



Governance

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Corporate Governance

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Policy

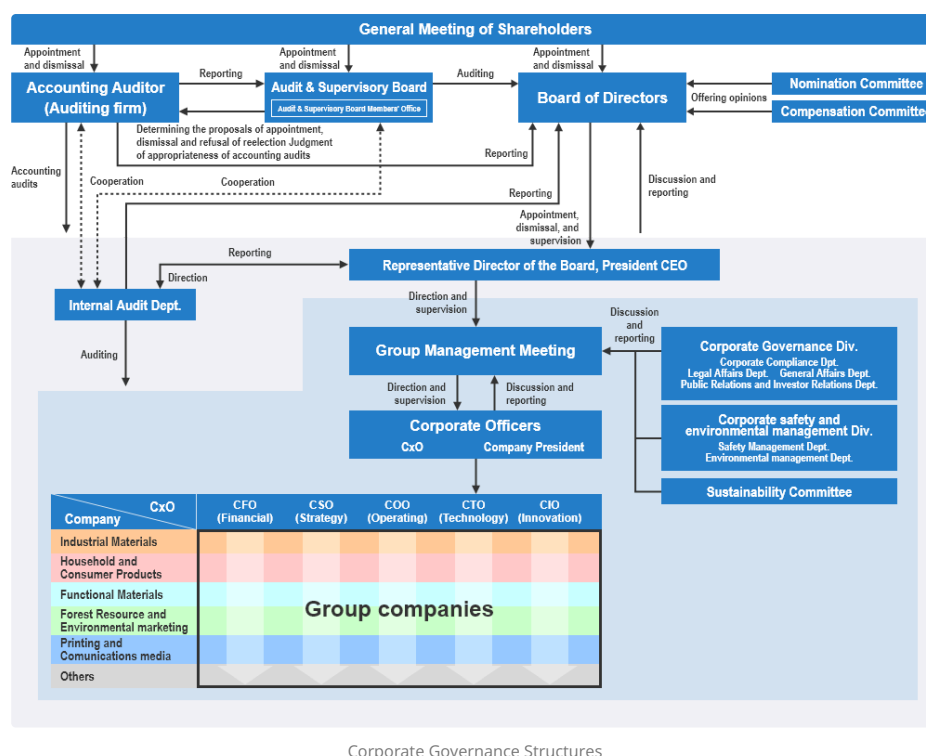
- [Fundamental Policies on Corporate Governance](#) ➤
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Corporate Governance Structure

The Group has adopted a COMPANY system under which Oji Holdings formulates Group management strategies and supervises Group governance, while each COMPANY comprised of closely associated businesses forms the center of the Group's business operations. This structure accelerates the decision making of each business unit and clarifies management responsibilities. Additionally, from April 1, 2025, CxO system is introduced to strengthen governance across functions beyond business units and regions, forming a matrix organization combined with the Company system.

As a company with an audit and supervisory board, the Company strives to strengthen the governance of the entire Group by implementing audits of the Directors' execution of their duties conducted by the Audit & Supervisory Board and its members. The Board of Directors consists of 9 Directors (including four Independent Outside Directors) and the Audit & Supervisory Board consists of five Audit & Supervisory Board Members (including three Independent Outside Audit & Supervisory Board Members). The Representative Director and Chairman of the Board chairs the Board of Directors.

- [Sustainability Management Structure](#) ➤



Board of Directors and Audit & Supervisory Board

Purpose of the Board of Directors

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.

- 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.
- 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.
- Conduct highly effective supervision of Corporate Officers and Executive Directors from an independent and objective standpoint.
- Supervise the construction of internal control systems, the establishment of risk management systems, and the operation of these systems.

Composition of the Board of Directors

The maximum number of Directors is 15 in principle, and at least 2 of them are Independent Outside Directors. In addition, 19 Corporate Officers, 4 of whom serve concurrently as Directors, are selected (as of late June, 2025) to speed up decision-making, strengthen the business execution system, and clarify executive responsibilities.

[Corporate Officers](#)

The Board of Directors, in order to fulfill a role necessary for achieving sustainable growth of and improvement of corporate value of the Group over the medium to long term, has been organized while giving due consideration to the balance of diverse knowledge and expertise concerning the business of the Group.

There are currently 9 Directors, 4 of whom are Independent Outside Directors (including 3 female Directors).

The Nomination Committee, which is an advisory body to the Board of Directors, deliberates upon the selection of candidates for Directors and the appointment of Group Corporate Officers before submitting a report to the Board of Directors. Regarding candidates for Audit & Supervisory Board Members, a report is submitted to the Board of Directors after consulting the Nomination Committee and obtaining the consent of the Audit & Supervisory Board.

The Nomination Committee consists of all outside directors, and the Board of Directors receives the report from the Nomination Committee deliberates and makes decisions.

Purpose of the Audit & Supervisory Board

The Audit & Supervisory Board and its Members conduct operational audits and accounting audits from an independent and objective standpoint, fulfilling their fiduciary duty to shareholders.

The Audit & Supervisory Board and its Members strive to actively exercise their authority by actively combining the advanced information gathering capabilities of the Standing Audit & Supervisory Board Members and the strong independence of the Independent Outside Audit & Supervisory Board Members while maintaining the cooperation with the Independent Outside Audit & Supervisory Members.

Audit & Supervisory Board Members regularly meet with the Accounting Auditor to receive explanations regarding audit plans and the status of the implementation of audits, as well as financial statement audit results, and to exchange opinions.

The Audit & Supervisory Board Members and the Company's Internal Audit Department meet once every month to exchange information regarding audit plans and results and ensure cooperation between them.

Composition of the Audit & Supervisory Board

The Audit & Supervisory Board is composed of five Audit & Supervisory Board Members (including three Independent Outside Audit & Supervisory Board Members).

The Audit & Supervisory Board Members ensure transparency and monitor and verify management. Audit & Supervisory Board Members attend meetings of the Board of Directors and other important meetings in line with the audit plan established by the Audit & Supervisory Board for auditing the Directors' execution of their duties.

