The Hokuetsu Group (the “Group”) announces the formulation of a new Long-term Corporate Vision and Medium-term Management Plan, as detailed below.

1. Long-term Corporate Vision
   The Group formulated the Long-term Corporate Vision “Vision 2020” in May 2011, aiming to develop into a global business group in accordance with the 2020 corporate image target, and has succeeded in obtaining definite results. Now, we have formulated a new Long-term Corporate Vision, “Vision 2030,” with the goal of further continuous growth as a global business group.

   (1) Basic Policy
      In a business environment that is subject to major changes, the Group and all its stakeholders will aim for continuous growth by promoting management with effective governance and compliance, and developing and providing services and products that are both high quality and cost-competitive through environmentally-friendly business activities.

   (2) Name of the Vision
      Vision 2030

   (3) Period
      April 1, 2020 through March 31, 2030 (10 years)

   (4) Target Image of the Group in 2030
      ■ A business group that contributes to sustainable social development on the axis of environmental management
      ■ A business group that makes use of diverse human resources and the latest technology to challenge ourselves in new business fields in step with the times
      ■ A business group made up of people working proactively with dreams, hopes and pride
2. Medium-term Management Plan
The “Medium-term Management Plan 2023” has been formulated as the first step towards the realization of the Group image set out in the Long-term Corporate Vision “Vision 2030.”

(1) Name of the Plan
Medium-term Management Plan 2023

(2) Period
April 1, 2020 through March 31, 2023 (3 years)

(3) Target Consolidated Management Indicators (FY2022)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Target</th>
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<tbody>
<tr>
<td>Net sales:</td>
<td>¥280 billion</td>
</tr>
<tr>
<td>Operating profit:</td>
<td>¥15 billion</td>
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<tr>
<td>Ordinary profit:</td>
<td>¥20 billion</td>
</tr>
<tr>
<td>Profit attributable to owners of parent:</td>
<td>¥15 billion</td>
</tr>
<tr>
<td>ROE:</td>
<td>7.0%</td>
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<tr>
<td>EBITDA:</td>
<td>¥35 billion</td>
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</tbody>
</table>

(4) Basic Policy

- Shift business portfolio
  We will pioneer new core businesses in Japan and overseas and accelerate the business portfolio shift that we have promoted, with the aim of the continuous growth of the Group.

- Expand business worldwide
  We will develop a system to manage our main businesses outside Japan in a focused and collective manner for further collaboration within and without the Group and more profitability, and expand our businesses globally through investments like M&A.

- Strengthen business in Japan
  We will strengthen the profitability of our existing businesses by implementing measures such as logistic reforms and constructing an optimal production system that meets trends in demand, make our containerboard business into a core business, and further expand our paper processing business.

- Strengthen corporate governance
  We will strengthen our internal controls by holding “Consolidated Management and Internal Control Meetings” and enhancing the functions of the Group Governance Administration Department, set up an Audit & Supervisory Board Member Office (support staff of Audit & Supervisory Board Members), and increase the effectiveness of Audit & Supervisory Board Members’ audits.

- Promote SDG-related activities
  We will promote activities that contribute to the SDGs through initiatives to reach
the “Group Environmental Target 2030”, the development of eco-friendly products such as plastic alternatives, and workstyle reforms.

The details will be published on our website in May 2020.