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Oji Holdings Corporation

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(Corporate Administration Dept.,

Corporate Governance Div.)

Securities Code: 3861

<https://www.ojiholdings.co.jp/en/>

The corporate governance of Oji Holdings Corporation (the “Company”) is described below.

I. Basic Views on Corporate Governance, Capital Structure, Corporate Profile and Other Basic Information

1. Basic Views

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. The Group will continue to strive toward enhancing its corporate governance, regarding it as one of the highest priority issues, by ensuring efficiency, soundness and transparency of the management, while building relationships of trust with its diverse stakeholders. In doing so, the Group aims to increase its corporate value and become a company that is trusted by society.

[Reasons for Non-compliance with the Principles of the Corporate Governance Code]

The Company complies with all the principles of the Corporate Governance Code revised in June 2021, including all principles for companies listed on the Prime Market applicable after April 4, 2022.

[Disclosure Based on the Principles of the Corporate Governance Code]

The Company has formulated the “Fundamental Policies on Corporate Governance” and posted it on its website.

The Fundamental Policies on Corporate Governance:

< <https://www.ojiholdings.co.jp/en/group/governance.html> >

[Principle 1.4] (Strategic Shareholdings)

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 Article 18 of the “Fundamental Policies on Corporate Governance” stipulates the following regarding strategic shareholdings.

Article 18. The Group, as part of its management strategies, shall strategically hold shares that are deemed to contribute to the sustainable growth of the Oji Group and the enhancement of its medium- to long-term corporate value, from the perspectives of business collaboration as well as strengthening and maintenance of long-term stable relationship with business partners.

2. The Group shall verify the appropriateness of strategic shareholdings at the Board of Directors every year, by concretely examining the purpose of holding the shares, as well as whether the benefits and risks associated with holding the shares are commensurate with the cost of capital. The Group, then, shall proceed

with reducing strategic shareholdings by selling the shares for which there is insufficient rationale in a timely and appropriate manner.

3. The Group, taking into account the management policies of issuing companies involved in strategic shareholdings, shall comprehensively assess the impact of each proposal on the Group which include whether the proposal would contribute to enhancing the medium- to long-term corporate value of the issuing companies, or whether it would lead to harm shareholder value. The Group, then, shall exercise its voting rights, and engage in dialogue with issuing companies and other parties regarding the content of the proposal.

At the Board of Directors meeting held in December 2025, in accordance with Article 18, Paragraph 2 of the aforementioned “Fundamental Policies on Corporate Governance,” the Company conducted a review of strategic shareholdings and are working on their reduction. In the Medium-Term Management Plan 2027 announced on May 30, 2025, the Company plans 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 FY 2025 to FY 2027. On the other hand, if a company holding our shares as strategic shareholdings requests to sell its shares, the Company will not take any action to prevent the sale.

Status of reduction in strategic shareholdings

FY2024: Strategic shareholdings: 29 billion yen

Retirement benefits trust contribution shares: 14 billion yen

FY2025: Strategic shareholdings: 14 billion yen (by the second quarter of FY2025)

[Principle 1.7] (Related Party Transactions)

The Article 19 of the “Fundamental Policies on Corporate Governance” stipulates the following regarding related party transactions.

Article 19. The Company shall make efforts so that dealings between Officers, major shareholders and other parties do not harm the mutual interests of the Company and its shareholders, and shall engage in the following initiatives.

1. Directors and Corporate Officers, when engaging in dealings with the Company on behalf of themselves or third parties, shall follow the provisions of the Companies Act as well as the Group Regulations to obtain prior approval from and perform after-action reporting to the Board of Directors.

2. The Company shall confirm the presence of dealings between the Group and its Directors, Corporate Officers, or their relatives to the second degree every year, and shall strive to grasp the dealings by these parties that involve conflicts of interest.

3. Major dealings involving the Company and its major shareholders, subsidiaries, affiliates, and other related parties shall be reported to the Board of Directors.

[Supplementary Principle 2.4.1] (Ensuring Diversity)

Please refer to “III.3. Measures to Ensure Due Respect for Stakeholders - Other” of this Report.

[Principle 2.6] (Roles of Corporate Pension Funds as Asset Owners)

In order to enhance the expertise of operations and fulfill its role as an asset owner, the Company complements its expertise as well as knowledge by appointing individuals with expertise and knowledge in pension fund management as investment executors and employing operational consulting firms. In addition, the Company strives to improve qualifications of its personnel by participating in seminars held by the Pension Fund Association of Japan and other pension business managing financial institutions.

As for the operational aspect, the Asset Management Committee makes decisions on investment activities and monitors the investment status and financial condition as necessary, taking into account the interests of corporate pension beneficiaries.

[Principle 3.1] (Full Disclosure)

(i) Management philosophy, management strategies and business plans

The Group strived to work on the manufacturing which supports a new future and contributing to a sustainable society, based on the three themes of its management philosophy namely “Creation of Innovative Value”, “Contribution to the Future and the World”, and “Harmony with Nature and Society”.

In addition, the Group recognizes that “compliance, safety, and environment,” which is the basis of corporate survival, is the highest priority and most important issue for management. The Group will continue its effort to ensure that all of its Corporate Officers and employees fully understand the ideas of complying with laws and regulations to fulfil its corporate social responsibility, eradicating occupational accident risks, and preventing environmental accidents.

Based on its management philosophy, the Group has established the Purpose of "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" as the Group's vision. The Group considers the core of its business to be forests, the Group's cherished asset. The appropriate cultivation and management of forests help to enhance many functions of forests which are of public benefit, including absorbing and fixing carbon dioxide, conserving biodiversity cultivating water resources, and preserving soil. A lineup of its products utilizing forest resources can be used to replace fossil resource-derived materials and products. The Group will strive to address environmental and social issues through business activities rooted in forest resources.

In May 2025, the Group formulated the Long-Term Vision 2035. In this vision, “Dedicated to Sustainability,” the slogan, is set as the Group's goal and the following three basic policies are established as the basic policy.

“Improving Capital Efficiency”

Management focusing on capital efficiency, asset sliming, restructuring of capital composition

“Portfolio transformation”

Expansion and exploration of new/promising businesses with a focus on the forest biomass business and sustainable packaging business, restructuring of low profitability businesses

“Promoting Sustainability”

Promotion of carbon neutral, expansion of nature positive, realization of circular economy

Under these policies, the Group will contribute to the sustainability of the earth and society through initiatives aimed at maximizing corporate value and solving social issues.

In Medium-Term Management Plan 2027, the Group has set the following targets to be achieved by FY 2027: ROE of 8.0%, consolidated operating profit of 120 billion yen, profit attributable to owners of parent of 80 billion yen, a dividend payout ratio of 50% from FY 2025 onwards, cumulative treasury stock buyback of 120 billion yen over the plan period, and maintenance of a net D/E ratio of 1.0 or less. While focusing on improving capital efficiency, the Group will build a strong profitability of existing businesses, transform the business portfolio and promote research and development investments for evolution, with the aim of achieving the above items.

Please refer to the Company's disclosures on its website and materials for Medium-Term Management Plan. Management philosophy, management strategies:

< <https://www.ojiholdings.co.jp/en/group/philosophy.html> >

Financial Results & Presentation:

< <https://www.ojiholdings.co.jp/en/ir/library/result/> >

(ii) Basic views and guidelines on corporate governance

For basic views, please refer to “I.1. Basic Views” of this Report.

For guidelines, please refer to the “Fundamental Policies on Corporate Governance”.

< <https://www.ojiholdings.co.jp/en/group/governance.html> >

(iii) Board policies and procedures in determining compensation of senior management and Directors

The Company has designed its compensation programs with an emphasis on the roles performed by the Director compensation program such that the Board of Directors promotes sustainable growth and increasing medium-to long-term corporate value of the company and pursues enhanced profitability and capital efficiency. The specifics of the Director compensation program and determination policies are set forth in the Fundamental Policies on Corporate Governance (Article 13). Director compensation comprises base compensation, bonuses that reflect short-term performance, and stock-based compensation that reflects medium-to long-term improvement in corporate value. After deliberation by the Compensation Committee,

which is an advisory body to the Board of Directors, a report will be submitted to the Board of Directors. The Compensation Committee comprises all outside directors, with a chairperson selected from among its members.

The Article 13 of the “Fundamental Policies on Corporate Governance” stipulates the following regarding Director compensation program and determination policies.

Article 13. Compensation for Directors shall comprise base compensation, compensation reflecting short-term performance, and stock-based compensation reflecting medium-to long-term improvement in corporate value, and the total amount shall be within the limit amount resolved at general meetings of shareholders. Compensation for Outside Directors shall comprise base compensation only.

2. Compensation for Corporate Officers who do not concurrently serve as Directors shall comprise base compensation and compensation reflecting short-term performance and stock-based compensation reflecting medium- to long-term improvement in corporate value.

3. Compensation for Directors and Corporate Officers shall be decided by the Board of Directors based upon reports from the Compensation Committee.

4. Compensation for Audit & Supervisory Board Members shall be decided through discussion among the Audit & Supervisory Board Members, within the limit amount resolved at general meetings of shareholders.

(iv) Board policies and procedures for appointment and dismissal of senior management as well as nomination of candidates of Directors and Audit & Supervisory Board Members

At the Company, the Fundamental Policies on Corporate Governance (Articles 5, 6, and 10) stipulate as a Director nomination policy that candidates be nominated for Director who possess excellent character and insight and who may contribute to the sustainable growth as well as the increase of medium- to long-term corporate value of the Group and that candidates be appointed for Audit & Supervisory Board Members who are capable of executing the duties of Audit & Supervisory Board Members, and who possess excellent character and insight as well as high level of specialization and extensive experience.

When nominating candidates for Directors, the Nomination Committee, an advisory body to the Board of Directors, deliberates and recommends to the Board of Directors. As for nomination of candidates for Audit & Supervisory Board Members, the Nomination Committee recommends to the Board of Directors with the consent of the Audit & Supervisory Board, following consultation with the Nomination Committee. The Nomination Committee consists of all Independent Outside Directors, with a chairperson selected from among its members.

The Article 5, the Article 6, and the Article 10 of the “Fundamental Policies on Corporate Governance” stipulate the following regarding nomination policy of Directors and Audit & Supervisory Board Members and roles of the Nomination Committee and the Compensation Committee.

