

Corporate Presentation

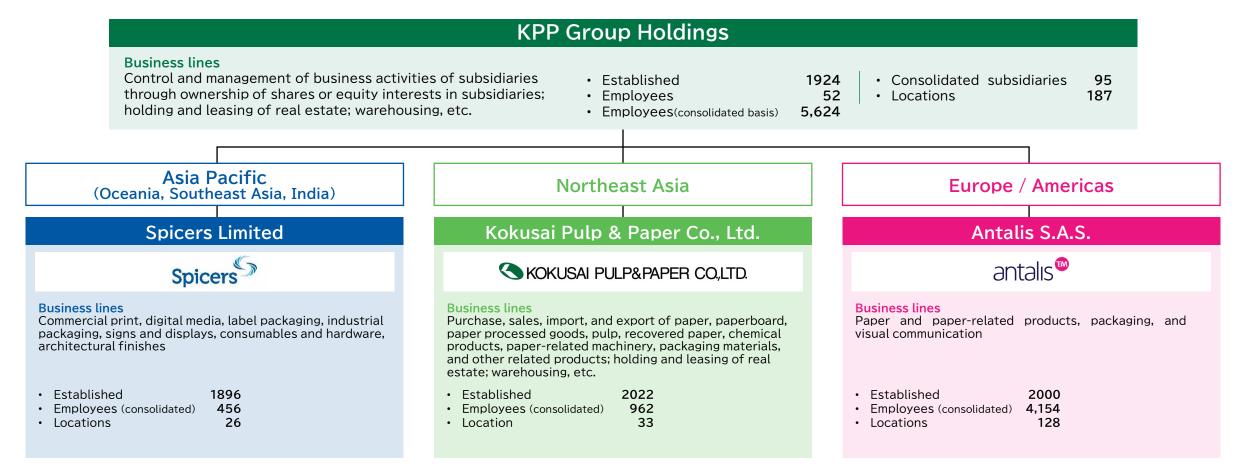
KPP GROUP HOLDINGS CO., LTD.



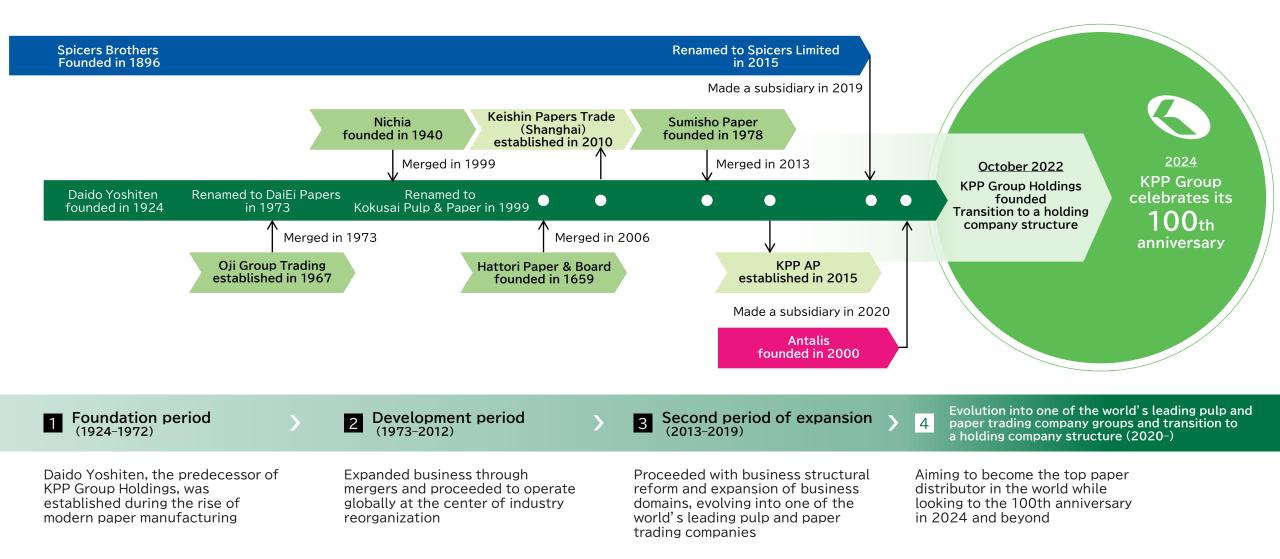














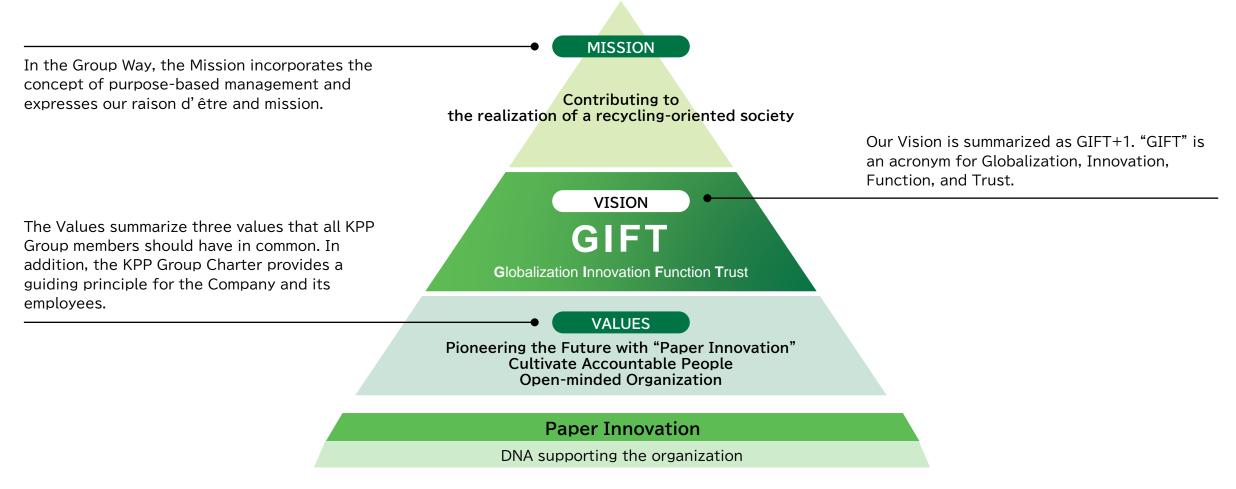
Paper Innovation for a Connected Future

The origins of writing can be traced back to as early as 4,000 BC. With writing being added to verbal communication, paper was invented, and printing technology evolved. The printing press greatly contributed to the Renaissance, the Scientific Revolution, and the Reformation in medieval Europe. Paper, as a printing medium, has supported the culture of letters and publishing, contributing to mankind as a means of conveying information and thoughts of people.

