolution on the day. Concerning voting rights, please exercise the voting rights beforehand in accordance with the Instruction for Exercising Voting Rights on page 3. Furthermore, please note that shareholders watching the live streaming will not be able to make any comments, including questions.

[Note]

If future developments of the situation of infections, etc. necessitate a major change in the ways such as live-streaming the General Meeting of Shareholders will be run, shareholders will be informed via the Company's Internet website. The Company's website (<https://www.ojiholdings.co.jp/>)

## REFERENCE DOCUMENTS FOR THE GENERAL MEETING OF SHAREHOLDERS

### Agenda Items and References

#### Item 1: Partial Amendments to the Articles of Incorporation

##### 1. Reasons for the amendments

The amended provisions stipulated in the proviso to Article 1 of the supplementary provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will be enforced on September 1, 2022. Accordingly, in order to prepare for the introduction of the system for providing general shareholder meeting materials in electronic format, the Articles of Incorporation of the Company shall be amended as follows.

- (1) The proposed Article 15, Paragraph 1 provides that information contained in the reference documents for the general meeting of shareholders, etc. shall be provided electronically.
- (2) The purpose of the proposed Article 15, Paragraph 2 is to establish a provision to limit the scope of matters to be included in the paper copy to be sent to shareholders who have requested it.
- (3) The provisions related to the deemed provision of the reference documents for the general meeting of shareholders, etc. through Internet disclosure (Article 15 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) In line with the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc. shall be established.

##### 2. Details of amendments

The details of the amendments are as follows.

(Amended parts are underlined.)

Current Articles of Incorporation	Proposed amendments
<p><u>(Deemed Provision of the Reference Documents for the General Meeting of Shareholders, etc. through Internet Disclosure)</u>  <u>Article 15 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p> <p>&lt;Newly established&gt;</p>	<p>&lt;Deleted&gt;</p> <p><u>(Measures for Electronic Provision, etc.)</u>  <u>Article 15 The Company shall, when convening a general meeting of shareholders, provide information contained in the reference documents for the general meeting of shareholders, etc. electronically.</u></p>

Current Articles of Incorporation	Proposed amendments
<p>&lt;Newly established&gt;</p>	<p style="text-align: center;"><u>2. Among the matters to be provided electronically, the Company may choose not to include all or part of the matters stipulated in the Ordinance of the Ministry of Justice in the paper copy to be sent to shareholders who have requested it by the record date for voting rights.</u></p> <p><u>(Supplementary Provisions)</u></p> <p><u>1. The deletion of Article 15 (Deemed Provision of the Reference Documents for the General Meeting of Shareholders, etc. through Internet Disclosure) of the current Articles of Incorporation and the proposed Article 15 (Measures for Electronic Provision, etc.) shall come into effect on September 1, 2022, the date of enforcement of the amended provisions stipulated in the proviso to Article 1 of the supplementary provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Effective Date”).</u></p> <p><u>2. Notwithstanding the provisions of the preceding paragraph, Article 15 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six months from the Effective Date.</u></p> <p><u>3. These supplementary provisions shall be deleted after the lapse of six months from the Effective Date or the lapse of three months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>



## Item 2: Election of Twelve (12) Directors

The terms of office for all the current twelve (12) Directors will expire at the conclusion of this General Meeting of Shareholders. At this juncture, the Company hereby requests the election of twelve (12) Directors.

The candidates for Director were reached after deliberation by the Nomination Committee to be elected at the meeting of the Board of Directors in accordance with the “Fundamental Policies on Corporate Governance” of the Company, and are as follows.

The current areas of responsibility of the below candidates for Director within the Company are listed on page 53.

<Reference> The Company’s Policies for Director Nomination and Standards of Independence for Outside Officers are published in the “Fundamental Policies on Corporate Governance” disclosed on the website of the Company on the Internet (<https://www.ojiholdings.co.jp/english/group/policy/governance.html>).

### Candidates for Director

No.	Name	Attributes of the Candidate	Positions in the Company	Number of attendance at meetings of the Board of Directors
1	Masatoshi Kaku	Reelection	Representative Director and Chairman of the Board	14/14 (100%)
2	Hiroyuki Isono	Reelection	Representative Director of the Board, President and Group CEO	14/14 (100%)
3	Fumio Shindo	Reelection	Director of the Board and Senior Executive Officer	14/14 (100%)
4	Kazuhiko Kamada	Reelection	Director of the Board and Senior Executive Officer	14/14 (100%)
5	Shigeki Aoki	Reelection	Director of the Board and Executive Officer	14/14 (100%)
6	Akio Hasebe	New election	Executive Officer	
7	Takayuki Moridaira	New election	Executive Officer	
8	Yuji Onuki	New election	Executive Officer	
9	Michihiro Nara	Reelection Outside director Independent director	Director of the Board	14/14 (100%)
10	Sachiko Ai	Reelection Outside director Independent director	Director of the Board	14/14 (100%)
11	Seiko Nagai	Reelection Outside director Independent director	Director of the Board	10/10 (100%)
12	Hikomichi Ogawa	New election Outside director Independent director		

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 1</b>  <b>Reelection</b>  <b>Masatoshi Kaku</b> (January 2, 1956)  	April 1978 April 2011 April 2012 October 2012 June 2013 April 2019 April 2022	Joined the former Nippon Pulp Industry Co., Ltd. Corporate Officer, the Company Executive Officer, the Company Executive Officer, the Company Director of the Board and Executive Officer, the Company Representative Director of the Board, President and CEO, the Company Representative Director and Chairman of the Board, the Company (to the present)
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Number of the Company shares owned:	58,220
Term of office as a director (as of the conclusion of this Meeting):	9 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)

- ▶ **Reasons for selecting as a candidate for director**  
 He has a wealth of experience and track record in the areas of engineering, functional materials business, and research and development in the Company as well as the Group companies. He strived to consolidate an earnings base with more than 100 billion yen in operating profit as Representative Director of the Board, President and CEO from 2019, and as Representative Director and Chairman of the Board since 2022, he has been responsible for the Company's management, including efforts to improve corporate governance and further strengthen the management foundation. In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.
  
- ▶ **Other special notes**
  - ▶ There is no special interest between Mr. Masatoshi Kaku and the Company.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 2</b>  <b>Hiroyuki Isono</b> (May 20, 1960)  	Reelection	April 1984	Joined the Company
		October 2012	Director of the Board, Oji Management Office Inc.
		April 2014	Corporate Officer, the Company
		June 2015	Director of the Board and Executive Officer, the Company
		April 2021	Director of the Board and Senior Executive Officer, the Company
		April 2022	Representative Director of the Board, President and Group CEO, the Company (to the present)

Number of the Company shares owned:	57,572
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Term of office as a director (as of the conclusion of this Meeting):	7 years
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Number of attendance at meetings of the Board of Directors:	14/14 (100%)
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▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of overseas business and corporate planning in the Company as well as the Group companies.

He was involved in running the Company, as part of its management team, and also serving as General Manager, Corporate Governance Div. as well as President of Oji Management Office Inc., contributing, in such capacity, to the development of a corporate governance system that meets the needs of the times at the Company and Group companies and the planning and promoting of strategic business development to achieve the Medium-term Management Plan from 2021. As Representative Director of the Board, President and Group CEO starting in 2022, he is leading the development of a new Medium-term Management Plan to sustainably enhance the corporate value of the Group.

In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

▶ There is no special interest between Mr. Hiroyuki Isono and the Company.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 3</b>  <b>Fumio Shindo</b> (March 30, 1958)		April 1984	Joined the Company
	April 2014	Corporate Officer, Oji Paper Co., Ltd.	
	April 2016	Director, Oji Paper Co., Ltd.	
	April 2017	Corporate Officer, the Company	
	April 2018	Executive Officer, the Company	
	June 2019	Director of the Board and Executive Officer, the Company	
	April 2021	Director of the Board and Senior Executive Officer, the Company (to the present)	

▶ Significant concurrent positions

- President, Oji Engineering Co., Ltd.

Number of the Company shares owned: 20,187

Term of office as a director (as of the conclusion of this Meeting): 3 years

Number of attendance at meetings of the Board of Directors: 14/14 (100%)

▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of engineering and forest resources and environment marketing business in the Company as well as Group companies.


He is involved in running the Company, as part of its management team, and also currently serving as General Manager of Corporate Sustainability Division, contributing, in such capacity, to the promotion of sustainable business models, including climate change countermeasures and sustainable forest management, as well as serving as President of the Printing and Communications Media Company, contributing, in such capacity, to the promotion of business deepening and growth and rebuilding production systems to meet changing demand.

In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ There is no special interest between Mr. Fumio Shindo and the Company.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<p><b>No. 4</b>      Reelection</p> <p style="text-align: center;"><b>Kazuhiko Kamada</b> (February 7, 1960)</p> 	<p>May 2013      Joined Oji Management Office Inc.</p> <p>April 2014      President and Representative Director, Oji Forest &amp; Products Co., Ltd.</p> <p>January 2015    Corporate Officer, the Company</p> <p>June 2015      Director of the Board and Executive Officer, the Company</p> <p>April 2022      Director of the Board and Senior Executive Officer, the Company (to the present)</p>
<p>Number of the Company shares owned:      47,300</p> <hr/> <p>Term of office as a director (as of the conclusion of this Meeting):      7 years</p> <hr/> <p>Number of attendance at meetings of the Board of Directors:      14/14 (100%)</p>	<p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• President, Celulose Nipo-Brasileira S.A.</li> </ul> <p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of overseas business, and forest resources and environment marketing business at a general trading company and the Company as well as the Group companies.</p> <p>He is involved in running the Company, as part of its management team, and also currently serving as Director and President of Celulose Nipo-Brasileira S.A. (Brazil), a company that holds an important place in managing the Group, contributing, in such capacity, to the further strengthening of the base and development of the pulp business through plantation service programs which are sustainable businesses.</p> <p>In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p> <p>▶ Other special notes</p> <ul style="list-style-type: none"> <li>▶ There is no special interest between Mr. Kazuhiko Kamada and the Company.</li> </ul>

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 5</b>  <b>Shigeki Aoki</b> (August 1, 1961)	Reelection	April 1984	Joined the former Honshu Paper Co., Ltd.
		April 2016	Corporate Officer, General Manager, Sales Division, Oji F-Tex Co., Ltd.
		April 2017	Director and Corporate Officer, General Manager, Sales Division, Oji F-Tex Co., Ltd.
		April 2019	Corporate Officer, the Company
		June 2020	Director of the Board and Executive Officer, the Company (to the present)



- ▶ Significant concurrent positions
  - President, Oji Functional Materials Progressing Center Inc.

Number of the Company shares owned:	47,369
Term of office as a director (as of the conclusion of this Meeting):	2 years
Number of attendance at meetings of the Board of Directors:	14/14 (100%)

- ▶ Reasons for selecting as a candidate for director  
 He has a wealth of experience and track record in the area of specialty paper business in the Company as well as Group companies. He is involved in running the Company, as part of its management team, and also currently serving as President of the Functional Materials Company, contributing, in such capacity, to the reinforcement of existing overseas bases, the development of new products and new businesses, the reinforcement of production facilities in line with changes in demand, and the reorganization of domestic operations. In view of the aforementioned, he has been selected as candidate for Director on an ongoing basis, as he is expected to contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.
- ▶ Other special notes
  - ▶ There is no special interest between Mr. Shigeki Aoki and the Company.

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Brief history, positions and responsibilities in the Company  
and significant concurrent positions

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No. 6 New election

**Akio Hasebe**

(April 7, 1963)



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Number of the  
Company shares owned: 58,511

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April 1986 Joined the Company  
April 2017 Director, Oji Industrial Materials Management Co., Ltd.  
April 2019 Corporate Officer, the Company  
April 2022 Executive Officer, the Company  
(to the present)

▶ Significant concurrent positions

- President, Oji Management Office Inc.

▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of overseas business, industrial materials business, and business management in the Company as well as the Group companies.

He is involved in running the Company, as part of its management team, and also currently serving as General Manager of Corporate Governance Division, as well as President of Oji Management Office Inc., contributing, in this capacity, to the formulation of a new Medium-term Management Plan for the sustainable enhancement of the Group's corporate value, as well as planning and promoting strategic business development.

In view of the aforementioned, he has been newly selected as candidate for Director, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ There is no special interest between Mr. Akio Hasebe and the Company.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<p><b>No. 7</b>      New election</p> <p style="text-align: center;"><b>Takayuki Moridaira</b> (December 1, 1962)</p> <div style="text-align: center;">  </div>	<p>April 1985      Joined the Company</p> <p>June 2013      Corporate Officer, Oji Paper Co., Ltd.</p> <p>April 2016      Director, Oji Paper Co., Ltd.</p> <p>April 2020      Corporate Officer, the Company</p> <p>April 2022      Executive Officer, the Company (to the present)</p> <p>▶ Significant concurrent positions</p> <ul style="list-style-type: none"> <li>• President, Oji Industrial Materials Management Co., Ltd.</li> <li>• President and Representative Director, Oji Materia Co., Ltd.</li> </ul> <p>▶ Reasons for selecting as a candidate for director</p> <p>He has a wealth of experience and track record in the areas of printing and communications media business and industrial materials business in the Company as well as the Group companies.</p> <p>He is involved in running the Company, as part of its management team, and also currently serving as President of the Industrial Materials Company and the Household and Consumer Products Company, contributing, in this capacity, to the integrated strategy for all containerboard processing, expansion of overseas business, and strengthening profitability.</p> <p>In view of the aforementioned, he has been newly selected as candidate for Director, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.</p> <p>▶ Other special notes</p> <ul style="list-style-type: none"> <li>▶ There is no special interest between Mr. Takayuki Moridaira and the Company.</li> </ul>
<p>Number of the Company shares owned:</p>	<p style="text-align: right;">11,738</p>



Brief history, positions and responsibilities in the Company  
and significant concurrent positions

No. 8      New election

**Yuji Onuki**

(October 3, 1958)



April 1982	Joined the former Honshu Paper Co., Ltd.
October 2012	Director, Oji Green Resources Co., Ltd.
April 2014	Managing Director, Oji Green Resources Co., Ltd.
April 2021	Corporate Officer, the Company
April 2022	Executive Officer, the Company (to the present)

▶ Significant concurrent positions

- President, Oji Green Resources Co., Ltd.
- President and Representative Director, Oji Forest & Products Co., Ltd.
- President, OCM Fiber Trading Co., Ltd.

Number of the Company shares owned:	9,400
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▶ Reasons for selecting as a candidate for director

He has a wealth of experience and track record in the areas of forest resources and environment business in the Company as well as the Group companies.


He is involved in running the Company, as part of its management team, and also currently serving as President of Forest Resources and Environment Marketing Business COMPANY, President, Oji Green Resources Co., Ltd., as well as President and Representative Director of Oji Forest & Products Co., Ltd., contributing, in this capacity, to the promotion of the forest and plantation business, expansion of the renewable energy business, and strengthening of the timber business.

In view of the aforementioned, he has been newly selected as candidate for Director, as he is expected to further contribute to the Group's sustainable growth and medium- to long-term enhancement of its corporate value.

▶ Other special notes

- ▶ The Company has a business relationship with OCM Fiber Trading Co., Ltd., of which Mr. Yuji Onuki is serving as President, in the form of loans of funds.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 9</b>  Reelection Outside director Independent director  <b>Michihiro Nara</b> (May 17, 1946)  	April 1974	Registered as an attorney-at-law
	June 2004	Outside Auditor, Nihon Tokushu Toryo Co., Ltd.
	June 2013	Outside Statutory Auditor, Seiko Epson Corporation
	June 2014	Outside Director, the Company (to the present)
	June 2015	Outside Director, Nihon Tokushu Toryo Co., Ltd. (to the present) Independent Auditor, Chori Co., Ltd.
	June 2016	Outside Director (Audit & Supervisory Committee Member), Seiko Epson Corporation Outside Director (Audit & Supervisory Committee Member), Chori Co., Ltd.

Number of the Company shares owned:	5,200
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Term of office as a director (as of the conclusion of this Meeting):	8 years
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Number of attendance at meetings of the Board of Directors:	14/14 (100%)
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- ▶ Significant concurrent positions
  - Attorney-at-law, Hanzomon Sogo Law Office
  - Outside Director, Nihon Tokushu Toryo Co., Ltd.
  
- ▶ Reasons for selecting as a candidate for outside director and overview of expected roles
 

He has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his career as an attorney-at-law, especially in the areas such as civil and commercial affairs. He has been selected as a candidate for outside director on an ongoing basis, as he is believed capable of providing his opinions to the management of the Company, from diversified viewpoints of laws and regulations, etc. as an attorney-at-law from a standpoint independent therefrom. It is expected that he will continue to play the role mentioned above after he is elected. Although he does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that he will be able to duly carry out the duties as an outside director owing to the reasons stated above.
  