Teruo Yamazaki, an Audit & Supervisory Board Member, has experience in the finance and accounting division of the Company and its Group companies. His knowledge in the area of finance and accounting is considerable.

In addition, Keiko Fukuchi, an Outside Audit & Supervisory Board Member, as a certified tax accountant, has a wealth of experience, a high degree of expertise, and a wide range of insights in taxation and corporate accounting. She possesses considerable knowledge of finance and accounting.

Independent Outside Directors and Independent Outside Audit & Supervisory Board Members

Status Of Independent Outside Officers' Activities and Reasons For Their Appointment

Oji Holdings has appointed four Outside Directors and three Outside Audit & Supervisory Board Members, each of whom is designated as an Independent Officer.

The Independent Officers attend the meetings of the Board of Directors and briefings (held basically twice a month) conducted by the officer responsible for the Corporate Governance Division regarding matters submitted to the Management Meeting and matters planned to be submitted to the Board of Directors. The Nomination Committee and the Compensation Committee comprise Independent Outside Directors.

People with highly specialized and wide-ranging knowledge who are able to express opinions that are independent from management and from the perspectives of various stakeholders are selected to be Independent Outside Director candidates, and people with excellent character and insight, a high degree of specialization, and extensive experience are selected to be Independent Outside Audit & Supervisory Board Member candidates.

In FY2024, the attendance of the seven Independent Outside Directors and Independent Outside Audit & Supervisory Board Members at meetings of the Board of Directors (15 meetings held) averaged 99.0%, and the attendance of Independent Outside Audit & Supervisory Board Members at the Audit & Supervisory Board meetings (13 meetings held) was 100%.

Main Activities Of Independent Outside Officers In FY2024

Category	Name	Attendance at Board of Directors meetings	Summary of statements made and duties performed with respect to expected role
Independent Outside Director	Michihiro Nara	Attended 15 of 15 meetings (93.3%)	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-at-law, and based on his extensive experience, high level of expertise, and wide-ranging insight
Independent Outside Director	Seiko Nagai	Attended 15 of 15 meetings (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, and based on her extensive experience, high level of expertise, and wide range of insight
Independent Outside Director	Hiromichi Ogawa	Attended 15 of 15 meetings (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 management of retail business and food manufacturing companies, and based on his extensive experience, high level of expertise, and wide range of insight
Independent Outside Director	Sachiko Fukuda	Attended 11 of 11 meetings (100%)	Fulfilled the role expected of her by making comments concerning the Company's management from an independent standpoint, from a multifaceted perspective including a legal perspective as an attorney-at-law, and financial accounting perspective as an Certified Public Accountant and sustainability perspective, and based on her extensive experience, high level of expertise, and wide range of insight

* The attendance record of Sachiko Fukuda pertains only to the board meetings held after her appointment on June 27, 2024.

Main Activities of Independent Outside Audit & Supervisory Board Members in FY2024

Category	Name	Attendance at Board of Directors meetings	Attendance at Board of Audit & Supervisory Board meetings	Statement at Meetings
Independent Outside Audit & Supervisory Board Member	Hidero Chimori	Attended 15 of 15 meetings (100%)	Attended 13 of 13 meetings (100%)	Provided expert opinions based on his extensive experience, high- level expertise and wide-ranging knowledge, in particular, in the corporate legal affairs and corporate governance field, as an attorney-at-law
Independent Outside Audit & Supervisory Board Member	Noriko Sekiguchi	Attended 15 of 15 meetings (100%)	Attended 13 of 13 meetings (100%)	Provided expert opinions based on her abundant practical experience at companies in addition to her extensive experience, high- level expertise and wide-ranging knowledge on financial accounting as a certified public accountant
Independent Outside Audit & Supervisory Board Member	Takashi Nonoue	Attended 15 of 15 meetings (100%)	Attended 13 of 13 meetings (100%)	Provided expert opinions based on his extensive experience, high- level expertise and wide-ranging knowledge as a public prosecutor and attorney at law.

Nomination Committee and Compensation Committee

Purpose of The Nomination Committee

The Nomination Committee Deliberates on the following issues and matters and submits reports to the board of directors to strengthen the independence, objectivity and accountability of the directors in implementing their functions regarding the nomination of officers and corporate officers by appropriately involving independent outside directors in the process and obtaining advice from them.

- Policies for The Nomination of Candidate Directors and Audit & Supervisory Board Members
- Policies for The Appointment of Corporate Officers
- Nomination of Directors and Audit & Supervisory Board Members, Appointment of Corporate Officers
- Dismissal of Directors, Audit & Supervisory Board Members or Corporate Officers in cases where they do not fulfill the criteria in nomination and appointment policies
- Succession Planning for The Board of Directors and The President
- Appointment and Dismissal of Advisors

Purpose of Compensation Committee

The Compensation Committee Deliberates on The Following Issues and Matters and Submits Reports to The Board of Directors to Strengthen The Independence, Objectivity and Accountability of The Directors in Implementing Their Functions Regarding The Compensation of Directors and Corporate Officers by Appropriately Involving Independent Outside Directors in The Process and Obtaining Advice from them.

- Structure and Level of Compensation for Directors and Corporate Officers
- Performance-linked compensation for Directors and Executive Officers, and performance evaluation of Executive Officers
- Analysis and Evaluation of The Effectiveness of The Board of Directors
- Structure and Level of Compensation for Advisors

Structures of the Nomination Committee and the Compensation Committee and their meetings held in FY2024

Position	Name	Nomination Committee	Attendance	Compensation Committee	Attendance
Director, Chairman of the Board	Masatoshi Kaku		2/2		4/4
Director of the Board, President	Hiroyuki Isono	Committee Chair	2/2	Committee Chair	4/4
Independent Outside Director	Michihiro Nara		2/2		4/4
Independent Outside Director	Seiko Nagai		2/2		4/4
Independent Outside Director	Hiromichi Ogawa		2/2		4/4
Independent Outside Director	Sachiko Fukuda		2/2		4/4

Policy on Determination of Director Compensation and Total Compensation

Policy on Determination of Director Compensation

Oji Holdings has designed its compensation programs to emphasize the roles of the director compensation program in encouraging the Board of Directors to work to achieve the sustainable growth of the company, increase its corporate value over the medium- to long-term, and enhance its profitability and capital efficiency. The compensation program and the policies for determining compensation are laid out in the Fundamental Policies on Corporate Governance. Director compensation comprises base compensation, which is fixed compensation, bonuses that reflect short-term performance, and stock-based compensation that reflects the medium- to long-term increase of corporate value. The Board of Directors uses the recommendations submitted by the Compensation Committee when determining compensation. Evaluations for determining bonuses include the consideration of the overall status of the achievement of evaluation items related to ESG issues.

