

## Management Philosophy, Purpose

### Management Philosophy

#### Creation of Innovative Value

Innovation is essential for the Oji Group to make a big leap forward. Changes must take place in the research and technological development leading up to revolutionary new products. At the same time, our organizational systems and the behaviors of each and every employee need to be transformed. We will promote “challenging manufacturing” based on novel ideas and fulfill society’s latent needs.

#### Contribution to the Future and the World

The Oji Group comprises a diverse range of businesses. We have grown into a global corporate group, with an overseas sales ratio above 30%. The Group will continue to provide innovative value to all countries, regions, and societies and create a new future through proactive global expansion in Asian and other countries.

#### Harmony with Nature and Society

Resource circulation based on forest resources is the foundation of the Oji Group. We will advance our initiatives such that the business activities themselves contribute to a sustainable society. The initiatives include using vast areas of company-owned forest in and outside Japan for multiple purposes and reducing the environmental burden at manufacturing sites.

### Corporate Slogan



#### “Beyond the Boundaries”

This slogan expresses the Oji Group’s commitment to actively go beyond the “boundaries” of business domains, countries, and the respective capabilities of individual employees to contribute to the future, society, and the world, as well as the determination of all Group members to maximize corporate value as a truly global company.

Grow and manage the sustainable forest,  
Develop and deliver the products from  
renewable forest  
And  
Oji will bring this world a brighter future  
filled with hope

### Purpose

The forest grown and managed sustainably not only absorbs and fixes carbon dioxide, but also mitigates floods, cultivates water sources such as water purification and prevents natural disaster in addition to its contribution to biodiversity, healing and health enhancement of people.

The products derived from wood utilizing forest resources are made of renewable materials and able to substitute for plastic, films and fuel derived from fossil resources.

Oji Group will confront global warming and environmental issues, and bring this world a brighter future filled with hope by growing and managing the sustainable forest and by developing and delivering the products utilizing renewable forest resources.

## Oji Group at a Glance -Oji Forests in Japan-

Our forest  
plantation started  
over a century  
ago.



### Oji Forests in Japan

**188,000 ha**

(≒ Area of Osaka Prefecture)

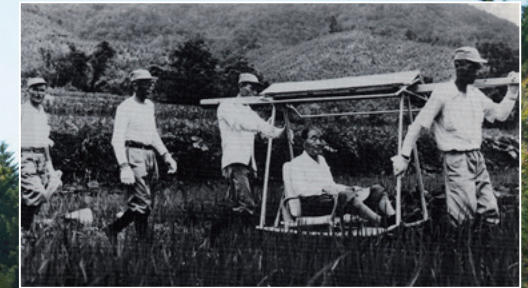
### Economic value\*

Approx.  
**¥550.0**  
billion/year

Trees are a renewable resource that can replace petroleum. The forests in which these trees grow nurture a wide variety of plants and animals, purify water, and help build soil. All kinds of trees absorb carbon dioxide while releasing oxygen through the process of photosynthesis.

The Oji Group's forest plantation business began around 1893 in the Tenryu River basin (Shizuoka Prefecture). By 1914, it owned approximately 1,700 ha of forests. In the 1930s, before global environmental issues became a focus of attention, then-President Ginjiro Fujiwara advocated that "those who use trees are responsible for planting them." Based on this unwavering business philosophy, the Oji Group has continued to grow and manage sustainable forests.

Today, Oji Forests in Japan have grown to approximately 190,000 ha.



Ginjiro Fujiwara, then 86 years old, inspecting a company-owned forest in Hokkaido in 1955.

\* Calculation based on the methodology used in the Forestry Agency of Japan's 2000 Valuation of the Public Benefit Functions of Forests (calculated by multiplying the Forestry Agency's estimated national valuation by the ratio of Oji Holdings' forest area to the national forest area). Some calculation units and evaluation methods were updated where possible (water resource cultivation function, biodiversity conservation function (wildlife conservation function), and air quality conservation function).