- ▶ Other special notes
  - ▶ There is no special interest between Mr. Michihiro Nara and the Company.
  - ▶ Mr. Michihiro Nara is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
  - ▶ The Company has designated Mr. Michihiro Nara as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Nara is elected, the Company intends that he remain as an independent director.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 10</b> Reelection Outside director Independent director  <b>Sachiko Ai</b>  (November 30, 1965)  	April 1989	Joined The Mitsubishi Trust and Banking Corporation (currently Mitsubishi UFJ Trust and Banking Corporation)
	June 2016	Executive Officer, General Manager, Corporate Consulting Division, Mitsubishi UFJ Trust and Banking Corporation
	April 2019	Executive Officer, General Manager, Audit Division, Mitsubishi UFJ Trust and Banking Corporation Executive Officer, Acting General Manager, Audit Division, Mitsubishi UFJ Financial Group, Inc.
	June 2020	Outside Director, the Company (to the present)
	April 2021	Director and Managing Executive Officer, Audit Division (CAO), Mitsubishi UFJ Trust and Banking Corporation (to the present) Managing Executive Officer, Group Deputy CAO, Mitsubishi UFJ Financial Group, Inc. (to the present)
Number of the Company shares owned:	1,600	
Term of office as a director (as of the conclusion of this Meeting):	2 years	▶ Significant concurrent positions <ul style="list-style-type: none"> <li>• Director and Managing Executive Officer, Audit Division (CAO), Mitsubishi UFJ Trust and Banking Corporation</li> <li>• Managing Executive Officer, Group Deputy CAO, Mitsubishi UFJ Financial Group, Inc.</li> </ul>
Number of attendance at meetings of the Board of Directors:	14/14 (100%)	

▶ Reasons for selecting as a candidate for outside director and overview of expected roles

She has wide-ranging knowledge of business trends in Japan and overseas as well as a wealth of high-level expertise in the financial sector gained through her business experience in corporate sales, business planning, and corporate consulting at a major trust bank. She has been selected as a candidate for outside director on an ongoing basis, as she is believed capable of providing her opinions to the management of the Company from diversified viewpoints of business industries, including the finance industry, and others from a standpoint independent therefrom. It is expected that she will continue to play the role mentioned above after she is elected.

▶ Other special notes

- ▶ Ms. Sachiko Ai is a Director and Managing Executive Officer, Audit Division (CAO), in Mitsubishi UFJ Trust and Banking Corporation. However, the number of shares owned is less than 0.1% of the Company's issued shares. The Company does not have any outstanding borrowings from Mitsubishi UFJ Trust and Banking Corporation. Ms. Ai is a Managing Executive Officer, Group Deputy CAO, in Mitsubishi UFJ Financial Group, Inc. The Company owns the number of shares less than 0.1% of Mitsubishi UFJ Trust and Banking Corporation's issued shares.
- ▶ Ms. Sachiko Ai is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- ▶ The Company has designated Ms. Sachiko Ai as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Ms. Ai is elected, the Company intends that she remain as an independent director.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 11</b> Reelection Outside director Independent director  <b>Seiko Nagai</b> (June 22, 1960)  	April 1983	Joined Japan Airlines Co., Ltd.
	April 2008	Manager, In-flight Sales Group, Japan Airlines Co., Ltd.
	April 2012	Manager, Passenger Cabin Dept., JAL Express Co., Ltd.
	October 2014	Manager, Cabin Attendants Section 4, Haneda Airport, Japan Airlines Co., Ltd.
	April 2015	Professor, College of Foreign Studies, Kansai Gaidai University (to the present)
	June 2019	Outside Director, Member of the Board, ShinMaywa Industries, Ltd. (to the present)
June 2021	Outside Director, the Company (to the present)	

Number of the Company shares owned: 1,200

Term of office as a director (as of the conclusion of this Meeting): 1 year

Number of attendance at meetings of the Board of Directors: 10/10 (100%)

▶ Significant concurrent positions

- Professor, College of Foreign Studies, Kansai Gaidai University
- Outside Director, Member of the Board, ShinMaywa Industries, Ltd.

▶ Reasons for selecting as a candidate for outside director and overview of expected roles

After working as a manager at a major airline company, she is currently involved in research and student education as a college professor. Consequently, she has a wealth of experience, high-level expertise and wide-ranging knowledge gained through her career. She has been selected as a candidate for outside director on an ongoing basis, as she is believed capable of providing her opinions to the management of the Company from diversified viewpoints of experience of customer service, expertise fostered through education activities at a college, and others from a standpoint independent therefrom. It is expected that she will continue to play the role mentioned above after she is elected. Although she does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, the Company judged that she will be able to duly carry out the duties as an outside director owing to the reasons stated above.

▶ Other special notes

- ▶ There is no special interest between Ms. Seiko Nagai and the Company.
- ▶ Ms. Seiko Nagai is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
- ▶ In the event that Ms. Seiko Nagai is elected, the Company intends to designate Ms. Nagai as an independent director and notify the Tokyo Stock Exchange of such designation in accordance with its regulation.
- ▶ Concerning Ms. Seiko Nagai's attendance at meetings of the Board of Directors, the scope of the total number of meetings includes only those meetings of the Board of Directors held after her appointment on June 29, 2021.

Brief history, positions and responsibilities in the Company  
and significant concurrent positions

<b>No. 12</b> New election Outside director Independent director  <b>Hiromichi Ogawa</b> (November 18, 1958)  	April 1981	Joined Mitsubishi Corporation
	June 1998	Director, Nichiryō Baking Co., LTD.
	April 2004	Senior Vice President, Lawson, Inc.
	September 2004	Executive Managing Officer, Lawson, Inc.
	November 2005	Unit Manager of Lawson Business, Mitsubishi Corporation
	April 2006	Unit Manager of Retail Business, Mitsubishi Corporation
	April 2014	Senior Vice President (“riji”) and General Manager of Life Industry Group CEO Office, Mitsubishi Corporation
	April 2017	Advisor, Itoham Yonekyu Holdings Inc.
	June 2017	Director Chairman of the Board, Itoham Yonekyu Holdings Inc.

Number of the Company shares owned:	0
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- ▶ Reasons for selecting as a candidate for outside director and overview of expected roles  
 In addition to his extensive experience, high degree of expertise, and broad insight at a general trading company, he has long been involved in management at retailers and food manufacturers, has a proven track record in strengthening governance systems, and has a wealth of experience and high-level insight regarding management in general. He has been newly selected as a candidate for outside director, as he is believed capable of providing his opinions to the management of the Company, from a multifaceted perspective, including perspectives cultivated through his wealth of experience, and from a standpoint independent therefrom. It is expected that he will continue to play the role mentioned above after he is elected.
- ▶ Other special notes
  - ▶ There is no special interest between Mr. Hiromichi Ogawa and the Company.
  - ▶ Mr. Hiromichi Ogawa is a candidate for outside director as prescribed in Article 2, Paragraph 3, Item 7 of the Ordinance for Enforcement of the Companies Act.
  - ▶ The Company has designated Mr. Hiromichi Ogawa as an independent director and notified the Tokyo Stock Exchange of such designation in accordance with its regulation. In the event that Mr. Ogawa is elected, the Company intends that he remain as an independent director.

Notes: 1. Conclusion of contracts for limitation of liability

The Company has concluded, in conformity with Article 427, Paragraph 1 of the Companies Act, a contract for limitation of liability with all of its outside directors, who are Mr. Michihiro Nara, Ms. Sachiko Ai, and Ms. Seiko Nagai on the limitation of liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations. In the event that Mr. Hiromichi Ogawa is elected, it is anticipated that the said contract will continue to remain in force. Also, in the event that Ms. Seiko Nagai is elected, it is anticipated that the Company will conclude the same contract for limitation of liability with her.

2. Conclusion of directors' and officers' liability insurance policy

The Company has concluded a directors' and officers' liability insurance (D&O insurance) policy with an insurance company, as stipulated in Article 430-3, paragraph 1 of the Companies Act, covering directors, audit & supervisory board members and corporate officers of the Company. The said insurance policy shall cover damages that the insured should legally bear compensation for damages, litigation expenses, and others when the insured receives claims for damages associated with the execution of their duties during the insurance period. However, damages arising from criminal acts, other acts that violate laws and regulations, or intentional acts by the insured shall not be covered as a measure to prevent the impairment of the appropriateness of execution of duties by the insured. In the event that each candidate is elected as Director or Audit & Supervisory Board Member, they will be the insured under the said contract. The insurance premiums are fully borne by the Company. Going forward, the Company intends to renew the said contract with the same contents in October 2022.

< Reference > Management structure following their election

Name	Attribute	Positions in the Company	Nomination /Compensation Committee	Capabilities of our Directors									
				Corporate management	Finance and accounting	Manufacturing and technologies	Research and development	Sales and marketing	Personnel and labor management	Purchase and procurement	Internationality	ESG	
Masatoshi Kaku	Internal	Representative Director and Chairman of the Board	○	●		●	●						●
Hiroyuki Isono	Internal	Representative Director of the Board, President and Group CEO	○ Committee Chair	●	●							●	●
Fumio Shindo	Internal	Director of the Board and Senior Executive Officer		●		●	●						●
Kazuhiko Kamada	Internal	Director of the Board and Senior Executive Officer		●					●		●	●	
Shigeki Aoki	Internal	Director of the Board and Executive Officer		●					●	●			
Akio Hasebe	Internal	Director of the Board and Executive Officer		●	●					●			
Takayuki Moridaira	Internal	Director of the Board and Executive Officer		●					●	●			
Yuji Onuki	Internal	Director of the Board and Executive Officer		●							●		●
Michihiro Nara	Outside Independent	Director of the Board	○										●
Sachiko Ai	Outside Independent	Director of the Board	○	●									●
Seiko Nagai	Outside Independent	Director of the Board	○									●	●
Hiromichi Ogawa	Outside Independent	Director of the Board	○	●									●

(Notes) 1. ○ marks indicate members of the Nomination and Compensation Committee.

2. ● marks indicate the abilities that each director possesses, but the abilities in which each director can demonstrate greater strength and expertise are listed below according to his or her position in the Company. The following list is based on their positions in the Company, and does not represent all of the abilities possessed by each director.

Representative Director of the Board: Up to four (4)

Director of the Board and Senior Executive Officer: Up to four (4)

Director of the Board and Executive Officer: Up to three (3)

Director (Outside): Up to two (2)

### **Item 3: Election of One (1) Audit & Supervisory Board Member**


The term of office for Audit & Supervisory Board Member, Mr. Mikinao Kitada will expire at the conclusion of this General Meeting of Shareholders. Therefore, the Company hereby requests the election of one (1) Audit & Supervisory Board Member.

The candidate for Audit & Supervisory Board Member was reached after deliberation by the Nomination Committee to be elected at the meeting of the Board of Directors in accordance with the “Fundamental Policies on Corporate Governance” of the Company, and is as follows.

The Audit & Supervisory Board has given its consent regarding this item.

<Reference> The Company’s Policies for Audit & Supervisory Board Member Nomination and Standards of Independence for Outside Officers are published in the “Fundamental Policies on Corporate Governance” disclosed on the website of the Company on the Internet (<https://www.ojiholdings.co.jp/english/group/policy/governance.html>).



		Brief history and positions in the Company and significant concurrent positions	
New election Outside Audit & Supervisory Board Member Independent director <b>Takashi Nonoue</b> (May 17, 1955)		April 1982	Appointed as public prosecutor
		January 2015	Director-General of the Public Security Intelligence Agency
		September 2016	Superintendent Public Prosecutor of the Fukuoka High District Public Prosecutors Office
		February 2018	Retired from Superintendent Public Prosecutor
		April 2018	Inspector General of Legal Compliance of the Ministry of Defense
		March 2021	Retired from Inspector General of Legal Compliance of the Ministry of Defense
		June 2021	Registered as an attorney at law
		▶ Significant concurrent positions <ul style="list-style-type: none"> <li>• Attorney at law of Ueda Koichi Law Office</li> </ul>	
Number of the Company shares owned:		0	▶ Reasons for selecting as a candidate for outside audit & supervisory board member As a public prosecutor, he has a wealth of experience, a high level of expertise, and a wide range of insight, and is currently working extensively as an attorney at law. Although he does not have experience being directly involved in corporate management other than being an outside director or outside audit & supervisory board member, he has been newly selected as candidate for outside audit & supervisory board member, as the Company judged that he will be able to duly carry out the duties as an audit & supervisory board member owing to the reasons above.
		▶ Other special notes <ul style="list-style-type: none"> <li>▶ There is no special interest between Mr. Takashi Nonoue and the Company.</li> <li>▶ Mr. Takashi Nonoue is a candidate for outside audit &amp; supervisory board member as prescribed in Article 2, Paragraph 3, Item 8 of the Ordinance for Enforcement of the Companies Act.</li> <li>▶ In the event that Mr. Takashi Nonoue is elected, the Company intends to designate Mr. Nonoue as an independent audit &amp; supervisory board member and notify the Tokyo Stock Exchange of such designation in accordance with its regulation.</li> </ul>	

Notes: 1. Conclusion of contracts for limitation of liability

In the event that Mr. Takashi Nonoue is elected as Audit & Supervisory Board Member, pursuant to Article 427, Paragraph 1 of the Companies Act, the Company intends to conclude a contract for limitation of liability with Mr. Takashi Nonoue, limiting the liability for damage prescribed in Article 423, Paragraph 1 of the same Act. However, the maximum amount of the liability for damage based on the said contract is the amount prescribed in laws and regulations.

2. Conclusion of directors' and officers' liability insurance policy

The Company has concluded a directors' and officers' liability insurance (D&O insurance) policy with an insurance company, as stipulated in Article 430-3, paragraph 1 of the Companies Act, covering directors, audit & supervisory board members and corporate officers of the Company. The said insurance policy shall cover damages that the insured should legally bear compensation for damages, litigation expenses, and others when the insured receives claims for damages associated with the execution of their duties during the insurance period. However, damages arising from criminal acts, other acts that violate laws and regulations, or intentional acts by the insured shall not be covered as a measure to prevent the impairment of the appropriateness of execution of duties by the insured. In the event that each candidate is elected as Director or Audit & Supervisory Board Member, they will be the insured under the said contract. The insurance premiums are fully borne by the Company. Going forward, the Company intends to renew the said contract with the same contents in October 2022.

**(Attached Documents)**

**Business Report (from April 1, 2021 to March 31, 2022)**

**1. Review of Group Operations**

**(1) Review of Operations**

Net sales for the year under review were 1,470.2 billion yen, an increase of 111.2 billion yen (up 8.2%) year on year, due to a gradual recovery in demand as economic activities stalled due to the spread of COVID-19, as well as higher pulp sales prices. The Group's overseas sales ratio increased 4.3 percentage point year on year to 33.5%.

Operating profit was 120.1 billion yen, an increase of 35.3 billion yen (up 41.7%) year on year, due to increased sales volume and higher pulp sales prices, in addition to group-wide cost reduction efforts, despite a sharp rise in raw materials and fuel prices. Ordinary profit increased 52.0 billion yen (up 62.7%) year on year to 135.1 billion yen, mainly due to an increase in operating profit and foreign exchange gains. Profit before income taxes increased 48.4 billion yen (up 59.8%) year on year to 129.3 billion yen. Profit attributable to owners of parent increased 37.9 billion yen (up 76.3%) year on year to 87.5 billion yen.

In the "FY2019–2021 Medium-term Management Plan," the Oji Group has established "Profitability Improvement of Domestic Business," "Expansion of Overseas Business," and "Promotion of Innovation" as the fundamental policies of the Group management strategies and, by "Contribution to a Sustainable Society," aims to become a global corporate group that can maintain stable consolidated operating profit of at least 100.0 billion yen.

The Group has been operating our business with "Consolidated operating profit more than ¥150.0 billion," "Percentage of overseas sales 40%," "ROE 10.0%," and "Net D/E ratio 0.7 times" as management targets for FY2021, however, due to the stagnation of economic activities and a delay in recovery caused by the spread of COVID-19, the Group failed to achieve our targets except for "ROE 10.0%" and "Net D/E ratio 0.7 times."

Meanwhile, the Group made steady progress in reforming its business structure in view of the diversifying consumption structure and lifestyles and work styles that are becoming increasingly diversified due to the spread of COVID-19, as well as measures to enhance corporate value based on the Medium-term Management Plan. Domestically, we strived to enhance profitability by concentrating management resources on promising businesses while improving capital efficiency by restructuring production systems in response to changes in demand and effectively utilizing owned facilities. Overseas, we promoted organic expansion from existing bases and the creation of synergies among businesses and bases, mainly in the packaging business in Southeast Asia. Furthermore, we promoted the development and early commercialization of new businesses and products that meet environmental and social needs. Through these various measures, we achieved a record-high operating income of 120.1 billion yen in FY2021.

Net sales:	1,470.2 billion yen (Up 8.2% year on year)
Operating profit:	120.1 billion yen (Up 41.7% year on year)
Ordinary profit:	135.1 billion yen (Up 62.7% year on year)
Profit attributable to owners of parent:	87.5 billion yen (Up 76.3% year on year)

The situation for each business segment was as follows.

Segment	Net sales		Operating profit	
Household and Industrial Materials	700,742 million yen	(Up 8.2% year on year)	26,127 million yen	(Down 31.4% year on year)
Functional Materials	184,722 million yen	(Up 1.3% year on year)	15,264 million yen	(Up 33.0% year on year)
Forest Resources and Environment Marketing Business	314,489 million yen	(Up 28.2% year on year)	55,473 million yen	(Up 233.1% year on year)
Printing and Communications Media	244,549 million yen	(Up 0.2% year on year)	17,797 million yen	(Up 59.5% year on year)
Others	296,542 million yen	(Up 9.8% year on year)	7,009 million yen	(Up 3.8% year on year)
Subtotal	1,741,046 million yen	(Up 9.5% year on year)	121,672 million yen	(Up 44.6% year on year)
Adjustments	(270,885) million yen	(-)	(1,552) million yen	(-)
Total	1,470,161 million yen	(Up 8.2% year on year)	120,119 million yen	(Up 41.7% year on year)

Notes: 1. Adjustments represent those mainly for inter-segment transactions.  
2. Numbers less than one million yen are rounded down to the nearest million.

