





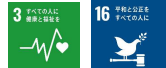



## FY2023-2025 Group Sustainability Activities Implementation Targets

Classification	Important issues - Materiality	Strategy - Sustainability Activities Implementation Targets	Indicators and targets - Group-wide KPIs	Relevant SDGs	
				Goal	Targets
E (Environment)	① Response to climate change issue	<ul style="list-style-type: none"> <li>Achieve “Zero CO<sub>2</sub> 2050” to reduce CO<sub>2</sub> emissions to virtually zero by 2050 through the use of biomass energy and the latest technology</li> </ul>	<ul style="list-style-type: none"> <li>Reduce CO<sub>2</sub> emissions in 2030 by 43% compared to FY2005</li> </ul>		6.3 11.6 13.3 7.2 12.4 9.4 12.5
	② Responsible procurement of raw materials	<ul style="list-style-type: none"> <li>Promote CSR-aligned raw materials procurement that considers the environment and society based on the Hokuetsu Group Fundamental Policy for Raw Materials Procurement</li> </ul>	<ul style="list-style-type: none"> <li>Procure wood pulp for paper produced in socially, economically and environmentally sound ways</li> </ul>		12.7
	③ Forestry management and protection of biodiversity	<ul style="list-style-type: none"> <li>Leveraging the multiple functions of forests, maintain proper and sustainable management of Hokuetsu-owned and managed forests</li> <li>Preserve the biodiversity of owned and managed forests, and strive for community interaction through owned and managed forests</li> </ul>	<ul style="list-style-type: none"> <li>Maintain or increase absorption of CO<sub>2</sub> by owned and managed forests</li> <li>Maintain or strengthen activities related to biodiversity and community exchange</li> </ul>		15.2 15.4
S (Social)	④ Ensuring safety and hygiene of the workplace	<ul style="list-style-type: none"> <li>Strive for an accident-free workplace by following the hSA25 roadmap</li> </ul>	<ul style="list-style-type: none"> <li>Zero serious accidents every fiscal year</li> <li>Under 25 industrial accidents (including minor incidents) every fiscal year</li> </ul>		3.6
	⑤ Human capital management	<ul style="list-style-type: none"> <li>By promoting human capital management, accelerate talent hiring and training, striving to increase the competitiveness of the Group as a whole</li> </ul>	<ul style="list-style-type: none"> <li>Improve retention (newly grads/mid-career)</li> <li>Amount invested per employee in training</li> <li>Number of trainees</li> <li>Number of employees with qualifications/licenses</li> <li>Double the percentage of women, non-Japanese, and mid-career hires in management and executive ranks by 2030 from the current level (FY2021) of approximately 10%</li> <li>Higher percentage of women in management</li> <li>Rate of paternity leave taken by male employees</li> </ul>		5.1 5.5 5.C 8.5
	⑥ Delivering responsible product quality and new product development	<ul style="list-style-type: none"> <li>Ensure product quality and safety</li> <li>Develop new, eco-friendly products</li> </ul>	<ul style="list-style-type: none"> <li>Zero product liability accidents (i.e. zero liable products)</li> <li>Enhanced range of eco-friendly products</li> <li>Development of products harnessing nanotechnology</li> </ul>		12.4 12.5 12.7 14.2
	⑦ Dialogue with stakeholders	<ul style="list-style-type: none"> <li>Continue good relationships with stakeholders (shareholders/investors, sellers/suppliers, consumers, employers, communities)</li> </ul>	<ul style="list-style-type: none"> <li>Improved stakeholder engagement (IR/SR meetings, factory visits/internships, employee surveys, etc.)</li> <li>Survey responses</li> <li>Continued CSR activities</li> </ul>		
G (Governance)	⑧ Improving corporate governance	<ul style="list-style-type: none"> <li>Continuously improve corporate governance</li> <li>Strive to enhance risk management activities</li> </ul>	<ul style="list-style-type: none"> <li>Enhance content of disclosure</li> <li>Continue risk reduction activities</li> </ul>		3.3 16.5
	⑨ Respecting human rights	<ul style="list-style-type: none"> <li>Promote approaches that respect human rights</li> </ul>	<ul style="list-style-type: none"> <li>Sign up to UNGC</li> <li>Establish a human rights policy</li> <li>Establish approaches for respecting human rights</li> </ul>		8.7 10.2 10.3