(Policies for Director Nomination)

Article 5. The Board of Directors shall nominate candidates for Directors who possess excellent character and insight and who may contribute to the sustainable growth as well as the increase of medium- to long-term corporate value of the Group. However, any nomination shall be conducted following consultation with the Nomination Committee.

2. Individuals with high level of expertise and broad insight, who are capable of expressing opinions from a standpoint independent of the management and from viewpoints of various stakeholders, shall be selected as candidates for independent Outside Directors.

(Roles of the Nomination Committee and Compensation Committee)

Article 6. The Nomination Committee and the Compensation Committee shall be established as advisory bodies to the Board of Directors.

2. The Nomination Committee shall deliberate the following issues/matters and report to the Board of Directors.

1 Nomination policies for candidates for Directors and Audit & Supervisory Board Members, and selection policies for Corporate Officers

- 2 Nomination of candidates for Directors and Audit & Supervisory Board Members, and selection of Corporate Officers
- 3 Dismissal of Directors, Audit & Supervisory Board Members and Corporate Officers who do not fulfill the nomination and selection policies
- 4 Succession planning for the Representative Director of the Board, President
- 5 Appointment and dismissal of Advisors

3. The Compensation Committee shall deliberate the following issues/matters and report to the Board of Directors.

- 1 Compensation structure and standards of Directors and Corporate Officers
- 2 Performance-linked compensation for Directors and Corporate Officers, and performance evaluation of Corporate Officers
- Performance-linked compensation for Directors and Corporate Officers, and performance evaluation of Corporate Officers
- 3 Analysis and evaluation of the effectiveness of the Board of Directors
- 4 Compensation structure and standards of Advisors

(Policies for Audit & Supervisory Board Member Nomination)

Article 10. The Board of Directors shall nominate candidates for Audit & Supervisory Board Members who are capable of executing the duties of Audit & Supervisory Board Members, and who possess excellent character and insight as well as high expertise and rich experience. However, any nomination shall be conducted with the consent of the Audit and Supervisory Board, following consultation with the Nomination Committee.

2. Individuals with considerable knowledge of finance and accounting shall be nominated as at least one of the Audit & Supervisory Board Members.

(v) Explanations with respect to individual appointment, dismissal and nomination of Directors and Audit & Supervisory Board Members

The Company explains reasons for appointments of candidates of Directors and Audit & Supervisory Board Members in its referential material of a General Meeting of Shareholders. Please refer to the said material that is posted on the Company's website.

< <https://www.ojiholdings.co.jp/en/ir/stock/meeting/> >

Please refer to descriptions in "II.1. Organizational Composition and Operation – Directors, Audit & Supervisory Board Members" of this Report for reasons for appointments of Independent Outside Directors and Independent Outside Audit & Supervisory Board Members.

[Supplementary Principle 3.1.3] (Sustainability Initiatives)

(Sustainability Initiatives)

Please refer to "III.3. Measures to Ensure Due Respect for Stakeholders - Implementation of Environmental Activities, CSR Activities etc." of this Report.

(Investment in Human Resources)

Please refer to "III.3. Measures to Ensure Due Respect for Stakeholders - Other" of this Report.

(Investment in Intellectual Property)

The Group has been working to create its unique innovations by making full use of the diverse core technologies accumulated from paper manufacturing and forestation since the founding.

To contribute to solving social issues such as the circular use of resources and reduction of environmental impact, the Group is advancing the development of new wood-derived materials such as bioethanol, biomass plastics, biomass resist for semiconductors, and CNF. Additionally, the Group is focusing on conversion of unused biomass resources into valuable materials, expanding pharmaceutical businesses utilizing unused components in wood and establishing a circular business model through efficient recycling of paper products.

The Group will continue to promote sustainable value creation by leveraging the technologies and resources, and promoting research and technological development in various fields

Promotion of Innovation by the Group is explained in detail on the Company's website and Integrated Report. Please refer to the following website.

The Company's website < https://www.ojiholdings.co.jp/en/r_d/>

The Oji Group Integrated Report < <https://www.ojiholdings.co.jp/en/ir/library/integrated/>>

The Group regards intellectual property as an important management resource and actively utilizes it as a source of business competitiveness and sustainable value creation. The intellectual property rights of the Group are centrally managed and held by the Company, which obtain and exercises the rights in accordance with the Group policies and licenses the rights to Group companies for effective use within the Group. The Group will expand IP rights globally as the foundation for the future business, while ensuring competitive advantage of existing business.

The Group's research and development expenses: 13.5 billion yen (FY2024)

Patents, utility model rights, design rights: 2,784 in Japan, 944 overseas (as of the end of FY2024)

Trademarks: 1,039 in Japan, 1,160 overseas (as of the end of FY2024)

[Supplementary Principle 4.1.1] (Brief Summary of Scope and Content of Matters Delegated to Managements)

Please refer to the Article 3 of the "Fundamental Policies on Corporate Governance".

[Principle 4.9] (Independence Standards and Qualification for Independent Outside Directors)

Please refer to the Article 12 of the "Fundamental Policies on Corporate Governance".

Please refer to "II.1. Organizational Composition and Operation" of this Report for information concerning determination of independence of each Independent Outside Director.

[Supplementary Principle 4.10.1] (Nomination Committee and Compensation Committee)

The Company has established the Nomination Committee and Compensation Committee as advisory bodies to the Board of Directors. For details on the concept of independence, authority and role of each Committee, please refer to I.1. Basic Views - Principle 3.1 (Full Disclosure) and II.1. Organizational Composition and Operation - Committee's Name, Composition, and Attributes of Chairperson.

[Supplementary Principle 4.11.1] (View on the Balance of Knowledge, etc. as well as Diversity and Size of the Board of Directors as a Whole)

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). Of the Independent Outside Directors, Mr. Ogawa has management experience at other companies.

As with the Directors, diversity, a high level of expertise, and a wealth of experience are required for Audit & Supervisory Board Members. Currently, there are 5 Audit & Supervisory Board Members, 3 of whom are Independent Outside Audit & Supervisory Board Members.

In order for the Board of Directors to make appropriate management decisions and exercise effective supervision for the realization of the Company's management strategies, the skills particularly required of the Board of Directors are composed of the following: "Corporate management", "Finance & accounting and capital strategies", "Innovation and manufacturing", "Marketing, branding and market structure", "Business portfolio conversion and production systems building", "Global", "Human capital and DX", "Sustainability and ESG", "Legal affairs, compliance and risk management". Please refer to the skill map indicating the roles expected of the Company's Directors, which is disclosed on the Company's website and in the referential material of a General Meeting of Shareholders.

The Company's website < <https://www.ojiholdings.co.jp/en/sustainability/governance/corporate/>>

Referential material of a General Meeting of Shareholders

< <https://www.ojiholdings.co.jp/en/ir/stock/meeting/>>

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 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 4 Independent Outside Directors.

[Supplementary Principle 4.11.2] (Status of Directors' and Audit & Supervisory Board Members' concurrent positions in other listed companies)

Please refer to a referential material of a General Meeting of Shareholders that is posted on the Company's website.

< <https://www.ojiholdings.co.jp/en/ir/stock/meeting/> >

[Supplementary Principle 4.11.3] (Analysis and evaluation of effectiveness 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 labour 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 1st, 2025, the Company revised its 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. The Company also adopted the CxO system in order to achieve further maximization and total optimization of Group synergy and facilitate information sharing. Based on the above structure, the Company believe that effective monitoring of management has been strengthened, and will continue to review and implement measures necessary to improve the functioning of the Board of Directors in a timely manner.

[Supplementary Principle 4.14.2] (Policy for Training for Directors and Audit & Supervisory Board Members)

The Article 14 of the "Fundamental Policies on Corporate Governance" stipulates the following regarding policy for training for Directors and Audit & Supervisory Board Members.

Article 14. The Company shall provide Directors and Audit & Supervisory Board Members with the following opportunities for training.

1. Training for Internal Directors and Standing Audit & Supervisory Board Members

Trainings shall be conducted upon assuming posts, with the aim of acquiring knowledge to fulfill roles and responsibilities of individuals, including knowledge concerning compliance and corporate governance. The Company shall support acquisition of required knowledge also while in their term, through the Board of Directors, Management Meetings, etc.

2. Training for Outside Directors and Outside Audit & Supervisory Board Members

Briefings shall be conducted upon assuming posts, with the aim of acquiring knowledge to fulfill roles and responsibilities of individuals, including knowledge concerning business overview and management strategies. The Company shall support acquisition of required knowledge also while in their term, through implementation of inspection visits to workplaces, etc.

[Principle 5.1] (Policy for Constructive Dialogue with Shareholders)

Please refer to the Article 17 of the "Fundamental Policies on Corporate Governance".

[Status of dialogue with shareholders]

The status of the dialogue with shareholders and investors conducted in FY2024 is disclosed on the Company's website.

< <https://www.ojiholdings.co.jp/en/sustainability/engagement/> >

[Action to Implement Management That Is Conscious of Cost of Capital and Stock Price]

Regarding the actions to achieve cost of capital and share price conscious management, the first disclosure was published on the Company's website on December 25, 2023.

< <https://pdf.irpocket.com/C3861/uVIG/KFAF/LiWL.pdf> >

Subsequently, the Medium-term Management Plan released on May 30, 2025, announced the following measures to be implemented as more specific initiatives.

- Acceleration of sale of non-core assets, investment management based on cost of capital
- Strengthen shareholder returns while securing continuous funds for growth investment and research and development
- Raise dividend payout ratio to 50% (from the previous 30%) in FY2025 and implement the treasury stock buyback of 120 billion yen from FY2025 to FY2027
- Change the net D/E ratio from the previous target of 0.7 to within 1.0, and actively utilizing debt to reduce capital costs
- Achieve ROE of 8% in FY2027 by strengthening profitability, and aim for further capital efficiency improvement with a target of reaching an ROE of 10% in the future

The details are disclosed on the Company's website.

< <https://www.ojiholdings.co.jp/en/uploads/group/docs/hlbT.pdf> >

The progress of the initiatives will continue to be disclosed at future financial results meeting.