Management Philosophy, Purpose

[Oji Group at a Glance](#)

## Oji Group at a Glance -Oji Forests Expanding across the Globe-

With the growing dependence on overseas woodchips during the 1960s, the need for forest plantation businesses outside Japan had been growing in a bid to secure resources for the long term. Beginning with the establishment of Pan Pac Forest Products Ltd. in New Zealand, a company engaged in the manufacture of lumber materials and pulp, in 1971, the Oji Group took steps to expand its overseas network with the establishment of such companies as Celulose Nipo-Brasileira S.A. (CENIBRA) in Brazil and Quy Nhon Plantation Forest Company of Vietnam Ltd. (QPFL) in Vietnam. Today, Oji Forests have expanded both in Japan and across the globe to 640,000 ha.

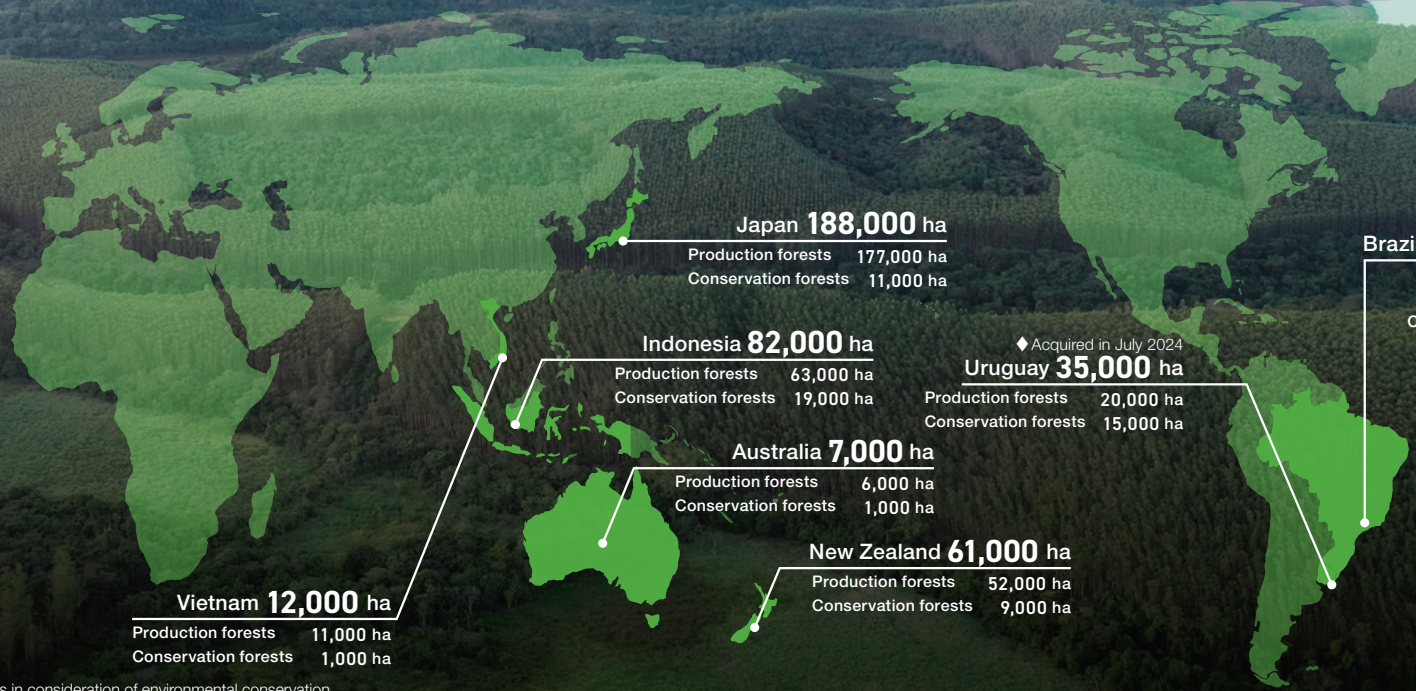
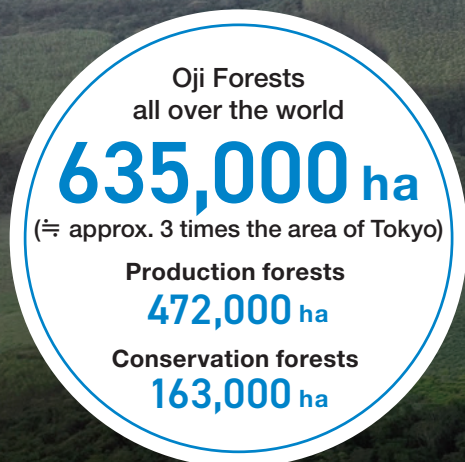
To make the most of the forest resources that have been carefully nurtured for more than a century, we will work to provide not only paper, our original business, but also new value through the supply of new products, including new materials derived from wood. At the same time, we will continue to cultivate healthy forests and put forward solutions to environmental and social issues.

