Sustainability

47 Sustainability Governance
48 Material Issues
51 Sustainable Forest Management
53 Respect for Human Rights
54 Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
55 Nature Positive
57 Carbon Neutral
59 Circular Economy
61 Ensuring Workplace Safety and Health















Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Strengthening the Management Foundation
Business Overview
Data Section

Sustainability Governance

– Basic Policies on Sustainability Initiatives

The Oji Group's Management Philosophy is "Creation of Innovative Value," "Contribution to the Future and the World," and "Harmony with Nature and Society." By promoting sustainable initiatives based on this philosophy, we aim to become a corporate group that continues to grow, while responding to change and creating sustainable value for the future.

Basic Policies on Sustainability Initiatives

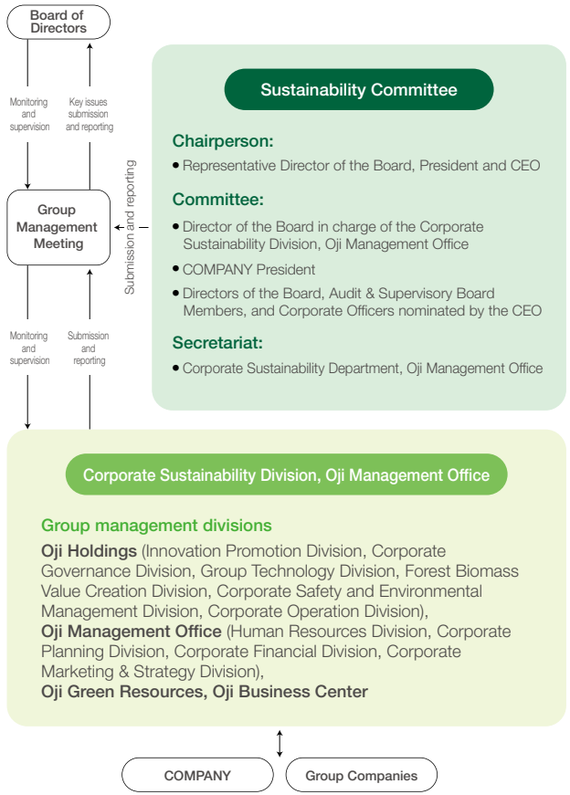
– Governance

At the Sustainability Committee, which meets twice a year (chairperson: Representative Director of the Board, President and CEO), the Oji Group discusses important business issues such as sustainable forest management, responsible raw materials procurement, and responses to climate change. The details of these discussions are referred for discussion and reported to the Group Management Meeting and the Board of Directors, depending on their importance, and are reflected in management strategies and investment decisions.

We continuously evaluate sustainability-related risks and opportunities and reflect them in the allocation of management resources, thereby enhancing business resilience and medium- to long-term corporate value.

Sustainability Management Structure

Sustainability governance structure



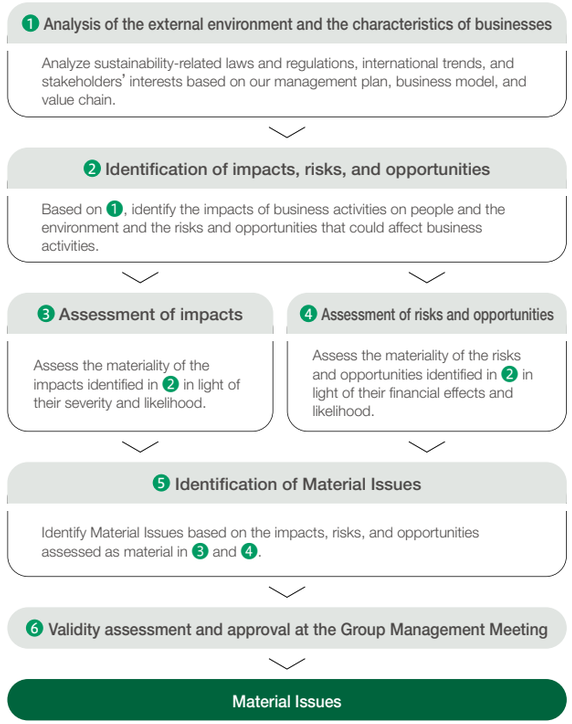
Main matters discussed at Sustainability Committee Meetings (FY2025)

- Review of the process for determining Material Issues
- Human rights training at overseas operating companies
- Visualization of the value of natural capital
- Response to EU Deforestation Regulation (EUDR)
- Response to SSBJ Sustainability Disclosure Standards
- Progress of the plan to convert coal boilers to new fuels
- Progress of the plan to expand overseas forest plantations
- Progress of efforts to achieve the water withdrawal intensity reduction target
- Progress toward the target for improving the effective utilization rate of waste materials
- Status of disaster prevention, safety management, and environmental management initiatives

– Process for Determining Material Issues

In 2019, the Oji Group identified risks and opportunities in its businesses and determined its Material Issues. In 2025, to both address social issues and enhance resilience and corporate value, we reviewed the determination process to improve verifiability based on the concept of double materiality, under which materiality is assessed from both: the positive and negative impacts of business activities on people and the environment; and the effects of risks and opportunities surrounding the business on its activities.

Process for determining Material Issues



Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
• Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Material Issues — Impacts, Risks and Opportunities

The Oji Group works to solve social issues by appropriately managing impacts, while enhancing resilience by mitigating risks and increasing corporate value by maximizing opportunities.

Material Issues			Related impacts, risks, and opportunities	Main impact management, risk reduction, and opportunity maximization initiatives	
Mitigation and adaptation to climate change	▸ Impacts	—	• Greenhouse gas (GHG) emissions from business activities	• Reduce GHG emissions by increasing production efficiency, reducing energy usage, and using renewable and waste fuels • Increase the quantity of CO_2 absorbed and fixed through forest expansion and growth improvements	• Develop low-carbon products and expand the renewable energy business
		—	• Absorption and sequestration of CO_2 by forests		
	▸ Risks	Short term to Medium term	• Increase in costs due to tightened regulations on emissions trading, etc.		
		Long term	• Suspension of operations and damage to assets due to the intensification of extreme weather events		
	▸ Opportunities	Short term to Medium term	• Increase in sales due to an increase in demand for low-carbon products and services		
Sustainable forest management and biodiversity conservation	▸ Impacts	—	• Maintaining and enhancing the multifaceted functions of forests, such as water resource conservation	• Maintain sustainable forest management, and increase the forest certification acquisition rate • Maintain and expand the multifaceted functions of forests, including biodiversity conservation, water resource conservation, and soil conservation • Develop wood-derived products	• Identify and quantitatively evaluate the value of natural capital using scientific methods • Work to institutionalize natural capital accounting in which the quantified value of natural capital is recognized as economic value • Participate in market design and rule establishment initiatives to ensure that the economic value of natural capital is properly evaluated
		—	• Effects on ecosystem health and rare species		
	▸ Risks	Short term to Medium term	• Reputational damage related to its efforts and approach		
		Short term to Medium term	• Increase in costs due to tighter regulations on forest due diligence, etc.		
	▸ Opportunities	Long term	• Increase in sales due to an increase in demand for wood-derived products		
		Long term	• Creation of the economic value of forests through natural capital accounting		
Circular use of resources	▸ Impacts	—	• Advancement of resource recycling using recovered paper	• Use wood resources based on sustainable forest management • Utilize the recycling network and recycling technologies developed through the promotion of the use of recovered paper	• Reuse water resources and reduce water usage • Expand the water treatment business overseas
	▸ Risks	Long term	• Effects of resource depletion on core businesses		
	▸ Opportunities	Short term to Medium term	• Increase in sales due to an increase in demand for products derived from renewable resources		
		Short term to Medium term	• Increase in sales in the water treatment business due to an increase in demand for clean water		
Responsible raw materials procurement	▸ Impacts	—	• Effects on environmental and social issues in the supply chain	• Enhance and expand CSR procurement, taking into consideration the environment and society following the Oji Group Sustainability Action Guidelines for Supply Chains, the Wood Raw Material Procurement Guidelines, and the No Deforestation and No Conversion Commitment	• Manage the supply chain thoroughly (e.g., appropriate procurement through supplier monitoring, risk assessment, securing various suppliers) • Supply FSC™-certified products (e.g., FSC™ C014119)
	▸ Risks	Short term to Medium term	• Decrease in sales and increase in costs due to a sustainable raw material supply shortage		
	▸ Opportunities	Short term to Medium term	• Increase in sales due to the use of sustainable raw materials		
		Short term to Medium term	• Strengthening trust-based relationships with suppliers		
Reduction of environmental burdens	▸ Impacts	—	• Effects on the health of local people and the surrounding environment	• Set voluntary management values that are stricter than the environmental regulatory standards • Control emissions of pollutants in wastewater and exhaust gases	• Reduce and effectively use waste
	▸ Risks	Short term to Medium term	• Decline in the trust of stakeholders due to environmental pollution		
	▸ Opportunities	Short term to Medium term	• Cost reductions achieved using waste as fuel		
Respect for human rights	▸ Impacts	—	• Effects on workers' human rights in the supply chain	• Formulate and implement the Oji Group Corporate Code of Conduct, the Oji Group Behavior Standard, and the Oji Group Human Rights Policy • Perform internal audits • Operate the whistleblowing system	• Raise awareness of compliance and human rights through in-house training • Assess risks associated with suppliers' respect for human rights • Establish and operate a contact point for whistleblowing related to human rights (grievance mechanism)
	▸ Risks	Short term to Medium term	• Decline in the trust of stakeholders due to the lack of consideration for human rights		
	▸ Opportunities	Short term to Medium term	• Respect for the human rights of employees		
Enhancing human capital	▸ Impacts	—	• Enabling employees to demonstrate their capabilities and expertise	• Create an environment for developing human resources • Promote diverse work styles and diversity • Enhance mid-career recruitment • Thoroughly conduct compliance training	
	▸ Risks	Short term to Medium term	• Decline in hiring competitiveness and outflows of human resources		
		Short term to Medium term	• Occurrence of non-compliance		
	▸ Opportunities	Long term	• Enhancement of productivity and innovation by securing talented human resources		
Ensuring workplace safety and health	▸ Impacts	—	• Effects on the physical and mental health of employees	• Establish safety and health management structures and promote activities aimed at safety and health • Thoroughly ensure safety in the handling of machines and equipment and in other operations	• Promote safety education • Promote the physical and mental well-being of employees • Create comfortable work environments • Respond to infectious diseases
	▸ Risks	Short term to Medium term	• Decline in the trust of stakeholders due to the incidence of occupational accidents		
	▸ Opportunities	Short term to Medium term	• Enhancing productivity and securing human resources by having a good workplace environment		
Supply of safe and secure products	▸ Impacts	—	• Effects on consumers' lives, bodies, and property	• Ensure a stable supply of our products • Ensure safe quality design and management in compliance with relevant laws and regulations and stricter voluntary management values	• Provide customers with information on the safety of products and raw materials (chemicals, materials)
	▸ Risks	Short term to Medium term	• Decline in the trust of stakeholders due to the spread of negative publicity or reputational damage		
	▸ Opportunities	Long term	• Earning the trust of stakeholders by supplying safe and secure products		