2. Capital Structure

Foreign Shareholding Ratio	From 10% to less than 20%
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[Status of Major Shareholders]

Name / Company Name	Shares Held (Shares)	Percentage (%)
The Master Trust Bank of Japan, Limited (Trust Account)	141,102,500	15.43
Custody Bank of Japan, Limited (Trust Account)	71,012,466	7.76
Nippon Life Insurance Company	25,658,305	2.81
Oji Group Employee Stock-holding Association	20,736,600	2.27
City Index Eleventh Co., Ltd.	20,116,300	2.20
Chieko Fujisada	13,750,782	1.50
Taiju Life Insurance Company, Limited	13,442,000	1.47
STATE STREET BANK AND TRUST COMPANY 505001	13,362,252	1.46
Japan Pulp and Paper Company Limited.	11,643,476	1.27
STATE STREET BANK AND TRUST COMPANY 505103	11,576,783	1.27

Controlling Shareholder (excluding Parent Company)	-
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Parent Company	None
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Supplementary Explanation

The Company, owning 99,848 thousands of its treasury stocks as of September 30, 2025, is not included in the Status of Major Shareholders.

3. Corporate Attributes

Listed Stock Market and Market Section	Tokyo Stock Exchange Prime Section
Fiscal Year-End	March
Type of Business	Pulp & Paper
Number of Employees (consolidated) as of the End of the Previous Fiscal Year	More than 1000
Sales (consolidated) as of the End of the Previous Fiscal Year	More than ¥ 1 trillion
Number of Consolidated Subsidiaries as of the End of the Previous Fiscal Year	From 100 to less than 300

4. Policy on Measures to Protect Minority Shareholders in Conducting Transactions with Controlling Shareholder

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5. Other Special Circumstances which may have Material Impact on Corporate Governance

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II. Business Management Organization and Other Corporate Governance Systems regarding Decision-making, Execution of Business, and Supervision of Management

1. Organizational Composition and Operation

Organization Form	Company with Audit & Supervisory Board
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[Directors]

Maximum Number of Directors Stipulated in Articles of Incorporation	Not determined
Term of Office Stipulated in Articles of Incorporation	1 year
Chairperson of the Board	Company Chairperson (only if he/she does not concurrently serve as the President)
Number of Directors	9 persons
Status of Appointment of Outside Directors	Appointed
Number of Outside Directors	4 persons
Number of Independent Directors	4 persons

Outside Directors' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*										
		a	b	c	d	e	f	g	h	i	j	k
Seiko Nagai	Scholar											
Hiromichi Ogawa	From another company											
Sachiko Fukuda	Certified public accountant											
Atsuko Muraki	Other											

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

* "●" when a close relative of the Director presently falls or has recently fallen under the category;

"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive Director or Executive of a parent company of the Company

c. Executive of a fellow subsidiary company of the Company

d. A party whose major client or supplier is the Company or an Executive thereof

e. Major client or supplier of the Company or an Executive thereof

f. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as a Director/Audit & Supervisory Board Member

g. Major shareholder of the Company (or an Executive of the said major shareholder if the shareholder is a legal entity)

h. Executive of a client or supplier company of the Company (which does not correspond to any of d, e, or f) (the Director himself/herself only)

i. Executive of a company, between which the Company's Outside Directors/Audit & Supervisory Members are mutually appointed to (the Director himself/herself only)

j. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)

k. Others

Outside Directors' Relationship with the Company (2)

Name	Designation as Independent Director	Supplementary Explanation of the Relationship	Reasons of Appointment
Seiko Nagai	○	-	<p>After being engaged mainly in customer service at major airline companies, Ms. Nagai has a wealth of experience, high-level expertise and wide-ranging knowledge gained through her career. Ms. Nagai has been selected as an outside director, as she has provided her opinions to the management of the Company from a diverse viewpoint including the above and from a standpoint independent of the management and is believed to be suitable for outside director.</p> <p>Ms. Nagai is designed as an Independent Officer as it is unlikely that she has any conflict of interest with the Company's general shareholders, for the facts that she does not go against any of the standards of independence for Independent Officers set by the Tokyo Stock Exchange.</p>
Hiromichi Ogawa	○	-	<p>In addition to his extensive experience, high degree of expertise, and broad insight at a general trading company, Mr. Ogawa has long been involved in management at retailers and food manufacturers, and has a proven track record in strengthening governance systems, and has a wealth of experience and high-level insight regarding management in general. Mr. Ogawa has been selected as an outside director as he has provided his opinions to the management of the Company from a multifaceted perspective including the above and from a standpoint independent of the management and is believed suitable for outside director.</p> <p>Mr. Ogawa is designed as an Independent Officer as it is unlikely that he has any conflict of interest with the Company's general shareholders, for the facts that he does not go against any of the standards of independence for Independent Officers set by the Tokyo Stock Exchange.</p>
Sachiko Fukuda	○	-	<p>As a certified public accountant and a lawyer, Ms. Fukuda has a wealth of experience, high expertise, and deep insight regarding financial affairs, accounting, and legal affairs. Ms. Fukuda has devoted her energy to corporate reconstruction and served as a civil rights commissioner for a long time. As such, Ms. Fukuda has also a wealth of experience regarding sustainability. Ms. Fukuda is selected as an outside director as she has provided her opinions to the management of</p>

			<p>the Company, from a multifaceted perspective, including above, and from a standpoint independent of the management and is considered suitable for outside director.</p> <p>Ms. Fukuda is designed as an Independent Officer as it is unlikely that she has any conflict of interest with the Company's general shareholders, for the facts that she does not go against any of the standards of independence for Independent Officers set by the Tokyo Stock Exchange.</p>
Atsuko Muraki	○	-	<p>As an administrative official, particularly in the Ministry of Health, Labour and Welfare, Ms. Muraki worked to improve and enhance social welfare, social security, etc., improve working environments, and promote the development of human resources in a comprehensive and integrated manner; she has a wealth of experience, high-level expertise, and wide-ranging knowledge. Ms. Muraki is selected as an outside director as she is believed capable of providing her opinions to the management of the Company, from multifaceted perspective, including above, and from a standpoint independent of the management and is suitable for outside director.</p> <p>Ms. Muraki is designed as an Independent Officer as it is unlikely that she has any conflict of interest with the Company's general shareholders, for the facts that she does not go against any of the standards of independence for Independent Officers set by the Tokyo Stock Exchange.</p>

Voluntary Establishment of Committee(s) Corresponding to Nomination Committee or Remuneration Committee	Established
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Committee's Name, Composition, and Attributes of Chairperson

	Committee Corresponding to Nomination Committee	Committee Corresponding to Remuneration Committee
Committee's Name	Nomination Committee	Compensation Committee
All Committee Members	4 persons	4 persons
Full-time Members	None	None
Inside Directors	None	None
Outside Directors	4 persons	4 persons
Outside Experts	None	None
Other	None	None
Chairperson	Outside Director	Outside Director

The Nomination Committee and the Compensation Committee have been established as advisory bodies to the Board of Directors, deliberate on the following matters, and submit reports to the Board of Directors.

• Nomination Committee

1. Nomination policies for candidates for Directors and Audit & Supervisory Board Members, and selection policies for Corporate Officers
2. Nomination of candidates for Directors and Audit & Supervisory Board Members, and selection of Corporate Officers
3. Dismissal of Directors, Audit & Supervisory Board Members, and Corporate Officers who do not fulfill the nomination and selection policies
4. Succession planning for the Representative Director of the Board, President
5. Appointment and dismissal of Advisors

• Compensation Committee

1. Compensation structure and standards of Directors and Corporate Officers
2. Performance-linked compensation for Directors and Corporate Officers, and performance evaluation of Corporate Officers
3. Analysis and evaluation of the effectiveness of the Board of Directors
4. Compensation structure and standards of Advisors

The Nomination Committee and the Compensation Committee comprise all Outside Directors, with one of the Outside Directors serving as the Committee Chair. The independence of each committee is ensured by having all Independent Outside Directors participate in each committee.

In FY2024 (the period from April 1, 2024 to March 31, 2025), the Nomination Committee and the Compensation Committee were held twice and four times respectively, all with a majority of Independent Outside Directors in attendance.

The Nomination Committee and the Compensation Committee will further utilize the external perspectives of Independent Outside Directors and enhance the effectiveness of the function of management supervision.

[Audit & Supervisory Board Members]

Establishment of Audit & Supervisory Board	Established
Maximum Number of Audit & Supervisory Board Members Stipulated in the Articles of Incorporation	Not determined
Number of Audit & Supervisory Board Members	5 persons

Cooperation among Audit & Supervisory Board Members, Accounting Auditors and Internal Audit Department

Audit & Supervisory Board Members regularly meet with the Accounting Auditor to receive explanations on plans and implementation status of audits as well as financial statement audit results, and exchange opinions. Audit & Supervisory Board Members and the Company's Internal Audit Department meet once every month to exchange information on audit plans, results and ensure cooperation between them.

Independent Outside Directors and Independent Outside Audit & Supervisory Board Members attend the Company's Board of Directors meetings and receive reports on the contents of the Group Management Meeting twice a month, in principle. Through these opportunities, opinions are exchanged in order to form a collaborative relationship. Independent Outside Directors and Independent Outside Auditors participate as observers in group management meetings (on a voluntary basis).