Now, paper is opening the way to a new future as an environmentally friendly material, and its applications are further expanding. As a distributor in the pulp and paper industry, the KPP Group is committed to adding value to this ecological material and contributing to the realization of a recycling-oriented society.



The KPP Group Way is the KPP Group's philosophy structure, which is expressed as a pyramid consisting of three layers of Mission, Vision, and Values.



Long-term Management Vision "GIFT+1 2024" (FY2016 to FY2024)



Globalization

Leveraging our global network to become a leading pulp and paper company

Innovation

Open up the potential of paper through a creative mind and develop a recycling-oriented business

Function

Promote e-commerce and take on the challenges of new business domains

Trust

Continue being a sincere company trusted by stakeholders

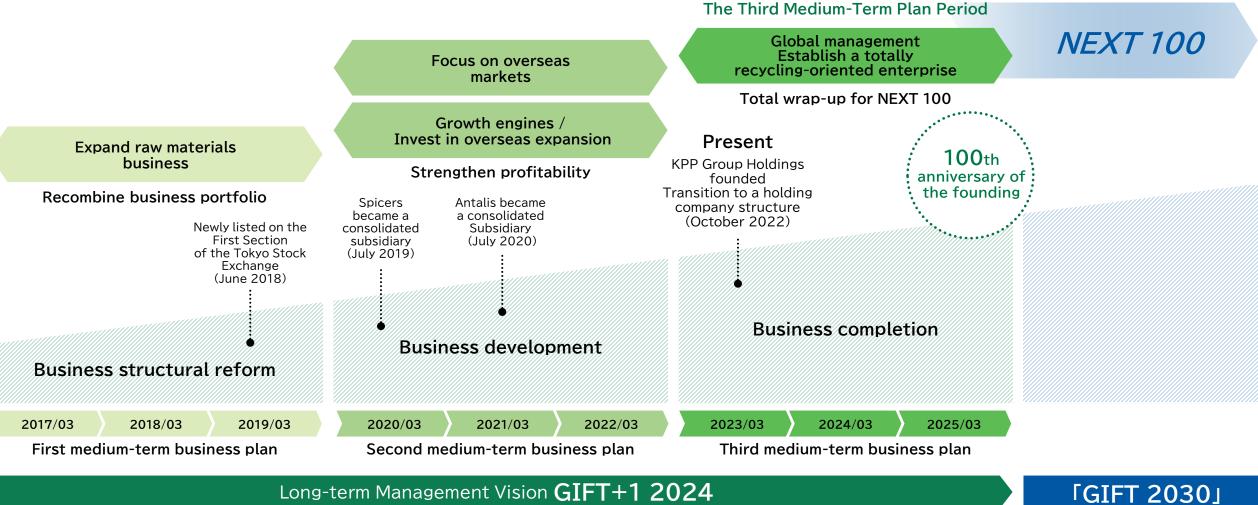
+1(plus one)

Contribute to the realization of a sustainable society by adding environmental, social, governance, and other initiatives to all elements of our vision as "plus one"

Global management Establish a totally recycling-oriented enterprise

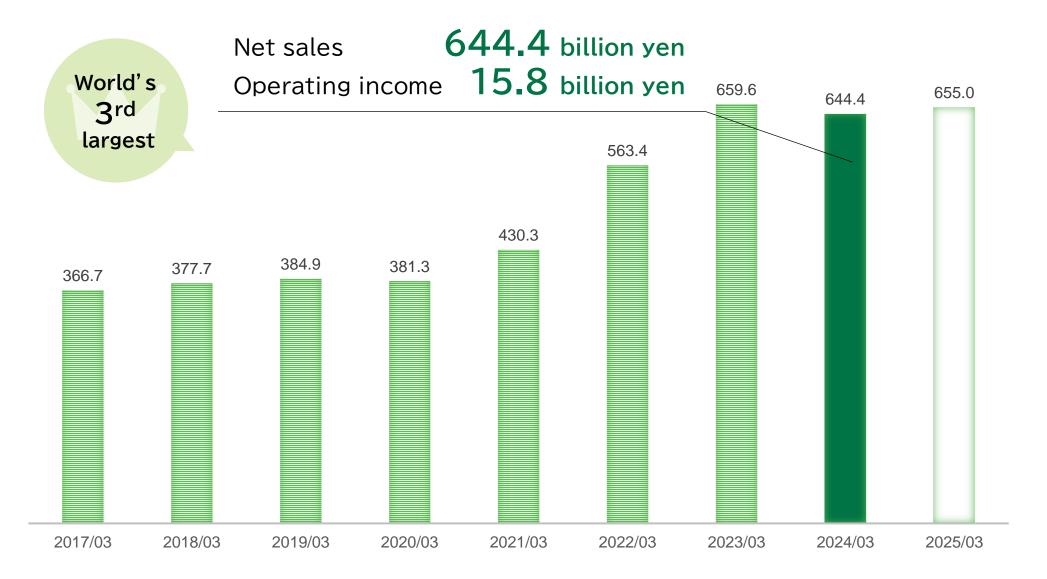
Long-term Management Vision "GIFT+1 2024"

The Third Medium-Term Plan is the final stage of the long-term Management Vision "GIFT+1 2024" - Toward "GIFT 2030" and "NEXT 100" years