Please refer to the Annual Securities Report for more information about performance-linked compensation, which includes bonuses and stock-based compensation.

[Securities Reports \(in Japanese\)](#) 

Performance-Linked and Non-Performance-Linked Compensation Ratios (From 27th June 2025)*

Position	Fixed compensation	Performance-linked compensation			Total
		Bonuses	Stock-based compensation	Total	
Representative Director, Chairman of the Board	45%	27.5%	27.5%	55%	100%
Representative Director of the Board, President	45%	27.5%	27.5%	55%	100%
Representative Director of the Board, Executive Vice President	45%	27.5%	27.5%	55%	100%
Director of the Board, Senior Executive Officer	45%	27.5%	27.5%	55%	100%
Director of the Board, Executive Officer	45%	27.5%	27.5%	55%	100%
Independent Outside Director	100%	-	-	-	100%

* The payment ratios will fluctuate due to changes in performance-linked compensation such as bonuses and stock-based compensation.

Total Amount of Compensation for Each Officer Category, Total Amount of Compensation, etc., by Type and Number of Eligible Officers (FY2024)

Officer category	Total amount of compensation (million yen)	Total amount of compensation, etc. by type (million yen)			Number of eligible officers (persons)
		Fixed compensation	Performance-linked compensation		
			Bonuses	Stock-based compensation	
Directors (excluding Independent Outside Directors)	428	215	98	115	8
Audit & Supervisory Board Members (excluding Independent Outside Audit & Supervisory Board Members)	56	56	-	-	2
Independent Outside Directors and Independent Outside Audit & Supervisory Board Members	99	99	-	-	8

Policy and Process for the Nomination of Directors and Audit & Supervisory Board Members

Policy

The Oji Holdings Fundamental Policies on Corporate Governance stipulate in the director nomination policy that the Board of Directors shall comprise directors with extensive and balanced knowledge and expertise concerning the businesses operated by the group. The Fundamental Policies also stipulate that the candidates nominated to be directors possess excellent character and insight and be people capable of contributing to the sustainable growth of the group and the increase of its medium- to long-term corporate value, and that Audit & Supervisory Board member candidates be people of excellent character and insight with a high degree of specialization and extensive experience that are capable of fulfilling the duties of the Audit & Supervisory Board members.

Process

When nominating director candidates, the Nomination Committee, an advisory body to the Board of Directors, deliberates issues and submits recommendations to the Board of Directors. Regarding the nomination of candidate Audit & Supervisory Board members, the Nomination Committee deliberates on the issues and then submits its recommendations to the Board of Directors after approval by the Audit & Supervisory Board. The Board of Directors receives reports from the committee, deliberates the issues, and makes decisions regarding these matters.

Director Skill Map

In order to realize Oji Group's management strategies, it is composed of the skills that are particularly necessary for the Board of Directors to make appropriate management decisions and demonstrate high effectiveness in the supervision.

The definition of each skill are as follows:

Skill	Definition
Corporate management	Basic management skills required to realize corporate sustainability and management strategy
Finance & accounting and capital strategy	Skills to grasp business conditions financially and raise questions, and to realize capital efficiency improvement
Innovation and manufacturing	Skills to create innovative ideas and technologies for non-continuous growth and give a concrete shape to them
Marketing, branding and market structure	Skills to anticipate needs and differentiate products and services and to build new business models
Business portfolio conversion and production system building	Skills to establish and restructure business and to bring about stable and efficient production under an optimum system
Global	Skills to raise questions and make decisions from a global perspective
Human capital and DX	Skills to reform business processes through development and utilization of diverse human resources and promotion of digitization
Sustainability and ESG	Skills related to environment, society, and governance; they are foundations of corporate management and also indispensable for sustainability
Legal affairs, compliance and risk management	Skills to supervise corporate activities, predict risks, and make proposals against risks from the perspective of legal affairs

Name	Positions in the Company	Nomination and Compensation Committee	Highly Expected Roles								
			Corporate management	Finance & accounting and capital strategy	Innovation and manufacturing	Marketing, branding and market structure	Business portfolio conversion and production system building	Global	Human capital and DX	Sustainability and ESG	Legal affairs, compliance and risk management
Masatoshi Kaku	Representative Director and Chairman of the Board		●		●	●	●		●		
Hiroyuki Isono	Representative Director of the Board, President		●	●	●		●	●		●	●
Kazuhiro Kamada	Representative Director of the Board, Executive Vice President		●	●		●	●		●	●	●
Akio Hasebe	Director of the Board, Senior Executive Officer		●			●	●	●			
Satoshi Takuma	Director of the Board, Executive Officer				●		●	●	●		
Seiko Nagai	Outside Director (Independent Director)	○				●			●	●	
Hiromichi Ogawa	Outside Director (Independent Director)	○	●	●		●					
Sachiko Fukuda	Outside Director (Independent Director)	○		●						●	●
Atsuko Muraki	Outside Director (Independent Director)	○							●	●	●

* People marked with a ○ are members of the Nomination and Compensation Committee.

* ● marks indicate the roles expected of each Director and does not represent all of the abilities possessed by each director.