Note: This table summarizes the material impacts, risks, and opportunities, classifying those expected to become significant within five years as "Short to medium term" and those expected to become significant beyond five years as "Long term."

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Material Issues — KPIs

Material Issues	Definitions	Key performance indicators (KPIs) (Unless otherwise specified, for FY2030)	FY2025 result*1	Related content
Mitigation and adaptation to climate change	Contribute to the mitigation of climate change by reducing GHG emissions throughout the supply chain and promoting CO_2 absorption and fixation by forests.	• GHG emissions (Scope 1, 2) Reduce emissions by at least 70% by FY2030 compared with FY2018 ・GHG emission*2 reduction: 20% ・Net increment in carbon stocks by forests*2 : 50% Achieve net-zero carbon emissions by FY2040 ・GHG emission*2 reduction: 50% ・Net increment in carbon stocks by forests*2 : 50%	• 34.0% reduction ・Reduction in emissions: 12.2% ・Net increment in carbon stocks: 21.8%	**Carbon Neutral** PP.57–58
		• Expanding carbon stocks to at least 170,000 kt-CO_2 (calculated value)	• 143,710 kt-CO_2	
		• Renewable energy usage rate of at least 60% through reduction of coal consumption	• 56.5%	
		• Improve energy consumption intensity by at least 1% per year for the 5-year average	• 7.1% annual reduction (from FY2021 to FY2025)	
		• GHG emissions (Scope 3) Reduce emissions from chip transport vessels by 40% by FY2040 compared with FY2018	• 41.4% reduction	
Sustainable forest management and biodiversity conservation	In the forests we own and manage, practice sustainable forest management in harmony with the environment and local communities, utilize forest resources, and achieve the multifunctionality of forests, including biodiversity conservation.	• Increase the rate of overseas forest certification acquisition*2 (Maintain the domestic rate at 100%)	• Japan 100%, Overseas 95%	**Sustainable Forest Management** PP.51–52 **Nature Positive** PP.55–56
		• Expand overseas forest plantation to 400,000 ha	• 296,000 ha	
		• Area of natural forest restored on owned land*2 At least 5,000 ha in FY2019–FY2040	• 2,451 ha	
		• Number of native tree species planted on owned land*2 At least 900,000 seedlings in FY2019–FY2040	• 520,000 seedlings	
		• Area of ecological corridors formed outside owned land*2 At least 6,000 ha in FY2019–FY2040	• 2,740 ha	
Circular use of resources	To prevent resource depletion, promote the effective use of paper and water, which we view as valuable reusable resources.	• Recovered paper utilization ratio*2: At least 70% in Japan by FY2030 • Recovered paper utilization ratio for containerboard: At least 90% in Japan by FY2040	• 69.3% • 98.3%	**Circular Economy** PP.59–60
		• Reduce water withdrawal intensity by at least 6% by FY2030 compared with FY2018 • Reduce total water withdrawal by at least 10% by FY2040 compared with FY2018	• (Intensity) 25.4% reduction • (Total) 10.4% reduction	
Responsible raw materials procurement	In the supply chain for procurement of all raw materials, pay close attention to environmental and social issues, including human rights, and address them responsibly.	• Conduct sustainability surveys on all main suppliers*3	• 100% (FY2024, follow-up surveys)	**Prevention and Mitigation of Matters Negatively Impacting Supply Chains: Responsible Raw Materials Procurement** P.54
		• Conduct traceability verification based on the Wood Raw Material Procurement Guidelines	• 100%	
Reduction of environmental burdens	Promote waste reduction and purification of wastewater and exhaust gases in the manufacturing process to minimize the environmental impact on surrounding areas.	• Enhance effective utilization rate of waste materials*2: Japan at least 99%, Overseas at least 95%	• Japan 99.4%, Overseas 90.9%	**Environmental Impact Reduction -Reduction of Pollutants-**
		• Pollution load Reduce BOD, COD, and SS intensity by 15% by FY2030 compared with FY2018 Reduce total BOD, COD, and SS by 20% by FY2040 compared with FY2018	• BOD: (Intensity) 50.6% reduction (Total) 40.7% reduction • COD: (Intensity) 29.2% reduction (Total) 15.0% reduction • SS: (Intensity) 38.6% reduction (Total) 26.2% reduction	
		• Air pollution impact Reduce SOx intensity by 15% by FY2030 compared with FY2018 Reduce total SOx by 50% and total NOx by 10%, while maintaining VOC intensity, by FY2040 compared with FY2018	• SOx: (Intensity) 32.4% reduction (Total) 19.0% reduction • NOx: (Total) 2.8% reduction • VOC: (Intensity) 76.9% reduction	

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Material Issues	Definitions	Key performance indicators (KPIs) (Unless otherwise specified, for FY2030)	FY2025 result*1	Related content
Respect for human rights	Do not tolerate the violation of human rights in any of our business activities.	• Percentage of target people who get education and training in human rights: 100%	• 88.1% (2,547 participants from March to May 2026)	Respect for Human Rights P.53
Enhancing human capital	Secure and foster the diverse human resources (human capital) necessary for sustainable growth. Establish an environment in which every employee can fully demonstrate their potential and work comfortably.	• Annual total working hours: within 1,850 hours (26 companies in the Main Office region in Japan)	• 1,841.1 hours	Human Resource Strategies PP.64–67
		• Utilization ratio for childcare leave taken by men: 100% (20 companies in Japan*2)	• 102.6%	
		• Percentage of managers that are women: at least 8.5% (20 companies in Japan*2, March 31, 2031)	• 5.7%	
		• Percentage of new hires for career-track positions that are women*2: at least 50% (excluding plant engineering positions)	• 47.2% (Joined the Company in 2026)	
		• Employment rate of people with disabilities: at least 2.5% (Group companies in Japan*2, June 2026)	• Six applicable Group companies in Japan*2: 2.55%, 69 companies in Japan*2: 2.45% (As of June 1, 2026)	
		• Participation in compliance meetings: 100% (Oji Holdings and all subsidiaries in Japan)	• 98.6% (Second half of FY2025)	
Ensuring workplace safety and health	Ensure the safety and health of all employees and people connected to our business.	• Achieve zero fatal and serious work-related accidents*4 (each fiscal year)	• Two accidents (from January 1 to December 31, 2025)	Ensuring Workplace Safety and Health P.61
		• Lost time injury frequency rate*2: 50% reduction compared with FY2018 (0.89)	• 0.77 (from January 1 to December 31, 2025)	
Supply of safe and secure products	Supply safe and secure products worldwide.	• Zero product liability accidents (each fiscal year)	• Zero accidents	Stable Supply of Safe and Secure Products