[Household and Industrial Materials]

Net sales: 700,742 million yen (Up 8.2% year on year)  
Operating profit: 26,127 million yen (Down 31.4% year on year)  
Main businesses: Containerboard/corrugated containers, Boxboard/folding cartons, Packaging materials/paper bags, Household papers, Disposable diapers

In the domestic business, in addition to an overall recovery in demand for many types of paper, such as containerboard and corrugated containers, white paperboard, and packaging material, sales of containerboard and corrugated containers for mail order continued to be strong due to voluntary curfews to prevent the spread of COVID-19, and other factors. Sales of disposable diapers decreased from the previous year, but sales of household paper continued to be strong. In the overseas business, sales of disposable diapers were sluggish at major retailers due to the spread of COVID-19 in Malaysia, but sales of containerboard and corrugated containers were strong mainly in Southeast Asia, and the impact of the penetration of price increases for corrugated containers led to an increase in sales compared to the previous year.

[Functional Materials]

Net sales: 184,722 million yen (Up 1.3% year on year)  
Operating profit: 15,264 million yen (Up 33.0% year on year)  
Main businesses: Specialty paper, Thermal paper, Adhesive products, Film

In the domestic business, sales of capacitor films for electric vehicles, films for general industrial use, and packaging films for foodstuffs and sundries remained strong, but sales declined from the previous year, partly due to the impact of the application of accounting standard for revenue recognition.

In the overseas business, sales of thermal papers increased from the previous year due to a recovery trend in demand, despite the continued impact of the voluntary curfew to prevent the spread of COVID-19 and stagnation in economic activities.

[Forest Resources and Environment Marketing Business]

Net sales: 314,489 million yen (Up 28.2% year on year)  
Operating profit: 55,473 million yen (Up 233.1% year on year)  
Main businesses: Pulp, Energy, Plantation service, Lumber processing

In the domestic business, the energy business saw a decrease in electricity sales due to an increase in in-house electricity consumption as a result of higher capacity utilization at domestic plants, while the pulp business saw an increase in sales from the previous year, mainly due to a recovery in exports of dissolving pulp to China from the stagnation of economic activities caused by the expansion of the COVID-19.

In the overseas business, although sales volume in the pulp business decreased from the previous year, net sales increased from the previous year due to higher pulp sales prices.

[Printing and Communications Media]

Net sales: 244,549 million yen (Up 0.2% year on year)  
Operating profit: 17,797 million yen (Up 59.5% year on year)  
Main businesses: Newsprint, Printing/publication/communication paper

In the domestic business, although demand for newsprint and printing paper for publication use continued to decline, sales volume of printing paper for commercial printing use increased from the previous year due in part to the rebound from the stagnation of economic activity following the expansion of COVID-19 in the previous year, but net sales decreased from the previous year due to the application of the accounting standard for revenue recognition.

In the overseas business, Jiangsu Oji Paper Co., Ltd.'s sales increased from the previous year due to a recovery in China from the stagnation of economic activities caused by the spread of COVID-19.

[Others]

Net sales: 296,542 million yen (Up 9.8% year on year)  
Operating profit: 7,009 million yen (Up 3.8% year on year)  
Main businesses: Real estate, Engineering, Trading business, Logistics, etc.

In the Others segment, overall demand recovery was recognized, and revenues increased in the trading business, logistics business, and other businesses.

## (2) Capital investment of Oji Group

The Group's capital investment for the year under review amounted to 114.0 billion yen, an increase of 15.6 billion yen compared to the previous year.

The Group has continued to make such investments in fields required for restructuring its business portfolio and to implement works aimed at achieving projects for safety and environment, improved product quality, higher energy efficiency, and greater productivity. The following summarizes the Group's principal capital investment programs.

### (i) Principal works that were completed during the year under review

Company name	Work description
GSPP Holdings Sdn. Bhd.	Works to install additional corrugated container production equipment (Malaysia)

### (ii) Principal works that were underway during the year under review

Company name	Work description
Oji Container Co., Ltd.	Restructures the manufacturing system for corrugated containers (Oji Materia Nikko Mill)
Oji Nepia Co., Ltd.	Works to install additional disposable diapers production equipment (Fukushima Mill)
Oji Nepia Co., Ltd.	Works to construct a new sales warehouse (Oji Materia Edogawa Mill)
Oji F-Tex Co., Ltd.	Works to install additional production equipment for polypropylene film for capacitors (Shiga Mill)
Oji Green Energy Tokushima Co., Ltd.	Joint venture power generation business with Itochu Enex Co., Ltd.
Oji Paper Co., Ltd.	Restructures the manufacturing system for containerboard (Tomakomai Mill)
GSPP Holdings Sdn. Bhd.	Works to construct a new corrugated container mill (Malaysia)
United Kotak Bhd.	Works to construct a new corrugated container mill (Malaysia)
Oji Fibre Solutions (NZ) Ltd.	Works to construct a new corrugated container mill (New Zealand)
Oji Fibre Solutions (NZ) Ltd.	Wastewater treatment facility renewal works (New Zealand)
Ojitex (Vietnam) Co., Ltd.	Works to construct a new corrugated container mill (Vietnam)
Oji Papéis Especiais Ltda.	Works to increase in production of thermal recording paper (Brazil)
Celulose Nipo-Brasileira S.A.	#1 Pulp production facility renewal works (Brazil)

### (3) Changes in assets and results of operations

Position	94th FY2017	95th FY2018	96th FY2019	97th FY2020	98th FY2021
Net sales (millions of yen)	1,485,895	1,550,991	1,507,607	1,358,985	1,470,161
Operating profit (millions of yen)	70,781	110,212	106,125	84,793	120,119
Ordinary profit (millions of yen)	65,958	118,370	101,289	83,061	135,100
Profit attributable to owners of parent (millions of yen)	36,222	51,977	58,181	49,635	87,509
Profit per share (yen)	36.64	52.52	58.78	50.13	88.35
Total assets (millions of yen)	1,960,753	1,951,369	1,885,280	1,981,438	2,053,752
Net assets (millions of yen)	810,011	815,406	831,657	865,606	875,470
Net assets per share (yen)	681.52	684.50	699.12	758.28	859.29

- Notes: 1. Profit per share was calculated by dividing profit attributable to owners of parent by the average number of shares outstanding for the year under review upon subtracting from it the number of treasury stocks.
2. Net assets per share were calculated by dividing net assets by the number of shares outstanding at the end of the year under review upon subtracting from it the number of treasury stocks.
3. Numbers less than one million yen are rounded down to the nearest million.

### (4) Issues to address of Oji Group (management policy, management strategy, etc.)

The Oji Group will strive to achieve medium- to long-term enhancement of its corporate value, by exploring “beyond the boundaries into the future,” based on the three themes of the Oji Group’s management philosophy, namely, “Creation of Innovative Value,” “Contribution to the Future and the World” and “Harmony with Nature and Society.”

Under the management philosophy, the Group will contribute to the realization of a truly enriched society by continuing to promote three ways of resource recycling, namely “forest recycling,” “water recycling” and “paper recycling,” through its value chain, and providing value to society through its business. In addition, the Group recognizes that “safety, environment, and compliance,” which is the basis of corporate survival, is the highest priority and most important issue for management. The Group will continue its effort to ensure that all of its corporate officers and employees fully understand the ideas of eradicating occupational accident risks, preventing environmental accidents, and complying with laws and regulations to fulfill its corporate social responsibility.

In the “FY2019–2021 Medium-term Management Plan,” which ended in FY2021, the Oji Group has established “Profitability Improvement of Domestic Business,” “Expansion of Overseas Business,” and “Promotion of Innovation” as the fundamental policies for Group management strategies and, by “Contribution to a Sustainable Society,” will aim to be a global corporate group that can maintain stable consolidated operating profit of at least 100.0 billion yen.

The Group has been operating our business with “Consolidated operating profit more than ¥150.0 billion,” “Percentage of overseas sales 40%,” “ROE 10.0%,” and “Net D/E ratio 0.7 times” as management targets for FY2021, however due to the stagnation of economic activities and a delay in recovery caused by the spread of COVID-19, the Group failed to achieve our targets except for “ROE 10.0%” and “Net D/E ratio 0.7 times.”

Meanwhile, the Group made steady progress in reforming its business structure in view of the diversifying consumption structure and lifestyles and work styles that are becoming increasingly diversified due to the spread of COVID-19, as well as measures to enhance corporate value based on the Medium-term Management Plan. Domestically, we strived to enhance profitability by concentrating management resources on promising businesses while improving capital efficiency by restructuring production systems in response to changes in demand and effectively utilizing owned facilities. Overseas, we promoted organic expansion from existing bases and the creation of synergies among businesses and bases, mainly in the packaging business in Southeast Asia. Furthermore, we promoted the development and early commercialization of new businesses and products that meet environmental and social needs. Through these various measures, we achieved a record-high operating income of 120.1 billion yen in FY2021.

Under the new Medium-term Management Plan, from FY2022 ending in FY2024, we will continue to enhance existing businesses, centering on the packaging business in Japan and overseas, and expand new businesses, aiming to increase the profitability and scale of our core businesses. At the same time,

we will promote ESG management and address climate change issues through fuel conversion to zero use of coal, expansion of renewable energy, expansion of afforestation and sustainable forest management, and development of eco-friendly materials and products derived from plants, to provide new sustainable value. In order to achieve this, we will implement the following specific initiatives.

(a) Household and Industrial Materials

- Industrial Materials (Containerboard and corrugated containers business, Boxboard and folding cartons business, Packaging papers and paper bags business)

Overseas, we will continue to expand our packaging business, particularly in Southeast Asia, and with the start of operation of a new containerboard machine in Malaysia in October 2021, we will further promote business development in Southeast Asia with integrated all containerboard processing to strengthen our cost competitiveness. In the downstream corrugated containers business, we are aggressively expanding our business through the construction of new plants and M&A to meet strong demand. Our first corrugated container factory in Indonesia went into operation in March 2021, and we are also constructing new corrugated container factories in Vietnam and Malaysia, which are scheduled to start operation in the first half of FY2022 to the first half of FY2023. In India, in October 2021, we acquired 80% of the outstanding shares of Empire Packages Pvt. Ltd, a manufacturer and distributor of corrugated containers. This will further promote the corrugated containers business in India through Empire Packages Pvt. Ltd.'s customer base and its relationship of trust. In New Zealand, we are working to further strengthen our business base by relocating our corrugated container factory in Christchurch, which has begun operating sequentially from November 2021.

In Japan, we will further strengthen our integrated production system for all containerboard processing, and will establish a system to supply higher quality products in a sustainable and efficient manner. In October 2021, a new containerboard machine started operations at Tomakomai Mill of Oji Paper Co., Ltd. to improve profitability. In the Kanto region, a new corrugated container factory has started operations in Funabashi, and in Utsunomiya, a corrugated container factory will be relocated to the site of a containerboard production factory (scheduled for completion in January 2023). Furthermore, we are promoting total packaging solutions utilizing the Group's comprehensive strengths, including integrated manufacturing, sales, product development, and proposal of materials processing for all packaging materials such as corrugated containers, folding cartons, and paper bags. One specific initiative is the provision of the "OJI FLEX ACK'AGE," automatic packaging system, and sales of the "Rakudan," continuous corrugated container sheet, which is a packaging material for the system, to provide packaging solutions tailored to customer needs, such as reducing packaging materials, saving labor, and reducing freight costs. In addition, we will further develop and expand sales of plastic-free products in response to growing expectations for paper products as environmental awareness rises worldwide. In addition, we will further expand sales channels for liquid paper containers, an existing business, both in Japan and overseas.

- Household and Consumer Products (Household paper business, Disposable diaper business)

In the household paper business, we aim to develop items such as eco-friendly products that have obtained forest certifications, and high-quality products exemplified by "hana-celeb," resulting in further improvements in value for the "Nepia" brand. The new processing base in the Kanto region processes household paper manufactured in China, and we have also decided to set up our own distribution warehouse (scheduled to start operation in August 2022). By integrating the household paper processing and distribution bases, we intend to expand our household paper and disposable diapers business in the Kanto region. We are also actively working to develop eco-friendly products, and in January 2022, we launched "nepia krafcomini," a tissue product wrapped in kraft paper. In April 2022, we also launched kitchen towels and box tissues as new products in the "nepi eco" series, whose packaging was changed to paper material.

Since the outbreak of COVID-19, we have begun offering our own medical gown products and mask products, and in November 2021, we launched the "Nepia Long Lasting Best Fit Face Masks" series. Among them, "Nepia Long Lasting Best Fit Face Mask Block Filter Plus Surgical" has been examined as conforming to Class III, the highest class in medical mask standards, and we will deliver safety and security to our customers by releasing the highest class of medical



masks as commercial products. In March 2022, we also launched “Nepia nepi eco Biomass Mask” from the “nepi eco” series, which uses 80% plant-derived materials in the nonwoven fabric, and in April 2022, we also launched a new packaging form of masks, the “Nepia Hana Celeb Pocket Mask,” in collaboration with TITAN. This product is a creative product that solves the complaint that while wearing masks has become a daily routine and the number of users who carry a spare mask has increased, all the mask packages sold in general are large and bulky and cannot be carried in a small bag or pouch. We will continue to do whatever we can to help halt the spread of COVID-19 at an early stage.

In the disposable diaper business for babies, developing its products under a unified brand both Japan and overseas, we will strive to enhance the value of the Nepia brand through sales of the “Genki!,” which was renewed in April 2021. In Malaysia, we have increased production capacity by restructuring the production system, including the introduction of a new disposable diaper processing machine, and in Indonesia, we are working to secure cost competitiveness and strengthen our business base by manufacturing and selling disposable diapers at a local disposable diaper factory in a joint venture company, thereby further expanding our business, including in neighboring countries. In China, we are also expanding sales of “Whito Premium,” a product with even higher quality and performance. As for disposable diapers for adults in Japan, we are planning to start operation of a new processing machine in Fukushima Prefecture in September 2022 in response to the expected growth in the population requiring nursing care and support. In February 2022, in collaboration with Lady Drug Store Co., Ltd., we opened an e-commerce store for home care, “Nepia x Drag-no-Lady Heart Shop ready for nursing care; net shop for easy home care.” To make home care easier to understand for those new to home care, we offer a broad lineup of products for home care in addition to disposable diapers for adults that we sell to hospitals and nursing facilities. In March 2022, from the “NEPIA TENDER” series of products for medical and welfare facilities, we launched “Wet towel,” “Buttocks wiper,” “Buttocks cleaning liquid; Tsurunto-san,” and “Nursing care towel; oshibori-no-moto,” which are designed to reduce the burden of nursing care for both nursing care providers and nursing care receivers. We will continue to develop products that address the issues faced by Japan's aging population in the field of nursing care.

Based on the development of products that emphasize environmental friendliness and quality, we will restructure the “Nepia” brand to meet customer needs and the changing times, with the aim of further developing new products and creating value.

(b) Functional Materials (Specialty paper business, Thermal paper business, Adhesive products business, Film business)

Overseas, we have completed to enhance and expand facilities to practically double production capacity and started operation in January 2022 in Brazil in order to meet strong demand for thermal paper in South America. In Europe, we have decided to expand thermal recording paper facilities (scheduled to start operation in January 2024). Going forward, we will leverage the Group’s core technologies which are strengths we have cultivated to date in “papermaking,” “paper processing” (coating and adhesives), and “film” to respond to growing demand that follows economic development in the emerging markets of Southeast Asia, South America, the Middle East, and Africa, and will aim to strengthen competitiveness at existing locations.

In Japan, we have continued to work on the rapid development of high-performance, high-value-added products, and in December 2021 we succeeded in developing an automotive window film that combines high heat shielding properties and light transmittance, both of which had been difficult to achieve in the past. In February 2022, we developed “MEGURISH (cotton),” a recyclable resource mixed papermaking that combines conventionally discarded fibers, scraps, and recovered clothing as paper raw materials. We have also developed “kinarito,” a biodegradable nonwoven fabric material made mainly from plant-derived cellulose and polylactic acid. “Kinarito” can be molded three-dimensionally and is expected to be used as a substitute for plastic containers and for items that emphasize design. In addition, it can be blended with biomass such as tea leaves and coffee grounds that would otherwise be disposed of, making it possible to propose new values such as waste reduction. Furthermore, we are strengthening the foundation of our existing business by continuously reviewing our production system in response to changes in the demand structure of the functional materials market, thereby enhancing competitiveness and

profitability. In response to the global shift to a decarbonized society and the rapid spread of electric vehicles, we have decided to add two production facilities in Shiga Prefecture for polypropylene film used in capacitors for motor drive controllers of electric vehicles (scheduled to start operation in 2023 and 2024, respectively). As a result, the production capacity is expected to double from the February 2022 level.

We will continue to develop eco-friendly materials and products, and will aggressively expand into new business areas to anticipate market needs and promptly provide products and services that exceed expectations.