Long-term Management Vision GIFT+1 2024

Third largest Paper Trading Company in the World (based on sales, according to our research)





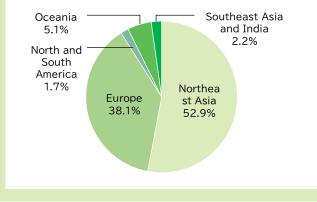
Net Sales Composition by Region

Fiscal year ended March 31, 2019, the final year of the first mediumterm business plan %Estimate

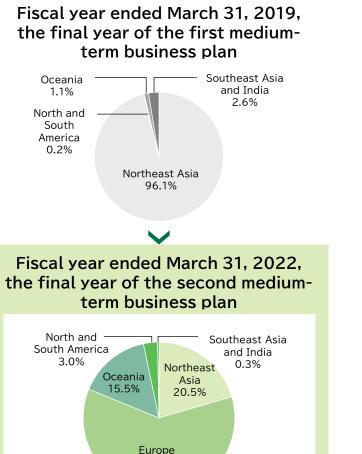
North and

South

America 1.0% Northeast Asia 96.4% Fiscal year ended March 31, 2022, the final year of the second mediumterm business plan *Estimate



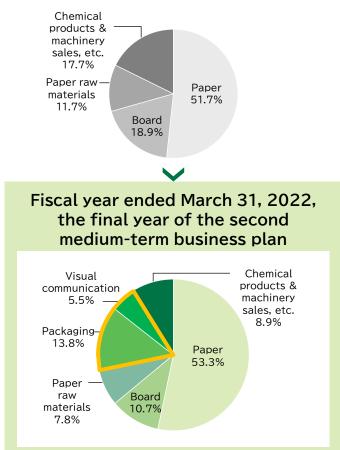
Operating Income Composition by Region



60.7%

Net Sales Composition by Business Segment

Fiscal year ended March 31, 2019, the final year of the first mediumterm business plan



S Our Third Medium-term Business Plan

Strengthening global governance

Portfolio reform and expansion of new businesses

Establishment of a management control system that respects the autonomy of each Group company by delegating authority and clarifying responsibilities

- Centralized management of information and implementation of appropriate Group management
- Realization of rapid management through the IT infrastructure development
- Global expansion of risk and incident management
- Development of internal control and internal audit system to ensure proper business operations
- Revitalization of internal communication

- Analysis of global markets and promotion of digital marketing
- Becoming carbon neutral and promoting e-commerce
- Realization of inorganic growth through M&A, etc.
- Hybrid management with stock business and indent business

Promotion of sustainability management

- Transition to a more ESG-focused philosophy structure
- Achievement of KPIs and execution of PDCA for identified material issues (diversity, response to DX, climate change countermeasures, etc.)
- Integration between global-scale sustainability management and business plan



Organic growth

Expansion of recycling-oriented business model

- 1. Further expand recycling-oriented business through both recovered paper business and product sales
- 2. Strengthen pulp business, including raw materials for sanitary paper
- 3. Expand market share of paper and paperboard wholesale business and maximize profits through promotion of e-commerce and cost control
- 4. Expand solution business

Inorganic growth

Expansion of business areas by acquiring external management resources

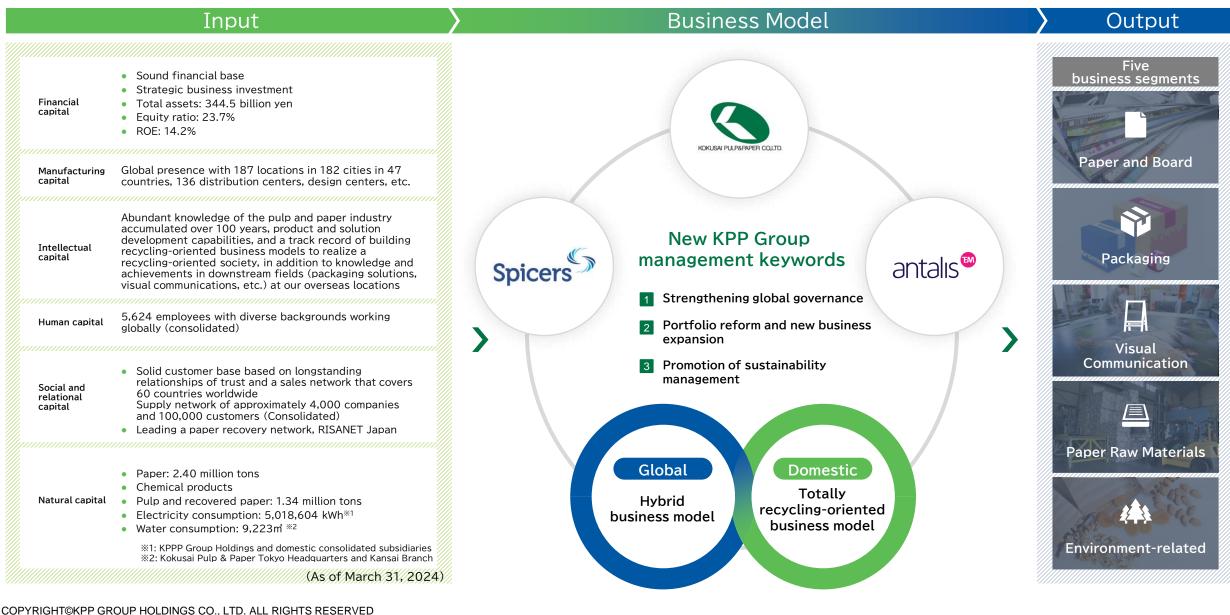
Total 20 billion yen (three-year cumulative total)