Appointment of Outside Audit & Supervisory Board Members	Appointed
Number of Outside Audit & Supervisory Board Members	3 persons
Number of Independent Outside Audit & Supervisory Board Members	3 persons

Outside Audit & Supervisory Board Members' Relationship with the Company (1)

Name	Attribute	Relationship with the Company*												
		a	b	c	d	e	f	g	h	i	j	k	l	m
Hidero Chimori	Lawyer													
Takashi Nonoue	Lawyer													
Keiko Fukuchi	Certified tax accountant													

* Categories for "Relationship with the Company"

* "○" when the Director presently falls or has recently fallen under the category;

"△" when the Director fell under the category in the past

* "●" when a close relative of the Director presently falls or has recently fallen under the category;

"▲" when a close relative of the Director fell under the category in the past

a. Executive of the Company or its subsidiaries

b. Non-executive Director or accounting advisor of the Company or its subsidiaries

c. Non-executive Director or Executive of a parent company of the Company

d. Audit & Supervisory Board Member of a parent company of the Company

e. Executive of a fellow subsidiary company of the Company

f. A party whose major client or supplier is the Company or an Executive thereof

g. Major client or supplier of the Company or an Executive thereof

h. Consultant, accountant or legal professional who receives a large amount of monetary consideration or other property from the Company besides remuneration as a Director/Audit & Supervisory Board Member

i. Major shareholder of the Company (or an Executive of the said major shareholder if the shareholder is a legal entity)

j. Executive of a client or supplier company of the Company (which does not correspond to any of f, g, or h) (the Director himself/herself only)

k. Executive of a company, between which the Company's Outside Directors/Audit & Supervisory Members are mutually appointed to (the Director himself/herself only)

l. Executive of a company or organization that receives a donation from the Company (the Director himself/herself only)

m. Others

Outside Audit & Supervisory Board Members' Relationship with the Company (2)

Name	Designation as Independent Audit & Supervisory Board Member	Supplementary Explanation of the Relationship	Reasons of Appointment
Hidero Chimori	○	–	Mr. Chimori has a wealth of experience, high-level expertise and wide-ranging knowledge gained through his career as an attorney at law, especially in the areas such as corporate legal affairs and corporate governance. Mr. Chimori is selected as an outside audit & supervisory board member as he has provided his opinions to the management of the Company from a multifaceted perspective, including above, and

			<p>is considered capable of fulfilling duties as outside audit & supervisory board member.</p> <p>Mr. Chimori is designed as an Independent Officer as it is unlikely that he has any conflict of interest with the Company's general shareholders, for the facts that he does not go against any of the standard of independence for Independent Officers set by the Tokyo Stock Exchange.</p>
Takashi Nonoue	○	–	<p>As a public prosecutor, Mr. Nonoue has a wealth of experience, a high level of expertise, and a wide range of insight, and is currently working extensively as an attorney at law. Mr. Nonoue is selected as an outside audit & supervisory board member as he has provided his opinions to the management of the Company from a multifaceted perspective, including above, and is considered capable of fulfilling duties as outside audit & supervisory board member.</p> <p>Mr. Nonoue is designed as an Independent Officer as it is unlikely that he has any conflict of interest with the Company's general shareholders, for the facts that he does not go against any of the standard of independence for Independent Officers set by the Tokyo Stock Exchange.</p>
Keiko Fukuchi	○	–	<p>As an administrative official, Ms Fukuchi was engaged in services related to tax matters in the tax authorities for many years. Currently, as a certified tax accountant, she has a wealth of experience, high-level expertise and wide-ranging knowledge regarding taxation, finance, and accounting. Ms. Fukuchi is selected as an outside audit & supervisory board member as she is believed capable for providing her opinions to the management of the Company from a multifaceted perspective, including above, and fulfilling duties as outside audit & supervisory board member and is considered suitable for outside audit & supervisory board member..</p> <p>Ms. Fukuchi is designed as an Independent Officer as it is unlikely that she has any conflict of interest with the Company's general shareholders, for the facts that she does not go against any of the standard of independence for Independent Officers set by the Tokyo Stock Exchange.</p>

[Independent Directors/Audit & Supervisory Board Members]

Number of Independent Directors/ Audit & Supervisory Board Members	7 persons
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Matters relating to Independent Directors/Audit & Supervisory Board Members

The Company has determined that all of its Outside Directors and Outside Audit & Supervisory Board Members meet the qualifications for Independent Officers, and have designated all of them as Independent Officers.

[Incentives]

Incentive Policies for Directors	Performance-linked remuneration
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Supplementary Explanation

While the Company had adapted stock options as stock-based compensation for Directors (excluding Outside Directors, the same applies hereinafter) since 2006, it decided to replace it with performance-linked and stock-based compensation and passed a resolution at the 92nd Annual General Meeting of Shareholders on June 29, 2016, to motivate Directors to contribute more to improving the medium- to long-term business performances and enhancing corporate values.

Under the performance-linked and stock-based compensation system, a trust, which is established by the Company's contribution of money, acquires the Company's shares and delivers to each Director the number of the Company's shares equivalent to the number of points granted by the Company to each Director in accordance with certain criteria such as business performance and financial indicators. The Company shares have been delivered to each Director at the time of retiring from the Board of Directors, in principle.

The resolution for revising this system was passed at the 101st Annual General Meeting of Shareholders on June 27, 2025 in order to clarify the link between the compensation of Directors and the Company's business performance as well as stock value. Under this revision, the share delivery period for Company Shares is while the Directors are still in office, with transfer restrictions in place until their retirement (referring to when they cease to hold the position). This raises Directors' awareness of contributing to the enhancement of the medium to long term business performance of the Company and its corporate value as both the benefits of increases in share price and the risk of decreases in share price are shared as common interests between Directors and shareholders.

The initial trust period of the trust is three years, and it may be extended and continued for certain period under 5 years at the expiration, based on the resolution of the Board of Directors.

Due to this, new granting of stock options has been discontinued.

Securities Reports (Japanese only):

< <https://www.ojiholdings.co.jp/ir/library/securities/> >

Referential Material of a General Meeting of Shareholders

< <https://www.ojiholdings.co.jp/en/ir/stock/meeting/> >

[Director Remuneration]

Disclosure of Individual Director's Remuneration	Individual Disclosure for only some of them
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Supplementary Explanation

Compensation paid to Directors and Audit & Supervisory Board Members is disclosed in the Company's Business Report of the Notice of the General Meeting of Shareholders and the Securities Report, which provide a breakdown of total amount paid by type. In addition, the Securities Report discloses the total amount of consolidated compensation etc. of those whose total amount of compensation etc. is 100 million yen or more (Not applicable in for FY2024). In FY2024, the total amount of compensation for 13 Directors was 488 million yen.

Policy on Determining Remuneration Amounts and Calculation Methods	Established
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Disclosure of Policy for Determining Remuneration Amounts and Calculation Methods

(a) Overview of compensation, etc. for executives

The Company designs the executive compensation system by emphasizing its role in encouraging the Board of Directors to promote the sustainable growth of the Company and the enhancement of corporate value over the medium to long term and to improve profitability and capital efficiency.

Specific Director compensation system and decision policies are defined in the Fundamental Policies on Corporate Governance. Compensation for executives comprises: (1) base compensation, (2) bonus, which is compensation reflecting short-term business performances, and (3) stock-based compensation reflecting medium to long term improvements in corporate value. The compensation shall be deliberated at the Compensation Committee and reported to the Board of Directors.

The total compensation amount for Directors shall be within the limit set by the resolution of a General Meeting of Shareholders. Based on the resolution of the 97th Annual General Meeting of Shareholders held on June 29, 2021, the total amount of (1) and (2) shall not exceed 800 million yen per annum and, separately from (1) and (2) above, and based on the resolution of the 101st Annual General Meeting of Shareholders held on June 27, 2025, (3) shall not exceed 580,000 points per fiscal year, where 1 point is generally equivalent to 1 share in the Company. Note that new granting of stock options has been discontinued as a result of the introduction of the stock-based compensation system. Compensation for Independent Outside Directors comprises (1) only.

The level of compensation for individual Directors is determined in principle according to the position of each Director, taking into account trends in social standards and changes in the long-term business environment surrounding the Company.

The total amount of compensation for Audit & Supervisory Board Members shall be determined through the discussions of Audit & Supervisory Board Members within the limit set by the resolution of a General Meeting of Shareholders. The total amount of compensation for Audit & Supervisory Board Members shall be 120 million yen or less per annum based on a resolution of the 101st Annual General Meeting of Shareholders held on June 27, 2025.

(b) Body relating to compensation determining policy and its activities

To determine amounts of compensation for Directors of the Company or methods of calculation is vested in the Board of Directors and such decisions shall be made following the deliberation and reporting of the Compensation Committee.

The Compensation Committee consists of all Independent Outside Directors and deliberates on, (1) compensation structure and standards of Directors and Corporate Officers, (2) performance-linked compensation for Directors and Corporate Officers, and performance evaluation of Corporate Officers, (3) analysis and evaluation of the effectiveness of the Board of Directors, and (4) compensation structure and standards of Advisors, and submits reports to the Board of Directors. The Compensation Committee held meetings four times in the fiscal year, deliberated on compensation structure and standards, and performance appraisal, etc. for the Directors, and submitted reports to the Board of Directors.

(c) Percentages of payment of performance-linked compensation and other compensations

Compensation for Directors and Corporate Officers is comprised of (1) base compensation that is fixed compensation, and (2) bonus and stock-based compensation that is performance-linked compensation. The basic payment percentages are: fixed compensation of 45%, bonus of 27.5%, and stock-based compensation of 27.5% for Inside Directors and fixed compensation of 100% for Outside Directors. For Corporate Officers the proportion is; fixed compensation of 55%, bonus of 22.5% and stock-based compensation of 22.5%. Percentages of payment vary according to changes in bonus and stock-based compensations, which are performance-linked compensations.

(d) System of performance-linked compensations

(System of bonus – linked to short term performance)

Bonus is cash compensation, which is paid once a year based on the annual performance of their companies and themselves. The purpose of this is to achieve short term target of business performance.

100% of the base amount of bonus for each Director (excluding Outside Directors), and 70% for each Corporate Officer is performance-linked. 30% for Corporate Officers is linked to their evaluation based on the business performance of each segment of which they are responsible.

Performance indicators fluctuate in the range of 0 - 200%, based on comprehensive consideration of operating profit, ROE and lost time injury frequency rate as evaluation indicators.

(System of stock-based compensation – linked to mid to long term performance)

The purpose of stock-based compensation is to further clarify the link between the compensation for the Officers and the Company's business performance and stock value, to make the Directors and Corporate Officers share not only the benefits of higher share prices but also the risks of lower share prices with shareholders, and to provide Directors and Corporate Officers greater motivation to contribute to improving the Company's business performance and increasing corporate value over the medium to long term. Company Share is delivered once a year based on the consolidated business performance indicator of the single fiscal year after year end.

As the criteria, not only financial indicators but also non-financial indicators, including profit attributable to owners of Parent, ROIC, sales in business expansion areas, dividend payout ratio, promotion of nature-positive management, and employee engagement are focused on. The performance-linked stock compensation fluctuates in the range of 0-150% according to the comprehensive indicators.

[Supporting System for Outside Directors and/or Audit & Supervisory Board Members]

In view to strengthen the supervisory function of Outside Officers, issues discussed by Group Management Meetings as well as issues to be discussed by the Board of Directors are reported to them two times every month, in principle. In addition, on-site inspections are conducted as part of efforts to further improve Outside Officers' understanding of the Group. Since October 2020, as part of efforts aimed at "improving the effectiveness of the Board of Directors," the observer participation (voluntary) of Outside Officers in the Group Management Meetings has been started to encourage further sharing information.