Effectiveness Evaluation of the Board of Directors

The Company stipulates in its “Fundamental Policies on Corporate Governance” that the Board of Directors conducts analysis and evaluation of its effectiveness every year and takes required measures to ensure the effectiveness as a whole as well as discloses an overview of the findings.

In order to evaluate the effectiveness of the Board of Directors in FY2024, we conducted a survey on the roles, organization and management of the Board of Directors for all of the Directors and Audit & Supervisory Board Members from April to May 2025. The evaluation results were analyzed by the Compensation Committee in which Independent Outside Directors participated, and deliberated by the Board of Directors based on the analysis results.

As a result, we confirmed that the Company's Board of Directors, including its accompanying meeting bodies, has been effective. In response to the question regarding the role of the board of directors, whether it was able to formulate group management strategies and provide direction, many respondents answered that the Board of Directors actively engaged in the formulation of Long-term Vision and Medium-term Management Plan, as well as the deliberation and discussion of individual matters, thereby ensuring that the Board of Directors operated with a focus on effective supervision of management, and was able to clearly demonstrate its direction. To the question of whether the company has established an internal control and risk management system and supervised its operation, some respondents said that although internal control and risk management system are appropriately established, the violation of rules and the occurrence of labor accidents have not been eradicated, and therefore the company needs to continue strengthening its system. To the question of whether the company has promoted constructive dialogue with stakeholders, some said that although investor relations activities were highly regarded for promoting constructive dialogue, these activities need to be further enhanced.

On April 1, 2025, we revised our corporate officer system to clarify Directors' supervisory functions and roles as corporate officers and, as a result, changed the title of Group Corporate Officer to Corporate Officer.

We also adopted the CxO system in order to achieve further maximization and total optimization of Group synergy.


Under the above framework, we judge that the effectiveness of management oversight has been strengthened. We will continue to consider and implement necessary measures to enhance the functionality of the Board of Directors.

Policy for Strategic Shareholding

The Group strategically holds shares that are expected to contribute to the sustainable growth of the Group and the improvement of corporate value over the medium- to long-term as part of its management strategy for the purpose of business alliances and strengthening and maintenance of long-term and stable relationships with business partners. The Group is reducing its strategic shareholdings by reviewing the rationale for holding each individual share at the annual Board of Directors meeting, and steadily reducing them through stricter management. In addition, the Group is engaging in careful dialogue with the issuers of the shares to be reduced, to ensure they understand our policy.

In FY2024, we reduced the number of strategic shareholdings by 29 billion yen. Additionally, in the Medium-Term Management Plan 2027 announced on May 30, 2025, we plan to reduce strategic shareholdings by 45 billion yen and the amount of retirement benefits trust contribution shares exceeding the accumulated retirement benefit trust of our group companies by 21 billion yen over the three-year period from FY2025 to FY2027.

Please refer to the Company's Securities Reports for details on individual strategic shareholdings.

[Securities Reports \(Only in Japanese\)](#) 

Policy and Reasons for Selecting an Audit Firm

We select our accounting auditor, taking into consideration the following factors: that the accounting auditor has established a system for maintaining and improving the quality of audits, that it is independent and possesses the necessary expertise, that it is of a reasonable scale and that it has an overseas network that enables it to provide efficient audit services that respond to the nature of the Company's business.

The Audit & Supervisory Board decides the content of proposals regarding the dismissal or non-reappointment of the accounting auditor to be submitted to the General Meeting of Shareholders in the event that it is deemed difficult for the accounting auditor to perform its duties properly.

The Audit & Supervisory Board shall dismiss the accounting auditor with the unanimous consent of the Corporate Auditors if any of the items of Article 340, Paragraph 1 of the Companies Act are deemed to be applicable regarding the accounting auditor.

The Audit & Supervisory Board has agreed to reappoint Deloitte Touche Tohmatsu LLC as the accounting auditor for fiscal year 2024. It is believed that Deloitte Touche Tohmatsu LLC has the necessary framework for ensuring that adequate accounting audits are conducted, taking into consideration the following factors regarding the evaluation of audit performance:

1. Quality control of the audit firm
2. Audit team
3. Audit fees, etc.
4. Communication with the Audit & Supervisory Board
5. Relationship with management
6. Group audits
7. fraud risks

Engagement partners are rotated in accordance with the Certified Public Accountants Act and other applicable regulations as follows: The engagement partner cannot be involved in the Company's auditing services for more than seven consecutive accounting periods. The lead engagement partner cannot be involved in the Company's auditing services for more than five consecutive accounting periods.

Risk management

Risk Management Framework and System

Information Security Measures

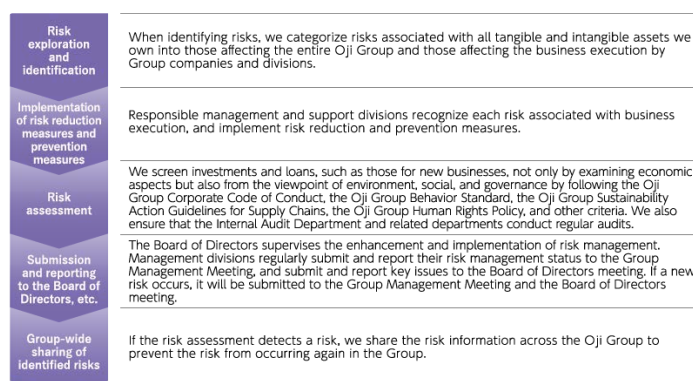
BCP

Risk Management Framework and System

The Oji Group undertakes its business activities with the high ethical standard laid out in the Oji Group Corporate Code of Conduct, and implements appropriate risk management practices. In response to the rapid expansion of the areas in which we operate businesses, we will reinforce our risk management structure globally to ensure business continuity and the steady development of our businesses.