Markets targeted by M&A



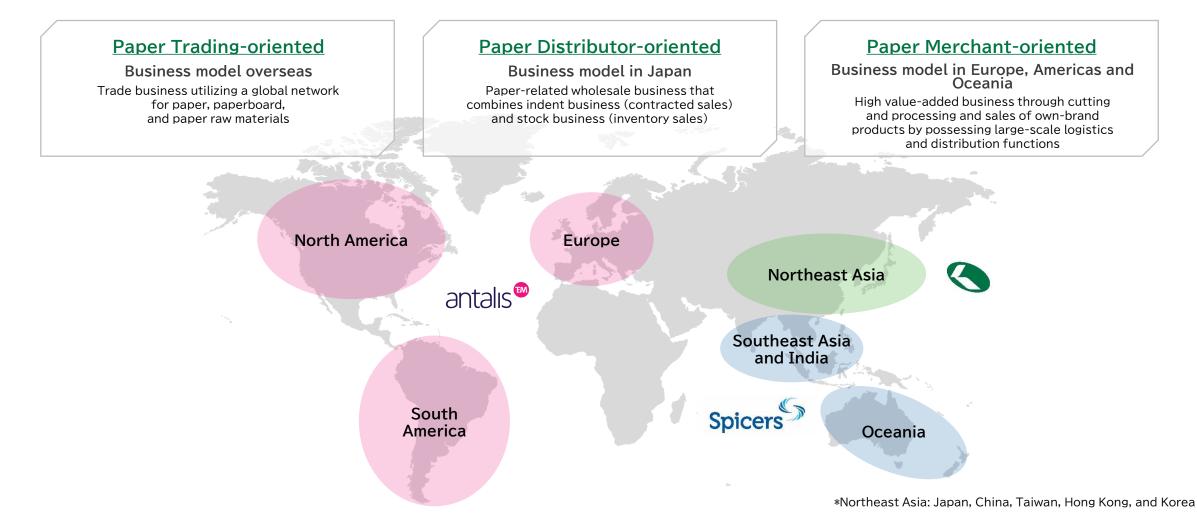
Toward sustainable growth





🔇 Business Models - Hybrid Business Model

Global strategy maximizing profitability and efficiency by integrating three distinct business models tailored to regional characteristics.



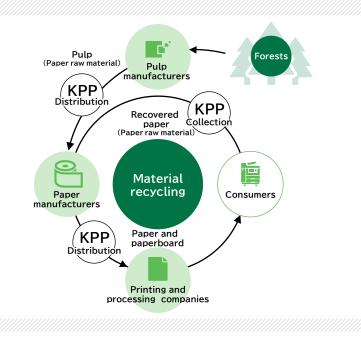
Business Models - Totally Recycling-oriented Business Model

Realization of environmentally friendly sustainable growth

Material Recycling

Contributing to the realization of a circular economy through a recyclingoriented business

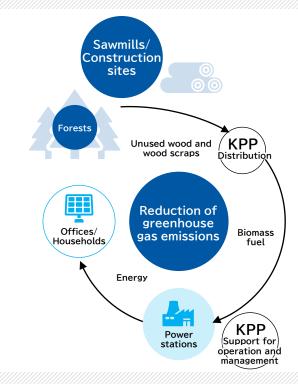
- Utilizing the collection network of used paper wholesalers throughout Japan. Collected used paper is delivered to paper manufacturers as raw materials for paper (recycling material)
 *see "Paper Raw Materials Business" on page 19 of this material.
- *see "Paper Raw Materials Business" on page 19 of this material.
- Used paper collection solution business using our originally developed Town ecomo and Office ecomo
- Provision of the ecomo Closed Recycling Service, which visualizes resource emissions, recycling routes, and recycling volumes



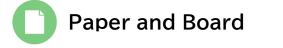
I Reduction of Greenhouse Gas Emissions

Biomass power generation support business that contributes to a reduction in greenhouse gas emissions

- Development of BMecomo, an operation support system for biomass power plants using AI and IoT technologies
- Purchase unused wood, waste wood, and scrap wood, and supply them to biomass power plants











Visual Communication



Paper Raw Materials (pulp and recovered paper)



Environment-related



Paper and Board Business

We handle paper for newsprint, printing, and communication-related paper, containerboard for corrugated boxes, and boxboard used as base paper for snack and tissue boxes, cards, and other products.



02

Packaging Business

We propose tailor-made solutions to meet customer needs. We provide services to a wide range of industries including automotive, electronics & high-tech, machinery, metals, food, and chemicals.





Visual Communication Business

This is a media business that appeals to the visual sense, including point-of-purchase advertising, signage, interior decorations, and wrapping, for which demand is growing in Europe and Australia. We also supply large-format inkjet printing and consumables such as ink.





Paper Raw Materials(pulp and recovered paper) Business

Currently, pulp accounts for approximately 40% of the raw materials consumed by the entire papermaking industry, with the remaining 60% being recovered paper.

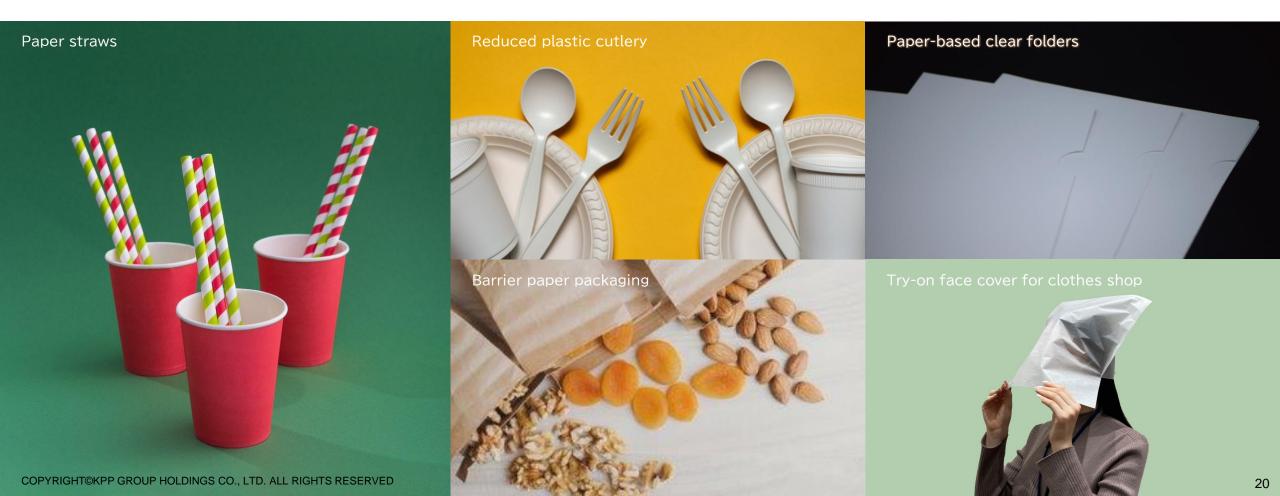
We utilize our domestic and international networks to procure pulp and recovered paper, which we sell to paper manufacturers.