*1 Aggregation period: Unless otherwise specified, from April 2025 to March 2026 or as of March 31, 2026 (for overseas, with some exceptions, from January to December 2025 or as of December 31, 2025). Boundary of data aggregation: Unless otherwise specified, Japanese and overseas consolidated subsidiaries
*2 Refer to ESG Data for information on calculation methods.
*3 Suppliers in top 75% of transaction amount
*4 Serious accidents: The Oji Group considers accidents of Class 3 or higher as per the Appended Table of the Enforcement Regulation of the Workers' Accident Compensation Insurance Act to be serious accidents.

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Sustainable Forest Management

– Oji Forests: Natural Capital for the Future

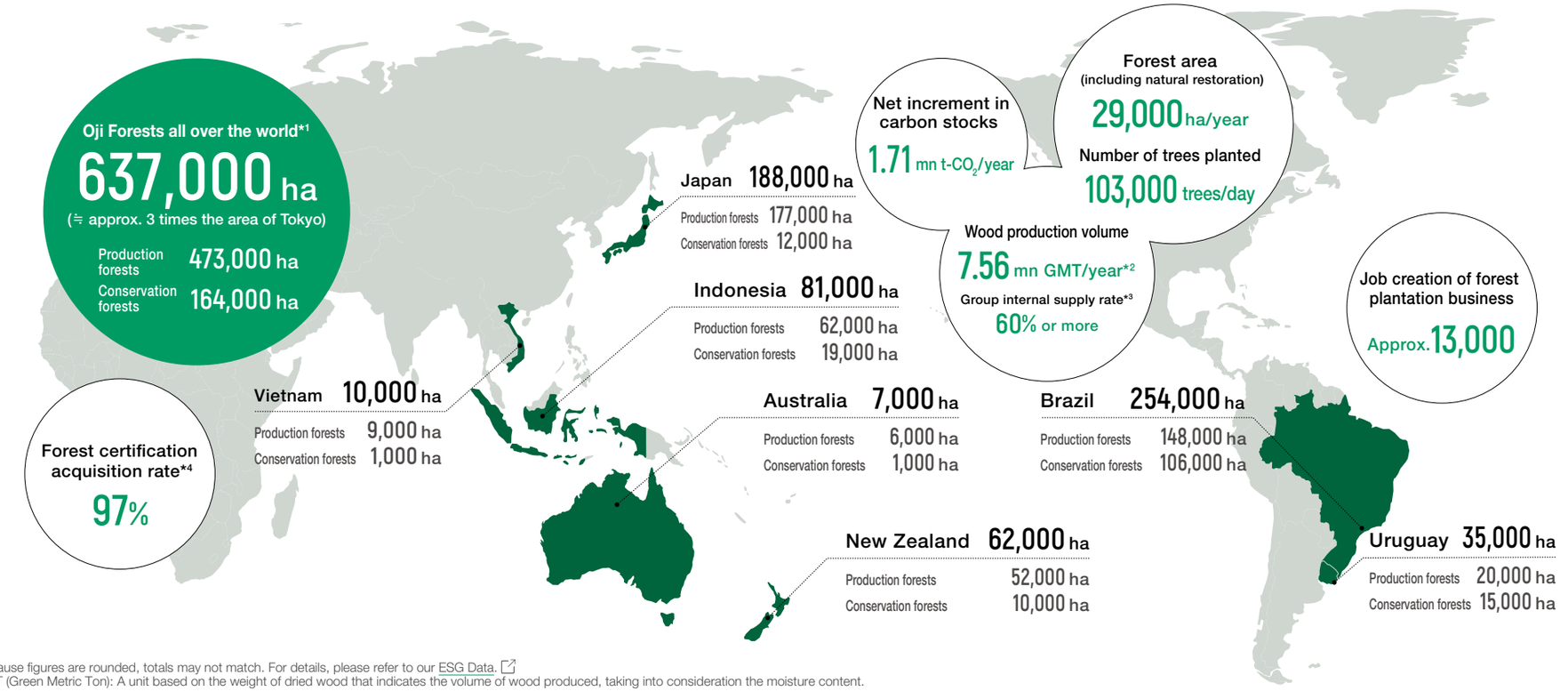
Based on the philosophy that “those who use trees have the responsibility to plant trees,” the Oji Group began forest plantation in Shizuoka in 1893 and has continued to develop sustainable forest management while building its business activities on that foundation. We have expanded Oji Forests both in Japan and overseas, and at present, we own and manage approximately 637,000 ha of forests in seven countries around the world.

The expansion of sustainable forests not only allows us to secure the resources necessary for our production activities but also contributes to achieving the Oji Group’s key environmental target toward carbon neutrality by increasing CO_2 absorption and sequestration.

When properly managed, forests generate economic value through timber production and other activities, while also providing environmental functions such as biodiversity conservation, air quality conservation, soil conservation and water resource conservation, as well as social value such as coexistence with local communities and cultural preservation. Forests that provide a rich variety of ecosystem services are essential infrastructure for the establishment of a sustainable society. In recent years, a movement to properly assess their value as natural capital has been gaining momentum.

Nature Positive P.55

Since our early days, the Oji Group has practiced zoning to separate and appropriately manage production forests and conservation forests so that we can maintain and improve the multifaceted functions of these forests over the long term, while addressing environmental and social issues by co-creating value with diverse stakeholders. We will continue to nurture Oji Forests as natural capital for the future and increase their value.



*1 Because figures are rounded, totals may not match. For details, please refer to our ESG Data.
*2 GMT (Green Metric Ton): A unit based on the weight of dried wood that indicates the volume of wood produced, taking into consideration the moisture content.
*3 The Group internal supply rate refers to the proportion of wood produced by Oji Forests supplied to Group paper and pulp mills.
*4 The certification rate temporarily declined in FY2025 compared with the previous fiscal year, primarily due to an increase in newly acquired forest lands in Brazil. We are planning to acquire certifications for this land in due course.

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group’s Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

– Strategic Significance of Direct Forest Ownership and Management

From the perspective of resource security, which has become increasingly important in recent years, direct forest ownership helps build a business foundation that is resilient to changes in the external environment, including price fluctuations and geopolitical risks. More fundamentally, however, the Oji Group's real strength in forest management lies in having maximized forest value through continuous, hands-on management of its own forests. It also allows us to accumulate knowledge that cannot be acquired through our external procurement of wood raw materials, apply this expertise in forest management, thereby building a foundation of management assets that forms the basis of our competitiveness.



Forest plantation in Brazil owned by Celulose Nipo-Brasileira S.A. (CENIBRA)

Accumulation of knowledge and expertise through direct management

Establishing forests as a directly managed resource enables us to manage risks appropriately and apply the knowledge and expertise accumulated to strategically and continuously enhance their value. It also enables further improvements in forest management standards through the sharing of such knowledge and expertise across the Group.

- **Forestry technology:** Improving forest growth using forestry technology and highly productive forestry practices
- **Support for regional forestry:** Helping local small-scale foresters carry out more profitable forestry operations to encourage the sustainable use of forest resources
- **Response to disasters and disease damage:** Tailored approach suitable for the environment in each forest
- **Regulatory and policy compliance:** Ensuring high reliability through compliance with regulations and policies
- **Supply chain management:** Utilizing our expertise in procurement from external suppliers
- **Research and development:** Developing superior clones to improve growth and seedling survival rates



Improve productivity to increase forest value

The Oji Group has long worked to increase the planted tree growth rate (MAI*) through tree breeding, including the research and development of superior clonal seedlings, and more advanced silvicultural practices. Celulose Nipo-Brasileira S.A. (CENIBRA) in Brazil improved forest growth dramatically from the late 1980s to the 1990s, approximately 15 years after its foundation. Its forest growth rates continue to remain high, consistently exceeding the Brazilian industry average. At KTH in Indonesia, the MAI of harvested trees in 2025 improved 1.3-fold compared with 2018 (the previous harvest period) by improving seedling quality and optimizing planting density.