(c) Forest Resources and Environment Marketing Business (Pulp business, Energy business, Plantation and lumber processing businesses)

In the pulp business, we have implemented a continuous flow of strategic countermeasures for profitability at key sites in order to strengthen the business foundation so it is capable of withstanding fluctuations in the pulp market. At Oji Fibre Solutions in New Zealand, operational stabilization and efficiency measures are being addressed. And at Celulose Nipo-Brasileira S.A in Brazil, we are moving forward with continuous profitability countermeasures by upgrades to cutting-edge manufacturing facilities. In the domestic dissolving pulp business, in addition to products aimed at rayon applications, we are producing high-value-added products such as materials for medical supplies and filtering applications in an attempt to boost the profitability of the business.

As for energy business, we are further expanding the business with the aim of expanding the use of renewable energy. A biomass power generation facility in Tokushima Prefecture being built as part of a joint venture with ITOCHU ENEX CO., LTD. is preparing for operations to begin in September 2022. We are also working to strengthen the biomass fuel business in line with the expansion of the energy business and are boosting procurement for fuel of woodchips, which utilize untapped domestic wood resources. Overseas, we are implementing initiatives in Indonesia and Malaysia to increase procurement of palm kernel shells for fuel applications while ensuring legality and sustainability.

In the plant/lumber processing business, we are taking steps to secure sustainable forest resources and increase production capacity, mainly in Asia, Oceania, and Brazil regions. In Japan, we will also seek to strengthen profitability through sales expansion in the building materials field and other measures.

(d) Printing and Communications Media (Newsprint business, Printing/publication/communications paper business)

People's lifestyles have changed as a result of the spread of COVID-19, while companies are stepping up the efforts to bring about digital transformation (DX) by, for example, introducing teleworking. We are ascertaining the impact on the graphic paper market of these changes in the business environment, continuously restructuring the production system and thoroughly reducing costs while increasing cash flow.

As specific initiatives, in Japan, a containerboard machine converted from a newsprint machine started operation at Tomakomai Mill of Oji Paper Co., Ltd. in October 2021, and a special liner and special paperboard machine relocated from Nayoro Mill of Oji Materia to the same mill in April 2022. In addition, we will continue to pursue a business alliance with Mitsubishi Paper Mills Limited to enhance profitability.

In China, we are utilizing integrated paper and pulp production systems to the fullest extent, of which only a few exist, to reduce costs and strengthen competitiveness.

(e) Efforts to promote innovation and to realize a sustainable society

Under one of our management philosophies, "Harmony with Nature and Society," we are committed to promoting environmental management, and are dedicated to developing business activities in harmony with the environment. Our goal is to support the realization of true affluence and a sustainable society through, toward "Creation of Innovative Value," the enhancement of flexible and efficient research and development activities, efforts to seek out new needs, and by creating products and businesses by means of promoting innovation.

Cellulose nanofibers (CNF), which is expected to be applied to a wide range of industries as a next-generation material, is used as an additive in a ready-mixed concrete inducer, utilizing the viscosity of CNF, and as an additive for paints, in addition to being used by cosmetics manufacturers for the cosmetic ingredient “AUROVISCO CS.” In addition, CNF sheets are being used in a wide range of applications, including expanded use in table tennis rackets. Furthermore, we are developing composite materials with rubber and general-purpose resins and transparent resins composited with polycarbonate for use in automotive components, aiming to reduce the use of petroleum-derived resins and contribute to weight reduction and fuel efficiency improvement by replacing glass. We will continue to actively promote the use of CNF for various applications and contribute to the spread of CNF.

In response to global issues such as climate change and marine plastic waste, we are actively developing eco-friendly materials and products to meet the growing demand for pulp and paper products to replace plastics. The addition of three products to the existing “SILBIO BARRIER” lineup in the “SILBIO series” of paper-mark compliant multi-barrier papers has also made it possible to handle a wide range of applications requiring light shielding, transparency, and easy heat-sealing functions that were not covered by the conventional products. In Malaysia, it has been adopted as a packaging material for Nestlé Group products as a replacement for plastic. This is the third country, following Thailand and Japan, where Nestlé has adopted the material. In December 2021, it was adopted as a packaging material for the products of DELTA International Co., Ltd. and other diverse developments are underway. In addition, we have responded to inquiries from customers in various fields for “PaPiPress,” a pulp mold product characterized by its smooth surface and ability to be freely molded into three-dimensional shapes, and in June 2021, it was used for paper cup lids for in-flight use on international flights by All Nippon Airways Co. Ltd. (ANA) In July 2021, it was adopted as a container for cosmetics by ALBION Co., Ltd. Further development will continue in the future.

We are also in the midst of developing manufacturing processes for biomass plastics for which pulp is the raw material. Instead of conventional plastics made from petroleum resources, we are conducting demonstration tests to produce lactic acid and ethanol from a sugar solution (glucose) originating from plants, as well as polylactic acid and polyethylene. This will reduce CO<sub>2</sub> emissions from fossil fuels and contribute to the prevention of global warming. In addition, we have succeeded in developing an eco-friendly OPP that contains polylactic acid resin, a raw material derived from plants, by making full use of our raw material resin mixing technology and advanced film-forming technology cultivated in the manufacture of biaxially stretched polypropylene film (OPP). OPP is widely used as a plastic packaging material, but by blending plant-derived polylactic acid as a raw material, it has become possible to reduce the use of petroleum-derived polypropylene. This product has been certified as a biomass mark product by the Japan Organics Recycling Association and has been on the market since January 2022. In the future, we aim to expand our product lineup, including the development of brands with heat-sealing properties. In addition, we have begun offering samples of cellulose mats developed by applying our proprietary non-woven fabric manufacturing technology. This cellulose mat is made of uniformly dispersed cellulose and polyolefin fibers, and when thermally processed, it becomes a resin molded body that is more resistant to deformation and cracking than plastics. Since it can be molded into three-dimensional shapes with a tight fit, it is expected to be applied to automotive components. Compared to conventional molded polypropylene resin, the use of petroleum-based plastics can be reduced by up to 70%. We will continue to contribute to solving environmental problems by switching from petroleum-derived to resource-recycling materials for plastic products that are indispensable in our daily lives.

In the industrial use of hemicellulose, one of the major components of wood, Oji Pharma Co., Ltd. is working on the pharmaceutical use of chemically modified “sulfated hemicellulose,” and has begun testing for veterinary drug applications. In addition, we are concurrently developing a drug for human use, with the aim of moving to non-clinical trials in FY2023. Moreover, we are jointly developing wood-derived medicines with ReqMed Company, Ltd., which also develops such drugs. We will continue to promote collaboration with universities and pharmaceutical companies to develop pharmaceuticals derived from wood resources.

In the field of water treatment technology, we provide water treatment systems that meet a wide range of needs by leveraging the technologies and operational know-how that the Oji Group has

cultivated over many years, and facilities for producing water for industry and homes and wastewater treatment facilities have been adopted in Japan and overseas. Furthermore, by incorporating IoT-based remote monitoring functions into these facilities, it is possible to support the operation of more optimized wastewater treatment facilities. We will continue to strive to realize a sustainable society by providing stable technologies and making effective use of limited water resources.

By providing various values to society through our business, our group aims to contribute to the realization of a truly affluent society and to be a corporate group that constantly anticipates the needs of the day, strives to innovate, and grows in a sustainable manner.

**(5) Main businesses of Oji Group** (as of March 31, 2022)

Position	Main Businesses
Household and Industrial Materials	Containerboard and corrugated containers business, Boxboard and folding cartons business, Packaging papers and paper bags business, Household papers business, Disposable diapers business
Functional Materials	Specialty paper business, Thermal paper business, Adhesive products business, Film business
Forest Resources and Environment Marketing Business	Pulp business, Energy business, Plantation service and lumber processing business
Printing and Communications Media	Newsprint business, Printing and publication and communications paper business
Others	Real estate, Engineering, Trading business, Logistics, etc.

**(6) Main offices and mills of Oji Group** (as of March 31, 2022)

## (i) The Company

Main Sites	
Headquarters	Chuo-ku, Tokyo
Research Centers	Koto-ku, Tokyo, Konan, Shiga, other

## (ii) Domestic subsidiaries

Stated in the table titled “(8) Significant subsidiaries”

**(7) Employees of Oji Group**

(as of March 31, 2022)

Position	Number of employees	Change from previous fiscal year-end
Household and Industrial Materials	18,272	A decrease of 83
Functional Materials	4,484	A decrease of 283
Forest Resources and Environment Marketing Business	7,145	An increase of 17
Printing and Communications Media	3,019	A decrease of 59
Others	2,688	A decrease of 18
Total	35,608	A decrease of 426

**(8) Significant subsidiaries**

(as of March 31, 2022)

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Container Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	millions of yen 10,000	% (100)	Production and distribution of corrugated container products (sheet and box)
Oji Materia Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	600	100	Production and distribution of paperboard (containerboards, specialty paperboards, and boxboards), packaging materials, and pulps
Oji Nepia Co., Ltd.	Chuo-ku, Tokyo	Household and Industrial Materials	350	100	Production and distribution of household paper and disposable diaper
Mori Shigyo Co., Ltd.	Kyoto-shi, Kyoto	Household and Industrial Materials	310	(100)	Production and distribution of corrugated container products (sheet and box)
GSPP Holdings Sdn. Bhd.	Malaysia	Household and Industrial Materials	Millions of Malaysian ringgit 945	(100)	Control and management of GSPP Group (production and distribution of containerboards and corrugated container products (sheet and box))
Harta Packaging Industries Sdn. Bhd.	Malaysia	Household and Industrial Materials	20	(100)	Production and distribution of corrugated container products (sheet and box)
Ojitex (Vietnam) Co., Ltd.	Vietnam	Household and Industrial Materials	Millions of US dollars 42	100	Production and distribution of corrugated container products (sheet and box)
Ojitex Haiphong Co., Ltd.	Vietnam	Household and Industrial Materials	38	100	Production and distribution of corrugated container products (sheet and box)
OJI TAC Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	millions of yen 1,550	(100)	Production and distribution of paper- and resin-processed products, packaging materials, and adhesive paper
Oji F-Tex Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	350	100	Production and distribution of specialty printing paper, specialty function paper, film products, and specialty paperboard
Oji Imaging Media Co., Ltd.	Chuo-ku, Tokyo	Functional Materials	350	100	Production and distribution of thermal recording paper (paper and film) and inkjet paper

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Oji Papéis Especiais Ltda.	Brazil	Functional Materials	Millions of Brazilian Real 409	% (100)	Production and distribution of thermal recording paper and carbonless copy paper
KANZAN Spezialpapiere GmbH	Germany	Functional Materials	Millions of euros 25	(100)	Production and distribution of thermal recording paper
Oji Paper (Thailand) Ltd.	Thailand	Functional Materials	Millions of Thai baht 1,340	(100)	Production and distribution of carbonless copy paper and thermal recording paper
Kanzaki Specialty Papers Inc.	USA	Functional Materials	Millions of US dollars 34	(100)	Production and distribution of thermal recording paper
Japan Brazil Paper and Pulp Development Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	millions of yen 21,088	(100)	Management of pulp production company in Brazil. Pulp trading in the country
Oji Cornstarch Co., Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	1,000	(60.0)	Production and distribution of corn starch and saccharified products
Oji Green Resources Co., Ltd.	Chuo-ku, Tokyo	Forest Resources and Environment Marketing Business	350	100	Trading in lumber, pulp, and raw fuel materials, plantation business management, and the energy business
Celulose Nipo-Brasileira S.A.	Brazil	Forest Resources and Environment Marketing Business	Millions of US dollars 257	(100)	Plantation service and production and distribution of pulp
Pan Pac Forest Products Ltd.	New Zealand	Forest Resources and Environment Marketing Business	Millions of New Zealand dollars 126	(100)	Forest management, plantation and logging services. Distribution of lumbers and production and distribution of pulp and lumber products
Oji Paper Co., Ltd.	Chuo-ku, Tokyo	Printing and Communications Media	millions of yen 350	100	Production and distribution of newsprint, paper, and pulp
Oji Logistics Co., Ltd.	Chuo-ku, Tokyo	Others	1,434	100	Warehousing, truck transportation, and domestic sea transportation services

Company name	Headquarter location	Category	Capital stock	Percentage of voting rights of the Company	Major business description
Kyokuyo Co., Ltd.	Chuo-ku, Tokyo	Others	millions of yen 1,300	% 90.0	Trading of paper, synthetic resin, and packaging materials
Oji Engineering Co., Ltd.	Chuo-ku, Tokyo	Others	800	100	Design, manufacture, installation, overhaul, and distribution of various machinery products
Oji Real Estate Co., Ltd.	Chuo-ku, Tokyo	Others	650	(100)	Real-estate trading, brokerage, leasing, and management services
Jiangsu Oji Paper Co., Ltd.	China	Forest Resources and Environment Marketing Business / Printing and Communications Media	Millions of US dollars 911	(90.0)	Production and distribution of paper and pulp
Oji Fibre Solutions (NZ) Ltd.	New Zealand	Household and Industrial Materials / Forest Resources and Environment Marketing Business	Millions of New Zealand dollars 728	(100)	Production and distribution of pulp, paperboard, corrugated container products, and paper bag products

- Notes:
1. A subsidiary of the Company acquired all shares of KANZAN Spezialpapiere GmbH, and the percentage of voting rights has become 100% as a result.
  2. For Japan Brazil Paper and Pulp Development Ltd., the Company acquired shares of said company from non-controlling shareholders of said company, and the percentage of voting rights, including those held by subsidiaries, has become 100% as a result. Additionally, this has caused the percentage of voting rights in said company's subsidiary, Celulose Nipo-Brasileira S.A., to become 100% as well.
  3. The Company acquired all shares in Oji Oceania Management Co., Ltd., of which Oji Fibre Solutions (NZ) Ltd. is a subsidiary, and the percentage of voting rights for both companies has become 100% as a result.
  4. Jiangsu Oji Paper Co., Ltd. is categorized into both Forest Resources and Environment Marketing Business and Printing and Communications Media and Oji Fibre Solutions (NZ) Ltd. is categorized into both Household and Industrial Materials and Forest Resources and Environment Marketing Business. As such, they appear in the respective categories in the above table.
  5. Capital stock value less than the minimum unit is truncated for presentation.
  6. The percentage of voting rights of the Company shown in parentheses denotes one that includes voting rights held by subsidiaries.
  7. The number of the Group's consolidated subsidiaries as of March 31, 2022 stood at 186, including significant subsidiaries whose names are listed above. The number of equity method affiliate companies totaled 24 as of March 31, 2022.
  8. There is no subsidiary that falls under the category of specified wholly-owned subsidiary as of March 31, 2022.



**(9) Financing activities of Oji Group**

The Group obtained necessary cash by securing loans from financial institutions and issuing commercial papers.

In addition, the balance of interest-bearing liabilities as of March 31, 2022 increased 2.8 billion yen from previous fiscal year-end to 650.5 billion yen.

**(10) Main lenders and borrowing amount of Oji Group**

(as of March 31, 2022)

Lender	Loan balance
	millions of yen
Sumitomo Mitsui Banking Corporation	50,617
Mizuho Bank, Ltd.	43,741
The Norinchukin Bank	43,326
Sumitomo Mitsui Trust Bank, Limited	26,120
Nippon Life Insurance Company	22,100

- Notes:
1. The loan balances listed above include loans provided by the lenders to overseas subsidiaries.
  2. In addition to the loans listed above, the Company obtained 219,530 million yen in syndicate loans.
  3. Numbers less than one million yen are rounded down to the nearest million.

**(11) The status of the Group's corporate reorganization activities and acquisition of shares in other companies**

Not applicable.

**(12) Policy concerning exercise of authority in case that the Articles of Incorporation stipulates that the Board of Directors shall determine dividends of surplus, etc.****(i) Basic policy for distribution of profit**

The Company's basic policy is to maintain stable dividends to shareholders to the extent possible while comprehensively considering the business results for each business year and the internal reserves necessary in preparation for future management initiatives.

**(ii) Matters related to year-end dividend**

The year-end dividend for the current fiscal year will be 7 yen per share with the record date of March 31, 2022 by comprehensively considering the business results for the current fiscal year and future business environment, etc.

Combined with the interim dividend of 7 yen per share, which was implemented for the interim period, this will bring total dividends for the current fiscal year to 14 yen per share, the same as for the previous fiscal year.

**(a) Type of dividend property**

Cash

**(b) Matters related to allotment of dividend property to shareholders and total amount thereof 7 yen per common share of the Company; Total amount 6,945,554,826 yen**

**(c) Effective date of dividends of surplus**

June 7, 2022

**(13) Significant matters related to the current state of Oji Group other than those mentioned in the preceding items**

Not applicable.