Environment-related Business

In addition to developing our proprietary ecomo series in various forms in Japan, we are engaged in the development and distribution of products and materials that contribute to reducing environmental impact, such as paper solutions and reduction of plastic use.



Regional Business



Northeast Asia: Kokusai Pulp & Paper

KOKUSAI PULP&PAPER CO.,LTD.

→ 100-year-old paper trading company

Major Locations

Tokyo, Osaka, Nagoya, Fukuoka, Sendai, Sapporo, Seoul, Taipei, Los Angeles, etc.

Main Businesses and Products

- Purchase, sales, import, and export of paper, paperboard, paper processed goods, pulp, recovered paper, chemical products, paper-related machinery, packaging materials, and other related product
- · Holding and leasing of real estate; warehousing



Kyushu Branch

Kita Nihon Branch

Sapporo Sales Dept.

Kita Nihon Branch

Sendai Sales Dept.

Tokyo Head Office

Kansai Branch

Chubu Branch



Keishin Papers Trade

→ 14-year-old paper trading company

Major Locations

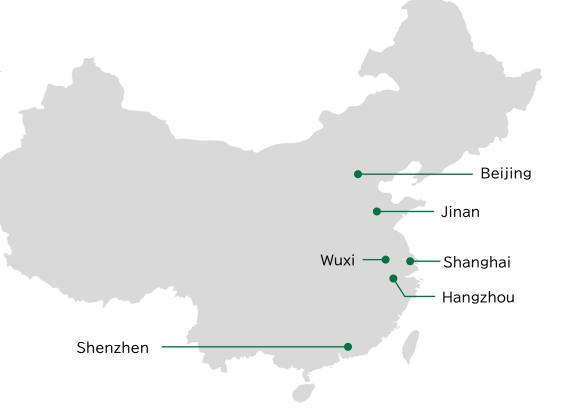
Shanghai, Beijing, Nanjing, Wuxi, Hangzhou, Jinan, Shenzhen, and Guangzhou

Main Businesses and Products

Processing and sale of papers

Export Sales of Chinese Goods

Taking advantage of the KPP Group's sales network, which has expanded to 47 countries and regions around the world, we are expanding exports of Chinese products not only to Asian countries such as Southeast Asia and India but also to Western countries.







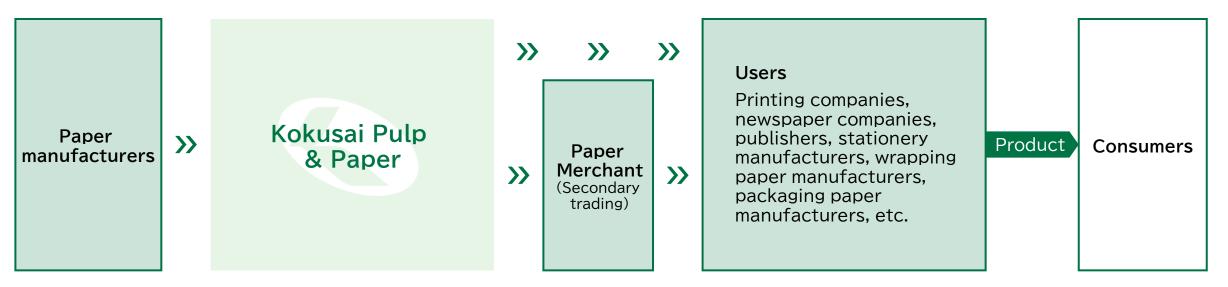
Paper and Paperboard Business (Domestic)

Paper

Deals in newsprint, printing paper, and information-related paper. There is a wide range of paper types, and we make proposals that match the properties and characteristics of each type of paper depending on the application.

Paperboard

Paperboard is mainly classified into "container board" and "folding box board" and is widely used for packaging. "Container board" is the base paper used to make corrugated boxes, and accounts for about 80% of all paperboard. "Folding box board" is the base paper for paper boxes such as candy, tissues, cards, etc.





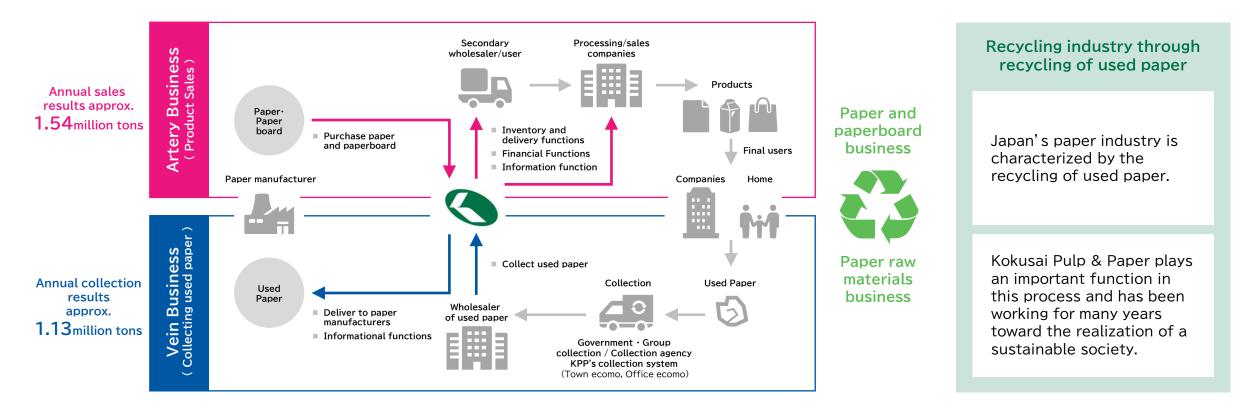
Northeast Asia: Kokusai Pulp & Paper



Paper Raw Materials Business (Domestic)

Paper raw material (pulp and recovered paper)

Currently, approximately 40% of the raw material consumed by the entire paper industry is pulp, and the remaining 60% is used paper. We use our domestic and international network to procure pulp and used paper, and to sell them to paper manufacturers.