Research and development of clonal seedlings at KTH (Indonesia)

Improvements in MAI increase CO_2 absorption and wood production volume per unit area while also supporting the maintenance and expansion of buffer zones and conservation areas, such as natural forests. Improving forest growth is also an important management priority for promoting a shift toward sustainable wood-based resources.

Creation of added value and new applications

The Oji Group is also developing pharmaceutical products using plant-derived sulfated hemicellulose, with the raw materials sourced from the Group's forest plantations. We are also developing clonal seedlings for non-paper applications to expand their potential uses, create added value, and strengthen our competitiveness.

Sustainable growth achieved through strategic forest management

Investing in forests helps secure a stable supply of raw materials and strengthen resilience to risks. It is also a strategic investment that creates value over the medium to long term through higher productivity and expanded applications.

We will continue to create added value for forestry assets by exploring new business domains while playing to our strengths in forest management that we have developed over the years. Examples of these activities include our investment in a biocarbon project in Brazil, the plantation and production of high-value furniture timber, the development of a new lumber business, and the generation of carbon credits in Australia.

We will continue to enhance the Oji Group's strengths through strategic forest management designed to maximize forest value, and we aim to achieve sustainable growth while simultaneously contributing to the environment and society.

*MAI: Mean Annual Increment; average annual growth (m^3/ha/year)

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Respect for Human Rights

Policy

The Oji Group has established the Oji Group Human Rights Policy aligned with the United Nations Guiding Principles on Business and Human Rights (hereinafter "UN Guiding Principles"), the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and the United Nations Global Compact. This policy applies to all officers and employees and is reflected in all our business activities. It has been translated into 13 languages, including English and Japanese, and shared to foster understanding and adoption not only among officers and employees but also across the value chain.

Oji Group Human Rights Policy

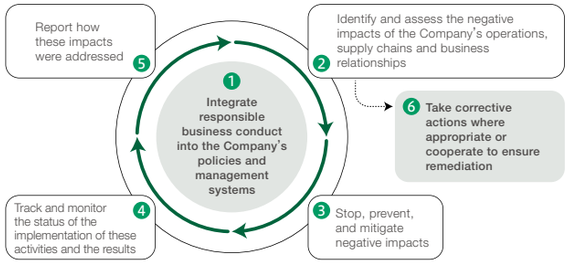
– Governance Structure

Matters that are material to fulfilling our commitment to respect human rights are deliberated by the Sustainability Committee and monitored and supervised by Directors.

Sustainability Management Structure

– Human Rights Due Diligence

The Oji Group has been implementing human rights due diligence aligned with the UN Guiding Principles and the due diligence process outlined in the OECD Due Diligence Guidance for Responsible Business Conduct.



– Identifying and Assessing Adverse Impacts

As part of our human rights due diligence, we identify salient human rights issues and suppliers that should be prioritized for due diligence in addressing those issues ("key suppliers"), in accordance with an assessment process reviewed by the International Development Center of Japan Inc. (IDCJ), an independent organization with specialized expertise.

Please see here for the process used to identify key suppliers and implementation status P.54

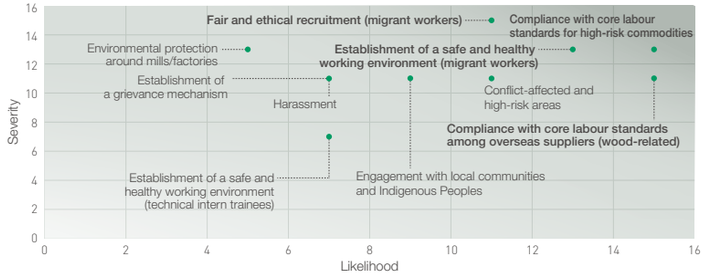
Identification of Salient Human Rights Issues

Using a risk-based approach, we identified salient human rights issues (impacts) that might arise in our business, as shown in the table below. We identified these issues in accordance with the UN Guiding Principles, OECD international standards and GRI Standards.

Identification and Assessment of Salient Human Rights Issues

Process for Identifying Salient Human Rights Issues

STEP 1 Understand	**Understand the Organization's Context** (examine risks specific to the business domain, product, region, and company)
STEP 2 Identify	**Identifying Adverse Impacts and Their Causes**
STEP 3 Assess	**Assess the Significance of the Impacts** (score the human rights risks of each stakeholder)
STEP 4 Prioritize	**Prioritizing the Most Significant Impacts for Disclosure** (map the impacts based on the scores)



– Human Rights Training at Overseas Companies Examples of Measures to Prevent and Mitigate Adverse Impacts

Beginning in FY2025, we entered into a multiyear partnership agreement with the International Organization for Migration (IOM) and commenced initiatives to build a framework for remediating, mitigating, and preventing risks to migrant workers at overseas Group companies. In the first year, we implemented a work plan aimed at "understanding the vulnerabilities specific to migrant workers" and "establishing a shared vision for reducing those vulnerabilities."

Human Rights Training in Malaysia in FY2025



Review Workshop (January 2026)

– Operation of and Awareness-raising for the Grievance Mechanism

In February 2025, we joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), which provides a non-judicial dialogue-and-remedy platform aligned with the UN Guiding Principles, and established a grievance channel accessible to all stakeholders, including employees, supply chain stakeholders, local residents, and Indigenous Peoples. In FY2025, seven reports and requests for consultation were received.

We established the Group Human Rights Grievance Mechanism Operation and Management Regulations as an operational framework clearly defining the responsibilities of relevant parties to ensure the anonymity and confidentiality of whistleblowers and protect them from adverse treatment.

As a result of regular efforts to increase awareness of this hotline, 78% of managers were aware of JaCER in the FY2025 online human rights training program (with 2,547 participants), up from 65% in FY2024.

Cases reported via the grievance mechanism

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Prevention and Mitigation of Negative Supply Chain Impacts - Responsible Raw Materials Procurement -

Policy

The responsible raw materials procurement is a part of the human rights due diligence activities explained on page 53. The Oji Group has established the following policies to appropriately consider human rights and the environment while also preventing and mitigating any negative impact in its supply chains. Regarding the procurement of wood raw materials, we specifically assess all suppliers annually based on our guidelines to maintain no deforestation and no conversion in our procurement.

Oji Group Sustainability Action Guidelines for Supply Chains
Wood Raw Material Procurement Guidelines

Where significant violations of these Guidelines are identified, the Oji Group will engage in dialogue with the suppliers concerned and request corrective action. Where improvements are not confirmed, the Oji Group will review the business relationship, including the suspension of procurement.

All stakeholders, including suppliers, can use the grievance mechanism established by the Oji Group.

Grievance mechanism P.53

– Overview of Our Initiatives

We conduct sustainability surveys of our major suppliers, and we implement human rights and environmental due diligence activities regarding our identified key suppliers.

In our procurement of wood raw materials, we verify the status of human rights and environmental considerations by ensuring traceability and visiting suppliers and forests.

– Confirmation of Suppliers' Status

Supplier Sustainability Surveys

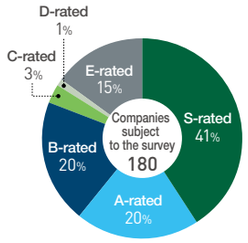
Since FY2020, we have been conducting sustainability surveys of major suppliers selected on the basis of transaction value, with the aim of gaining a better understanding of the actual situation throughout the supply chain and strengthening risk management. By FY2024, we had collected responses from 859 out of 1,185 companies (response rate of approximately 72%). In FY2025, we started to reevaluate suppliers by product category to begin a new survey cycle.

FY2025 survey results

In FY2025, we received responses from 153 of 180 companies, primarily base paper and starch suppliers. A breakdown is shown in the pie chart.

Details of supplier ratings

Breakdown of supplier ratings



Initiatives for improvement

Capability development training was provided to the surveyed suppliers, and 60 companies participated in it. Based on the results of the surveys, we follow up with suppliers to encourage their compliance with and implementation of the Oji Group Sustainability Action Guidelines for Supply Chains. In FY2025, we followed up with 17 companies and confirmed that there were no issues with any of them.

Supplier sustainability surveys

– Supplier Human Rights and Environmental Due Diligence

Taking the results of the sustainability surveys of suppliers into account, we identify key suppliers for which we implement due diligence activities to prevent and mitigate any negative impacts throughout our supply chains.