The Audit and Supervisory Board Members' Office has been established as a system to assist duties of all Audit & Supervisory Board Members including Independent Outside Audit & Supervisory Board Members. With several employees including dedicated employees appointed in it, the Audit & Supervisory Board Members' Office conducts reports on important information to Independent Outside Audit & Supervisory Board Members.

[Status of Retired Representative Directors & Presidents]

Name	Position/Status	Description of Duties	Work Configuration/Conditions (Full-time or part-time, with or without remuneration, etc.)	Retirement Date of the President, etc.	Term of Office

Total number of advisors/counselors who are former Representative Directors/Presidents, etc.	none
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Others	Only when the necessity for business is particularly recognized, the Company appoints a person who has retired from the Board of Directors to an Advisor after deliberation by the Nomination Committee, which is comprised by all Independent Outside Directors, and reporting to the Directors of the Board. An Advisor engages in the work requested from the President and does not participate in management decisions. The term of office is 1-2 years based on internal regulations. An Advisor is paid a certain amount of compensation which is determined by deliberation by the Compensation Committee, which is comprised by all Independent Outside Directors, and reporting to the Directors of the Board.
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2. Matters on Functions of Business Execution, Auditing, Oversight, Nomination and Remuneration Decisions (Overview of Current Corporate Governance System)

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

Decisions on execution of important matters concerning the Group's management are made by the Board of Directors, following deliberations by Group Management Meetings. Execution of businesses in accordance with the decisions made by the Board of Directors is promptly implemented by Corporate Officers and

COMPANY Presidents. At the same time, the Company secures a check-and-balance function within the Group by clearly determining authority and responsibility of each organization in its Organization Regulations, Group Management Regulations and Authorities Regulations. On April 1, 2025, the Company revised its 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. The Company also adopted the CxO system in order to achieve further maximization and total optimization of Group synergy and facilitate information sharing. In addition, the Company formulates in-house regulations on obtaining approvals, CEO's Decisions Regulations and COMPANY President's Approval Regulations, and appropriately operates business procedures based upon them.

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

As a company with the Audit & Supervisory Board, the Company strives to strengthen the governance of the entire Group through audits of the execution of duties by Directors by Audit & Supervisory Board Members and the Audit & Supervisory Board.

In 2015, the Company established the Nomination Committee and the Compensation Committee as advisory bodies to the Board of Directors. In addition to improving the objectivity and transparency of decisions made by each Committee, the Compensation Committee analyses and evaluates the effectiveness of the Board of Directors.

In principle, the Board of Directors is held once every month and comprises 9 Directors including 4 Independent Outside Directors.

In principle, the Audit & Supervisory Board is held once every month and comprises 5 Audit & Supervisory Board Members, of which 3 are Independent Outside Audit & Supervisory Board Members.

Please refer to the Fundamental Policies on Corporate Governance for the policies and procedures concerning nomination of Officer candidates and compensation of Officers.

< <https://www.ojiholdings.co.jp/en/group/governance.html> >

The Company has concluded contracts for limitation of liability, by which the liability stipulated in the Article 423, paragraph (1) of the Japanese Companies Acts is limited by the provision of the Article 427, paragraph (1) of the said Acts, with all Independent Outside Directors and Independent Outside Audit & Supervisory Board Members, in accordance with the articles of incorporation. The amount of limit of liability for damages under the said contracts is to be the amount specified in laws and regulations.

The Company has entered into contracts for officer's liability insurance (D&O insurance) with insurance companies under the provisions of Article 430, 3, paragraph (1) of the Japanese Companies Act, with Directors, Audit & Supervisory Board Members, and Corporate Officers as insured persons. In the event that an insured person receives a claim for damages during the insurance period in connection with the execution of his/her duties, the insurance contract covers the legal liability and court costs, etc. However, in order not to impair the appropriateness of the execution of duties by the insured person, the insured persons shall not cause any damage arising from criminal acts, other illegal acts or intentional acts. The insurance premium is entirely borne by the Company.

3. Reasons for Adoption of Current Corporate Governance System

The Company's Audit & Supervisory Board appoints 5 Audit & Supervisory Board Members, including 3 Independent Outside Audit & Supervisory Members. There are 2 standing Audit & Supervisory Board Members, and 1 of them possesses considerable knowledge of finance and accounting. Audit & Supervisory Board Members conduct audits on Directors' business executions based upon audit plans set at the Audit & Supervisory Board, through actively making attendances in the Board of Directors and other important Meetings. All 3 Outside Audit & Supervisory Board Members have been designated as Independent Officers based on the provisions of the Tokyo Stock Exchange, and this has been notified to the Exchange.

In 2007, the Company has introduced Outside Directors to strengthen monitoring of management and to pursue a corporate management which has higher degrees of transparency and efficiency.

At the Ordinary General Meeting of Shareholders held in June 2021, the Company increased the number of Independent Outside Director by 1. As a result, 4 of 9 Directors are Independent Outside Directors, making up more than 1/3 of the Board of Directors. All 4 Outside Directors have been designated as Independent Officers based on the provisions of the Tokyo Stock Exchange, and this has been notified to the Exchange.

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

III. Implementation of Measures for Shareholders and Other Stakeholders

1. Measures for Vitalization of General Meeting of Shareholders and Smooth Exercise of Voting Rights

	Supplementary Explanations
Early Notification of General Shareholder Meeting	In principle, a convocation notice is sent 3 weeks prior to a General Meeting of Shareholders. A convocation notice is also posted on the Company's website before being sent.
Allowing Electronic Exercise of Voting Rights	Electronic exercise of voting rights is allowed.
Participation in Electronic Voting Platform	The Company participates in electric voting platform.
Providing Convocation Notice in English	An English translation of a convocation notice is posted on the Company's website.
Other	Regarding a business reporting at a General Meeting of Shareholders, the Company works to make it easy-to-understand through visualization using narration and monitors.

2. IR Activities

	Supplementary Explanations	Explanation by Representative(s)
Regular Investor Briefings for Individual Investors	Several times a year, both in-person and online meetings are held for individual investors to help them understand the management strategy and activities of the Company.	No
Regular Investor Briefings for Analysts and Institutional Investors	Executives hold financial results briefings on the day of the announcement of financial results for every quarter for analysts and institutional investors. Additionally, executives also hold briefings on medium-term management issues and R&D as needed.	Yes
Regular Investor Briefings for Overseas Investors	Top management has held one-on-one meetings with investors at overseas roadshows and participated in conferences hosted by brokerage firms.	Yes
Posting of IR Materials on Website	Following information are being posted on the Company's website: -Annual Securities Reports/half Yearly Reports (Japanese Only) -Summary of Consolidated Financial and Business Results -Information and explanatory materials on account settlement -Management briefing materials (on Medium-term Management Plan, etc.) -Individual briefing materials -Timely disclosure materials other than financial results etc. The Company's website: < https://www.ojiholdings.co.jp/en/ir/ >	
Establishment of Department and/or Manager in Charge of IR	Public Relations and Investor Relations Department is responsible for investor relations. In addition, relevant departments responsible for subject operations work together with the Public Relations and Investor Relations Department as necessary.	
Other	[Activities for domestic/overseas analysts and institutional investors] 1) Individual interviews on financial and business results, ESG engagements, etc. 2) R&D IR briefing sessions	

	3) Participation in conferences 4) Mill/plant tours (domestic/overseas) < https://www.ojiholdings.co.jp/en/sustainability/engagement/ >	
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3. Measures to Ensure Due Respect for Stakeholders

	Supplementary Explanations
Stipulation of Internal Rules for Respecting Positions of Stakeholders	The Company respects the positions of and fosters the relationship of trust with its diverse stake holders by encouraging its officers and employees promote corporate activities with an awareness of their responsibility as corporate citizens and a high ethical principle worthy of the trust of society, pursuant to the provisions of the “Oji Group Corporate Code of Conduct”.
Implementation of Environmental Activities, CSR Activities etc.	<p>(Sustainability Initiatives)</p> <p>Our management philosophy is “Creation of Innovative Value,” “Contribution to the Future and the World,” and “Harmony with Nature and Society.” Our Purpose is “grow and manage the sustainable forest, develop and deliver the products from these renewable forests, and Oji will bring this world a brighter future filled with hope.”</p> <p>In the vast forests owned and managed in Japan and overseas, we are cultivating renewable resources and working to take full advantage of the multifunctionality of forests including biodiversity conservation while providing society with ecological services by practicing “sustainable forest management” that is conscious of environmental, social, and economic concerns. In addition, by creating value by “circular use of renewable resources,” we will continue to resolve social and environmental issues and contribute to the transition to a sustainable society.</p> <p>Furthermore, the Group has been a member of the United Nations Global Compact since 2003, supporting the 10 principles related to human rights, labour, environment, and anti-corruption, and striving to put them into practice in its daily business activities.</p> <p>In April 2022, the Company established Sustainability Promotion Division, as a division to clarify the Group’s policy on sustainability initiatives and to comprehensively manage each company. In addition, in order to strengthen the supervision and direction of sustainability by directors, the Sustainability Committee is established, which is held twice a year, chaired by CEO and includes Directors, Corporate Officers and Auditors as members, to promote group-wide efforts toward sustainability.</p> <p>Please refer to the Group’s website and Integrated Report for details on the Group’s sustainability initiatives.</p> <p>-Sustainability (Online) < https://www.ojiholdings.co.jp/en/sustainability/index.html ></p> <p>-The Oji Group Integrated Report < https://www.ojiholdings.co.jp/en/ir/library/integrated/ ></p> <p>In addition, the Group has expressed its support for the TCFD (Task Force on Climate related Financial Disclosure) in December 2020. Disclosures in line with the proposal are also made on the Group’s website. In January 2024, the Group registered as an Early Adopter of the Task Force on Nature-related Financial Disclosure (TNFD), and from 2024, TCFD Report was made on the Group’s website. This report includes nature transition plan to deepen nature-positive management, measurable and quantitative biodiversity targets and progress. As part of our efforts to conserve biodiversity, in October 2023, the Ministry of the Environment recognized our conservation activities for rare wild animals and plants, including the Yairocho bird, and certified the Koyagauchi Company-owned forest (Kochi Prefecture) as a "Site for Symbiosis with Nature for the first half of FY 2023,</p>