## 2. Shares of the Company (as of March 31, 2022)

- (1) Total number of shares authorized to be issued 2,400,000,000 shares  
(2) Total number of shares issued 1,014,381,817 shares  
(Treasury stock) (22,159,699 shares)  
(3) Total number of shareholders 76,830 shareholders  
(9,671 increase compared with March 31, 2021)

### (4) Major shareholders (top 10)

Name of shareholder	Shares held	Percentage of total shares issued
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	157,740	15.9
Custody Bank of Japan, Ltd. (Trust Account)	66,684	6.7
Custody Bank of Japan, Ltd. (Trust Account 4)	34,873	3.5
Sumitomo Mitsui Banking Corporation	31,668	3.2
Nippon Life Insurance Company	25,658	2.6
Mizuho Bank, Ltd.	21,636	2.2
Oji Group Employee Stock-holding Association	19,922	2.0
STATE STREET BANK AND TRUST COMPANY 505001	17,248	1.7
The Norinchukin Bank	16,654	1.7
STATE STREET BANK WEST CLIENT - TREATY 505234	15,299	1.5

- Notes: 1. The Company holds treasury stock of 22,159 thousand shares, which is excluded from the above list.  
2. The percentage of total shares issued has been calculated after excluding the Company's treasury stock (22,159 thousand shares).  
3. Numbers less than one thousand are rounded down to the nearest thousand.

### (5) Shares granted to corporate officers as compensation for execution of duties during the year under review

Position	No. of shares	No. of persons granted shares
Directors (excluding Outside Directors)	123,393 shares	1

- Note: The Company has adopted a stock-based remuneration plan to provide part of the remuneration for directors (excluding Outside Directors). Under this scheme, cumulative total points awarded to a director based on their position and performance in each of the years in which they served as a director is divided by one to determine the number of shares they will be granted after leaving their post.

### 3. Matters related to ESG

#### (1) Matters related to the Environment

##### (i) Action on Climate Change

The Oji Group recognizes the issue of climate change as an important management issue and believes that it will be able to enhance the sustainability of its business activities through proactive measures to address this issue.

In order to clearly lay out our course of action, our Group formulated our “Environmental Vision 2050,” which declares our aims for 2050 and centers around our goal of net-zero carbon, and our “Environmental Action Program 2030,” which function as a milestone on the way to this Vision, in September 2020.

The core of “Environmental Vision 2050” is to implement “Sustainable Forest Management” through the promotion of forest plantation overseas and forest conservation to absorb and fix carbon dioxide (CO<sub>2</sub>), and to reduce GHG emissions from our production activities by improving the efficiency of energy consumption and increasing the use of renewable energy, aiming for net zero carbon (i.e., virtually zero greenhouse gas (GHG) emissions) in 2050.

As a milestone on the way to this vision, we set the target of reducing GHG emissions by 70% or more in FY2030 as compared to FY2018 emissions. In addition, we will make concerted efforts to promote the effective use of resources, reduce various environmental impacts, and maintain and preserve biodiversity, thereby contributing to the realization of a sustainable society.

Furthermore, the Oji Group endorses the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), which was established by the Financial Stability Board (FSB), consisting of financial ministries and central banks, to consider how climate-related information should be disclosed and how financial institutions should respond. Based on the TCFD's recommendations, we are promoting the disclosure of information on the risks and opportunities posed by climate change to business, including viewpoints from governance, strategy, and risk management.

##### (ii) Initiatives for Sustainable Forest Management

Forests are a reproducible and sustainable resource that can be planted, grown, harvested, and re-planted.

The Oji Group grows trees based on the philosophy “those who use trees have the responsibility to plant trees,” and possesses extensive company-owned forests in Japan and overseas, amounting to approximately 580,000 ha. The portfolio comprises about 450,000 ha of production forests primarily for producing forest products in consideration of environment, and about 130,000 ha of conservation forests principally for preserving biodiversity and basins. Under the “Environmental Action Program 2030,” we aim to increase forest area by an additional 140,000 hectares by FY2030.

When we began our forest plantation business, our goal was to secure a steady supply of raw materials for manufacturing paper. However, changing times have led to a reevaluation of forests as a sustainable resource, and various sectors are taking an interest in the utilization of this resource. In addition, recent years have seen many hopes pinned to forest “functions,” including not only their role as a “resource,” but also in conserving national land and living environments, replenishing water sources, protecting biodiversity, and absorbing and fixing CO<sub>2</sub>.

Alongside practicing sustainable forest management with a direct connection to our business, the Oji Group will continue to take steps toward the realization of a carbon-free society, increasing the value of forest resources and aiming to further expand our company-owned forests.

In April 2022, we established the “Oji Group Sustainable Forest Management Policy”

(<https://ojiholdings.disclosure.site/ja/themes/203/>) for the forests owned and managed by the Oji Group, and also joined the “30 by 30 Alliance for Biodiversity,” which promotes efforts to effectively conserve at least 30% of land and sea as healthy ecosystems by 2030.

##### (iii) Development of Eco-friendly Materials and Products

In response to the global issues of climate change and marine plastic waste, the need for alternative plastic products is rapidly increasing. Accordingly, the Oji Group is actively engaged in the development of eco-friendly materials and products, and is focusing on “green innovations” for the future.

We have developed paper packaging materials that can replace plastic film, molded pulp products made of 100% pulp that can be freely three-dimensionally molded like plastic, and new plant-derived non-woven fabric materials to respond to various inquiries as an alternative to plastic.

We are also developing production technologies for biomass materials to replace plastics. Cellulose nanofiber (CNF) is expected to be applied to a wide range of industries as a next-generation material, and we are also working on its adoption for automotive components, aiming to reduce the use of petroleum-based resins and contribute to weight reduction and fuel efficiency improvement by replacing glass.

We will contribute to the realization of a sustainable society by switching plastic products, which are indispensable in our daily lives, from petroleum-derived to resource-recycling materials.

(iv) Resource circulation throughout the value chain

The sustainable business model which serves as the foundation of the Oji Group is supported by three forms of recycling:

- “Forest recycling,” in which we practice sustainable forest management through growing, harvesting and planting trees
- “Water recycling,” in which we reduce water consumption by circulating and reusing water in manufacturing processes and purify wastewater
- “Paper recycling,” in which we collect and recycle paper products

By deploying this model globally, we are working to enable our businesses to help build a sustainable society.

## (2) Matters related to Society

(i) Ensuring Workplace Safety and Health

Under a policy of making safety, the environment, and compliance top priorities, the Oji Group has established rules and standards on occupational safety and health in the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard. We secure the safety and health of workers by ensuring that every Group employee is aware of these rules and standards on occupational safety and health, practices them, and complies with them. At the same time, we promote the creation of comfortable workplace environments and strive to create better workplace safety climates so that all workers in the Oji Group can work in a safe environment and with a sense of security.

Each Group company creates a safety and health promotion plan and a specific safety and health action plan for each company and workplace based on the Oji Group’s annually formulated safety and health promotion plan. Measures for the elimination of occupational accidents are implemented together by Group employees, affiliates, and business operators who enter the Group’s premises on a temporary basis.

We are also taking the following steps to tackle COVID-19:

- Ensuring that everyone wears masks, disinfects their hands by washing them frequently, and takes their temperature before heading to work
- Having personnel work from home, arrive for work at staggered times, make use of the flextime system, etc.
- Installing partitions between seats, in conference rooms, etc.
- Regularly disinfecting communal areas within business premises
- Vaccine inoculation at workplaces in the head office area, etc.
- Introduction of special leave for vaccination and adverse reaction outbreaks

(ii) Respect for Human Rights

In the belief that “the responsibility to respect human rights is an important element of the global code of conduct,” in August 2020 we established the “Oji Group Human Rights Policy” in order to further strengthen and implement initiatives involving respect for human rights. Efforts to familiarize personnel with the policy include preparing the “Handbook on the Oji Group Human Rights Policy” and providing human rights education as part of new manager training, and we will continue familiarizing personnel with the fundamental policies, as well.

The Oji Group Human Rights Policy is posted on our website on the Internet.

(<https://ojiholdings.disclosure.site/en/themes/108/>)

(iii) Human Resource Measures

In seeking to enhance corporate value, we believe it is important for every employee to embrace diversity of values and flexibility in thinking and to enhance his/her skills. For the Oji Group to grow as a global enterprise “beyond boundaries,” we are implementing human resource strategies aimed at enhancing corporate value based on the Oji Group Human Resource Philosophy, in accordance with our fundamental principle, “a company’s strength originates from human resources.”



A summary of the initiatives is as follows.

- Human resources development

We are focusing on developing human resources who can accomplish management strategies, particularly global human resources.

- Working style reforms and health and productivity management

We are striving to reduce total working hours and improve operational efficiency, while also concentrating on health and productivity management in consideration of our employees’ health.

- Inclusion and diversity

We continue to take steps in line with the diversity promotion policies in seeking to build workplaces where all employees, regardless of their background, can fully demonstrate their potential with peace of mind.

(iv) Contribution to Local Communities and Society

At each of its bases around the world, the Oji Group undertakes a range of social contribution initiatives including the promotion of culture and sports under the Management Philosophy of the Oji Group including “Contribution to the Future and the World” and “Harmony with Nature and Society.”

### **(3) Matters relating to Corporate Governance**

#### **(i) Basic Views on Corporate Governance**

Drawing on the fundamental values and the behavior principles that the Oji Group has carried down as a company since its founding, the Oji Group has formulated the Oji Group Corporate Code of Conduct by which the Group as a whole engages in corporate activities with an awareness of its responsibility and a high ethical principle as a corporate citizen. The Oji Group will continuously strive towards enhancement of its corporate governance, regarding it as one of the highest priority issues in its management, by ensuring efficiency, soundness and transparency of the management, while building trust relationship with its diverse stakeholders. In doing so, the Oji Group will aim to increase its corporate value and become a company that is trusted by society.

The Fundamental Policies on Corporate Governance of the Company is posted on its website. (<https://www.ojiholdings.co.jp/english/group/policy/governance.html>)

#### **(ii) Overview of Corporate Governance System and Reasons for Adopting the System**

The Company has adopted a COMPANY system under which the Company undertakes the formulation of Group management strategies as well as the supervision of the Group governance, while each COMPANY comprised of closely associated businesses forms the center of the Group's business operations. This structure accelerates decision making by each business unit and clarifies management responsibilities.

Decisions on execution of important matters concerning the Group's management are made by the Board of Directors, following deliberations by Holdings Management Meetings and (or) Group Management Meetings. Execution of businesses in accordance with the decisions made by the Board of Directors is promptly implemented by Group Corporate Officers and COMPANY Presidents. At the same time, the Company secures a check-and-balance function within the Group by clearly determining authority and responsibility of each organization in its Organization Regulations, Group Management Regulations and Authorities Regulations.

In addition, the Company formulates in-house regulations on obtaining approvals, Group CEO's Decisions Regulations and COMPANY President's Approval Regulations, and appropriately operates business procedures based upon them.

The Company has established the Internal Audit Department to audit the Group's internal controls, in order to strengthen internal controls. In the area of finance, each division manager carries out independent and strict management in accordance with internal accounting regulations, and the Internal Audit Department regularly monitors transactions in each division to confirm the effectiveness of the control function and the reliability of financial reporting. The Internal Audit Department reports to the Board of Directors on the internal audit plans and audit results, ensuring collaboration with Directors.

As a company with the Audit & Supervisory Board, the Company strives to strengthen the governance of the entire Group through audits of the execution of duties by Directors by Audit & Supervisory Board Members and the Audit & Supervisory Board. The Audit & Supervisory Board has appointed five Audit & Supervisory Board Members, including three Outside Audit & Supervisory Board Members. There are two standing Audit & Supervisory Board Members, and one of them possesses considerable knowledge of finance and accounting. Audit & Supervisory Board Members conduct audits on Directors' business executions based upon audit plans set at the Audit & Supervisory Board, through actively making attendances in the Board of Directors and other important meetings.

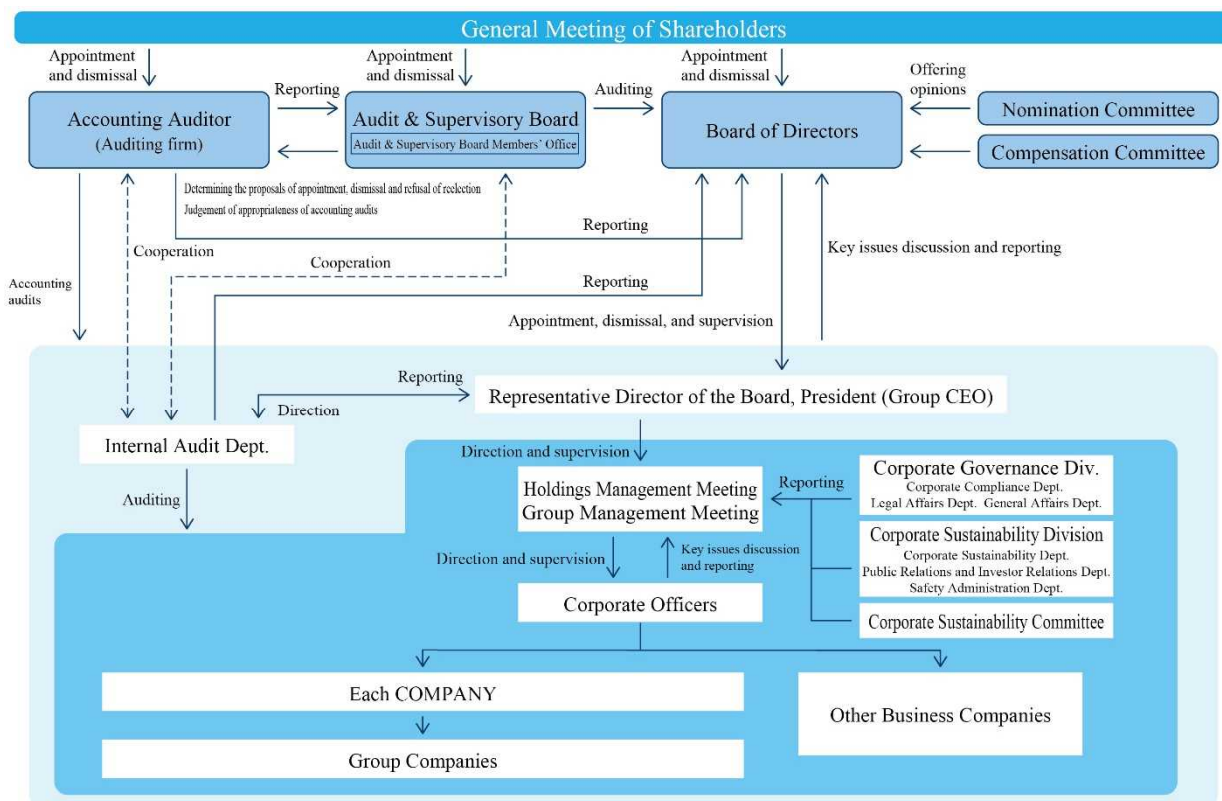
The Company has introduced the Executive Officer system in 1999 ("Executive Officer" was renamed to "Group Corporate Officer" along with the transition to a pure holdings company system on October 1, 2012), in order to speed up decision-making, strengthen systems for business execution, and clarify executive responsibilities. In 2007, the Company has introduced Independent Directors to strengthen monitoring of management and to pursue a corporate management which has higher degrees of transparency and efficiency. In 2015, the Company established the Nomination Committee and the Compensation Committee as advisory bodies to the Board of Directors. In addition to improving the objectivity and transparency of decisions made by each Committee, the Compensation Committee analyses and evaluates the effectiveness of the Board of Directors.

With such systems in mind, the Company recognizes that it is committed to enhancing its effective monitoring of management.

Please note that, pursuant to the provisions of applicable laws and regulations and Article 15 of the Articles of Incorporation, “System to ensure the properness of operations and an overview of the current status of its operation” and “Basic Policy on Corporate Control” are posted on “Internet Disclosure for Notice of the 98th Ordinary General Meeting of Shareholders” on the “Information for Stockholders” section of the Company’s website (<https://investor.ojiholdings.co.jp/en/ir/stock/meeting.html>).

(iii) Corporate Governance Structural Diagram

A diagram of the corporate governance system of the Company is as shown below.



The purpose, authority, and composition of each body is as shown below.