Identification of priority suppliers

With reference to GRI 1: Foundation 2021, GRI 3: Material Topics 2021, and relevant topic standards, we have developed a process for identifying and assessing human rights and environmental risks throughout the supply chain and selecting high-risk priority suppliers. In accordance with this process, we prioritized our suppliers and identified wood raw material suppliers as priority suppliers.

Supplier risk assessment process

Implementing due diligence regarding wood raw material suppliers

In FY2025, in collaboration with the wood raw material procurement department, we started to request that selected wood raw material suppliers complete the "Human Rights Due Diligence Confirmation Form" when conducting traceability surveys and received 383 submissions. From FY2026 onward, we will follow up with suppliers requiring action by visiting sites and taking other measures.

Human Rights and Environmental Due Diligence Regarding Suppliers

– Traceability Check and Supplier Monitoring

The Oji Group has established a checklist, including the confirmation of the origin of wood, forest management practices, the absence of illegally harvested wood or wood of high conservation value, and respect of human rights, in accordance with the Wood Raw Material Procurement Guidelines, and it procures raw materials sourced from properly managed forests only. The Procurement Guidelines are revised as needed to continuously improve procurement standards.

We obtain traceability reports from all wood raw material suppliers every year, and their contents are reviewed and verified against the checklist detailed in the guidelines through audits conducted by a third-party organization. The results of audits are disclosed in the "Traceability Verification and Procurement Implementation Report."

Responsible Procurement based on Wood Raw Material Procurement Guidelines

We also conduct annual visits to wood raw material suppliers' mills and harvesting sites. In addition to checking logging permits and other documents that support compliance with the Procurement Guidelines, we monitor compliance through on-site inspections, interviews, and other means, covering human rights (including labor rights), health and safety, and environmental considerations.

Supplier monitoring



Site visit to a supplier's harvesting site (Vietnam)

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Nature Positive

Why Should We Assign Economic Value to Natural Capital?

Amid the worsening environmental degradation, including climate change and biodiversity loss, companies are increasingly required to manage their businesses in ways that consider their dependencies and impacts on natural capital.

The Oji Group views natural capital as one of the most critical forms of capital supporting its creation of value. We quantitatively analyze our nature-related dependencies, impacts, risks, and opportunities every year and incorporate these findings into the management of our Group.

We are also engaged in the visualization and quantification of the ecosystem services provided by forests to connect these elements to economic value. Through these efforts, we aim to establish a mechanism by which the value of natural capital can be appropriately recognized by society at large. We believe that advancing these efforts will contribute both to the realization of a nature-positive society and to the sustainable enhancement of the Company's corporate value, building on more than 100 years of forest management.

Towards the Economic Valuation of Natural Capital

We are advancing initiatives following the steps below to establish both the economic and social value of natural capital.

Step 1 Identifying and Quantifying Natural Capital Value

We identify nature-related dependencies, impacts, risks, and opportunities, and scientifically measure and assess forest elements such as carbon, water, and biodiversity.

Step 2 Translating Natural Capital into Economic Value

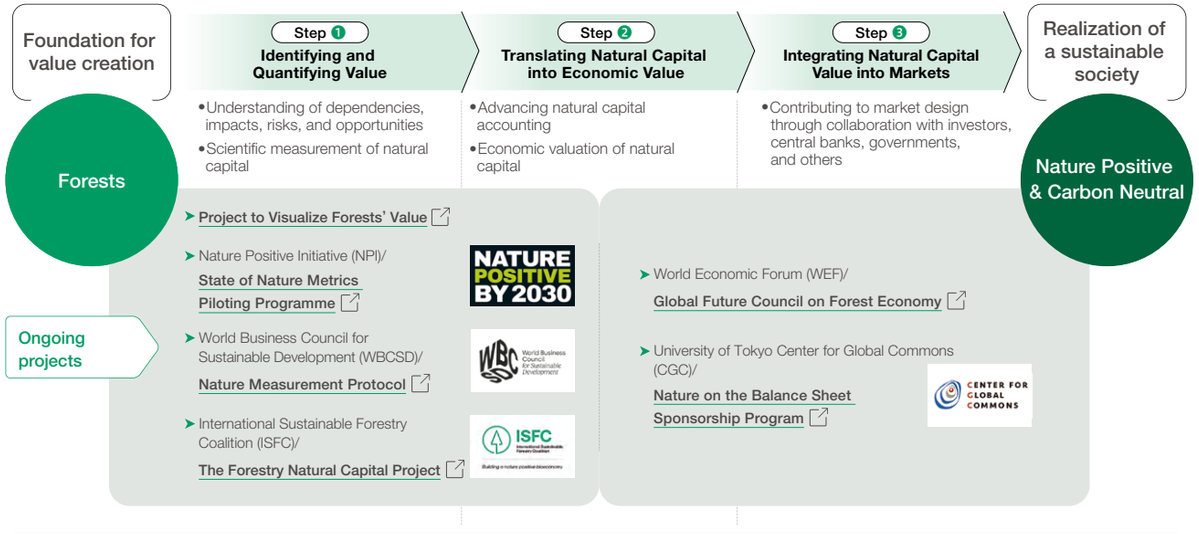
Based on the assessment results from Step 1, we are participating in developing the framework for natural capital accounting. The aim is to connect the ecosystem services of forests with financial information and establish an accounting framework that expresses the value of natural capital in economic terms.

Step 3 Integrating Natural Capital Value into Markets

We engage with investors, central banks, governments, and others to participate in the design of markets and the establishment of rules so that this value is reflected in investment, finance, and policy decision-making. By doing this, we aim to realize a sustainable society in which the value of natural capital is properly recognized.

As environmental degradation accelerates, executing these steps swiftly is a critical priority. We are currently focusing on moving forward with Step 2 based on the results accumulated to date in Step 1. At the same time, we are working to establish a network in anticipation of Step 3.

Flowchart for Natural Capital Valuation



Ongoing Projects

We participate in various international frameworks related to Steps 1, 2, and 3 to ensure the effectiveness of the above initiatives.

The purpose of these projects is to build a foundation for the proper recognition of the value of natural capital by society broadly. This includes the development of metrics for visualizing the state of natural capital, the development of methods for companies to assess nature-related impacts and risks, and the establishment of a mechanism ensuring that the value of natural capital is reflected in financial and investment decision-making.

As we carry out these projects, we are actively engaging in the establishment of international rules and the design of markets by providing real data and knowledge gained as a company whose business is based on forest resources. Through this approach, we help realize a society in which the value of natural capital is recognized in economic terms, and we aim to achieve both the medium- to long-term enhancement of corporate value and the creation of a nature-positive society.

See the TNFD Report for more information about individual projects.

TNFD Report

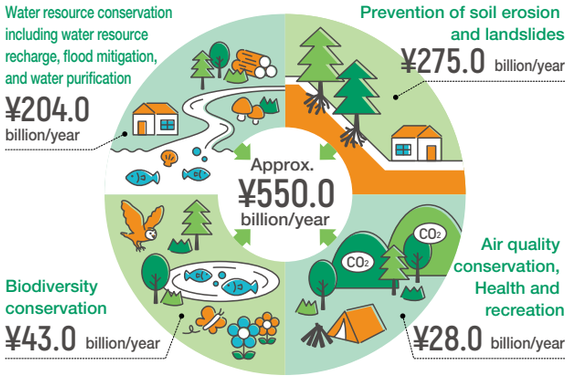
Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Toward Assigning Economic Value to Soil That Supports Forests

Evolution of the economic valuation of Oji Forests

As our first initiative for natural capital valuation, we announced the economic valuation of Oji Forests in Japan in 2024 (see below). To refine this valuation, we are currently attempting to evaluate (visualize) and valuate the ecosystem services of forests. This includes the Forest Value Visualization Project, which corresponds to Steps ❶ and ❷ of the flowchart for natural capital valuation on the previous page.

Economic value of Oji Forests (in Japan)



Notes: 1. Calculated based on the methodology in the Forestry Agency of Japan's Valuation of the Public Benefit Functions of Forests
2. Reviewed by an external environmental assessment company

Although not included in the 2024 valuation, soil is a key component that we have started to focus on.

Soil is more than just the foundation for tree growth. It also stores carbon, retains water and nutrients, and sustains the entire forest ecosystem through the activities of microorganisms and other organisms. Despite being a familiar presence, soil is a precious and vital asset that humans cannot replicate. In collaboration with researchers and companies spun off from universities, we are exploring multiple themes to visualize and unlock the economic value of soil.