**Job creation of forest plantation business at overseas Group companies**

Approx. **13,000**

**Forest maintenance and management expenses in Japan and overseas**

**¥16.3 billion/year**



Note: Production forests: Forests primarily for producing forest products in consideration of environmental conservation.  
Conservation forests: Forests primarily for environmental conservation, including protecting biodiversity and watershed.

## Oji Group at a Glance -Paper and Paperboard Market Trends in Japan-

After peaking in 2000, domestic demand for paper and paperboard in Japan has continued to decline since the Lehman Shock. Domestic demand for newsprint, as well as printing and publication paper, which has been significantly impacted by the trend toward digitalization, has fallen to nearly half the peak level recorded in 2000. Going forward, the continued downturn in demand is inevitable. In contrast, trends in paperboard, including containerboard, remain firm owing to the stable demand for food and home electronics applications and the spread of e-commerce.

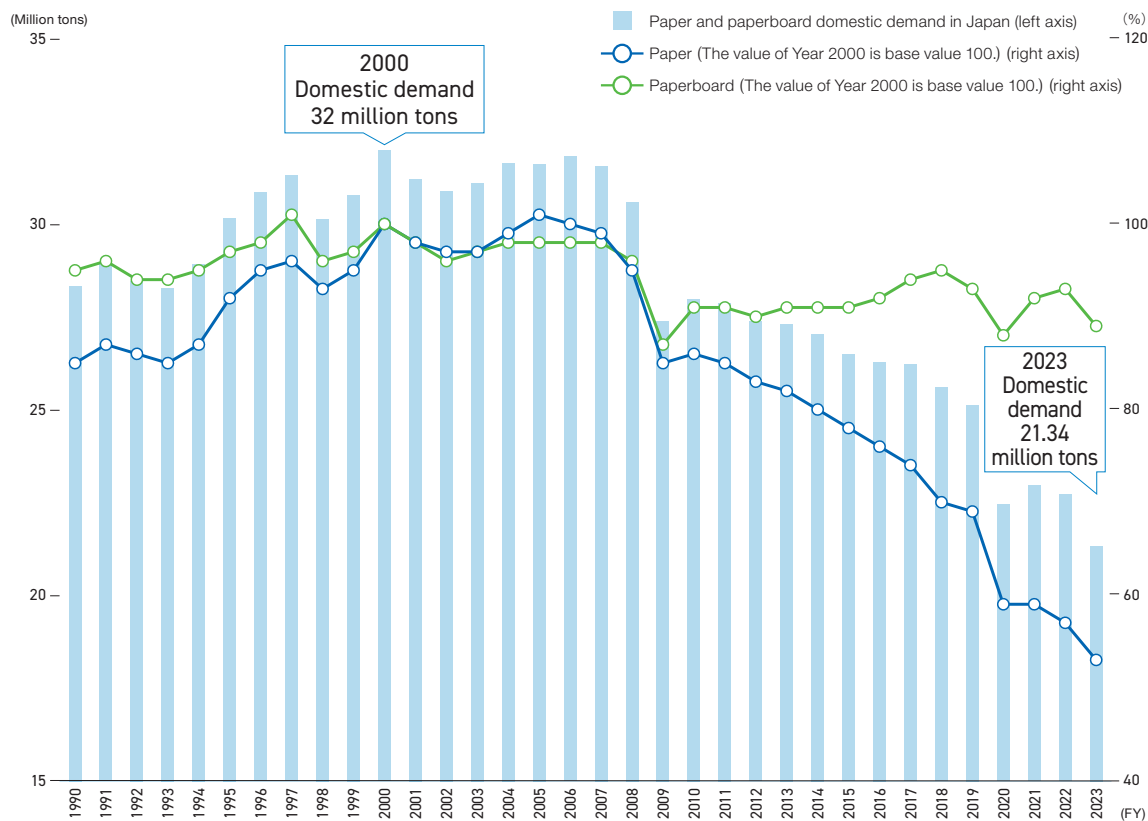
Recognized as the No. 1 paper and paperboard manufacturer in Japan in terms of total production volume, the Oji Group was quick to focus its attention on paperboard. Over an extended period, we have

