Corporate Philosophy

Paper is always around us in our daily lives. And beyond it lie infinite possibilities. The group is seeking to generate new value by working to solve the issues facing society while pursuing the infinite possibilities of paper. We remain committed to earning the trust of all stakeholders as we work toward Our Mission of “carving a better future for society and the environment.”

Our Corporate Spirit

Nurture people through integrity,
foster trust through fairness,
support society through harmony.

Our Mission

Carving a better future for
society and the environment.

Our Principles

Change	Change ourselves as society changes.
Challenge	Challenge new fields with conviction and ambitious spirit.
Create	Create fresh global value through diversity.

Corporate Slogan

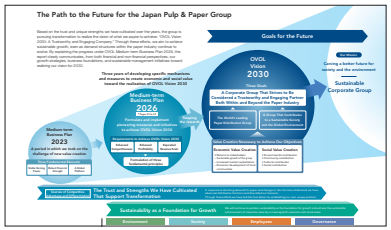
Paper, and beyond

Our Brand

The world is facing a variety of social issues, including climate change, resource recycling, and human rights, and companies are expected to create sustainable value by helping resolve them. At the Japan Pulp & Paper Group, we are promoting sustainable management that increases both economic and social value, and aim to be a corporate group that grows together with society. To achieve this, under the OVOL group brand, we seek to share value with stakeholders while strengthening cohesion across the diverse businesses and human resources that comprise our group, and promote value creation by leveraging our collective strengths. The OVOL brand embodies the group’s globally expanding business operations through the letter “O” and its aspiration to soar into the future through “VOL.” With this brand serving as the foundation of shared values that connects our diverse businesses and human resources, we are creating group synergies and accelerating our growth strategies while contributing to the realization of our long-term vision and the development of a sustainable society through value creation that starts from “the new power of paper.”

Please see the website
for details.

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Scope

Period: April 1, 2025 to March 31, 2026
Note: Includes some activities after March 31, 2026.
Organizations: Japan Pulp & Paper Co., Ltd. and Japan Pulp & Paper Group Companies
Date of next issue: September 2027

Reference Guidelines

Environment Social Governance
Guidance for Collaborative Value Creation

- IFRS Foundation, International Integrated Reporting Framework
- Ministry of Economy, Trade and Industry, Guidance for Collaborative Value Creation

Forward-Looking Statements

This report includes projections, forecasts and other forward-looking statements made by the company at the time the report was produced, based on information then available to the company. Such statements are subject to certain risks and uncertainties, and are not a guarantee of future performance. Readers are cautioned that actual results may differ significantly from any projections or forecasts presented herein.

The Path to the Future for the Japan Pulp & Paper Group

Based on the trust and unique strengths we have cultivated over the years, the group is pursuing transformation to realize the vision of what we aspire to achieve: "OVOL Vision 2030: A Trustworthy and Engaging Company." Through these efforts, we aim to achieve sustainable growth, even as demand structures within the paper industry continue to evolve. By explaining the progress under OVOL Medium-term Business Plan 2026, this report clearly communicates, from both financial and non-financial perspectives, our growth strategies, business foundations, and sustainable management initiatives toward realizing our vision for 2030.

Three years of developing specific mechanisms and measures to create economic and social value toward the realization of OVOL Vision 2030

Goals for the Future

Our Mission

Carving a better future for society and the environment

Sustainable Corporate Group

OVOL Vision 2030

Three Goals

A Corporate Group That Strives to Be Considered a Trustworthy and Engaging Partner Both Within and Beyond the Paper Industry

- The World's Leading Paper Distribution Group
- A Group That Contributes to a Sustainable Society and the Global Environment

Value Creation Necessary to Achieve Our Objectives

Economic Value Creation
- Returns to stakeholders
  - Sustainable growth of the group
  - Increased market capitalization
  - Economic development of local communities

Social Value Creation
- Environmental contribution
- Community contribution
- Cultural contribution
- Social contribution

Medium-term Business Plan 2026

▸ Pages 32 to 34

Formulate and implement pioneering measures and initiatives to achieve OVOL Vision 2030

Requirements to Achieve OVOL Vision 2030

Enhanced Competitiveness	Enhanced Profitability	Expanded Revenue Scale

Formulation of three fundamental principles

Reaping the rewards

Medium-term Business Plan 2023

A period in which we took on the challenge of new value creation

Three Fundamental Elements

Stable Earning Power	Robust Financial Strength	A Global Platform

Sources of Competitive Advantage and Differentiation

The Trust and Strengths We Have Cultivated That Support Transformation

In response to declining demand for paper and changes in the structure of demand, we have advanced distribution functions and diversified our business.
Through these efforts we have laid the foundation for establishing our own unique position.