Voice : Comments from experts

Redefining forest value from the perspective of soil



Soil researcher
Fukushima Institute for Research, Education and Innovation
Kazumichi Fujii

The sustainable forest management pursued by the Oji Group holds significant meaning in that it focuses not only on the visible value of timber, but also on the soil that serves as its foundation.

Soil is a complex system formed from a mixture of plants, microorganisms, water, and minerals over a long period of time. It supports forest productivity, biodiversity, and even downstream farmlands and marine ecosystems. Much like petroleum, soil is a nearly non-renewable resource that takes a long time to regenerate once degraded. However, it is possible to encourage its formation and improve its multifunctionality by fostering a healthy relationship between forests and microorganisms.

It is not possible to establish a sustainable, nature-positive society without considering soil diversity. I believe that the Oji Group, which manages a large area of company-owned forests, will scientifically visualize and quantify soil conditions, improve the functionality of the soil, and communicate the full value of nature, including the forests, water, and other ecosystem services, to the public.

Examples of Oji Group Initiatives for the Valuation of Soil

Example soil project ①

■ From the forest to the city: Evaluation of regenerative urban greening utilizing forest soil microorganisms (a collaborative project with endophyte Inc., a startup originating from Ibaraki University and the University of Tsukuba)

We signed a memorandum of understanding with endophyte Inc., a startup originating from Ibaraki University and the University of Tsukuba, to explore new business opportunities utilizing the functionality of soil microorganisms from Oji Forests. We aim to investigate opportunities to apply the knowledge of forest soil in urban greening and the greening of degraded land.

Example soil project ②

■ Understanding the carbon storage function of peatland (a joint research project with Hokkaido University)

We are studying the peatland in the Oji Forests in Sarufutsu, Hokkaido, focusing on the wetland's important carbon storage function. In FY2025, we confirmed that peat accumulation varies among the different vegetation types found in the wetland. Further studies will be carried out to determine the specific conditions required to enhance the carbon storage function of wetlands.

Example soil project ③

■ Investigation of the roles of wetlands in river and marine environments (a joint research project with Hokkaido University)

A study of the wetlands across the Sarufutsu River basin in the Oji Forests in Sarufutsu, Hokkaido, is being conducted to understand the behavior of dissolved iron. The ground beneath these wetlands holds rich reserves of dissolved iron, which are released into nearby rivers in line with the seasonal flow of water. This fiscal year's study indicated that this dissolved iron may pass through the estuary and spread into coastal waters, potentially supporting phytoplankton growth. Further studies will be carried out to scientifically clarify the crucial roles that wetlands play in marine environments.

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Carbon Neutral

Policy

Taking into account the Paris Agreement and the transition to a decarbonized society, the Oji Group set a goal of achieving net-zero carbon emissions in its Environmental Vision 2050 in FY2020.

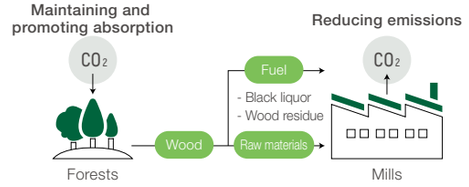
In Environmental Action Program 2040, which was formulated in FY2025 as a new milestone, the target fiscal year for achieving this goal was brought forward to FY2040. We are now implementing initiatives to achieve net-zero carbon emissions (Scope 1 + 2) by reducing actual emissions and by absorbing and sequestering CO_2 in the forests we own and manage.

Environmental Vision 2050
Environmental Action Program 2040

Business model targeting decarbonization

The distinctive feature of the Oji Group's decarbonization strategy is that its dual approach of reducing actual emissions and increasing CO_2 absorption is fully integrated into the business model.

- **Manufacturing business:** Reduce GHG emissions by using renewable energy, including black liquor and in-house hydroelectric power generation, and by making effective use of energy, including waste heat from in-house thermal power generation
- **Forest plantation business:** Maintain and promote the absorption and sequestration of CO_2 in forests through replanting following harvesting
- **Energy business:** Reduce the indirect GHG emissions of electricity consumers by generating renewable electricity from wood biomass, hydropower, and solar power, and through planned wind power projects on company-owned land.



Roadmap

We have accelerated our efforts to achieve these targets based on the roadmap below.

To reduce actual emissions, we will further advance our ongoing efforts to shut down coal-fired boilers and make the switch to alternative fuels, reducing coal use to zero by FY2040. In FY2027, we plan to shut down coal-fired boilers at Oji Materia's Sobue Mill and Saga Mill, and put gas cogeneration systems into operation in their place.

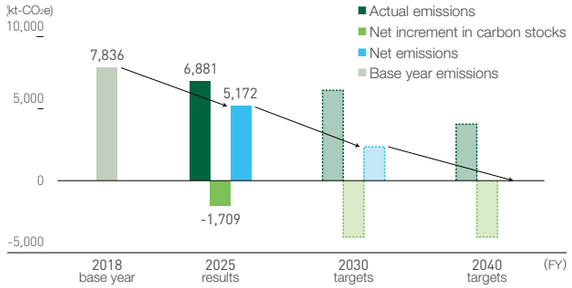
We use fossil gas fuel for the transition stage when converting fuels, but in the future, we plan to introduce fuels such as hydrogen, ammonia, and e-methane (synthetic methane). We will also increase the proportion of non-fossil electric power in purchased electric power, aiming to reach 100% by FY2040.

At the same time, through our forest investment fund, Future Forest Innovations (FFI), established in March 2025, we will acquire forest plantation land and promote the absorption and sequestration of CO_2.

– GHG Emission-Reduction Targets and Progress

We will reduce actual emissions (Scope 1 + 2) by 50% by FY2040 compared with FY2018, while also increasing and maintaining the net increment in carbon stocks in owned and managed forests equivalent to 50% of GHG emissions in FY2018.

In FY2025, net emissions were reduced by 34.0% compared with FY2018 levels to 5,172 kt-CO_2e.



	Initiatives	2025	2026	2027	2028	2029	2030	2031–2040
Reducing actual emissions	Maintain energy conservation	Reduce energy consumption intensity by 1.0% or more per year, averaged over five years						
	Reduce fossil fuel consumption			Shut down 2 coal-fired boilers	Shut down 4 coal-fired boilers		Upgrade boilers and convert fuels / Introduce hydrogen, etc.	
	Switch to non-fossil power for purchased electric power	Consider PPAs*, change contracts with electric power companies, and procure electric power certificates						
CO_2 absorption and sequestration	Expand forest plantations	Acquisition of forest plantation land by FFI (70,000 ha) / Other land surveys, business feasibility assessments, and acquisition						Maintain forest plantation land, sustainable forest management
	Plant fast-growing trees	Forest tree breeding (breed improvement), elite trees' plantation						

* A PPA (Power Purchase Agreement) is a direct contract with an electricity generation utility, and in this context, it refers to the purchase of electric power generated from non-fossil fuel sources in particular.

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

– Reducing Actual Emissions

In FY2025, actual GHG emissions (Scope 1 + 2) were reduced by 12.2% compared with FY2018 levels to 6,881 kt-CO_2e.

Maintain energy conservation

In FY2025, our major domestic companies invested ¥1.56 billion in energy conservation initiatives as part of our continuous efforts to reduce energy consumption. Across the entire Group, energy consumption intensity was reduced by 7.1% per year on average from FY2021 to FY2025.

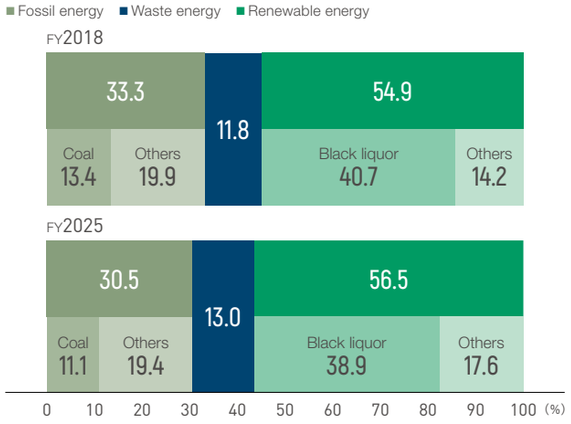
Reduce fossil fuel consumption

We shut down one coal-fired boiler in FY2021 and another one in FY2023. As a result, coal consumption decreased 25.5% in FY2025 compared with FY2018 levels, and the proportion of renewable usage was 56.5%.

From FY2021 to FY2030, we plan to execute capital investment of roughly ¥100 billion to shut down all coal-only-fired boilers in Japan, which will reduce actual emissions by about 1,000 kt-CO_2e.