worked to steadily expand this business and increase paperboard production volume through M&As and production system restructuring. The Group led the production volume of paperboard in Japan in 2022.

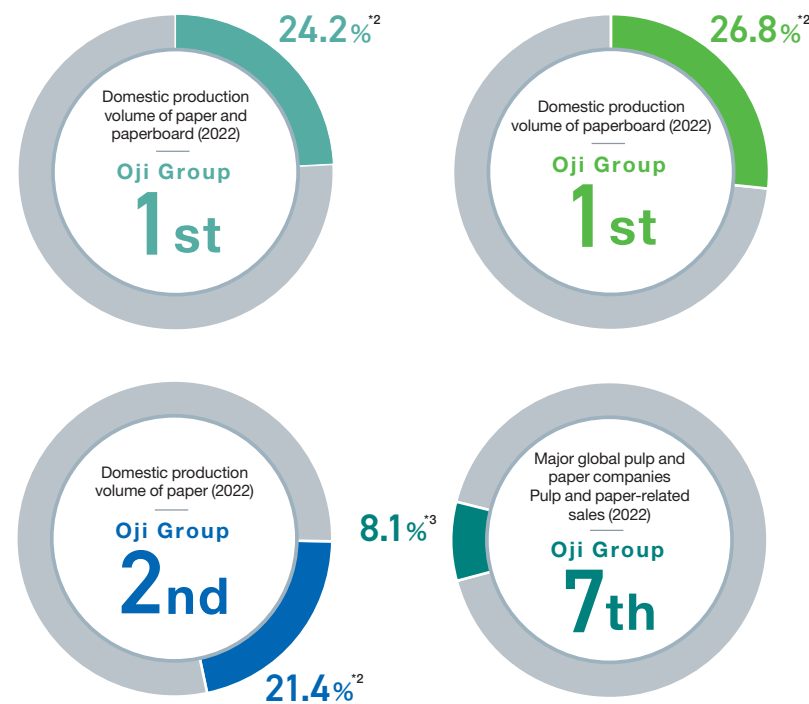
In recent years, sustainable materials have attracted increased interest with growing global awareness of the environment. Against this backdrop, demand for paper and paperboard is expected to expand especially in the packaging field.

Recognizing these changes in society as an opportunity for growth, the Oji Group will work to enter new fields through its carefully nurtured forest and human resources and innovation.

### Paper and paperboard demand\*1 in Japan



### Oji Group's share of domestic production volume and global sales



\*1 Domestic shipments + Imports  
 \*2 Percentage of the Company's production volume to total production volume  
 \*3 Percentage out of top 10 companies

Source: Japan Paper Association, Paper360°

## Oji Group at a Glance -Business Overview-

The Oji Group is building a business portfolio that is finely attuned to changes in the structure of demand.

We intend to strengthen our business foundation while continuing to improve our mainstay businesses. At the same time, we will work to expand into new domains and to appropriately transform our portfolio.