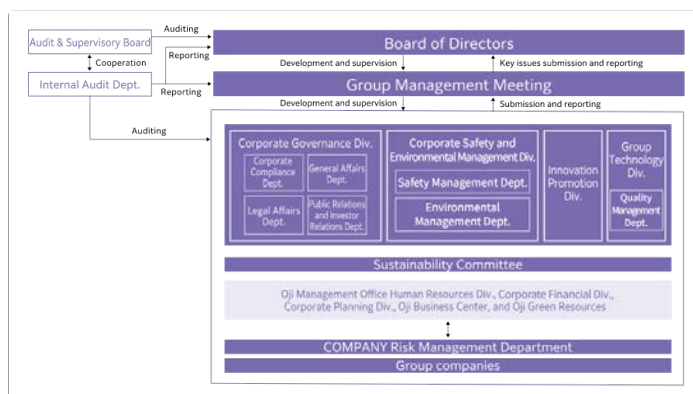
Developed by the Oji Group under the supervision of the Board of Directors, the Oji Group has established Group Risk Management Regulations and it works to manage risks in the flow described below.

The Directors and Corporate officers of Oji Holdings are responsible for reporting risks in the businesses and divisions under their control to the Group Management Meeting, and important risks are also reported to the Board of Directors. The Oji Holdings Board of Directors reviews the effectiveness of its risk management process annually.



The Oji Group's risk management system is structured as shown in the diagram below and operates separately from the Audit & Supervisory Board and the Internal Audit Department.


The Audit & Supervisory Board and the Internal Audit Department also audit the status of risk management.



Risk Management Structure

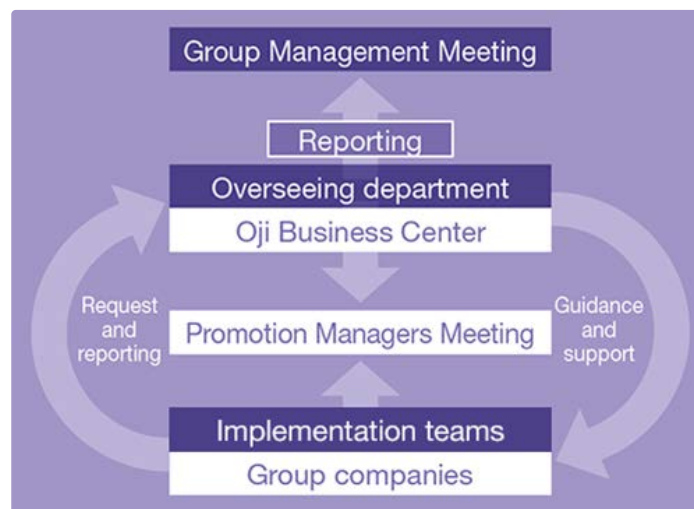
The Oji Group identifies major risks that may have a material effect on its financial position, etc., and categorizes them into three groups: risks regarding long-term issues, risks associated with its management strategies, and risks arising from the execution of business.

	Type of risk
Risks regarding long-term issues	Climate change
	Pandemic
Risks associated with our management strategies	Structural changes in demand arising from innovation
	Fluctuations in demand
	Fluctuation of global market conditions
	Domestic business
	Overseas business
Risks arising from the execution of business	Occurrence of disasters, etc.
	Laws, regulations and other rules
	Litigations and other actions
	Product liability
	Exchange rate fluctuations
	Interest rate fluctuations
	Information leakage

Please refer to “Section 2: Business Overview – 3. Business Risks” in [the Securities Report](#)  (in Japanese Only) for details on major risks and Main countermeasures against risks.

Information Security Measures

The Oji Group positions information obtained through its business activities as important assets. We have enacted Information Systems Usage and Risk Management Regulations to respond promptly to changes in the IT environment which is always becoming more complex, and we have established a groupwide system to prepare for cyber threats such as unauthorized access to systems and disasters. The Oji Business Center, as a department that oversees our information system risk management, inspects the information system risks throughout the Group and maintains, manages and improves IT security. In addition, it regularly provides educational activities and information on the latest risk trends that it had acquired to employees using company newsletters and conducts targeted email training so that employees can handle phishing e-mails which are becoming more sophisticated every day. In FY2021, we revised regulations to respond to the changes in work styles, such as the increased use of cloud computing and teleworking during the COVID-19 pandemic. We will work to make sure that these measures take hold and further strengthen our efforts to improve IT security from a global perspective.



Information Security Structural Diagram

BCP

At the Oji Group, we have formulated a BCP*¹ for each COMPANY to respond to an emergency when a risk associated with the execution of business materializes. Reviewing the BCPs as necessary, we also engage in BCM.*² In the event of a serious incident that must be addressed by the Group as a whole, we establish a Group Emergency Headquarters to confirm the safety of employees, investigate the damage incurred, and take prompt measures to continue supplying products to our customers.

*1 A business continuity plan (BCP) is a plan for continuing business in an emergency such as a disaster or pandemic.

*2 Business Continuity Management (BCM) is comprehensive and integrated management for ensuring business continuity, including the formulation and continual improvement of BCPs including, for example, the introduction, implementation and review of BCPs.

Building a Group Disaster Control System

We have established the Group Disaster Control Office as a permanent organization to prepare for disasters such as fires, earthquakes, storms and floods. We have formulated rules on the reporting of disaster and accident information, establishing a system that enables us to promptly obtain the most up-to-date information. We also promptly share information on disasters that have occurred within the Group for the implementation of recurrence prevention measures. By holding regular Disaster Prevention Committee meetings and conducting a large-scale safety confirmation drills using the safety confirmation system and disaster prevention drills at each workplace, we work to increase employees' awareness of disaster preparedness and strengthen disaster preparedness measures.

Locating production bases to diversify risks and flexibly procure raw materials

Oji Group companies have production bases nationwide, from Hokkaido to Kyushu. While proceeding with the consolidation of production bases to enhance competitiveness, we consider risk diversification in the continuation of our business. In addition, to ensure we are able to continue production, we, in principle, procure raw materials from several companies and ensure we are able to flexibly procure materials from diversified sources.