	<p>and registered on the World Database that evaluates the achievement of the 30by30 targets in August 2024.</p> <p>-TNFD Report https://www.ojiholdings.co.jp/en/sustainability/tnfd/ ></p> <p>(Oji Group Environmental Charter, Environmental Vision, and Environmental Action Program)</p> <p>The Group regards the environmental problems as one of priority issues in its management, and has formulated the “Oji Group Environmental Charter” along with the “Environmental Charter Action Guidelines” to reflect the philosophies of the Environmental Charter in its business activities.</p> <p>The Group has established the “Environmental Vision 2050” as its long-term vision for the environment. In order to achieve this vision, in May 2025 we have also established the “Environmental Action Program 2040” with the target achievement year as FY 2040</p> <p>“Environmental Vision 2050” aims to achieve net-zero carbon (virtually zero greenhouse gas (GHG) emissions) through the increase of renewable energy use and the promotion of forest plantation overseas and forest conservation. It also aims to create a society in harmony with nature by conserving biodiversity and reducing environmental impact.</p> <p>"Environmental Action program 2040" set the targets of achieving net-zero carbon emissions for Scope 1 and 2 by FY 2040, contributing to nature-positive initiatives through the continuation and expansion of sustainable forest management and ecosystem conservation and restoration activities, and promoting a circular economy using renewable forest resources. We will work together as a whole group to achieve these goals.</p> <p>“Environmental Vision 2050” https://www.ojiholdings.co.jp/en/sustainability/environment/management/#1-2></p> <p>“Environmental Action Program 2040” https://www.ojiholdings.co.jp/en/sustainability/environment/management/#2-2></p> <p>(Revision of Oji Group Human Rights Policy)</p> <p>In February 2025, in conjunction with joining a non-judicial platform in accordance with the United Nations "Guiding Principles on Business and Human Rights" we partially revised the “Oji Group Human Rights Policy” to explicitly include the introduction of a grievance mechanism.</p> <p>“Oji Group Human Rights Policy” https://www.ojiholdings.co.jp/en/sustainability/society/human_rights/></p>
Other	<p><Oji Group Initiatives to Enhancing Human Capital></p> <p>The Oji Group, as a global organization, aims to realize a sustainable society by putting into practice its management philosophy, purpose, and management strategies (including long-term vision).</p> <p>In order to put these into practice and to continue to exist as a corporation that the world needs, we believe that the most important element is “people”. Based on the fundamental principle that “the source of a company’s strength is its people (human capital)”, we are working to secure and foster human resources in accordance with the Oji Group Human Resource Philosophy.</p> <p>The Oji Group Human Resource Philosophy requires, first of all, that each and every employee possess high ethical principles. On top of that, we expect them to understand and practice our management philosophy, Purpose, and management strategies (including long-term vision), to have an awareness of and make efforts for transformation, to engage in self-training and contribution to the organization’s growth and progress, and take actions with global awareness.</p>