KOKUSAI PULP&PAPER CO.,LTD.

Toward the Realization of a Recycling-oriented Society

Promote Green Biz Project

The company has launched the cross-divisional Green Biz Project to develop and distribute "Green Products" based on the concept of the 3Rs: Reduce, Reuse, Recycle, and Renewable.

- Oji Fiber Co., Ltd., which manufactures and processes paper yarn and other textile products made from paper, became a subsidiary.
- Capital and business alliance with Amica Terra Co., Ltd., which is engaged in plastic substitute materials (modocell[®]) made mainly from plant fibers (cellulose).
- A sales distributor agreement was concluded between Ranpak B.V., the largest provider of product protection solutions with paper cushioning material.
- KPP Agri Solutions Co., Ltd., established in Namie-cho, Fukushima Prefecture, contracts farm work, produces sorghum, and develops sales channels for biofuels.









128-year-old major paper distributor in Australia

Major Locations

Melbourne, Sydney, Brisbane, Perth, Adelaide, Darwin, Auckland, Christchurch, Wellington, Singapore, Bengaluru, Kuala Lumpur, Ho Chi Minh, Jakarta, Manila, Bangkok

Main Businesses and Products

- Print & Packaging Business
- Visual Communications Business







Print & Packaging Business

Adhesive Label Business in Oceania

Providing services in all fields, including daily necessities, food and beverage, medical and pharmaceutical, logistics and distribution, and industrial-related fields.

- Propose to customers the best combination of surface materials, adhesives, release paper and release film for various applications.
- Wide range of supply sources, especially in Asia and Europe
- A large selection of approx. 100 different products.
- In-house slitting process provides added value, responding flexibly to customer specifications.







Visual Communication Business

Collaboration with visually appealing (i.e., visual communication) businesses such as in-store advertising, signage, wrapping, and buildings. The demand is growing in Europe and Australia.

We provide solutions and products ranging from large-format inkjet printers to inks and other consumables, and materials for indoor and outdoor signage, displays, and car wrapping.







Sustainability catalog "Environs"

- A sustainability catalog Environs was released. It features a full collection of products that contribute to reducing environmental impact.
- In addition to introducing paper-based products, Environs includes various contents such as Spicers' Sustainability Statement, sustainability goals and practices and tips to consider when designing products.
- Spicers will continue to create innovative and sustainable solutions to meet the needs of today's market and to ensure a healthy global environment for future generations.







Europe's largest paper distributor

Major Locations

Paris, Birmingham, Dublin, Madrid, Köln, Stuttgart, Zurich, Amsterdam, Warsaw, Prague, Stockholm, Copenhagen, Riga, Istanbul, Santiago, Lima, etc.

Main Businesses and Products

- Paper and paper-related products
- Packaging Business
- Visual Communications Business







Packaging Business

Customized solutions

Experts who provide customized solutions that meet customer needs for a wide range of packaging material Providing services in a wide range of industrial fields, including automobiles, electronics, high-tech, machinery, metals, food, chemicals and so on.

Inquiries from Customers

We have products that need protection, but we can't find a standard packaging solution to meet our needs.

Expert

What protection does the product need?
What are the transportation modes and routes, and the situation of on-site inventory?

- What do your internal logistics look like?
- ✓ What about the disposal after use?

- Carefully consider customers unique cases and develop a solution that meets their requirements
- Procurement of the highest quality packaging materials at competitive prices through a broad network of suppliers and manufacturers

Packaging Design Center



Providing a variety of packaging materials (examples)





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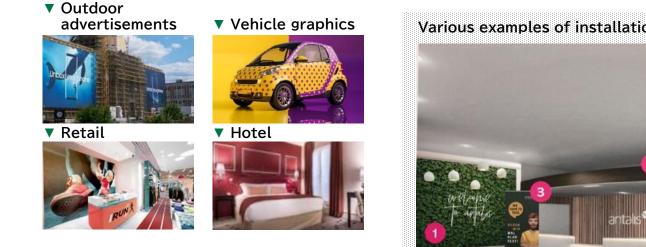




Visual Communication Business

We provide solutions and products ranging from large-format inkjet printers to inks and other consumables, and materials for indoor and outdoor signage, displays, and car wrapping.

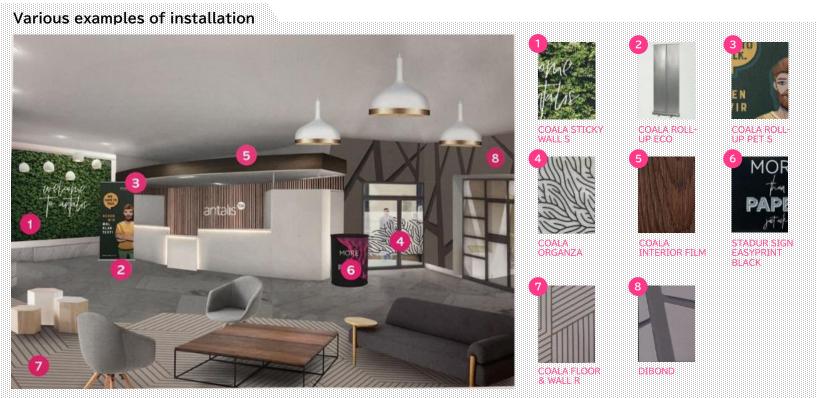
• Experienced marketing teams provide high-level user support.