### Others

Domestic **15** companies

Overseas **2** companies

- Trading, logistics, engineering, real estate, and liquid packaging carton businesses
- New business development

• Net sales	¥316.1 billion
• Operating profit	¥5.8 billion
• Capital investment	¥12.5 billion
• R&D expenses	¥6.3 billion
• Depreciation and amortization	¥4.4 billion

### Printing and Communications Media

Domestic **7** companies

Overseas **1** company

- Newsprint business
- Printing and publication paper business
- Communications paper business

• Net sales	¥299.4 billion
• Operating profit	¥16.8 billion
• Capital investment	¥5.0 billion
• R&D expenses	¥0.7 billion
• Depreciation and amortization	¥7.6 billion

### Forest Resources and Environment Marketing

Domestic **19** companies

Overseas **30** companies

- Pulp business
- Forest plantation business
- Energy business
- Lumber processing business
- Starch and saccharification business

• Net sales	¥359.6 billion
• Operating profit	¥19.6 billion
• Capital investment	¥54.8 billion
• R&D expenses	¥0.5 billion
• Depreciation and amortization	¥25.4 billion

### Household and Industrial Materials

Industrial Materials

Domestic **43** companies

Overseas **44** companies

- Corrugated container business
- Folding carton business
- Paper bag business

Household and Consumer Products

Domestic **1** company

Overseas **6** companies

- Household paper business
- Disposable diaper business

• Net sales	¥798.7 billion
• Operating profit	¥21.2 billion
• Capital investment	¥36.6 billion
• R&D expenses	¥0.4 billion
• Depreciation and amortization	¥33.4 billion

### Functional Materials

Domestic **10** companies

Overseas **22** companies

- Specialty papers business
- Imaging media business
- Adhesive products business
- Film business

• Net sales	¥227.5 billion
• Operating profit	¥9.1 billion
• Capital investment	¥10.5 billion
• R&D expenses	¥2.6 billion
• Depreciation and amortization	¥8.8 billion



Notes:

1. Business results and number of consolidated subsidiaries data as of March 31, 2024.

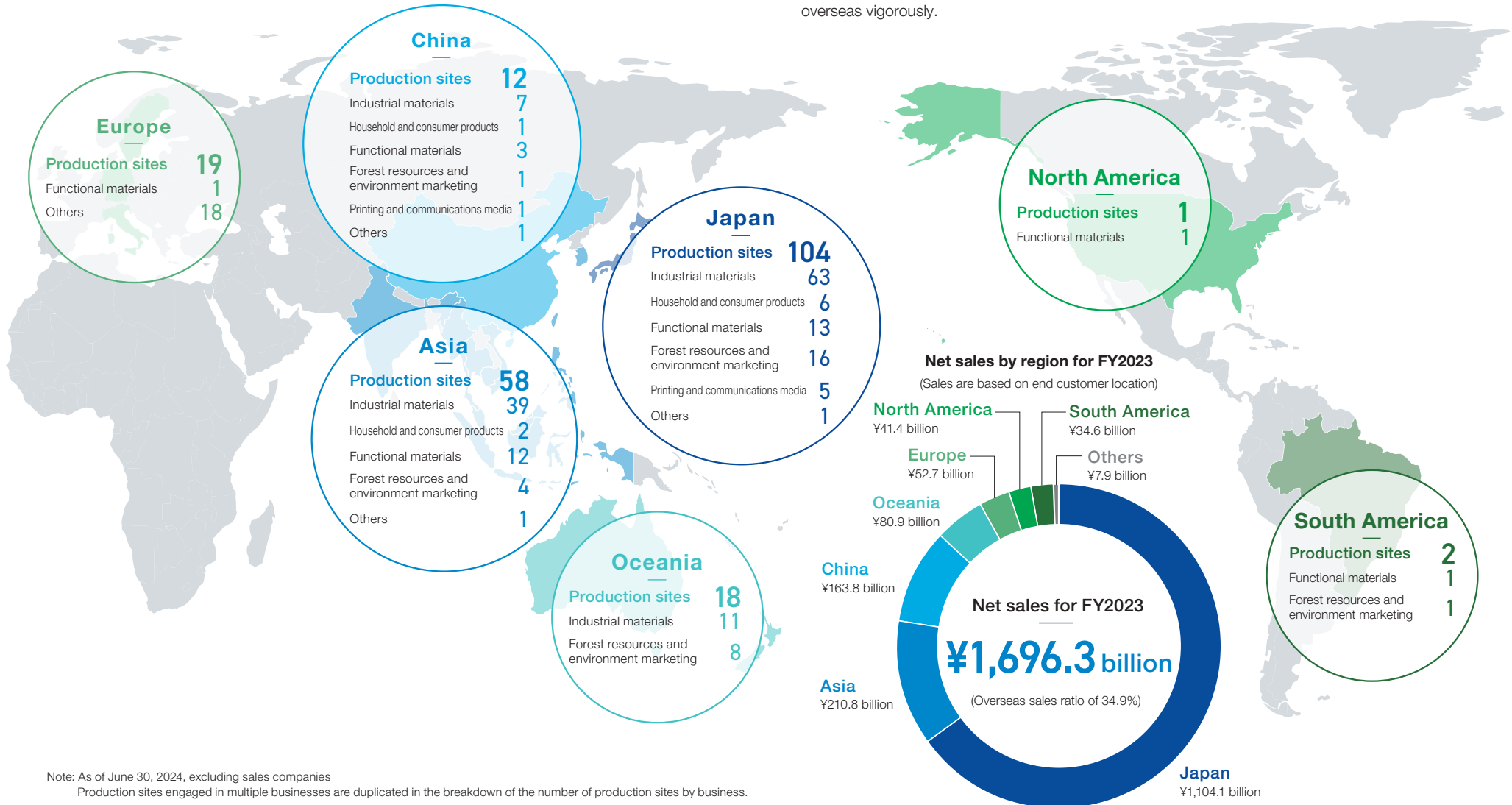
2. Total net sales include adjustments (primarily those for internal transactions).