	<p>Our goal in enhancing human capital is to secure and foster human resources who embody the Oji Group Human Resource Philosophy, the basic premise of which is “ensuring compliance, safety and environment”, “respect for human rights, and inclusion and diversity”, and “utilization of human resources (fair treatment based on meritocracy and improvement of engagement)”. These three elements form the foundation of our human resource development and internal environment improvement policies. With these three foundations firmly in place, we will promote the development of abilities and careers of diverse human resources and improvement in work-life management through change in mindset (behavior) of every employee as well as management in which management-level employees encourage growth and evolution of their subordinates. These efforts will lead to the securing and fostering of human resources who embody the Oji Group Human Resource Philosophy by enabling the active participation and demonstration of the full potential of every employee, who is the source of value creation, as well as by achieving innovation based on diverse values and creative ideas. Accordingly, every one of our human resources will work to continuously enhance corporate value through practicing our management philosophy, Purpose, and management strategies (including long-term vision).</p> <p>1. Ensuring Compliance, Safety and Environment</p> <p>We recognize that observing compliance, safety and environment are the core of our business activities and are the highest priority and most important management issues.</p> <p>Through good communication, ease of work, and motivation in the workplace, all employees possess “sound common sense”, “sensitivity to improper things”, and “courage to act”, and strive to perform their daily duties with a sincere attitude, not only complying with laws and regulations, but also observing the rules of society in general.</p> <p>[Compliance]</p> <p>The Group has the “Oji Group Corporate Code of Conduct” which serves as a guideline for the Group’s corporate activities, and the “Oji Group Behavior Standard”, which all executives and employees are required to follow as action guidelines for the Code. These were formulated by incorporating the principles on human rights, labor, the environment, and anticorruption of the United Nations Global Compact as well as SDGs, other social and environmental principles and its Management Philosophy.</p> <p>The revision or abolition of the Corporate Code of Conduct or Behavior Standard is a matter for resolution by the Board of Directors, and with the involvement of the Board of Directors, they are translated into the language of each country where the Group sites are located and disseminated to all officers and employees belonging to the Group as activity standards for all. All Group officers and employees will strive to correctly comprehend and practice the Corporate Code of Conduct and Behavior Standard, and if there is any violation or suspected violation, they will promptly report and consult with their superiors, the compliance contact at the company or workplace, or the Compliance Hotline (Group internal whistleblowing) desks operated by the Oji HD Compliance Department.</p> <p>In order to foster compliance awareness and promote compliance systems throughout the Group, compliance managers and compliance promotion leaders at domestic and overseas Group companies play a central role in promoting compliance activities such as holding semi-annual compliance meetings with the participation of all employees.</p> <p>Compliance meeting participation rate Target: 100% Result: 98.8% (1st half of FY 2025)</p>
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	<p>[Safety]</p> <p>The Group ensures the safety and health of workers under the policy of “basic principle with safety as its absolute top priority” by aiming to become a company in which every employee practices and complies the basic principle, and ensure the safety and health of their colleagues. At the same time, we promote the creation of comfortable workplace environments and strive to create a better workplace safety climate so that all workers can work in a safe environment and with a sense of security.</p> <p>The Group aims to achieve zero fatal and serious work related accidents and reduction of Lost Time Injury Frequency Rate (LTIFR), but unfortunately, in 2024, there was one fatal accident (overseas), and LTIFR for the Group was 0.81, an decrease of 0.39 from the previous year due to an decrease of 34 accidents.</p> <p>We will work to thoroughly improve the safety of our facilities, ensure that safety rules are scrupulously observed and enforced, and prevent occupational accidents as we implement measures for achieving our critical target of “zero fatal and serious work related accidents.”</p> <p>Fatal and serious work related accidents Target: 0 Result: 1 (consolidated companies, 2024)</p> <p>LTIFR Target: 50% reduction in 2030 vs. 2018 (0.89) Result: 0.81 (consolidated companies, 2024)</p> <p>(c.f.) LTIFR for 2024 (The Ministry of Health, Labour and Welfare’s Survey on Industrial Accidents, businesses with at least 100 employees) Manufacturing industry: 1.30 Pulp, paper, and processed paper products manufacturing industry: 2.07</p> <p>[Environment]</p> <p>The Group recognizes the environmental issues as a priority in management and is committed to proactively addressing this issue and contributing to building a sustainable society.</p> <p>In order to clearly demonstrate this direction, we established in September 2020 the “Environmental Vision 2050” for the year 2050, with the Group’s goal “net zero carbon” at its core, and in May 2025 the “Environmental Action Program 2040” as the milestone toward that goal.</p> <p>Every month, the Group promotes employees’ understanding of the Group’s environmental management and raises environmental awareness, by providing easy-to-understand internal communication to all officers and employees about the Group’s action on climate change, promotion of Nature Positive, Circular Economy and Reducing Pollutants, and efforts to foster relationships of trust with stakeholders.</p> <p>2. Respect for Human Rights, Inclusion and Diversity</p> <p>The Group will make further efforts to respect human rights and contribute to the realization of a society that respects the diverse values of each individual and enables people to fulfil their full potential.</p> <p>[Respect for Human Rights]</p> <p>The Group believes that the responsibility to respect human rights is an important element of the global code of conduct, and established the “Oji Group Human Rights Policy” in August 2020 in order to further strengthen and implement initiatives involving respect for human rights.</p>
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	<p>This Policy promotes initiatives to respect human rights based on the United Nations “Guiding Principles on Business and Human Rights (UNGPs)”, etc., and explicitly states that it supports and respects international norms such as the “International Bill of Human Rights”, “Declaration on the Rights of Indigenous Peoples”, as well as international human rights including indigenous peoples’ right to “free, prior, and informed consent (FPIC).”</p> <p>The Policy applies to all officers and employees of the Group, and we also expect and request our business partners and other parties directly linked to our business operations, products, and services to respect human rights in line with this policy.</p> <p>In February 2025, the Group joined the Japan Center for Engagement and Remedy on Business and Human Rights (JaCER), a general incorporated association that provides a non-judicial platform aligned with UNGPs. Through the establishment of this grievance mechanism, we have enabled the reception of human rights-related reports from all stakeholders—both domestic and international—including employees, suppliers, local communities, Indigenous peoples, and migrant workers.</p> <p>We have also established and implemented a “Human Rights Due Diligence” system to identify, prevent, alleviate, and remedy the negative effects on human rights related to business activities in line with UNGPs, and will fulfill our responsibility to respect human rights. As part of this initiative, in 2025, we conducted human rights training by an international organization for every group company in Malaysia.</p> <p>In FY2024, we conducted human rights assessments to check human rights and labour practices at suppliers with high potential human rights risk by product and region. In this assessment we established evaluation items covering working conditions, labour unions, forced labour, child labour, foreign workers, employee health and safety, the availability of consultation services, engagement with local communities, and supply chains. We reviewed the status of each company and provided feedback to the 38 companies based on their responses to these questions.</p> <p>In addition, to promote understanding of the human rights policy and raise awareness of human rights, human rights education was provided in various training programs, and managers of major Group companies in Japan took a web-based training course on the theme of risk management for business and human rights (2,647 participants).</p> <p>Human rights training participation rate within the target training program Target: 100%, Result: 95.4% (From March 31, through May 26, 2025)</p> <p>[Inclusion and Diversity]</p> <p>The Group expects all employees to hold the core values such as of its management philosophy, purpose, and human resources philosophy as shared principles. Furthermore, the Group promotes “inclusion and diversity” to “revitalize individuals and the organization”, thereby strengthening the competitiveness of the corporation by maximizing the diverse values, ideas, and abilities of each employee, regardless of gender, race, nationality, ethnicity, birthplace, social status, position in the company, age, career history, religion, values, disability, sexual orientation, gender identity etc., and by enabling them to grow together.</p> <p>The “Sustainability Committee”, which is chaired by the CEO and includes Directors as members, shares diversity promotion policies and targets across the Group on a semi-annual basis. Furthermore, the CEO is appointed as the Chief Health Officer to promote health and productivity management.</p> <p><Female managers and female new graduates in career-track positions></p> <p>With regard to the promotion of female participation, we have been working toward a target of 5.5% female managers across 16 group companies* by the end of March 2025; however, the actual result reached only 4.9%. To</p>
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	<p>further promote women's participation and advancement, we have expanded the scope to 20 group companies** and are now pursuing a new target of 8.5% by the end of March 2031.</p> <p>In addition, Oji Management Office Inc. hires en masse new graduates in career-track positions for major Group companies to secure excellent human resources and improve operational efficiency. We are striving to secure future female candidates for management positions with a goal of having women account for each job category: 50% for R&D and administrative positions. We also promote the hiring of women for plant engineer positions necessary for business portfolio transformation.</p> <p>At the same time, with the aim of developing employees equally regardless of gender, we support our employees in balancing childcare and work by providing training and development through such programs as “career development training for career-track positions” for male and female employees before becoming managers, the opening of the “Nepia SODATERASU” nursery school (Edogawa Ward, Tokyo), and a subsidy system for the use of childcare centers, for those who return to work early from childcare leave.</p> <p>In addition to the above-mentioned support for employees to balance childcare and work, the “Nepia SODATERASU” nursery school is also intended to contribute to measures to prevent children from being placed on waiting lists as a matter of corporate social responsibility, and is used not only by the Group employees, but also by local residents. (As of the end of March 2025, 6 children of employees and 15 children of local residents)</p> <p>Ratio of female managers (16 group companies*) Target: 5.5% or more (as of the end of March 2025) Result: 4.9 % (as of the end of March 2025) (13.0% at the Company (non-consolidated))</p> <p>Ratio of female managers (20 group companies**) Target: 8.5% or more (as of the end of March 2031) Result: 5.6% (as of the end of September 2025)</p> <p>Ratio of female new graduates in career-track positions (Hired by Oji Management Office Inc., excluding sports recruits) Target: R&D and administrative positions; 50% Result: R&D and administrative positions; 51.9% (hired on April 1, 2025)</p> <p><Ratio of male employees taking childcare leave> The Group actively promotes the participation of men in housework and childcare, with a target of 100% male employees taking childcare leave at 16 group companies. In FY 2024, 115.9% of our male employees, including those at manufacturing sites with three shifts, took childcare leave.</p> <p>Ratio of male employees taking childcare leave (16 group companies*) Target: 100% Result: 115. 9% (FY2024)</p> <p><Employment rate of persons with disabilities> The Group has actively worked on the recruitment of persons with disabilities, such as establishing a special subsidiary under the Act on Employment Promotion of Persons with Disabilities, “Oji Clean Mate</p>
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	<p>(cleaning business of the head office building)” mainly for people with intellectual disabilities in July 2007. The Group will continue to expand the recruitment of persons with disabilities.</p> <p>Employment rate of persons with disabilities Target: To achieve the statutory employment rate (2.50% as of June 1, 2025) Result: 2.55% (Six companies covered by a group, as of June 1, 2025) 2.36% (Domestic 68 companies, as of June 1, 2025)</p> <p><Foreign employees> The Group considers the development of global human resources to be an important theme in achieving diversity. Oji Management Office Inc. hires en masse new graduates in career-track positions for major domestic Group companies to secure excellent human resources, and hired 2 foreign employees on April 2025 as candidates for future managerial positions at domestic Group companies. Going forward, we will continue to hire a certain number of foreign employees and promote them to management positions. As of March 2025, we had 26 foreign employees in career-track positions who were hired in Japan, and 14 of them are in management positions, managing local operations at overseas Group companies. Out of the approximately 39,000 employees in the Group, 59% are working overseas (as of the end of March 2025), and most of the managers and supervisors of overseas Group companies are locally hired. In 2019, a foreign employee was promoted to serve as the Corporate Officer.</p> <p><Mid-career recruitment> The Group continuously implements mid-career recruitment with the aim of securing human resources for the rapid implementation of management strategies, and 62 employees were hired in FY 2024 (hired by Oji Management Office Inc.), 26 of whom are in management positions. The Group will continue to employ a certain number of mid-career personnel and promote them to management positions. We are also promoting the use of Alumni personnel (retirees other than retirees by age, who have rejoined the Group), who have gained valuable experience outside the Group.</p> <p><LGBTQ> Based on the Oji Group Charter of Corporate Behavior and the Oji Group Code of Conduct, we created the Oji Group LGBTQ Handbook with the aim of fostering a workplace environment in which diverse human resources, including sexual minority parties, can play an active role within the Oji Group. In addition, an consultation service for sexual minorities (for all Oji Group employees) was established on April 1, 2024.</p> <p><Total working hours> As part of working style reforms, we are striving to reduce total working hours since FY 2014, by improving operational efficiency, utilizing the flex-time system, having personnel work from home, and encouraging employees to take annual paid leave, with the aim of improving productivity and implementing working style that is not bound by working hours. Currently, we are promoting initiatives with a target of 1,850 total working hours per year (26 companies in the Oji Group head office area).</p> <p>Total working hours (26 companies in the Group head office area) Target: 1,850 hours or less</p>
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	<p>Result: 1849.6 hours (FY 2024)</p> <p><Health and productivity management></p> <p>In October 2020, the Group established the “Oji Group Health Declaration” and is working to ensure the health of its employees under the supervision of the Chief Health Officer (CEO). The Group promotes health promotion activities in cooperation with each health insurance union and labour union of the Group, and industrial physicians at each business site. The Group works to create a workplace where each employee is healthy, active and thriving.</p> <p>In March 2025, the Company was recognized for the fifth time since FY 2021 by the 2025 Certified Health and Productivity Management Organization Recognition Program (large enterprise category).</p> <p>Examples of efforts to improve employee health</p> <ul style="list-style-type: none"> - Implementation of medical examinations and stress checks - Establishment of health consultation desks - Influenza vaccination (vaccination at workplaces, cost subsidies) - Hourly use of saved leave for hospital visits - Reduction of long working hours <p>3. Utilization of Human Resources (Fair Treatment Based on Meritocracy and Improvement of Engagement)</p> <p>In order to utilize human resources as a source of value creation, practice our management philosophy and Purpose, and ensure the execution of tasks in line with our management strategies (including long-term vision), we aim to provide fair treatment based on meritocracy and improve engagement.</p> <p>[Personnel and wage systems (role-based personnel grading system, extended retirement age, discretionary labour system for researchers)]</p> <p>As a merit-based personnel system based on “role expectations” and “results” instead of “substantially based on the number of years served”, we appropriately operate a “role-based personnel grading system” and treat each employee according to the size of the role he or she has demonstrated through his or her abilities.</p> <p>In addition, with the aim of encouraging older employees to play an active role in the company, we introduced the “retirement at age 65” system at major domestic Group companies in FY 2017 so that they can make the most of the knowledge, skills, and techniques they have cultivated during their careers and work with enthusiasm. In addition, we introduced a reemployment system for employees who meet certain conditions up to the age of 67 in FY 2023.</p> <p>The Group offers an environment in which researchers with particularly high levels of expertise can concentrate on their research by giving them the discretion in their work style through the “certified researcher system” and the “creative human resource development system”, thereby promoting innovation through creative results based on diverse values and ideas. From FY 2022, we have more or less doubled the number of employees eligible for the “creative human resource development system” compared to previous years.</p> <p>[Training]</p> <p>To promote human resource development in line with the Oji Group's human resource philosophy, we actively conduct training within the Oji Group according to career stages and required skills, utilizing the Oji Group Fuji Training Center, which was newly established in Fujinomiya City, Shizuoka Prefecture in February 2023, and other facilities. The Oji Group is actively implementing training programs within the Oji Group according to career stages and required skills.</p>
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	<p>From FY 2023, the Global Intensive Program, which was suspended due to COVID-19, has been resumed, leading to the expansion of candidates for expatriate positions overseas.</p> <p>To enable employees to autonomously learn new knowledge and skills, we have established an e-learning environment starting from the FY 2024. This program is available to those who wish to participate, with all costs fully covered by the company. Currently, approximately 800 employees are enrolled in the program.</p> <p><Open recruitment system within the Group></p> <p>Since FY 2022, in order to promote autonomous career development based on the will of employees and to strengthen our business, revitalize the organization, and improve employee engagement through the appropriate placement and effective utilization of highly motivated human resources, an open recruitment system has been implemented for regular employees of domestic group companies and expatriates.</p> <p>In FY 2024, in order to realize the Purpose and Long-Term Vision, the program was implemented for two Oji Group companies and six divisions directly related to growing and utilizing forests and promoting globalization, and 10 employees were transferred.</p> <p>Please refer to the following for more information on the Group's human rights policy, human resources initiatives.</p> <p>Securities Reports (Japanese only): < https://www.ojiholdings.co.jp/ir/library/securities/> The Oji Group Integrated Report < https://www.ojiholdings.co.jp/en/ir/library/integrated/> Sustainability < https://www.ojiholdings.co.jp/en/sustainability/#society></p> <p>*16 group companies; 16 domestic group companies with 301 employees or more as of September 2015</p> <p>**20 group companies: 14 domestic group companies with 301 employees or more and 6 domestic group companies with 300 employees or less that are subject to collective recruitment by Oji Management Office as of end of March 2025</p>
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IV. Matters Related to the Internal Control System

1. Basic Views on Internal Control System and the Progress of System Development

The Company sets the “Matters Concerning Development of Systems to Ensure Listed Company’s Appropriate Business Operations (i.e. Fundamental Policies on the Construction of an Internal Control System)” as the following, pursuant to the provisions of the Article 362, paragraph (4), item (vi) of the Japanese Companies Act and the Article 100, paragraph (1) and paragraph (3) of the Ordinance of the Japanese Companies Act.