A view of the work



* Examples of projects in which products of Antalis' visual communication series were delivered in collaboration with architects, interior designers, printers and advertising agencies.







Initiatives to reduce environmental impact : Coala Air Board

"Coala" is Antalis's own brand for visual communication products. Coala Air Board is paper-based board with a honeycomb-like core structure inside, which is an environmentally friendly alternative to traditional synthetic rigid substrates ^{(*1).}

- Ranked the highest 5 stars in Antalis' Green Star System (*2)
- Made of 100% recyclable paper, a more sustainable alternative to hard-to-recycle fossil materials
- The product is sustainable and can be used in a wide range of applications from exhibition stands to art installations

*1 Boards using fossil resources such as plastic.

*2 Antalis's original system for objectively evaluating the environmental impact of products by analyzing the origin of raw materials and recyclability







Sustainability Management



KPP Group Basic Policy on Sustainability

The KPP Group will contribute to the realization of a sustainable society through the operation of a totally recycling-oriented enterprise based on the basic philosophy of the KPP Group Way.

Furthermore, we perceive the environment, society, and governance to be important aspects of management and will identify material issues and engage in the resolution of the issues related to business activities.





Initiatives to Resolve Social Issues and Strengthen Business Foundation

Ε	7	Creation of a recycling-oriented society	Establishment of a paper recovery network and selling raw materials for recovered paper
		Response to climate change	Endorsement of TCFD and disclosure of information related to climate change countermeasures
			Development and distribution of products and services with reduced environmental impact
			Spread of renewable energy
	14 808526 15 808526	Marine plastic pollution problem	Promotion of Green Biz Project
		Biodiversity preservation	Forest conservation and reforestation
			Utilization of managed forest resources
S	1 Ret 2 Her Image: State and the state and t	Human resources development	Introduction of fair personnel system and implementation of evaluation
			Education
		Development of an employee-friendly work environment	Diverse work systems
			Prevention of harassment
			Response to long working hours
	5 x=x/-=== 5 x=x.x= 5 x=x.x= 5 x=x.x= 5 x=x.x= 6 x=x.x= 6 x=x.x=x= 10 Areao=== 6 x=x.x=x= 10 Areao=== 6 x=x.x=x=x=x=x=x=x=x=x=x=x=x=x=x=x=x=x=x	Diversity & inclusion	Improvement of work-life balance
			 Promotion of women's career advancement
			Diversification of hiring practices
		Raise awareness of paper culture and book culture	Dissemination of information on paper culture and book culture
		Reduction of poverty and hunger	Various types of support
G		Enhancement of corporate governance	 Strengthening of global governance structure
		BCP	Disaster and incident response
			 Evacuation drills Safety confirmation drills
		Reinforcement of information security	Reinforcement of Group-wide security

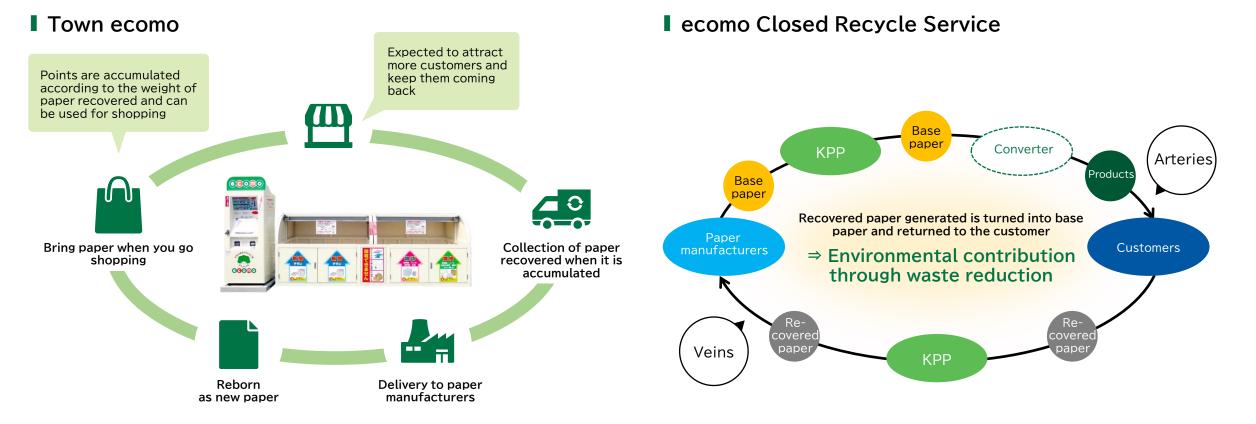
Contended And Antion Content and Antion Content Con

Building a collection network of used paper and sale of recovered paper materials

- The Company recycles approximately 70% of the products that it sells
- Presides over the recovered paper wholesaler network "Risanet"
- Deployment of the <u>"ecomo"</u> model of recovered paper collection.



- Town ecomo
- Office ecomo
- ecomo Closed Recycle Service



Environmental Initiatives: Response to Climate Change/Marine Plastic Pollution Problem

Disclosure about Climate Change Corresponding to TCFD

- Endorsed the recommendations of the Task Force on Climate-related Financial Disclosures in June 2022.
- Disclosure of "Governance", "Strategy", "Risk Management", and "Indicators and Targets"

Popularization of renewable energy

- Development of "BMecomo", an operation support system for biomass power plants using IoT technology
- Established BMecomo Co., Ltd.

Development and sales of environmentally friendly products and services.

- Promote Green Biz Project
- Antalis' Green Star System and Coala Air Board
- Spicers published Environs



Environmental Initiatives: Conservation of Biodiversity

Forest conservation/regeneration

- 2015, Begin supporting the C. W. Nicol Afan Woodland Trust
- 2022, Begin new forest creation support for the southern area of the Afan Woodland



Utilization of managed forest resources

Expanding the handling of forest-certified products



S Human Capital and Human Resources Strategy

The Company considers that employees are the most important asset of a trading company and that an environment which lets them fully unleash their potential provides the very foundation for sustainable growth.