Exploration of infrastructure risks and implementation of measures

The production bases of the Oji Group in Japan explore risks related to earthquakes, heavy rains, typhoons and other natural disasters, and implement measures against them using local hazard maps to simulate the occurrence of disasters such as floods or landslides. For example, we have strengthened waterproofing measures for electrical rooms to prevent the long-term stoppage of operations at plants or mills. We also actively roll out useful measures to other companies in the Group.

Local preparedness for natural disasters and support

In recent years, we have strengthened not only the measures within the Group but also our collaboration with local residents to prepare for the increasingly frequent natural disasters. To date, we have concluded a total of 170 disaster prevention agreements with local governments across Japan. When a disaster occurs, we provide corrugated cardboard beds and various other types of corrugated cardboard products, and also jointly conduct drills for setting up evacuation centers. We provide support in a wide variety of ways, including infection prevention measures.

The Oji Group carries out its production activities to maintain people's everyday lives around the world by supplying the corrugated containers and folding carton products that support logistics services, hygiene materials such as tissue paper, toilet roll and face masks, as well as printing and communication paper that conveys information.



Corrugated bed



Drills for setting up evacuation centers with local governments

Compliance

System ▾ Whistle-blowing system in compliance with the Whistleblower Protection Act ▾ Monitoring of the Status of Compliance ▾

Response to Compliance Violations ▾ Dissemination of the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard ▾

Activities to Foster an Awareness of Business Ethics and Compliance ▾ Data ▾

System

The Oji Group's Corporate Compliance Department (in the Corporate Governance Division of Oji Holdings Co., Ltd.) formulates policies and measures to uphold a high standard of ethics in its businesses and ensure compliance. The Oji Group Corporate Code of Conduct, Behavior Standard and Regulations for Prevention of Corruption are formulated by the Corporate Compliance Department and the Legal Affairs Department (also within the Corporate Governance Division), and they are reviewed and revised as necessary following the regular examination of their necessity and effectiveness.

We have established a compliance network by positioning compliance managers and compliance promotion leaders at Group companies all over the world. These team members work together with the Corporate Compliance Department and act as facilitators who help share measures appropriately with employees of each company. They also strive to increase employees' compliance awareness by playing a leading role in the compliance activities of each company.

The person responsible for business ethics and compliance is the President and Representative Director of the Board of Oji Holdings.

The General Manager of the Corporate Governance Division (Executive Officer) is responsible for overseeing the implementation of the Group's compliance activities. The General Manager of the Corporate Governance Division (Executive Officer) reports to the President and Representative Director regarding the Group's compliance activities, receives instructions from the President and Representative Director and their activities are supervised by the President and Representative Director on a daily basis.

When important matters are raised, the General Manager of the Corporate Governance Division submits proposals and reports to the Group Management Meeting, the Board of Directors, and the Audit & Supervisory Board in line with instructions from the President and Representative Director.

Oji Group Compliance Promotion Structure



Role

- General Manager, Corporate Governance Div.
Supervision of compliance activities throughout the Oji Group
- Compliance Manager
Supervision of the compliance activities of each Oji Group company
- Compliance Promotion Leader
 1. Contact Desk for various compliance-related issues (Business Ethics Helpline reports, etc.) at each Oji Group company
 2. Implementation of compliance training by each Oji Group company
 3. Identifying compliance-related risks that each Oji Group company faces

Whistle-blowing system in compliance with the Whistleblower Protection Act

The Business Ethics Helpline is available to all executives, employees (including part-time and temporary employees) and as well as retired employees. The purpose of the compliance hotline[※] is to prevent the violation of laws and misconduct (including labor-related issues, sexual harassment and power harassment), detect them at early stages and correct them.

In addition, we have set up reporting offices internally (within the Corporate Compliance Department of Oji Holdings) and externally (at a lawyer's office). We also receive reports from and consult with the executives and employees of our business partners, job applicants, interns, other trainees and former trainees. We will quickly identify and correct any improper conduct.

Whistleblowers are legally protected as detailed in the Group Internal Whistleblowing Regulations, which stipulate measures for protecting whistleblowers as stipulated by the Whistleblower Protection Act. The information provided by whistleblowers is kept strictly confidential, any retaliation against or any other prejudicial treatment of whistleblowers is prohibited and whistleblowers may remain anonymous.

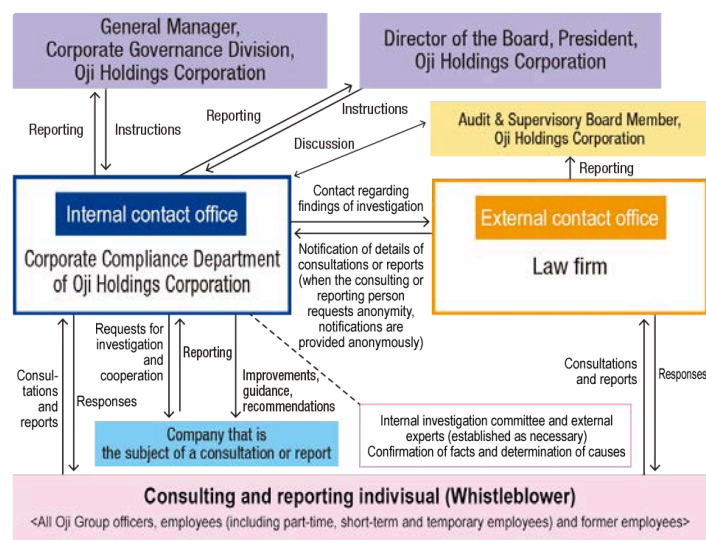
This system is described in the Oji Group Corporate of Conduct and the Oji Group Behavior Standard and information about this system is distributed to all officers and employees. Additionally, we disclose information about this system on the intranet so that any conduct that violates these rules or any risks of such behavior occurring will be promptly reported. The Company also makes this information known every month through its Compliance News newsletter.

We have established the Group's whistleblowing regulations which are in line with the Whistleblower Protection Act to ensure that all Group companies are thoroughly familiar with these regulations. The Group Internal Whistleblowing Regulations prohibit the prejudicial treatment toward whistleblowers and stipulate the structure of the whistleblowing system, the information management procedures for maintaining confidentiality during investigations and the penalties for violating these regulations.