Sustainability as a Foundation for Growth

We will continue to position sustainability as the foundation for growth and achieve the sustainable enhancement of corporate value by increasing both economic and social value.

Material Issues

Environment
- Climate Change
- Resource Recycling
- Biodiversity
- Environmental Impact

Society
- Supply Chain
- Digitalization
- Local Communities

Employees
- Work Environment
- Diversity and Inclusion

Governance
- Corporate Governance
- Compliance
- Stakeholder Engagement

Key Points of the 2026 Report

Three Strengths

Details on ▸ page 20

1

The Ability to Make Proposals Pursuing the Possibilities of Paper

Leveraging our advanced expertise in paper to maximize its functions and value, and create new demand

2

Technological Strengths Creating Business Opportunities in a Circular Economy

Using our unique technologies for recycling difficult-to-recycle wastepaper to address social issues and create new business opportunities

3

Organizational Capabilities Integrating Diverse Assets Across Business Segments, Regions, and Industries

Organically connecting our diverse business formats and globally expanding businesses to create a broad range of new value through alliances with customers and partners

×

Business Activities for Carving a Better Future for Society and the Global Environment

Details on ▸ pages 21 and 22

Sustainability

Utilizing resources
Creating a circular economy

Globalization

Transcending borders
Rooted in local communities

Innovation

Creating new value



×

Building the Mechanisms and Measures to Make OVOL Vision 2030 a Reality

1

Improve Work Engagement among Executives and Employees Responsible for Realizing OVOL Vision 2030

Increasing empathy and a sense of ownership to further harness the capabilities of executives and employees as a driving force for growth

Details on ▸ page 72

2

M&A to Expand the Growth Foundation for Becoming the World's Leading Paper Distribution Group

Continuing complementary M&As while expanding our business foundation through strategic M&As

Details on ▸ page 33

3

Expanding Beyond Defensive DX and Incorporating Offensive DX to Remain Competitive

Accelerating DX that enhances competitiveness, including strengthening sales capabilities, rather than merely improving operational efficiency

Details on ▸ pages 53 to 55

Japan Pulp & Paper Group in Numbers (As of March 31, 2026)

History and Foundation

Since our foundation in 1845, we have expanded the possibilities of paper and the value we provide by diversifying our business with paper wholesaling as our mainstay.

Years Since Foundation
181

Years Continuously Profitable*
54
Ordinary profit since listing on the Tokyo Stock Exchange in 1972
*Ordinary profit

Group Companies
132

Consolidated Results

The group is strategically advancing the diversification of its business portfolio and continuously working to strengthen the competitiveness of each segment. Through these initiatives, we will generate synergies with existing businesses with the aim of achieving sustainable growth for the group as a whole and establishing a stable earnings base.

Revenue
JPY 606.8 billion

Ordinary Profit
JPY 10.9 billion

Profit Attributable to Owners of Parent
JPY 4.7 billion

ROE
3.6%

Payout Ratio
86.1%

Sound Finances

We have maintained financial soundness with stable earnings and appropriate management of interest-bearing debt, and have received an A/Stable rating and outlook from credit rating agencies.

Net D/E Ratio
0.60x

Issuer Credit Ratings

Rating and Investment Information, Inc. (R&I)	A
Japan Credit Rating Agency, Ltd. (JCR)	A

Human Capital

We are enhancing cohesion and utilizing diverse human resources within the group under the OVOL brand as well as accelerating our growth strategy.

Number of Consolidated Employees
4,705

Percentage of Female Employees (Consolidated)
27.0%

Average Years of Service (Parent Company Employees)
20.5

Communicating the Value of Paper

Details on ▸ page 25

We widely communicate the value and appeal of paper to society through three activities: on-site classes, workshops, and the paper study group.

Workshops (FY2025)

Number of Companies Participating: 46 Number of Participants: 48

On-Site Classes and Events (FY2025)

Number of Children Participating: Over 200

Environment-related Businesses

Through the group's environmental businesses, which include wastepaper recycling and renewable energy generation, as well as manufacturing operations that use recovered paper as a raw material, we are committed to contributing to the realization of a sustainable society and the preservation of the global environment.

Raw Materials & Environment Segment Revenue

JPY 20.0 billion

Recycling Business Sites

24

Wastepaper yards: 23
Comprehensive recycling business sites: 1

Renewable Energy-related Business Sites

7

Renewable energy power plants: 3
Palm kernel shell storage sites: 4

Manufacturing Sites Using Wastepaper as a Raw Material

6

Global

As one of the world's leading paper distributors, we have built a global procurement and supply system.

Overseas Sales Revenue Ratio

58.4%

Sales Countries and Regions (Including Japan)

106

Countries and Regions with Business Sites

22

Percentage of Employees Working Outside of Japan

53.5%