Name	Purpose/Authority	Composition
Board of Directors (Note 1)	<p>The Board of Directors, in view of its fiduciary responsibility and accountability toward shareholders, fulfills the following roles to enable the Company to achieve sustainable growth and enhance its corporate value over the medium to long term as well as to improve its profitability, capital efficiency, etc.</p> <ul style="list-style-type: none"> <li>• Make important decisions concerning business execution within the scope specified in the Board of Directors Rules, such as determining the corporate principles and strategies that set out the overall direction for the Group and making investments based on these principles and strategies.</li> <li>• With regard to matters that do not require a Board of Directors' resolution, assist with rapid decision-making by determining in Group rules matters requiring deliberation by the Management Meeting and the authority of Executive Directors to execute business.</li> <li>• Conduct highly-effective supervision of Corporate Officers and Executive Directors from an independent and objective standpoint.</li> <li>• Supervise the construction of internal control systems, the establishment of risk management systems, and the operation of these systems.</li> </ul>	<p>Directors: 12 persons (of whom four are Independent Outside Directors) Chairperson: Representative Director and Chairman of the Board Masatoshi Kaku (as of March 31, 2022)</p>
Audit & Supervisory Board (Note 2)	<p>Audit &amp; Supervisory Board Members and the Audit &amp; Supervisory Board, in view of their fiduciary responsibilities toward shareholders, conduct operational and accounting audits from an independent and objective standpoint.</p> <p>Audit &amp; Supervisory Board Members and the Audit &amp; Supervisory Board flexibly combine the high-level information gathering capabilities possessed by the Full-time Audit &amp; Supervisory Board Members with the robust independence of the Outside Audit &amp; Supervisory Board Members, and endeavor to exercise their authority voluntarily and proactively while maintaining cooperation with Outside Directors.</p>	<p>Audit &amp; Supervisory Board Members: 5 persons (of whom three are Outside Audit &amp; Supervisory Board Members) Chairperson: Full-time Audit &amp; Supervisory Board Member Tomihiro Yamashita (as of March 31, 2022)</p>
Nomination Committee (Note 3)	<p>By obtaining appropriate involvement and advice from Outside Directors, the Nomination Committee deliberates on the following matters and provides reports to the Board of Directors in order to strengthen the functional independence, objectivity, and accountability of Directors with respect to the nomination of officers and Corporate Officers.</p> <ol style="list-style-type: none"> <li>1. Policy for nomination of Directors and Audit &amp; Supervisory Board Member candidates</li> <li>2. Policy for selection of Corporate Officers</li> <li>3. Nomination of Directors and Audit &amp; Supervisory Board Member candidates and selection of Corporate Officers</li> <li>4. Dismissal of Directors, Audit &amp; Supervisory Board Members, or Corporate Officers when they do not satisfy the policies for nomination or selection</li> <li>5. Succession planning for the President and Chief Executive Officer</li> <li>6. Selection/dismissal of advisors</li> </ol>	<p>Members: 6 persons (of whom four are Independent Outside Directors) Chairperson: Representative Director, President and Chief Executive Officer Hiroyuki Isono (as of March 31, 2022)</p>



<p>Compensation Committee (Note 4)</p>	<p>By obtaining appropriate involvement and advice from Outside Directors, the Compensation Committee deliberates on the following matters and provides reports to the Board of Directors in order to strengthen the functional independence, objectivity, and accountability of Directors with respect to compensation for Directors and Corporate Officers.</p> <ol style="list-style-type: none"> <li>1. Compensation structure and levels for Directors and Corporate Officers</li> <li>2. Assessment of Directors and Corporate Officers</li> <li>3. Analysis/evaluation of the effectiveness of the Board of Directors</li> <li>4. Compensation structure and levels for advisors</li> </ol>	<p>Members: 6 persons (of whom four are Independent Outside Directors) Chairperson: Representative Director, President and Chief Executive Officer Hiroyuki Isono (as of March 31, 2022)</p>
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- Notes:
1. There shall generally be no more than 15 Directors, of whom at least two shall be independent Outside Directors. Furthermore, to speed up decision-making, strengthen business execution, and clarify executive responsibility, 17 Corporate Officers (as of April 1, 2022) have been selected, and four of them are also Directors.
  2. There shall be around five Audit & Supervisory Board Members, of whom at least half shall be Outside Audit & Supervisory Board Members.
  3. The Nomination Committee comprises the Chairman of the Board, the President, and all the Outside Directors. Its chairperson is the President.
  4. The Compensation Committee comprises the Chairman of the Board, the President, and all the Outside Directors. Its chairperson is the President.

#### 4. Officers of the Company

##### (1) Directors and Audit & Supervisory Board Members

(i) Directors and Audit & Supervisory Board Members (Positions, name, responsibilities, and significant concurrent positions)

(as of March 31, 2022)

Positions	Name	Responsibilities and significant concurrent positions
Representative Director and Chairman of the Board	Susumu Yajima	Chairman of the Board
Representative Director of the Board, President and CEO*	Masatoshi Kaku	Group CEO
Director of the Board *	Yoshiki Koseki	President, Industrial Materials Company President, Household and Consumer Products Company President and Representative Director, Oji Industrial Materials Management Co., Ltd. Chairman and Director, Oji Nepia Co., Ltd.
Director of the Board *	Hiroyuki Isono	General Manager, Corporate Governance Div. President, Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd. Oji Asia Management Sdn. Bhd. Oji Logistics Co., Ltd.
Director of the Board *	Fumio Shindo	President, Forest Resources and Environment Marketing Business COMPANY President, Printing and Communications Media Company President, Oji Green Resources Co., Ltd.
Director of the Board *	Kazuhiko Kamada	President, Celulose Nipo-Brasileira S.A.
Director of the Board *	Koichi Ishida	Deputy General Manager, Corporate Governance Div. In charge of Innovation Promotion Div. Representative Director, President and CEO, Oji Engineering Co., Ltd.
Director of the Board *	Shigeki Aoki	President, Functional Materials Company President and Representative Director, Oji Functional Materials Progressing Center Inc.
Director of the Board	Michihiro Nara	Attorney-at-law, HANZOMON SOGO LAW OFFICE Outside Director, Nihon Tokushu Toryo Co., Ltd.
Director of the Board	Toshihisa Takata	
Director of the Board	Sachiko Ai	Director and Managing Executive Officer, Audit Division (CAO), Mitsubishi UFJ Trust and Banking Corporation Managing Executive Officer, Group Deputy CAO, Mitsubishi UFJ Financial Group, Inc.
Director of the Board	Seiko Nagai	Professor, College of Foreign Studies, Kansai Gaidai University Outside Director, Member of the Board, ShinMaywa Industries, Ltd.
Audit & Supervisory Board Member	Tomihiko Yamashita	(Standing) Audit & Supervisory Board Member of Oji Container Co., Ltd., Oji Materia Co., Ltd., Mori Shigyo Co., Ltd., Oji Paper Co., Ltd. and Oji Engineering Co., Ltd.

Positions	Name	Responsibilities and significant concurrent positions
Audit & Supervisory Board Member	Nobuko Otsuka	(Standing) Audit & Supervisory Board Member of Oji F-Tex Co., Ltd., Oji Imaging Media Co., Ltd., Oji Green Resources Co., Ltd. and Oji Real Estate Co., Ltd.
Audit & Supervisory Board Member	Mikinao Kitada	Special Counsel, Mori Hamada & Matsumoto Outside Statutory Auditor, Askul Corporation Outside Member of the Board of Directors (Audit & Supervisory Committee Member), Mizuho Trust & Banking Co., Ltd.
Audit & Supervisory Board Member	Hidero Chimori	Representative Partner, Miyake & Partners Outside Director, Member of the Board, Audit and Supervisory Committee Member, ROHM Co., Ltd.
Audit & Supervisory Board Member	Noriko Sekiguchi	Representative, Sekiguchi Noriko CPA office Outside Director, TOKYO OHKA KOGYO CO., LTD.

- Notes:
- Directors, Mr. Michihiro Nara, Mr. Toshihisa Takata, Ms. Sachiko Ai and Ms. Seiko Nagai, are outside directors as prescribed in Article 2, Item 15 of the Companies Act.  
The Company has designated them as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.
  - Audit & Supervisory Board Members, Mr. Mikinao Kitada, Mr. Hidero Chimori and Ms. Noriko Sekiguchi are outside audit & supervisory board members as prescribed in Article 2, Item 16 of the Companies Act.  
The Company has designated them as independent directors and notified the Tokyo Stock Exchange of such designation in accordance with its regulation.
  - The following changes were made to Directors of the Board at the conclusion of the 97th Ordinary General Meeting of Shareholders held on June 29, 2021.
 

Assumption	Director	
	Seiko Nagai	
Retirement	Director	
	Ryuichi Kisaka	
Assumption	Audit & Supervisory Board Member	
	Hidero Chimori, Noriko Sekiguchi	
Retirement	Audit & Supervisory Board Member	
	Makoto Katsura	
  - Standing Audit & Supervisory Board Members were elected by a resolution of the Audit & Supervisory Board at a meeting held on June 29, 2021, as follows.
 

Audit & Supervisory Board Member (Standing)	Tomihiro Yamashita
Audit & Supervisory Board Member (Standing)	Nobuko Otsuka
  - On March 31, 2022, Representative Director and Chairman of the Board Susumu Yajima resigned as Representative Director and Chairman of the Board and became a Director.
  - On April 1, 2022, the following new Representative Director and Chairman of the Board and new Representative Director of the Board, President and CEO have been appointed.
 

Representative Director and Chairman of the Board	Masatoshi Kaku
Representative Director of the Board, President and CEO	Hiroyuki Isono
  - Ms. Nobuko Otsuka, Audit & Supervisory Board Member, has experience in the areas of taxation, accounting, and internal audits at the Regional Taxation Bureau, a tax accountant corporation, and the Company. Ms. Noriko Sekiguchi, Audit & Supervisory Board Member, as a certified public accountant, has a wealth of experience, a high degree of expertise, and a wide range of insights in corporate accounting. In addition, she has a wealth of practical experience in companies. Both possess considerable knowledge of finance and accounting.
  - The seven (7) Directors of the Board whose names are marked with an asterisk concurrently serve as Executive Officers.
  - The responsibilities of the Directors and Corporate Officers members from April 1, 2022 are shown in the following table, “(2) Directors and Corporate Officers (as of April 1, 2022).”

(ii) Summary of details of limited liability agreement

Pursuant to the provisions of the Articles of Incorporation, the Company has concluded, in conformity with Article 427, Paragraph 1 of the Companies Act, a contract for limitation of liability with all of its outside directors and audit & supervisory board members on the limitation of liability for damages set forth in Article 423, Paragraph 1 of the Companies Act. The maximum amount of the liability for damages under the above-mentioned contract is set at an amount provided for by applicable laws and regulations.

(iii) Overview of directors' and officers' liability insurance policy

The Company has concluded a directors' and officers' liability insurance (D&O insurance) policy with an insurance company, as stipulated in Article 430-3, paragraph 1 of the Companies Act, covering directors, audit & supervisory board members and corporate officers of the Company. The said insurance policy shall cover damages that the insured should legally bear compensation for damages, litigation expenses, and others when the insured receives claims for damages associated with the execution of their duties during the insurance period. However, with a view to preventing impairment of the appropriateness of the insured parties' execution of duties, the policy does not cover damages resulting from criminal acts, other legal violations, or intentional acts. Note that the full amounts of the insurance premiums shall be borne by the Company.

**(2) Status of Directors and Executive Officers**

(as of April 1, 2022)

**(i) Directors**

Positions	Name	Responsibilities
Representative Director and Chairman of the Board	Masatoshi Kaku	Chairman of the Board
Representative Director of the Board President and CEO	Hiroyuki Isono	Group CEO
Director of the Board	Susumu Yajima	In charge of special assignment
Director of the Board Senior Executive Officer	Fumio Shindo	General Manager of Corporate Sustainability Div. President, Printing and Communications Media Company In charge of Innovation Promotion Div. President, Oji Engineering Co., Ltd.
Director of the Board Senior Executive Officer	Kazuhiko Kamada	President, Celulose Nipo-Brasileira S.A.
Director of the Board Executive Officer	Shigeki Aoki	President, Functional Materials Company President and Representative Director, Oji Functional Materials Progressing Center Inc.
Director of the Board	Yoshiki Koseki	In charge of special assignment
Director of the Board	Koichi Ishida	In charge of special assignment
Director of the Board	Michihiro Nara	
Director of the Board	Toshihisa Takata	
Director of the Board	Sachiko Ai	
Director of the Board	Seiko Nagai	

**(ii) Status of Executive Officers**

Positions	Name	Responsibilities
Senior Executive Officer	Tan Dilun	President & CEO, Oji Asia Packaging Sdn. Bhd. President, Oji Asia Management Sdn. Bhd.
Executive Officer	Azumi Kawabe	Representative Director and Chairman of the Board, Oji Oceania Management Co., Ltd. Chairman of the Board, Oji Fibre Solutions (NZ) Ltd.
Executive Officer	Tadashi Kitamura	Senior Managing Director, Oji Industrial Materials Management Co., Ltd. President, Mori Shigyo Co., Ltd.
Executive Officer	Akio Hasebe	General Manager of Corporate Governance Division President of Oji Management Office Inc. In charge of: Oji Human Support Co., Ltd. Oji Business Center Co., Ltd. Oji Paper Management (Shanghai) Co., Ltd. Oji Asia Management Sdn.Bhd Oji Logistics Co., Ltd.
Executive Officer	Takayuki Moridaira	President of the Industrial Materials Company and the Household and Consumer Products Company President and Representative Director, Oji Industrial Materials Management Co., Ltd. President and Representative Director, Oji Materia Co., Ltd.

Positions	Name	Responsibilities
Executive Officer	Yuji Onuki	President, Forest Resources and Environment Marketing Business COMPANY President, Oji Green Resources Co., Ltd. President and Representative Director, Oji Forest & Products Co., Ltd. President, OCM Fiber Trading Co., Ltd.
Corporate Officer	Takao Funada	President, Printing and Communications Media Company Representative Director, President and CEO, Oji Paper Co., Ltd.
Corporate Officer	Muraji Nishi	General Manager, Innovation Promotion Div.
Corporate Officer	Hirokazu Yasui	President, Oji Paper Management (Shanghai) Co., Ltd. President, Jiangsu Oji Paper Co., Ltd.
Corporate Officer	Katsuhiko Shimazaki	Managing Director, Oji Functional Materials Progressing Center Inc. President and Representative Director, Oji F-Tex Co., Ltd.
Corporate Officer	Kohei Michikawa	Managing Director, Oji Functional Materials Progressing Center Inc. President and Representative Director, Oji Imaging Media Co., Ltd.
Corporate Officer	Tadashi Oshima	Managing Director, Oji Management Office Inc.
Corporate Officer	Atushi Sekiguchi	Vice President, Forest Resources and Environment Marketing Company President, Oji Eco Materials Co., Ltd.

### (3) Remuneration, etc. for Directors and Audit & Supervisory Board Members for the year under review

#### (i) Matters concerning policy for determining details of remuneration, etc. for each Director

At the Company, the Board of Directors formulates a policy for determining details of remuneration, etc. for each Director (below, “determination policy”) after receiving a report from the Compensation Committee. The following is an outline of this policy.

The Company designs officer compensation plans such that the roles played by the plans enable the Company to achieve sustainable growth and enhance its corporate value over the medium to long term as well as to improve its profitability, capital efficiency, etc. Specifics of the Directors’ compensation structure and determination policy are stipulated in the Basic Policies on Corporate Governance (<https://www.ojiholdings.co.jp/english/group/policy/governance.html>). Officer compensation comprises basic remuneration, which is fixed remuneration, as well as bonuses (compensation based on short-term performance) and stock-based remuneration (compensation that reflects medium- to long-term increase in corporate value), which are forms of performance-linked remuneration. The amount of compensation for each officer, the payment ratios of each type of compensation, the performance-linked payment rates, and other matters concerning Directors’ compensation are determined by the Board of Directors after it has received a report from the Compensation Committee.

The payment ratios, which form the basis for each type of compensation for each Director, are as follows, and the level of compensation for each position is generally determined in accordance with the position of each Director, with the final amount being determined after taking into account factors such as external trends in compensation levels and changes in the long-term business environment surrounding the Company. Note that actual payment ratios will vary depending on the amounts of bonuses and stock-based remuneration, which are forms of performance-linked remuneration.

Furthermore, basic remuneration, which is fixed remuneration, is the only remuneration for Outside Directors.

Position	Fixed remuneration	Performance-linked remuneration			Subtotal
		Bonuses	Stock-based remuneration	Total	
Director (excluding outside director)	50%	25%	25%	50%	100%
Outside Director	100%	–	–	–	100%

Basic remuneration, which is fixed remuneration, is a fixed amount calculated by multiplying the ratio for the basic-remuneration component by the prescribed total amount of remuneration. It is paid monthly in cash.

Regarding bonuses, for 70% of the standard bonus amount for each Director (excluding Outside Directors), consolidated operating profit is used as the evaluation indicator, while for the remaining 30%, a payment rate is determined in combination with the Director's assessment result, which is based on the performance of the domain under their purview. The standard amount of each varies within the range of 0%-150%. Bonuses are generally paid once a year. The actual timing of payment is decided by the Board of Directors.

Stock-based remuneration is linked to consolidated sales and consolidated ordinary profit, and varies within the range of 0%-150%. Regarding stock-based remuneration, in accordance with the position of each Director (excluding Outside Directors) on the first day of each calendar month during the fiscal year, the total number of rank-based basic points specified in "Table 1: Rank-based basic points" multiplied by the performance-linked payment rate specified in "Table 2: Performance-linked payment rates" (rounded down to the nearest whole number) forms the number of points to be granted for the fiscal year, and the points are granted to those who held the position of Director on the last day of the fiscal year on the date of the Company's Ordinary General Meeting of Shareholders. A Director who leaves their post is granted points on that day for the period until that day based on method prescribed in advance that differs depending on the timing of their leaving their post. When the Director leaves their post, they are awarded shares in the Company, the number of which is computed as the cumulative total number of points granted during their time as a Director multiplied by 1.

Table 1: Rank-based basic points

Position (rank)	Rank-based basic points
Director and Chairman of the Board	3,604
Director of the Board, President and CEO	3,604
Director of the Board and Executive Vice President	2,658
Director of the Board and Senior Executive Officer	2,117
Director of the Board and Executive Officer	1,802

Table 2: Performance-linked payment rates

Consolidated sales as a percentage of previous year's (Note 1)	Performance-linked payment rates	
	If amount of change in ordinary profit from the previous year is positive (Note 2)	If amount of change in ordinary profit from the previous year is zero or lower (Note 2)
150% or more	150%	90%
120% or more but less than 150%	120%	
110% or more but less than 120%	110%	
105% or more but less than 110%	105%	
100% or more but less than 105%	100%	
95% or more but less than 100%	95%	85%
90% or more but less than 95%	90%	80%
80% or more but less than 90%	80%	70%
70% or more but less than 80%	50%	40%
Less than 70%	0%	0%

- Notes: 1. Consolidated sales as a percentage of previous year is sales in the consolidated fiscal year under review as a percentage of sales in the previous consolidated fiscal year.
2. The amount of change in ordinary profit from the previous year is ordinary profit in the consolidated fiscal year under review less ordinary profit in the previous consolidated fiscal year.