1. A system for ensuring that the execution of duties by Directors and employees of Oji Holdings (the “Company”) and its subsidiaries shall comply with laws, regulations, and the Articles of Incorporation

- (1) The Company, having established the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, reconfirms that Directors and employees of the Company and its subsidiaries shall promote corporate activities with an awareness of responsibility as a corporate citizen and by a strong sense of ethics that respond to the trust of society, and promises to continue such activities.
- (2) The Company shall strive to identify and remedy any problems by establishing a division for ensuring thorough compliance with laws and regulations through development of a Group-wide compliance system including training on legal compliance and an internal whistleblowing system.
- (3) The Company has established an internal system for preventing any form of relationship with anti-social forces by introducing an internal contact office. The Company shall maintain a firm stance against anti-social forces.
- (4) The Internal Audit Department shall conduct audits on compliance and report the results of the audits at the meeting stipulated in the Group Regulations.

2. A system related to the storage and management of information regarding the execution of duties by Directors

- (1) The Company shall store and manage documents (including documents issued by electromagnetic means) in accordance with laws and regulations and the Company’s regulations on the handling of documents. Documents shall be accessible by Directors and Audit & Supervisory Board Members at all times upon request.

3. A system including regulations on the management of risks on loss to the Company and its subsidiaries

- (1) Important matters related to the Group-wide risk management and internal control systems shall be deliberated and reported, and proposed amendments to the Fundamental Policies on the Construction of an Internal Control System shall be deliberated, at a meeting stipulated in the Group Regulations.
- (2) The Company shall clarify its risk management structure by establishing fundamental regulations on the management of the Group’s risks, and at the same time, manage Group-wide risks exhaustively and comprehensively and establish a system for handling each specific risk.
- (3) The Internal Audit Department shall conduct audits on the status of risk management and report the results to the meeting stipulated in the Group Regulations.

4. A system for ensuring efficient execution of duties by Directors of the Company and its subsidiaries

- (1) The Company shall establish a Group-wide management philosophy, fundamental management policies, medium-term management plans, and annual budget of the overall Group to clarify the goals and tasks to be shared by Directors and employees of the Company and its subsidiaries.
- (2) Each Director of the Company and its subsidiaries shall implement specific measures related to operations they are in charge of by following the above philosophy, fundamental policies, and plans, check the status of their progress accurately and promptly by making use of information technology systems and similar tools, and report the status to the Board of Directors of the Company and its subsidiaries. The Group shall establish a system for better achieving targets and completing tasks by encouraging improvements to eliminate or reduce factors that impair efficiency.
- (3) The Company shall clarify the authorities and responsibilities of employees of the Company and its key subsidiaries in an attempt to ensure their duties are carried out organizationally and efficiently.

5. A system for ensuring appropriate business operations of the corporate group consisting of the Company and its subsidiaries, and a system related to reporting to the Company on matters concerning the execution of duties by Directors of the Company's subsidiaries
 - (1) The roles of the Company and its subsidiaries and the Group's governance structure shall be clearly stipulated in the Group Regulations.
 - (2) Unified procedures for internal approval and reporting in the Group shall be stipulated in the Group Regulations, thereby ensuring internal checks within the Group.
6. Matters related to employees who assist Audit & Supervisory Board Members in the execution of their duties, matters related to the independence of such employees from Directors, and matters related to securing the effectiveness of directions to such employees, which apply where the assignment of such employees is requested by Audit & Supervisory Board Members
 - (1) The Company shall establish a division that assists Audit & Supervisory Board Members in the execution of their duties and assign several dedicated employees who are capable of validating the Company's business operations
 - (2) The division that assists Audit & Supervisory Board Members in the execution of their duties shall be under the direct control of the Audit & Supervisory Board, and personnel reassignment and personnel evaluations of employees who belong to the division and disciplinary actions against them shall be subject to approval by Audit & Supervisory Board Members.
 - (3) Employees who belong to the division that assists Audit & Supervisory Board Members in the execution of their duties shall follow directions and orders from Audit & Supervisory Board Members.
7. A system for reporting to Audit & Supervisory Board Members by Directors and employees of the Company and its subsidiaries, Audit & Supervisory Board Members of the subsidiaries, and those who have received reports from these persons, and a system for ensuring that they shall not receive disadvantageous treatment as a result of the reporting
 - (1) It is stipulated in the Group Regulations that matters related to the execution of important duties and matters that may cause a substantial loss should be deliberated or reported at a meeting specified by the Group Regulations. The Company shall secure a system under which important matters are reported to Audit & Supervisory Board Members through their attendance at the meeting or the inspection of documents.
 - (2) Directors and employees of the Company and its subsidiaries and Audit & Supervisory Board Members of the subsidiaries shall report matters to the Audit & Supervisory Board, including those that are deemed necessary by Audit & Supervisory Board Members and those that Audit & Supervisory Board Members specially request them to report, in addition to matters designated by law, on an as-needed basis.
 - (3) The Company shall report the status of compliance, such as internal audits, risk management, and whistleblowing, to Audit & Supervisory Board Members on a regular basis.
 - (4) The Company shall secure a system that ensures that under the whistleblowing system, whistleblowers shall not receive any disadvantageous treatment as a result of their whistleblowing.
8. Matters related to policies on expenses generated concerning the execution of duties by Audit & Supervisory Board Members
 - (1) Where an Audit & Supervisory Board Member has requested a payment of expenses needed for the execution of their duties, such expenses shall be processed promptly.
 - (2) The Company shall set an annual budget for the expenses needed by Audit & Supervisory Board Members for fulfilling the audit plan.
9. Other systems for ensuring that audits by Audit & Supervisory Board Members shall be conducted effectively
 - (1) The Company shall provide opportunities for regular exchanges of opinions between Audit & Supervisory Board Members and the Representative Director and Accounting Auditors.

Based on the said Fundamental Policies, the Company constructs an internal control over financial reporting, conducts assessment on effectiveness of the internal control, and creates an internal control report subject to a resolution of the Board of Directors.

2. Basic Views on Eliminating Anti-Social Forces

As for measures to eliminate anti-social forces, the Company describes the improvement of the system in the “Fundamental Policies on the Construction of an Internal Control System” as mentioned above. It clearly states in the “Oji Group Corporate Code of Conduct” that it would discontinue the relationship with anti-social forces, and works to ensure that all officers and employees are fully informed.

V. Other

1. Adoption of Anti-Takeover Measures

Adoption of Anti-Takeover Measures	Not adopted
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Supplementary Explanation

At a meeting of the Board of Directors held on May 12, 2023, the Company decided to discontinue the “Policy to Address Large-Scale Purchase of Shares of the Company (Takeover Defense Measures)” (hereinafter the “Policy”), which is effective until the close of the 99th Ordinary General Meeting of Shareholders, and to abolish it upon the close of the Ordinary General Meeting. Even after the abolishment of the Policy, we will adhere the following Fundamental Policy, keep in mind the Group’s Purpose, and proceed with the protection and utilization of forest resources, with the mindset that these are the source of the Group’s value. We will work towards contributing to a sustainable society while striving to improve corporate value in accordance to our Long-term Vision, Medium-term Management Plan, and Initiatives to Enhance Corporate Value.

[Fundamental Policies on Control of Company]

Given that the Company’s shares have been listed on stock exchange and subject to free transactions by its shareholders and investors, the Company does not categorically reject even a large-scale purchase as long as it is based on a proposal that contributes to the corporate value and common interests of shareholders of the Company. With respect to such a proposal, the Company believes that the decision as to whether to respond to it should be left ultimately to a judgment of its shareholders.

The Group has been developing business operations rooted in forest resources for more than 150 years. Under our management philosophy, “Creation of Innovative Value,” “Contribution to the future and the world,” and “Harmony with Nature and Society,” the Group has established our purpose, “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,” and the Group believes that it has an obligation to strive to achieve medium-to long-term enhancement of its corporate value and dedicate to a sustainability. In recent years, addressing social issues such as global warming and other aspects of climate change, loss of biodiversity, and environmental pollution has become increasingly important and to create a sustainable circular society together with forests is needed.

As part of those efforts, the Group believes that it has an obligation to maintain and enhance the long-term public value of forests by realizing a circular economy, expanding nature positive initiatives, and promoting a carbon-neutral society through business operations rooted in forest resources, and not only producing renewable forest resources but also contributing to enhancing the multifaceted functions of forests by cultivating and preserving healthy forests.

These social obligations cannot be achieved in a day, but they can be achieved by building a stable management foundation. The importance of our social obligations will remain unchanged. Even in recent times, the risk of large-scale purchases that may damage the Group’s corporate value still exists and it is necessary that the Board of Directors should be fully prepared for this risk. It is our responsibility to provide appropriate information required by all shareholders in the event where such large-scale purchases are made. In the event where there is a takeover proposal or large-scale purchase that may damage corporate value of the Group and the common interests of shareholders, we will request the parties carrying out such actions to give sufficient time and information necessary for shareholders to consider such a proposal. At the same time, to avoid damage to corporate value of the Group and the common interests of shareholders, we will also take various measures (including takeover defense measures) that are considered appropriate within the scope permitted by the Companies Act, the Financial Instruments and Exchange Act and other related laws and regulations, while respecting the opinions of independent outside directors.

2. Other Matters Concerning Corporate Governance System

<Overview of System for Timely Disclosure>

The Company’s systems for timely disclosure of company information are as follows.

(1) Disclosure of Decided Facts

Any matter that is decided at the Board of Directors or meetings stipulated in the Management Meetings Regulations is disclosed in accordance with the Securities Exchange’s rules.

(2) Disclosure of Occurrence of Facts

In a case where an important fact occurs, a Director and a department in charge that have recognized the occurrence of the fact will conduct a report to the Board of Directors or meetings stipulated in the Management Meetings Regulations, and will disclose in accordance with the Securities Exchange's rules. In addition, in a case of an occurrence of any fact that requires an urgent disclosure, the Representative Director will promptly make a decision on the disclosure.

(3) Disclosure of Account Settlement Information

With regards to account settlement information, financial figures are prepared by the Corporate Governance Division, approved by the Board of Directors, and then disclosed.

(4) Management of Inside Information

Inside information among officers and employees are thoroughly managed in accordance with the "Group Inside Information and Inside Trading Prevention Regulations".

(Corporate Governance Structural Diagram of the Oji Group)