Non-consolidated net sales, net sales composition ratio, and operating profit do not include adjustments (primarily those for internal transactions).

## Oji Group at a Glance -Production Sites and Net Sales by Region-

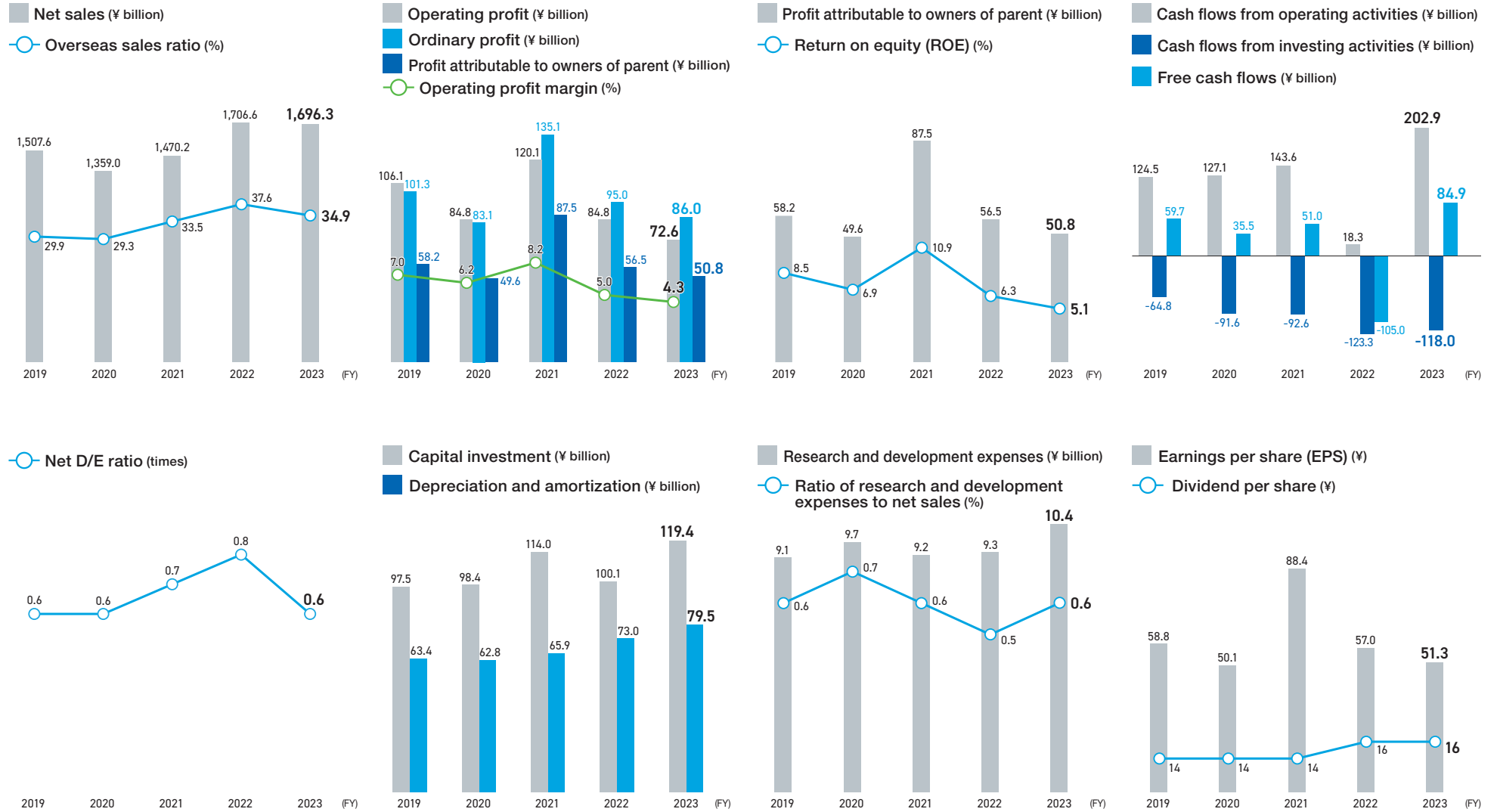
The Oji Group maintains 104 production sites in Japan and 110 sites in 23 countries overseas, and is developing a wide variety of products for the global market.

IPI based in Italy and Walki based in Finland were recently included in the Group as a part of efforts to expand the packaging business. Our overseas sales ratio target of 40% for FY2024 in the medium-term management plan is expected to be achieved, and we will continue to expand overseas vigorously.



Note: As of June 30, 2024, excluding sales companies  
Production sites engaged in multiple businesses are duplicated in the breakdown of the number of production sites by business.

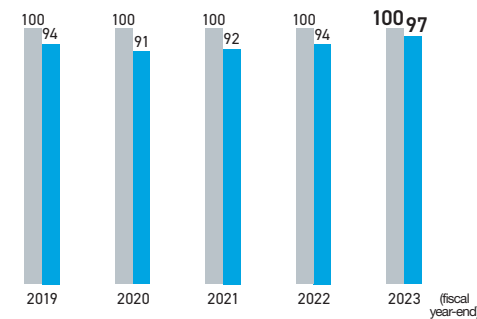
## Oji Group at a Glance -Financial Highlights-



## Oji Group at a Glance -Non-financial Highlights-

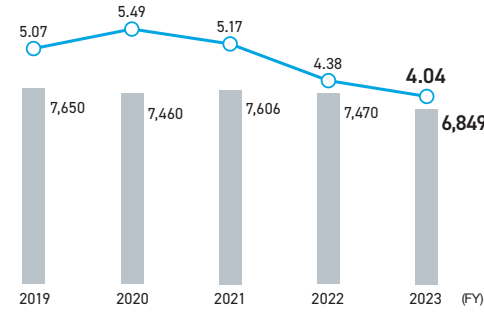
### Forest certification acquisition rate\*1

- Company-owned forests in Japan (SGEC (%))
- Overseas forest plantations (FSC™, etc. (%))