Remuneration, etc. for each Director paid during the fiscal year under review is paid following a decision by the Board of Directors, after it has received a report from the Compensation Committee in accordance with the summary presented above, with the Board of Directors deeming that it is line with the relevant policy.

(ii) Matters related to resolutions at the General Meeting of Shareholders concerning remuneration, etc. for Directors and Audit & Supervisory Board Members

The maximum total remuneration, etc. for Directors is determined by resolution of a General Meeting of Shareholders, and the total amount of basic remuneration, which is fixed remuneration, and bonuses is 800 million yen a year (of which the maximum annual amount for Outside Directors is 100 million yen), pursuant to a resolution of the 97th Ordinary General Meeting of Shareholders held on June 29, 2021. As of the end of this Ordinary General Meeting of Shareholders, the number of Directors stood at 12 (of whom four were Outside Directors).

Regarding stock-based compensation, pursuant to a resolution of the 92nd Ordinary General Meeting of Shareholders held on June 29, 2016, the maximum number of points to be granted is 570,000 points per fiscal year (normally one point = one Company share), and this is separate from the maximum amounts of basic remuneration, which is fixed remuneration, and bonuses. As of the end of this Ordinary General Meeting of Shareholders, the number of Directors stood at 13 (of whom two were Outside Directors).

The amount of remuneration, etc. for Audit & Supervisory Board Members is determined through consultation with the Audit & Supervisory Board Members, and the maximum remuneration, etc. for Audit & Supervisory Board Members is 97 million yen a year, pursuant to a resolution of the 82nd Ordinary General Meeting of Shareholders held on June 29, 2006. As of the end of this Ordinary General Meeting of Shareholders, the number of Audit & Supervisory Board Members stood at 4 (of whom two were Outside Audit & Supervisory Board Members).

(iii) Total amounts, etc. of remuneration, etc. for Directors and Audit & Supervisory Board Members

Position	No. of personnel	Fixed remuneration	Performance-linked remuneration		Total
			Bonuses	Stock-based remuneration	
Directors (Outside Directors)	13 (4)	270 million yen (56 million yen)	157 million yen (-)	141 million yen (-)	569 million yen (56 million yen)
Audit & Supervisory Board Members (Outside Audit & Supervisory Board Members)	6 (4)	87 million yen (36 million yen)	- (-)	- (-)	87 million yen (36 million yen)
Total	19	358 million yen	157 million yen	141 million yen	657 million yen

Notes: 1. The Company pays bonuses to Directors as part of their performance-linked remuneration. Because the Company positions bonuses as remuneration for short-term performance, the amount of a Director's bonus is calculated based on the amount of consolidated operating income and the performance of the domain under the purview of the Director in the fiscal year under review. While, in the "FY2019-2021 Medium-term Management Plan," the Company has declared that it aims to become a global corporate group that can maintain stable consolidated operating profit of at least 100,000 million yen, consolidated operating profit the fiscal year ended March 31, 2022 amounted to 120,119 million yen. The trend with consolidated operating profit, including in the fiscal year under review, is as shown in "1. (3) Changes in assets and results of operations."

2. The Company pays non-monetary remuneration in the form of stock-based remuneration to Directors as part of their performance-linked remuneration. Because the Company's stock-based remuneration plan is aimed at improving the Company's performance and enhancing its value over the medium to long term, the basis for calculating the number of points granted, which in turn is the basis for the number of shares awarded as stock-based compensation is consolidated sales as a percentage of previous year's and the amount of change in ordinary profit from the previous year for the fiscal year under review. For the fiscal year under review, the evaluation indicators, are 1,358,985 million yen in consolidated sales and 83,061 million yen in consolidated ordinary profit in the previous consolidated fiscal year, and with respect to them, actual performance was 1,470,161 million yen in consolidated sales and 135,100 million yen in consolidated ordinary profit. Details of stock-based remuneration are as shown in "(i) Matters concerning policy for determining details of remuneration, etc. for each Director," and



information about the status of awards of such remuneration are as shown in “2. (5) Shares granted to corporate officers as compensation for execution of duties during the year under review.”

3. As of March 31, 2022, the number of Directors stood at twelve (12) and that of Audit & Supervisory Board Members at five (5).
4. Numbers less than one million yen are rounded down to the nearest million.

**(4) Matters relating to Outside Officers**

- (i) Relationships between the Company and organizations where significant concurrent positions are held

(as of March 31, 2022)

Position	Name	Concurrent positions
Outside Director	Michihiro Nara	Attorney-at-law, HANZOMON SOGO LAW OFFICE Outside Director, Nihon Tokushu Toryo Co., Ltd.
Outside Director	Sachiko Ai	Director and Managing Executive Officer, Audit Division (CAO), Mitsubishi UFJ Trust and Banking Corporation Managing Executive Officer, Group Deputy CAO, Mitsubishi UFJ Financial Group, Inc.
Outside Director	Seiko Nagai	Professor, College of Foreign Studies, Kansai Gaidai University Outside Director, Member of the Board, ShinMaywa Industries, Ltd.
Outside Audit & Supervisory Board Member	Mikinao Kitada	Special Counsel, Mori Hamada & Matsumoto Outside Statutory Auditor, Askul Corporation Outside Member of the Board of Directors (Audit & Supervisory Committee Member), Mizuho Trust & Banking Co., Ltd.
Outside Audit & Supervisory Board Member	Hidero Chimori	Representative Partner, Miyake & Partners Outside Director, Member of the Board, Audit and Supervisory Committee Member, ROHM Co., Ltd.
Outside Audit & Supervisory Board Member	Noriko Sekiguchi	Representative, Sekiguchi Noriko CPA office Outside Director, TOKYO OHKA KOGYO CO., LTD.

Note: The Company has no special interest with the organizations where Outside Officers hold significant concurrent positions above.

## (ii) Major activities of Outside Directors during the year under review

Position	Name	Number of attendance at meetings of the Board of Directors	Summary of comments made and duties performed with respect to expected role
Outside Director	Michihiro Nara	14/14 (100%)	Fulfilled the role expected of him by making comments concerning the Company's management from an independent standpoint, from a legal perspective as an attorney, and based on his extensive experience, high level of expertise, and wide-ranging insight.
Outside Director	Toshihisa Takata	14/14 (100%)	Fulfilled the role expected of him by making comments concerning the Company's management from an independent standpoint, from a multifaceted perspective, including an international viewpoint as a former diplomat, and based on his extensive experience, high level of expertise, and wide range of insight.
Outside Director	Sachiko Ai	14/14 (100%)	Fulfilled the role expected of her by making comments concerning the Company's management from an independent standpoint, from a multifaceted perspective from the business world, including the financial area, and based on her high level of expertise and wide range of insight.
Outside Director	Seiko Nagai	10/10 (100%)	Fulfilled the role expected of her by making comments concerning the Company's management from an independent standpoint, from a multifaceted perspective, including professional viewpoints developed through customer service and university teaching activities, and based on her extensive experience, high level of expertise, and wide range of insight.

Note: Concerning Outside Director Ms. Seiko Nagai's attendance at meetings of the Board of Directors, the scope of the total number of meetings includes only those meetings of the Board of Directors held after her appointment on June 29, 2021.

## (iii) Major activities of Outside Audit &amp; Supervisory Board Members during the year under review

Position	Name	Status of attendance at the Board of Directors' Meeting	Status of attendance at the Audit & Supervisory Board Meeting	Principal comments
Outside Audit & Supervisory Board Member	Mikinao Kitada	13/14 (92.9%)	13/13 (100%)	Provided expert opinions based on his rich experience as a public prosecutor and an attorney-at-law and his wide-ranging knowledge
Outside Audit & Supervisory Board Member	Hidero Chimori	10/10 (100%)	9/9 (100%)	Provided expert opinions based on his rich experience as an attorney-at-law, including corporate legal affairs and corporate governance area, and his wide-ranging knowledge
Outside Audit & Supervisory Board Member	Noriko Sekiguchi	9/10 (90%)	9/9 (100%)	Provided expert opinions based on her rich experience on financial accounting as a certified public accountant, and her wide-ranging knowledge

Note: Concerning Outside Audit & Supervisory Board Member Mr. Hidero Chimori and Ms. Noriko Sekiguchi's attendances at Board of Directors' Meetings and Audit & Supervisory Board Meetings, the scope of the total number of meetings includes only those meetings of the Board of Directors and the Audit & Supervisory Board held after their appointments on June 29, 2021.

## 5. Matters related to Accounting Auditors

### (1) Name of the Accounting Auditor

Deloitte Touche Tohmatsu LLC

### (2) Accounting Auditor remunerations, etc. for the year under review

Segment	Amount paid
	millions of yen
Remuneration of the Company's Accounting Auditors	120
The amount required to be paid to Accounting Auditors by the Company and its consolidated subsidiaries	301
Total amount of other property benefits	

- Notes:
1. The above-mentioned payments include audit fee under the Financial Instruments and Exchange Act because the audit agreement between the Company and its Accounting Auditors does not distinguish between the audit fee under the Companies Act and the audit fee under the Financial Instruments and Exchange Act.
  2. The Audit & Supervisory Board of the Company has given the consent prescribed in Article 399, Paragraphs 1 and 2 of the Companies Act concerning the amount of remuneration, etc. for Accounting Auditors after examining and evaluating, among others, the negotiations that led to the selection of the new Accounting Auditors, the audit plan developed by the Accounting Auditors, and the actual results for the previous fiscal year.
  3. Numbers less than one million yen are rounded down to the nearest million.

### (3) Description of non-audit service

Not applicable.

### (4) Company's subsidiaries audited by another audit firm among significant subsidiaries

Among the Company's significant subsidiaries, the following companies are audited by a certified public accountant or an audit firm other than the Company's Accounting Auditors (including without limitation such entity at a non-Japan location that has qualifications equivalent to those of the Company's Accounting Auditors) (limited to such entity as conforms to the Companies Act or the Financial Instruments and Exchange Act [or any non-Japan laws or regulations equivalent to the former acts]: Oji Papéis Especiais Ltda., Kanzaki Specialty Papers Inc., KANZAN Spezialpapiere GmbH, GSPP Holdings Sdn. Bhd., Harta Packaging Industries Sdn. Bhd., and Ojitex Haiphong Co., Ltd. and Ojitex (Vietnam) Co., Ltd.

### (5) Company's policy on Accounting Auditor dismissal or non-reappointment decision

If an Accounting Auditor is deemed to have significant difficulty in properly performing his/her duties, the Audit & Supervisory Board determines a proposal to be submitted to the General Meeting of Shareholders for dismissing or not reappointing the Accounting Auditor.

Or, if an Accounting Auditor is deemed to fall under any of provisions in Article 340, Paragraph 1 of the Companies Act, the Accounting Auditor shall be dismissed, based on the unanimous agreement of Audit & Supervisory Board members.

## Consolidated Financial Statements

### Consolidated Balance Sheet

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2022	As of March 31, 2021 (Ref.)
<b>Assets</b>		
Current assets		
Cash and deposits	44,749	130,529
Notes and accounts receivable–trade	–	297,718
Notes receivable–trade	60,227	–
Accounts receivable–trade	260,231	–
Contract assets	3,983	–
Short-term investments	11,074	5,725
Merchandise and finished goods	98,616	86,440
Work in process	20,294	19,273
Raw materials and supplies	106,266	89,090
Short-term loans receivable	4,764	4,324
Accounts receivable–other	18,575	19,608
Other	18,800	17,734
Allowance for doubtful accounts	(1,790)	(1,675)
<b>Total current assets</b>	<b>645,795</b>	<b>668,770</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	196,448	191,231
Machinery, equipment and vehicles	338,946	298,937
Tools, furniture and fixtures	5,585	5,691
Land	240,765	239,052
Forests	116,490	105,560
Plantations	92,343	85,584
Lease assets	42,643	36,077
Construction in progress	94,091	79,279
<b>Total property, plant and equipment</b>	<b>1,127,315</b>	<b>1,041,413</b>
Intangible assets		
Goodwill	3,472	3,122
Other	8,079	9,049
<b>Total intangible assets</b>	<b>11,552</b>	<b>12,171</b>
Investments and other assets		
Investment securities	168,545	163,961
Long-term loans receivable	5,571	6,933
Long-term prepaid expenses	3,497	3,692
Net defined benefit asset	61,542	60,993
Deferred tax assets	8,819	7,074
Other	22,095	17,379
Allowance for doubtful accounts	(982)	(952)
<b>Total investments and other assets</b>	<b>269,089</b>	<b>259,083</b>
<b>Total non-current assets</b>	<b>1,407,956</b>	<b>1,312,668</b>
<b>Total assets</b>	<b>2,053,752</b>	<b>1,981,438</b>

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2022	As of March 31, 2021 (Ref.)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Notes and accounts payable–trade	234,650	197,950
Short-term loans payable	166,445	129,963
Accounts payable–other	24,653	20,741
Accrued expenses	51,457	48,874
Income taxes payable	23,993	11,526
Other	31,818	32,657
<b>Total current liabilities</b>	<b>533,020</b>	<b>441,713</b>
<b>Non-current liabilities</b>		
Bonds	155,000	155,000
Long-term loans payable	329,062	362,718
Deferred tax liabilities	64,013	59,892
Deferred tax liabilities for land revaluation	7,737	7,739
Net defined benefit liability	54,022	54,010
Long-term deposits	6,809	7,305
Other	28,616	27,450
<b>Total non-current liabilities</b>	<b>645,261</b>	<b>674,117</b>
<b>Total liabilities</b>	<b>1,178,282</b>	<b>1,115,831</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Common stock	103,880	103,880
Capital surplus	99,163	109,100
Retained earnings	567,150	493,224
Treasury stock	(13,277)	(13,400)
<b>Total shareholders' equity</b>	<b>756,918</b>	<b>692,805</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	30,500	31,654
Deferred gains (losses) on hedges	2,076	2,721
Revaluation reserve for land	5,728	5,684
Foreign currency translation adjustment	29,593	(6,418)
Remeasurements of defined benefit plans	26,415	24,533
<b>Total accumulated other comprehensive income</b>	<b>94,314</b>	<b>58,176</b>
Share acquisition rights	157	199
Non-controlling interests	24,080	114,426
<b>Total net assets</b>	<b>875,470</b>	<b>865,606</b>
<b>Total liabilities and net assets</b>	<b>2,053,752</b>	<b>1,981,438</b>

## Consolidated Statement of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2021 (Ref.)
Net sales	1,470,161	1,358,985
Cost of sales	1,126,207	1,031,553
Gross profit	343,954	327,431
Selling, general and administrative expenses	223,834	242,638
Operating profit	120,119	84,793
Non-operating income		
Interest and dividends income	4,152	4,292
Exchange gain	15,404	4,616
Equity in earnings of affiliates	2,679	142
Other	8,145	5,524
Total non-operating income	30,381	14,576
Non-operating expenses		
Interest expenses	6,692	6,791
Other	8,708	9,516
Total non-operating expenses	15,401	16,308
Ordinary profit	135,100	83,061
Extraordinary income		
Gain on sale of non-current assets	1,955	398
Gain on return of assets from retirement benefits trust	1,049	–
Insurance claim income	904	2,866
Gain on sale of investment securities	651	292
Gain on sale of businesses	–	906
Profit on subsidiary status change from equity method affiliate to consolidated subsidiary	–	808
Other	345	473
Total extraordinary income	4,906	5,746
Extraordinary loss		
Impairment loss	2,968	497
Loss on disposal of non-current assets	2,283	1,459
Loss on disaster	2,007	2,065
Loss on business restructuring	1,869	1,977
Other	1,615	1,923
Total extraordinary losses	10,745	7,923
Profit before income taxes	129,262	80,883
Income taxes—current	37,476	28,830
Income taxes—deferred	(614)	354
Profit	92,400	51,698
Profit attributable to non-controlling interests	4,890	2,062
Profit attributable to owners of parent	87,509	49,635



## Non-consolidated Financial Statements

### Non-consolidated Balance Sheet

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2022	As of March 31, 2021 (Ref.)
<b>Assets</b>		
Current assets		
Cash and deposits	6,700	72,926
Operating accounts receivable	452	142
Short-term loans receivable	186,849	229,405
Accounts receivable–other	14,625	17,356
Other	337	372
Allowance for doubtful accounts	(2,626)	(1,834)
<b>Total current assets</b>	<b>206,338</b>	<b>318,368</b>
Non-current assets		
Property, plant and equipment		
Buildings	15,345	16,020
Structures	184	221
Machinery and equipment	569	669
Vehicles	0	0
Tools, furniture and fixtures	872	1,003
Land	41,657	42,636
Forests	15,642	15,642
Plantations	21,884	21,943
Lease assets	88	150
Construction in progress	694	455
<b>Total property, plant and equipment</b>	<b>96,939</b>	<b>98,744</b>
Intangible assets		
Software	13	16
Other	52	54
<b>Total intangible assets</b>	<b>66</b>	<b>71</b>
Investments and other assets		
Investment securities	69,413	71,117
Stocks of subsidiaries and affiliates	612,751	568,227
Investments in capital	1	2
Investments in capital of subsidiaries and affiliates	11,745	9,448
Long-term loans receivable	100,460	24,901
Long-term prepaid expenses	462	616
Other	594	611
Allowance for doubtful accounts	(27)	(18)
<b>Total investments and other assets</b>	<b>795,401</b>	<b>674,907</b>
<b>Total non-current assets</b>	<b>892,407</b>	<b>773,723</b>
<b>Total assets</b>	<b>1,098,746</b>	<b>1,092,092</b>