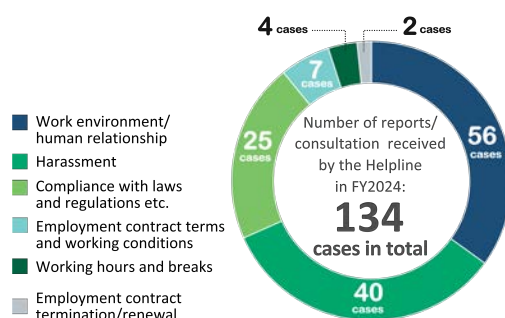
In addition, we accept reports from sources outside our companies through the Contact Us (Category: Compliance) form on our website when officers or employees may be involved in compliance violations. People submitting reports may remain anonymous and the information we receive is treated with the strictest of confidentiality, as with employees.

The people receiving the information submitted via the Contact Us (Category: Compliance) form are members of the Corporate Compliance Department who are committed to acquiring necessary knowledge and skills by attending external training sessions, participating in workshops, and holding regular workshops with other consultants.

※ It was called the Corporate Ethics Helpline until September



In FY2024, there were a total of 134 reports and requests for consultation submitted to the Oji Group Business Ethics Helpline. Over 70% of these reports or requests for consultation were regarding harassment or the work environment/human relationships, including consultations regarding miscommunication with a supervisor or coworker in the workplace in everyday work. Depending on the nature of the subject matter of the report or request for consultation, in principle, the Corporate Compliance Department staff or the compliance leader of the company investigates the matter carefully from a fair perspective and acts to solve the problem and resolve concerns, including the referral of matters to a lawyer or other third party.



Monitoring of the Status of Compliance

The Internal Audit Department conducts regular audits, and if problems are identified, implements countermeasures to individually address issues and implements other detailed responses to ensure that compliance is firmly established. In addition, a compliance awareness survey of all Oji Group officers and employees is conducted every other year in Japan to monitor the status of compliance at each work site.

Response to Compliance Violations

In the Oji Group, compliance violations are not only violations of laws and regulations, but also infringements of the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, and violations of the Group's ethical standards.

When a compliance violation occurs within the Group, the department where it occurred reports immediately to the General Affairs Department, the Corporate Compliance Department, the Executive Officer and the General Manager of the Corporate Governance Division before then reporting to the Group CEO in line with the Group Risk Management Regulations.

The Corporate Compliance Department takes the lead in investigating the facts and the causes of incidents and leads the implementation of measures to prevent recurrence in cooperation with the compliance officers of the operating companies and the companies where the incidents occurred.

When matters are reported to the Business Ethics Helpline, investigations are carried out in compliance with the Whistleblower Protection Act, carefully ensuring that whistleblowers are protected.

In accordance with internal policies and procedures, the Oji Group considers disciplinary action for officers and employees involved in compliance violations based on employment regulations, and imposes disciplinary measures when necessary.

The Executive Officer and General Manager of the Corporate Governance Division will meet with the Group Management Meeting, the Board of Directors, and the Audit & Supervisory Board to report on the status and results of the handling of incidents, including reports related to whistleblowing reports in line with the Group Whistleblowing Regulations.

In addition, follow-up training and monitoring measures, such as awareness surveys, are conducted at the relevant workplaces.

Dissemination of the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard

The Corporate Compliance Department provides a booklet containing the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard (revised on October 1st, 2020) to all Group officers and employees (including part-time and temporary employees).

The Corporate Compliance Department has prepared explanatory and educational materials on the basic concept, explanations of the articles and text of the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, and points to check regarding them. These materials have been used in the provision of education at compliance meetings at all of the workplaces of the domestic offices of the Oji Group.

The Corporate Compliance Department initially translated the Oji Group Corporate Code of Conduct, the Oji Group Behavior Standard and educational materials into 12 languages for overseas employees. It continues to translate them into more languages as necessary. The translations of the education materials are distributed as part of the Compliance News newsletter regularly published by the Corporate Compliance Department for Japan and overseas workplaces and they are used at workplace compliance meetings at Group companies in order to disseminate the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard and encourage employees to practice the standard.

Activities to Foster an Awareness of Business Ethics and Compliance

The Corporate Compliance Department of Oji Holdings ensures compliance by providing compliance training and publishing newsletters. The compliance leaders of the Group companies lead regular business ethics and compliance meetings and training sessions on harassment and other issues for all officers and employees (including part-time and temporary employees) in each workplace. The Oji Group strives to elevate the ethical standards upheld in its businesses and increase compliance awareness through the combination of these activities.

Training

We conduct corporate ethics and compliance training by educating new managers, new employees and other employees at different levels, as well as regular in-house training sessions on harassment, the Act against Delay in Payment of Subcontract Proceeds, the Anti-Monopoly Act and anti-bribery measures.

Information Dissemination

We publish the monthly Compliance News newsletter to alert employees to case studies, explain the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, and inform them of the whistle-blowing system. We also proactively provide information about the revision of various compliance-related laws.

Through regular compliance meetings, we increase people's understanding of the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, identify compliance issues in the workplace, and encourage employees to think about and discuss measures for handling these issues on their own, thereby increasing their awareness of corporate ethics and compliance.

Additionally, the contents of compliance meetings are reported to the Corporate Compliance Department and practical initiatives are shared throughout the Group.

The executive and employee compliance meeting participation rate at domestic group companies was 98.8% in the second half of 2024.

In addition, based on the Basic Policy on the Corporate Governance Code, Oji Group companies provide training for newly appointed directors (including executive officers). In April 2025, Oji Group companies conducted training for senior management. At that time, the content of this training program was also made available to previously appointed officers for a certain period of time via a video on a portal site so that they could confirm their knowledge.



Senior management training







Data

In FY2024, there were a total of 134 reports and requests for consultation submitted to the Oji Group Business Ethics Helpline. There have been no significant compliance violations that damaged the Oji Group's corporate value or adversely affected its management.