ESG Data

Energy composition ratio



– CO_2 Absorption and Sequestration

Actual carbon stocks*1 at the end of FY2025 reached 143,713 kt-CO_2, and the annual average net increment in carbon stocks*2 from FY2021 to FY2025 was 1,709 kt-CO_2, equivalent to 21.8% of GHG emissions in FY2018.

*1 The CO_2 stocks in Oji Forests.
*2 The amount of CO_2 absorbed by the trees in Oji Forests minus the amount of CO_2 stored in the trees felled, which is considered as emissions.

Expand forest plantations

Recognizing that the amount of CO_2 absorbed by trees is proportional to the amount of growth, production forests with abundant trees in a growth phase absorb greater amounts of CO_2. The Oji Group is expanding forest plantation land (production forests and conservation forests) in a bid to increase the net increment in carbon stocks.

We plan to invest a cumulative total of about ¥100 billion from FY2021 to FY2030 to expand our overseas production forests to 400,000 ha.

Climate Change
Sustainable Forest Management

Plant fast-growing trees

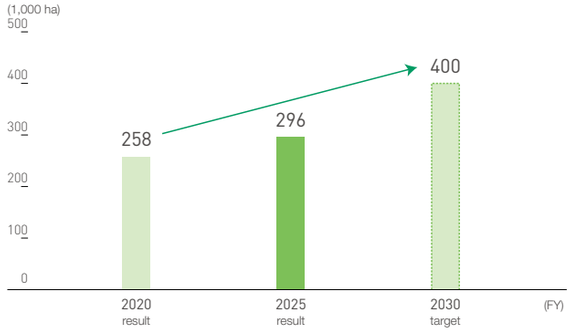
At the Asia Agriculture and Forestry Technology Center and CENIBRA (Celulose Nipo-Brasileira S.A.) in Brazil, we are improving forest plantation tree breeds in order to maintain and improve productivity. We promote CO_2 absorption by forests through the planting of specially selected elite breeds with exceptional growth rates and quality.

The mean annual increment (MAI) of trees (eucalyptus) in CENIBRA's forest plantation land was 41 m^3/ha/year in FY2025, which significantly exceeds the average MAI of Japanese cedar of approximately 10 m^3/ha/year.*3

The planting of elite trees with exceptional growth rates is also being carried out in Japan.

*3 Forestry and Forest Products Research Institute, 2021

Area of overseas production forests



– Reducing Scope 3 Emissions

To reduce GHG emissions throughout its supply chains (Scope 3 emissions), the Oji Group has set the target of reducing emissions from chip transport vessels by 40% by FY2040 compared with FY2018. In FY2025, emissions stood at 252 kt-CO_2, down 41.4%.

Much of the woodchips used as raw materials for domestic pulp and paper production are transported by special vessels from forest plantation sites overseas. In collaboration with shipping companies, we are now implementing initiatives, including slow steaming to improve fuel efficiency and the use of newly built vessels designed to have lower emissions than existing vessels.

ESG Data

Climate-related Information Disclosure in line with the TCFD Recommendations

The Oji Group announced its support for the Task Force on Climate-related Financial Disclosures (TCFD) in December 2020 and has since been working to disclose climate-related information as recommended by the TCFD. Please see our website for details of our disclosure.

Climate Change

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Circular Economy

Policy

Contributing to Society's Transition to a Circular Economy

The Oji Group is actively engaged in the cultivation, cascading use, and circular use of renewable forest resources. We also use renewable energy to manufacture products, and use water resources and recycle recovered paper in the operation of our businesses. Through the circular use of these renewable resources, we have continued to operate businesses based on a circular economy model.

The Oji Group will continue these businesses while advancing initiatives related to water, plastic, and recovered paper, thereby contributing to society's transition to a circular economy.

Business Model P.23

Water

The Oji Group's forest resources in Japan and overseas have a water resource conservation function for purifying and accumulating fresh water. The total amount of water resource conservation across 188,000 ha of Oji Forests in Japan is estimated to be equivalent to approximately 2.6x the water withdrawal of the entire Oji Group. We will maintain the water resource conservation function of forests to support local water resources.

When using water resources, we cooperate with stakeholders and use them in ways suited to local circumstances. Some business sites are located in areas of high water stress according to the international water risk assessment tool. Although the short-term financial impact is estimated to be small, we have identified potential negative impacts on local communities.

The Oji Group set water withdrawal and water pollutant emissions targets in Environmental Action Program 2040, and it is committed to conducting stakeholder engagement activities at least once a year in areas of high water stress. Through these efforts, we reduce the Group's impact on local ecosystems and water users and advance the sustainable use of water.

Plastic

Through expanding sales of sustainable packaging that substitutes for plastic products and utilizes renewable forest resources based on sustainable forest management, the Oji Group contributes to reducing the use of plastic, which has a large environmental impact, across society as a whole.

Furthermore, although we do not use large amounts of plastic in manufacturing processes, some waste plastic is generated by contaminants in recovered paper that we use as a raw material. We recycle this waste plastic (including thermal recycling).

We have set a target of achieving Negative plastic emissions—selling sustainable packaging in volumes that meet or exceed the volume of unrecycled waste plastic—and we are advancing initiatives to achieve it.

Recovered paper

By using various types of recovered paper as raw materials after their use in products, we will reduce product waste and use resources in a circular manner, while maintaining a recycling system for recovered paper across society as a whole.

Targets and Progress

Water

	Water withdrawal intensity (m³/¥ million)	Emission intensity (kg/¥ million) BOD	COD	SS
FY2025 Results	356.2	2.71	17.60	6.53
FY2030 Targets	448.4	4.66	21.12	9.02

ESG Data Environment No. 13 ESG Data Environment No. 8
Resource circulation (Water) Environmental Impact Reduction

Plastic

	Sustainable packaging sales volume*1	Amount of unrecycled waste plastic*2	Negative plastic emissions
FY2025 Results	2,655 tons	752 tons	Achievement
FY2030 Targets	At least 5,000 tons	0 ton	

*1 Includes some non-wrapping plastic alternative paper products
*2 Total for nine Oji Group companies in Japan (Oji Paper, Oji Materia, Oji F-Tex, Oji Nepia, Oji Imaging Media, Oji Container, Morishigyo, Oji Tac, and New Tac Kasei)

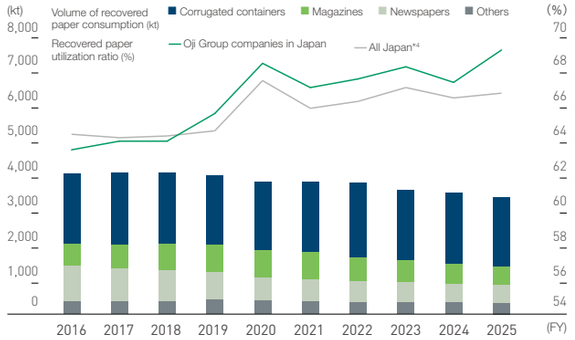
Resource circulation (Waste)

Recovered paper

Recovered paper utilization ratio (Japan)

FY2025 Result	69.3 %
FY2030 Target	70 % or more

Volume of recovered paper consumption and recovered paper utilization ratio*3



*3 Recovered paper utilization ratio = Volume of recovered paper consumed ÷ Total volume of fiber raw materials consumed (total consumption of recovered paper, wood pulp, and other fiber raw materials)
*4 Source for all Japan: Paper Recycling Promotion Center

ESG Data Environment No. 15 Resource circulation (Recovered paper)

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts —Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

– Sustainable Water Use Initiatives

Water risk management in areas of high water stress

The Oji Group works collaboratively with local water users to reduce its impact on water resources. We used a risk-based approach to assess the water risk in the areas where our business sites are located, enabling us to focus our efforts on business sites located in areas of high water stress.

Identification of business sites located in areas of high water stress

We used the World Resources Institute (WRI) water risk assessment tool Aqueduct to identify 23 business sites in areas of high water stress, where the baseline water stress is classified as extremely high or high.

Please see here for more information about the results of the Aqueduct assessment

Survey of status of business sites in areas of high water stress

Excluding one business site that was sold in FY2025, we conducted a survey to confirm the stakeholder engagement status of 22 business sites in areas of high water stress. This enabled us to understand the Group's impact on local water resources and the challenges that were being faced and introduce initiatives to reduce the Group's negative impact and risks.