HR Development	 Introduction of fair personnel system and implementation of evaluation Education and Training Introduced e-learning to support self-development Implemented career interviews for promoted employees and training by rank
Development of an Employee-Friendly Work Environment	 Diverse work systems: Leave of absence and shorter working hours for childcare or nursing care/Telework Prevention of harassment Response to long working hours
Diversity & Inclusion	 Improvement of work-life balance Promotion of women's career advancement Diversification of hiring practices

Contributing to Society:Enrichment of Paper Culture and Book Culture

Public Relations Magazine TSUNAGU

An exploration in rediscovering a fascination with paper, we link paper and culture, paper and business, and paper and people.



Display of Tanabata Decorations

Display Sendai Tanabata decorations at the entrance of the head office and open to the public.



Support for Papermaking Class

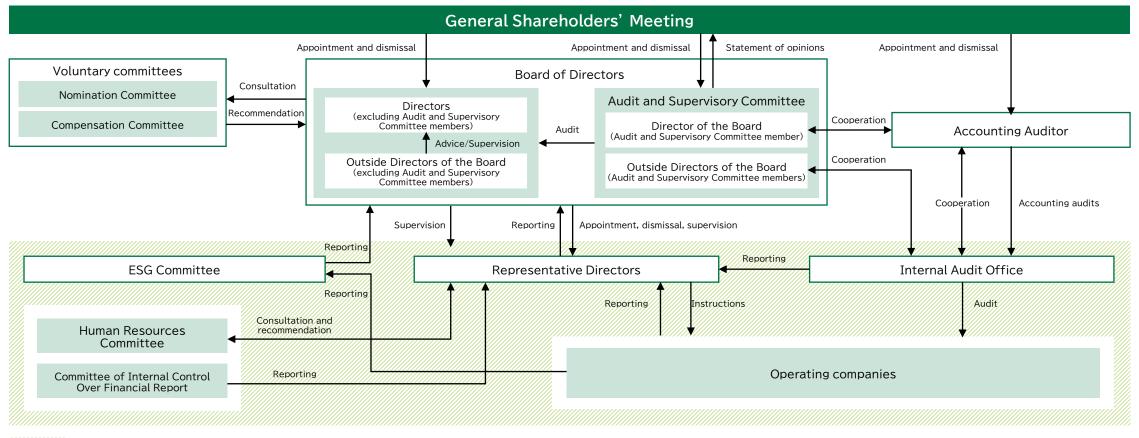
The Company endorses the Great East Japan Earthquake reconstruction project promoted by the C. W. Nicol Afan Woodland Trust. As part of this, we support the papermaking class at the Miyanomori Elementary School, Higashi-Matsushima City.



Corporate Governance

The Company has prioritized the construction and continual enhancement of corporate governance systems in order to fulfill the mandate we have received from our stakeholders—including shareholders, customers, suppliers, local communities, and employees— which is to deliver sustainable growth and medium- to long-term improvement of its corporate value.

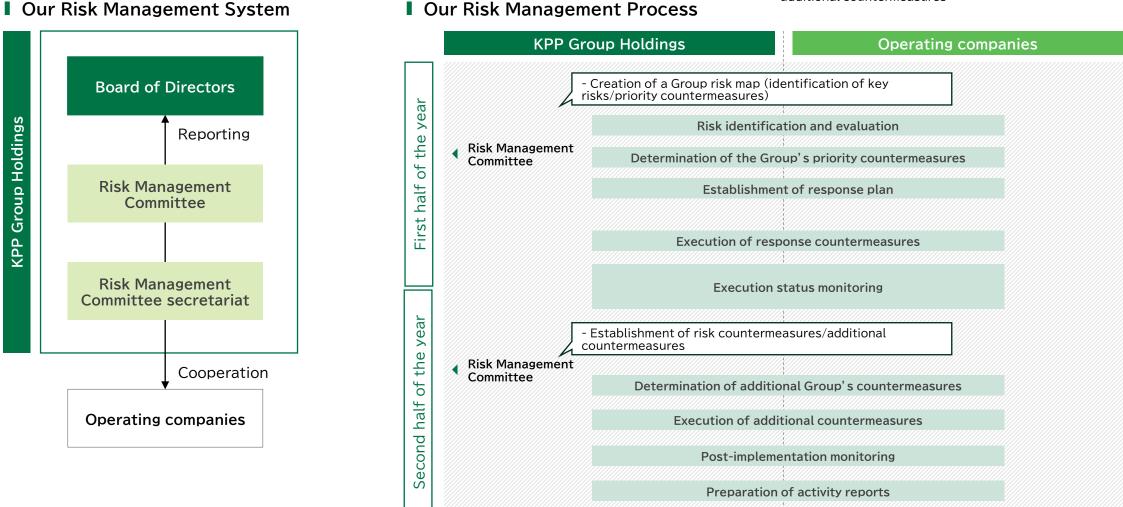
Corporate Governance Structure



8 Business execution



We are implementing Group-wide risk management to appropriately promote business activities in a rapidly changing external environment. Establishment of risk countermeasures/



Our Risk Management Process

additional countermeasures

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Company name	KPP GROUP HOLDINGS CO., LTD.
Established	November 27, 1924
Representatives	Madoka Tanabe, Representative Director of the Board, Chairman & Chief Executive Officer Yasuyuki Sakata, Representative Director of the Board, President & Chief Operating Officer
Head Office	6-24 Akashi-cho, Chuo-ku, Tokyo, Japan 104-0044
Capital	4,723.53 million yen
Number of employees	5,624 (as of March 31, 2024) *Consolidated
Businesses	Control and manage the business activities of domestic and foreign companies through the holding of shares or other equity interest in such companies.
Listed Market	Tokyo Stock Exchange Prime Market (Securities code: 9274)



Paper Innovation for a Connected Future