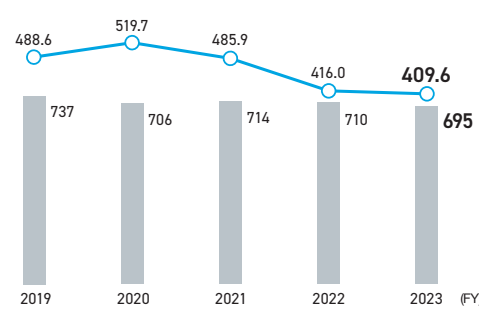
### Greenhouse gas (GHG)

- GHG emissions (kt-CO<sub>2</sub>e)
- GHG emissions intensity (t-CO<sub>2</sub>e/¥ million)



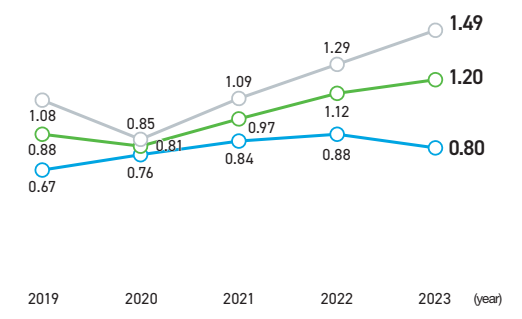
### Water intake

- Water intake (Million m<sup>3</sup>)
- Water intake intensity (m<sup>3</sup>/¥ million)



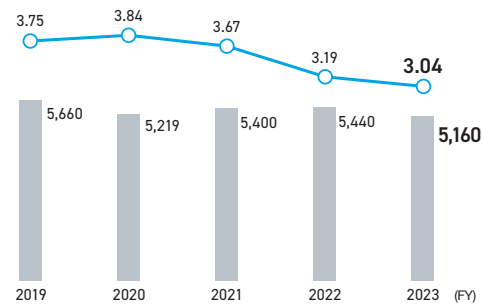
### Lost time injury frequency rate (LTIFR)\*2

- Domestic
- Overseas
- Whole Group



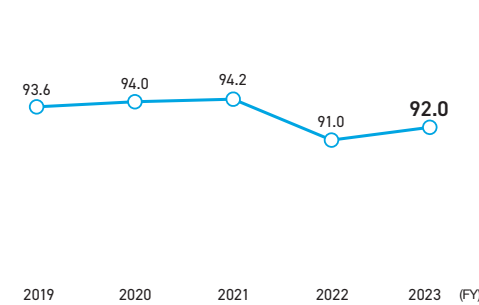
### Energy consumption\*2

- Energy consumption (thousand kLoile)
- Energy consumption intensity (kLoile/¥ million)



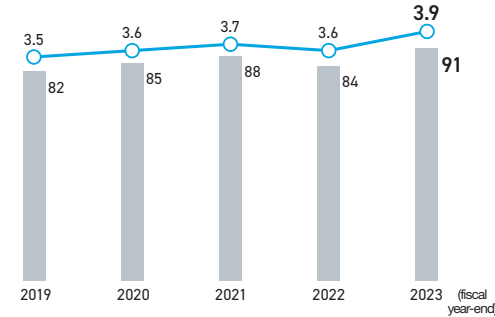
### Effective waste utilization ratio\*1

- Effective waste utilization ratio (%)



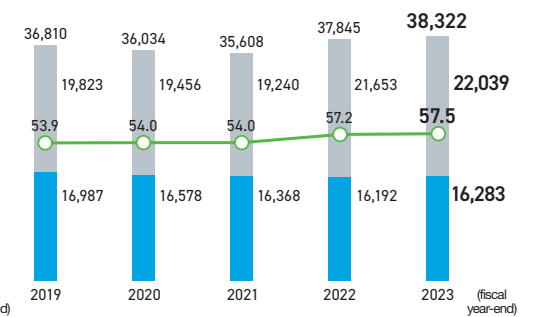
### Percentage of female managers\*2 (16 Group companies in Japan)

- Number of female managers
- Percentage of female managers



### Number of employees (excluding temporary employees)

- Japan
- Overseas
- Percentage of overseas employees



\*1 For the calculation method (P.32)

\*2 For the calculation method (P.98)