ESG Data



Anti-corruption

Policy  Structure  Whistle-blowing system  Risk assessment  Dissemination among employees  Data 

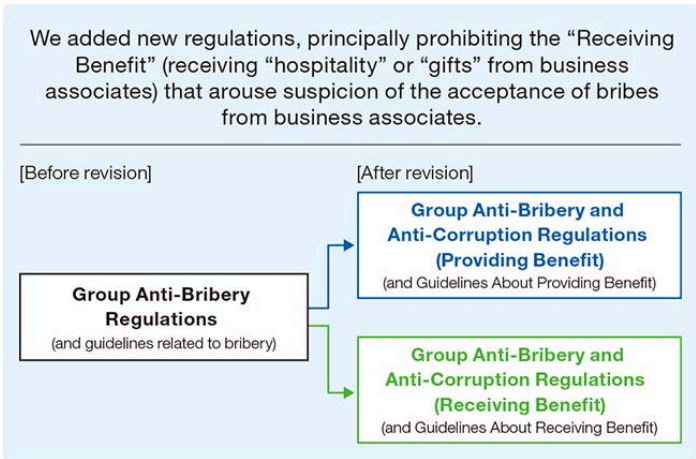
Policy


In accordance with Principle 10 of the UN Global Compact (anti-corruption initiatives), we clearly state that the prevention of all forms of corruption, appropriate relationships with politicians and governments and the maintenance of honest, appropriate relationships with business partners are important to us in the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard which were established by the Board of Directors.


In addition, we have revised our Group Anti-Bribery and Anti-Corruption Regulations and related guidelines to ensure the transparency of political contributions, prohibit illegal grants and donations and prohibit bribery and other forms of corruption.

Since April 2020, in addition to the detailed rules regarding the provision of benefits that were established to prevent bribery, we added new regulations, principally prohibiting officers and employees of the Group from receiving benefits (hospitality or gifts from business associates) that may arouse suspicion of bribery from business associates in order to build good healthy relationships with business associates, making the measures taken within the Group clearer and more specific.

* The Group Bribery Prevention Regulations and Guidelines about Bribery were revised in FY2020.



[Group Anti Bribery and Anti Corruption Regulations \(Providing Benefit\)](#) 

[Group Anti Bribery and Anti Corruption Regulations \(Receiving Benefit\)](#) 

Structure

Concerning anti-corruption, we recognized as a group risk in the "Group Risk Management Regulations," which stipulate the prevention of all forms of corrupt activities as types of fraudulent transactions. It is one of the risks for which the Board of Directors supervises the establishment and implementation of countermeasures.

Whistle-blowing system

We also accept whistleblowing about misconduct, including bribery and other acts of corruption, at the Business Ethics Helpline, our whistleblowing system that is compliant with the Whistleblower Protection Act.

[Compliance](#) 

Risk assessment

For example, we conduct risk assessments to prevent involvement in corruption through our evaluation of the bribery risks specific to each country and region in which we operate, the evaluation of the agents we hire, application and review procedures related to the granting of benefits and application procedures related to political contributions and donations. We establish and operate a system that makes transactions impossible when risks are identified.

Furthermore, through internal audits, we regularly examine each Group company from the viewpoint of preventing corruption, and consider disciplinary actions in line with the employment rules when any officer or employee has been involved in corruption in their business transactions, such as bribery. We will punish officers and employees severely when such actions are discovered.

Dissemination among employees

To ensure that officers and employees are thoroughly informed of our anti-corruption initiatives, the Corporate Compliance Department of Oji Holdings plays a leading role in sessions held to explain the regulations. In particular, we provide training in regions where there is the possibility that bribery may occur. In addition, each Group company holds read-throughs the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard during regular compliance meetings in their efforts to keep the importance of sound trading in mind.

The Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard have been distributed to all officers and employees in the form of a booklet and they have also been published on the official website of Oji Holdings Corporation. In addition, the Group Anti-Bribery and Anti-Corruption Regulations (Providing Benefits), the Group Anti-Bribery and Anti-Corruption Regulations (Receiving Benefits) and the related guidelines are on the intranet and can be viewed by officers and employees.

Data

In FY2024, there were no employee terminations resulting from violations of the anti-corruption policy and no penalties, surcharges, or settlements paid related to corruption.

See the ESG Data for the amounts of political contributions and donations.

[ESG Data](#)



Tax Transparency

Oji Group Tax Policy

Drawing on the fundamental values and the behavior principles that the Oji Group (the "Group") has carried down as a company since its founding, the 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 as a corporate citizen and a strong sense of ethics. In taxation, we understand that by ensuring proper tax payment in compliance with the tax laws and regulations of each country where we operate, we can enhance corporate value and become a socially trusted company.

We hereby establish the "Oji Group Tax Policy" and clarify the basic principles as follows.

Tax Governance

The finance officer is responsible for the Group tax governance. If any significant tax risks are identified, we establish response policies in accordance with this Group Tax Policy and they are decided upon by the Board of Directors.

The establishment and amendment of the Group Tax Policy require a decision by the Board of Directors.

Tax Compliance

The Group complies with the spirit as well as the letter of the tax laws, regulations, and rules of each country where it operates and ensures proper tax filings and payments.

Tax Risk Management

The Group utilizes advice from external tax specialists and an advance ruling system with tax authorities to mitigate tax risks in areas of high tax uncertainties where differences in interpretation of laws, regulations, etc., may arise with tax authorities.

Transfer Pricing

The Group complies with the OECD Transfer Pricing Guidelines and therefore determines the transaction prices between the group companies in accordance with the arm's length principle based on the functions and risks of each group company. We do not set prices intended to transfer created value to low-tax jurisdictions without business substance.

Tax Planning

The Group does not engage in tax planning without business substance or arbitrary tax avoidance utilizing tax havens.

Relationship with Tax Authority

The Group strives to build a mutually beneficial and healthy relationship with tax authorities in each country.