Please see here for more information about the results of the survey

Future initiatives in business sites in areas of high water stress

Ongoing stakeholder engagement activities

The Oji Group regularly conducts stakeholder engagement activities, at least once a year, at the 22 business sites located in areas of high water stress, and it works collaboratively with local water users to conserve water resources in these communities.

Please see here for information about other local initiatives

– Contributing to Plastic Reduction in Society

The momentum of the movement to reduce the use of plastic is increasing, driven by factors such as the enforcement of the EU Packaging and Packaging Waste Regulation (PPWR) and shifting consumer awareness. This societal demand presents an excellent opportunity for the Oji Group to expand its sale of sustainable packaging.

The replacement of plastic products derived from fossil resources with sustainable packaging made from renewable forest resources reduces plastic use across society as a whole and contributes to the transition to a circular economy.

Concrete initiatives

Walki: Packaging materials compliant with environmental regulations

To comply with the PPWR, Walki uses renewable materials and develops and supplies packaging materials with excellent recyclability, and it shares its knowledge of EU regulatory compliance with the entire Oji Group.

Walki website

IPI: Liquid packaging cartons (beverage and food)

IPI provides aseptic carton packages made primarily from paper for long-shelf-life products and contributes to creating market opportunities for sustainable packaging in Southeast Asia and other regions.

IPI website

Examples of IPI products P.36

OJI Sustainable Mulching Sheet: Agricultural materials

Through the development and commercialization of OJI Sustainable Mulching Sheet, the Oji Group is addressing agricultural challenges by improving crop yields through the paper material's soil temperature control effect and reducing collection work, while contributing to the reduction of plastic use.

Sustainable Mulching Sheet (Japanese only)

Sustainable Mulching Sheet P.37

– Initiatives Increasing the Sophistication of Recovered Paper Recycling Processes

The Oji Group recycles approximately 3.4 million tons of recovered paper annually to be used as raw materials in its mills and factories in Japan. The Oji Group accounts for a quarter of Japan's total recovered paper consumption. Accordingly, we help reduce waste, support the circulation of resources in Japan, maintain recycling systems, and promote the effective use of forest resources. The volume of recovered paper is declining due to the digitalization of information media and the decrease in the population. Coupled with the growing overseas demand for recovered paper and an increase in exports, this could decrease the circulation of resources domestically and negatively impact our business activities.

In light of the decreasing volume of recovered paper, the growing demand for it overseas and other changes in the external environment, the Oji Group has stepped up its proactive efforts to use recovered paper to ensure the sustainability of the recovered paper recycling system. Examples of these efforts include the recycling of composite recovered paper, such as milk cartons, as well as used paper cups and hand towels that were previously discarded, for various applications. We are committed to meeting the growing demand for recovered paper recycling driven by the expansion of our sustainable packaging business, while contributing to the realization of a circular economy.

Concrete initiatives

Collaborative corporate recycling system Renewa

In collaboration with partner companies that generate waste, we are building a recycling platform to convert recovered paper, including paper cups and aluminum-lined cartons that were previously discarded, into valuable resources. Our aim is to help realize a circular society and a decarbonized society while also expanding the sustainable packaging business by designing a seamless workflow from the collection and recycling of waste to the use of recycled products.

Renewa P.36

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section

Ensuring Workplace Safety and Health

Basic Approach

Alongside compliance and the environment, safety forms the foundation of the Oji Group's corporate value and must be given absolute top priority. The Oji Group aims to be a company where employees can work in a safe environment, with peace of mind, in accordance with the "basic principle of safety as the absolute top priority."

Occupational Safety and Health

– Management Structure

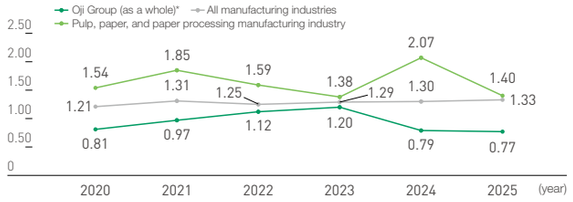
We have set the Oji Group Safety and Health Management Rules, which clarify our system of responsibilities related to safety and health in the Oji Group. Every year, we also formulate a Group Safety and Health Promotion Plan, under which we promote activities aimed at eliminating industrial accidents.

Oji Group safety and health management structures

– KPI Results (lost time injury frequency rate)

The number of occupational accidents in the Oji Group in 2025 was 17 in Japan (29 in 2024) and 53 overseas (43 in 2024). There were two fatal accidents (one in Japan and one overseas). We have introduced various initiatives to achieve the 2030 target of a 50% reduction in the lost time injury frequency rate compared with the 2018 level (0.89).

Lost time injury frequency rate



* Data for the Oji Group (as a whole) was aggregated from Oji Holdings Corporation and consolidated subsidiaries in Japan and overseas. Data for the manufacturing industry as a whole and the pulp, paper, and paper products manufacturing industries are from the Ministry of Health, Labour and Welfare's 2025 Survey on Industrial Accidents (businesses with 100 or more employees).

Note: Aggregation period: January 1 to December 31 of each year

Workplace injury trends

– Occupational Accident Prevention Initiatives

Safety patrols by management

Following frequent occupational accidents in cargo handling operations, we have been continuously holding safety patrols, with the Group Technology Division and Safety Management Department of Oji Holdings accompanying members of the Group's top management on patrols. In addition to mills in Japan, we are continuing patrols of mills overseas, such as in Malaysia, Vietnam, Brazil, and China, that focus on the implementation status of measures to prevent contact between heavy machinery and people, ensuring visibility in facility corridors, and around intersections in particular (eliminating blind spots caused by products and materials), and other factors.

In 2024 and 2025, we carried out safety patrols at 55 domestic and 11 overseas business sites, and provided guidance primarily on how to prevent contact between cargo handling machines and operators and how to make machinery and equipment safer.



Safety patrol by then-Chairman Kaku

Initiatives to prevent caught-in and crush accidents

The Oji Group takes the fatal accident in 2025 in which a person became entangled in rotating machinery seriously, and we have enhanced measures to prevent caught-in and crush accidents throughout the Group.

We are installing engineering controls, including safety fences around and covers on machines, as well as doors with interlock systems at every point of entry to a machine, to reduce the exposure of people and their hands and other body parts to hazardous areas.

We are also installing safety nets along walkways and work platforms to prevent falls into machinery.

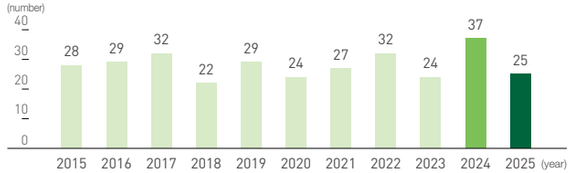
– Fire Prevention in the Workplace

Fire is a severe risk that threatens the lives of our employees. It can also critically affect local community safety and inflict devastating damage on production facilities. Every single employee of the Oji Group is committed to fire prevention to create a safe and secure workplace.

Fires within the Oji Group

In 2024, there was an increase in the number of fires. The total of 37 fire incidents was the highest number in the past 10 years, so we stepped up our efforts in 2025 to increase fire safety awareness and improve fire safety equipment. As a result, the number of fires decreased to 25.

Change in fire incidents within the Oji Group



Note: Aggregation period: January 1 to December 31 of each year

Increasing fire safety awareness

The Oji Group Disaster Prevention Committee prepared the Disaster Prevention Promotion Plan as its basic policy. Based on this, each business site has developed its own plan incorporating specific measures to actively prevent fires. The Committee also issues a Monthly Fire Prevention Report to ensure the open and transparent sharing of fire safety information. In 2025, the Oji Group management began carrying out on-site fire safety inspections at each mill and factory to increase the fire safety awareness of managers and lead the development of a safety culture.

Improvement of fire safety equipment

We analyzed the causes of past fires involving raw material conveyors and boiler fuel equipment to learn from them and conducted fire-extinguishing tests using simulated fires. We have installed or improved unique automatic fire extinguishing systems using scientific knowledge to improve fire safety at our production facilities.

Introduction
CEO Message
CxO Crosstalk
CFO Message
Roundtable Talk with Outside Directors
The Oji Group's Value Creation
Medium- to Long-term Growth Strategy
Sustainability
Sustainability Governance
Material Issues
Sustainable Forest Management
Respect for Human Rights
Prevention and Mitigation of Negative Supply Chain Impacts
—Responsible Raw Materials Procurement—
Nature Positive
Carbon Neutral
Circular Economy
Ensuring Workplace Safety and Health
Strengthening the Management Foundation
Business Overview
Data Section