(Millions of yen, with fractions less than one million yen discarded)

	As of March 31, 2022	As of March 31, 2021 (Ref.)
Liabilities		
Current liabilities		
Short-term loans payable	198,637	167,306
Accounts payable–other	3,266	11,304
Accrued expenses	2,103	2,398
Income taxes payable	5,931	797
Other	1,499	1,391
Total current liabilities	211,438	183,198
Non-current liabilities		
Bonds	155,000	155,000
Long-term loans payable	322,413	352,524
Deferred tax liabilities	1,537	1,441
Provision for retirement benefits	1,690	1,842
Long-term deposits	3,583	3,851
Other	1,808	2,102
Total non-current liabilities	486,033	516,763
Total liabilities	697,471	699,962
Net assets		
Shareholders' equity		
Common stock	103,880	103,880
Capital surplus		
Capital reserve	108,640	108,640
Total capital surplus	108,640	108,640
Retained earnings		
Retained earnings reserve	24,646	24,646
Other retained earnings		
Reserve for advanced depreciation of noncurrent assets	14,336	14,603
General reserve	101,729	101,729
Retained earnings brought forward	37,862	27,614
Total retained earnings	178,575	168,594
Treasury stock	(13,521)	(13,644)
Total shareholders' equity	377,575	367,470
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	23,611	24,633
Deferred gains (losses) on hedges	(69)	(172)
Total valuation and translation adjustments	23,542	24,460
Share acquisition rights	157	199
Total net assets	401,274	392,130
Total liabilities and net assets	1,098,746	1,092,092

## Non-consolidated Statement of Income

(Millions of yen, with fractions less than one million yen discarded)

	Fiscal year ended March 31, 2022	Fiscal year ended March 31, 2021 (Ref.)
Operating revenue	40,335	53,055
Operating expenses	15,716	17,123
General and administrative expenses	12,940	14,749
Other	2,776	2,373
Operating profit	24,618	35,932
Non-operating income		
Interest and dividends income	4,769	4,360
Brand maintenance income	1,619	1,546
Exchange gains	478	–
Other	543	304
Total non-operating income	7,410	6,211
Non-operating expenses		
Interest expenses	3,545	3,438
Brand maintenance expenses	1,584	1,607
Provision of allowance for doubtful accounts	801	398
Exchange losses	–	1,033
Other	338	1,429
Total non-operating expenses	6,269	7,907
Ordinary profit	25,759	34,235
Extraordinary income		
Gain on sale of investment securities	607	197
Gain on sale of stocks of subsidiaries and affiliates	89	–
Other	0	14
Total extraordinary income	698	211
Extraordinary loss		
Impairment loss	1,086	–
Loss on disposal of non-current assets	159	93
Other	49	25
Total extraordinary losses	1,295	118
Profit before income taxes	25,161	34,328
Income taxes–current	794	6
Income taxes–deferred	467	(786)
Profit	23,899	35,108

## INDEPENDENT AUDITOR'S REPORT

May 12, 2022

To the Board of Directors of  
Oji Holdings Corporation:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

Tetsuya Ishii

Designated Engagement Partner,  
Certified Public Accountant:

Yutaka Hamaguchi

Designated Engagement Partner  
Certified Public Accountant:

Ayato Hirano

Designated Engagement Partner  
Certified Public Accountant:

Yohei Ono

### Opinion

Pursuant to the fourth paragraph of Article 444 of the Companies Act, we have audited the consolidated financial statements of Oji Holdings Corporation and its consolidated subsidiaries (the "Group"), namely, the consolidated balance sheet as of March 31, 2022, and the consolidated statement of income and consolidated statement of changes in equity for the fiscal year from April 1, 2021 to March 31, 2022, and the related notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of March 31, 2022, and its consolidated financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Other Information**

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

### Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader.

## INDEPENDENT AUDITOR'S REPORT

May 12, 2022

To the Board of Directors of  
Oji Holdings Corporation:

Deloitte Touche Tohmatsu LLC  
Tokyo office

Designated Engagement Partner,  
Certified Public Accountant:

Tetsuya Ishii

Designated Engagement Partner,  
Certified Public Accountant:

Yutaka Hamaguchi

Designated Engagement Partner  
Certified Public Accountant:

Ayato Hirano

Designated Engagement Partner  
Certified Public Accountant:

Yohei Ono

### Opinion

Pursuant to the first item, second paragraph of Article 436 of the Companies Act, we have audited the nonconsolidated financial statements of Oji Holdings Corporation (the "Company"), namely, the nonconsolidated balance sheet as of March 31, 2022, and the nonconsolidated statement of income and nonconsolidated statement of changes in equity for the 98th fiscal year from April 1, 2021 to March 31, 2022, and the related notes and the accompanying supplemental schedules.

In our opinion, the accompanying nonconsolidated financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2022, and its financial performance for the year then ended in accordance with accounting principles generally accepted in Japan.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements section of our report. We are independent of the Company in accordance with the provisions of the Code of Professional Ethics in Japan, and we have fulfilled our other ethical responsibilities as auditors. We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our opinion.

### **Other Information**

Management is responsible for the other information. Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the other information. The other information comprises the information included in the Business Report and the accompanying supplemental schedules.

Our opinion on the nonconsolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the nonconsolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the nonconsolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Audit & Supervisory Board Members and the Audit & Supervisory Board for the Nonconsolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the nonconsolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of nonconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the nonconsolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board members and the Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operating effectiveness of the controls over the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Nonconsolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the nonconsolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these nonconsolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the nonconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks. The procedures selected depend on the auditor's judgment. In addition, we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain, when performing risk assessment procedures, an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the



purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the nonconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether the overall presentation and disclosures of the nonconsolidated financial statements are in accordance with accounting principles generally accepted in Japan, as well as the overall presentation, structure and content of the nonconsolidated financial statements, including the disclosures, and whether the nonconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Audit & Supervisory Board members and the Audit & Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit & Supervisory Board members and the Audit & Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

#### Notes to the Readers of Independent Auditor's Report

This is an English translation of the independent auditor's report as required by the Companies Act of Japan for the conveniences of the reader. "The accompanying supplemental schedules" referred to in this report are not included in the attached financial documents.

**AUDIT REPORT OF THE AUDIT & SUPERVISORY BOARD**

The Audit & Supervisory Board, having deliberated the issues based on the reports made by each Audit & Supervisory Board Member regarding the execution of duties by the Directors during the 98th business year from April 1, 2021 to March 31, 2022, prepared this Audit Report and hereby submits it as follows:

1. Outline of auditing method applied by the Audit & Supervisory Board Members and the Audit & Supervisory Board and details thereof

- (1) The Audit & Supervisory Board established auditing policies, allocation of duties, and other relevant matters, and received reports from each Audit & Supervisory Board Member regarding his or her audits and results thereof, as well as received reports from the Directors, other relevant personnel, and Accounting Auditors regarding execution of their duties, and requested explanations as necessary.
- (2) In accordance with the auditing policies, allocation of duties, and other relevant matters established by the Audit & Supervisory Board, each Audit & Supervisory Board Member endeavored to collect information, established auditing circumstances through communication with Directors, internal audit staff and other employees, and executed audits using the following method.
  - (i) Audit & Supervisory Board Members attended the Board of Directors' meetings and other important meetings to receive reports regarding execution of duties from Directors, employees, etc. and requested explanations as necessary. Audit & Supervisory Board Members also inspected significant approved documents and examined the status of operations and financial position at its headquarters, etc. Furthermore, Audit & Supervisory Board Members received from subsidiaries their business reports as necessary through communication and information sharing with their Directors and Audit & Supervisory Board Members, and examined the status of operations and financial position at its principal offices, etc. As a measure to prevent the spread of COVID-19, audits were carried out by utilizing web conferencing systems.
  - (ii) Audit & Supervisory Board Members monitored and verified the resolutions adopted by the Board of Directors regarding the establishment of the system for ensuring that the Directors' duties, which are a part of the business report and described in the Company's website in accordance with laws and regulations and the provisions of the Articles of Incorporation, are executed in conformity of laws and regulations, and the Articles of Incorporation of the Company, and the establishment of the system necessary to ensure proper business operations of a corporate group consisting of a stock company and its subsidiaries set forth in Article 100, Paragraphs 1 and 3 of the Ordinance for Enforcement of the Companies Act, and the systems (Internal Control System) established in accordance with the resolution of the Board of Directors.
  - (iii) Audit & Supervisory Board Members reviewed the basic policy stipulated in Article 118, Item 3 (a) of the Ordinance for Enforcement of the Companies Act and the activities stipulated in (b) in the same Item, which are described in the Company's website, as stated in 2) above, based on the deliberations at the meetings of the Board of Directors and other meetings.
  - (iv) Audit & Supervisory Board Members also monitored and verified that Accounting Auditor maintains independence and conducts the audits appropriately. Audit & Supervisory Board Members also received reports of the status of the execution of duties from Accounting Auditor and requested explanations as necessary. In addition, Audit & Supervisory Board Members were informed of the arrangement of the "System for ensuring that the duties are executed appropriately" (matters stipulated in the items of Article 131 of the Corporate Accounting Rules) in accordance with "Standards for the Quality Control of Audits" (Business Accounting Council, October 28, 2005) from the Accounting Auditor and requested explanations as necessary.

In accordance with the procedures mentioned above, we reviewed the business report and its supplementary schedules, the financial statements (the balance sheet, statement of income, statement of changes in net assets and notes to the financial statements), and the supplementary schedules, as well as the consolidated financial statements (the consolidated balance sheet, consolidated statement of income, consolidated statement of changes in net assets and notes to the consolidated financial statements), for the year ended March 31, 2022.

## 2. Results of Audit

### (1) Results of audit of business report etc.

- (i) The business report and supplementary schedules present fairly the condition of the Company in conformity with related laws and regulations, and the Articles of Incorporation of the Company.
- (ii) Regarding the execution of duties by Directors, there were no instances of misconduct or material matters in violation of laws and regulations, nor the Articles of Incorporation of the Company.
- (iii) Resolution of the Board of Directors regarding the Internal Control System is fair and reasonable. There are no matters requiring additional mention regarding the description in the business report and the execution of duties by Directors concerning such Internal Control System.
- (iv) There are no matters to be pointed out with respect to the basic policies on those who control the decision of the Company's financial and operational policies. Activities stipulated in Article 118, Item 3 (b) of the Ordinance for Enforcement of the Companies Act are in line with such basic policies, unharmed to common interest of shareholders, and not intended to maintain the positions of Directors or Audit & Supervisory Board Members of the Company.

### (2) Results of audit of financial statements and supplementary schedules

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

### (3) Results of audit of consolidated financial statements

The auditing methods and results of the Accounting Auditor, Deloitte Touche Tohmatsu LLC, are fair and reasonable.

May 12, 2021

Audit & Supervisory Board of Oji Holdings Corporation

Audit & Supervisory Board Member (Standing)	Tomihiro Yamashita (Seal)
Audit & Supervisory Board Member (Standing)	Nobuko Otsuka (Seal)
Audit & Supervisory Board Member	Mikinao Kitada (Seal)
Audit & Supervisory Board Member	Hidero Chimori (Seal)
Audit & Supervisory Board Member	Noriko Sekiguchi (Seal)

Note : Mr. Mikinao Kitada, Mr. Hidero Chimori and Ms. Noriko Sekiguchi are outside audit & supervisory board members prescribed in Article 2, Item 16, and Article 335, Paragraph 3 of the Companies Act.

## Topics

### **Sustainability** On joining the “30by30 Alliance for Biodiversity”

We have joined the 30by30 Alliance for Biodiversity, which was voluntarily started by companies, local governments, and organizations to promote initiatives aimed at reaching the 30by30\* target across Japan.

\*30by30: goal of protecting 30% of land and sea by 2030. It is one of the targets of the Post-2020 Global Biodiversity Framework. Currently, international studies on this framework are progressing and it is expected to be adopted at the Biodiversity Conference COP 15 Part Two to be held this year. Ahead of this, at the G7 Summit held in June last year, all G7 countries promised to preserve at least 30% of land and sea areas in their respective countries by 2030 in response to the situation and approaches in each country.

To achieve the above with this Alliance, local, corporate, and individual strengths will be gathered and initiatives within Japan will be accelerated. In particular, the establishment and maintenance of OECM (Other Effective area-based Conservation Measures) will be promoted, 30by30 will be promoted in Japan and around the world, the loss of biodiversity will be curbed, and we will work towards a nature-positive attitude that reverses previous trends.

The Oji Group owns and manages vast forests covering 580,000 hectares in Japan and overseas. Under our management philosophy, Harmony with Nature and Society, we have set Environmental Vision 2050 and Environmental Action Program 2030, and are engaged in ecosystem-friendly forest management and the protection and cultivation of rare animals and plants.

Through this Alliance, we will accelerate various initiatives that consider the environment, society, and the economy, and work for the realization of a sustainable society.



Forest in Rubeshibe (Hokkaido Prefecture)

◆ On joining the “30by30 Alliance for Biodiversity”  
(News Release April 8, 2022)

<https://www.ojiholdings.co.jp/Portals/0/resources/content/files/news/2022/JP043008.pdf?TabModule958=0>

## **Sustainability** **Products** New products in the “nepi eco” series with sustainable paper packaging!

“nepi eco” is a series of sustainably designed products from raw materials and product standards to packaging, mainly by switching from petroleum-derived “plastic film” to the sustainable material “paper” and adopting FSC® certified paper and biomass materials.

As part of the product development of this series, “Nepia nepi eco toilet double-wrapped 4 roll double,” in which the toilet roll package was changed to paper material, was launched in May 2021 and has been very well received. And now, as new products in the “nepi eco” series, kitchen towels and box tissues are available.



Nepia  
nepi eco kitchen towel 2 roles 100 cuts

Nepia  
nepi eco tissue 5 packs of 400 sheets (200 pairs)

The package was designed with the key message “Protecting forests leads to protecting our future.” Trees absorb carbon dioxide (CO<sub>2</sub>) during their growth, contributing to the reduction of greenhouse gases that cause global warming. Trees from properly managed forests (plantations) are a sustainable resource that will continue to grow as seedlings are planted again after harvesting. Paper made from trees is an environmentally friendly material that is both sustainable and recyclable, as it is collected as used paper and recycled into paper. Preserving forests also leads to the preservation of biodiversity, including plants, animals, and ecosystems.

The Oji Group has always been committed to reducing its environmental impact by being an industry pioneer in the use of FSC® certified paper and the use of biomass ink and biomass film in product packaging. We will continue to contribute to the realization of the SDGs and a decarbonized society through the active adoption of paper packaging and the development of paper materials, and will continue to make proposals that are friendly to both people and the environment.

### ◆ New products in the “nepi eco” series with sustainable paper packaging!

(News Release March 31, 2022)

<https://www.ojiholdings.co.jp/Portals/0/resources/content/files/news/2022/JP03nE31.pdf?TabModule958=0>

**Sustainability** **Products** **Started sales of “Nepia nepi eco Biomass Mask 30 sheets” made of 80% plant-derived materials!”**

“Nepia nepi eco Biomass Mask,” which uses 80% plant-derived materials in the mask's non-woven fabric, is now available at the official online store “nepia Ginza Store.”

In recent years, environmental issues, such as large-scale disasters caused by climate change and its impact on agricultural crops, have become important issues that the international community must unite to address immediately.

To help solve this problem, Oji Nepia has launched the “Nepia nepi eco Biomass Mask,” which uses plant-derived materials such as sugarcane and corn. The carbon dioxide (CO2) emitted by incineration after mask use is absorbed and fixed by photosynthesis in plants such as sugarcane and corn, the raw materials of the mask. In addition, this product uses packaging materials that are partially made of paper and biomass resources. We have designed our products to be sustainable from the materials to the packaging.

CO<sub>2</sub> emitted from incineration after use

Mask which uses 80% plant-derived materials

- 1 CO<sub>2</sub> emitted from incineration after use is absorbed and fixed by plants (sugarcane, corn, etc.) through photosynthesis
- 2 Extract raw materials from plants (sugarcane, corn, etc.)
- 3 Production using extracted raw materials

Long wires around the nose to prevent shifting

All three layers are non-woven fabrics made of plant-derived materials

Weakly acidic, the same as bare skin

Good air permeability for easy breathing

Mask does not easily lose its shape, so the space around the mouth is maintained

Nepia  
Nepi eco Biomass Mask  
30 sheets (3 packs of 10 sheets)

植物由来の素材を80%使用したマスク

◆ Started sales of “Nepia nepi eco Biomass Mask” made of 80% plant-derived materials!”  
(News Release February 28, 2022)  
<https://www.ojiholdings.co.jp/Portals/0/resources/content/files/news/2022/JP02nE28.pdf>