

Oji Holdings

Timber and pulp assessment

Total score:

44.6%

Latest update: July 2019

Next scheduled: July 2020

About this company:

Headquartered in Japan, Oji Holdings owns natural forests and plantations in Indonesia, Vietnam, Laos, Malaysia, China, Brazil, Australia, New Zealand and Japan. The company was founded as Oji Paper in 1873, and is now involved in timber, pulp and paper production, as well as manufacturing, trading and distribution of products. Products include packaging materials, household products and print materials, among others. The company was known as Oji Paper Company until 2012.

Landbank 450,000 hectares

Market cap: 5,316,072,160 USD

Thomson Reuters ticker: 3861.T

Bloomberg ticker: 3861:JP

ISIN: JP3174410005

Activities: Timber production, timber processing and manufacturing, pulp and paper production, trading and distribution

Locations: Australia, Brazil, China, Indonesia, Japan, Laos, New Zealand, Vietnam

Headquarters: Japan

Related companies: Oji Holdings Corporation is the majority shareholder of Japan Brazil Paper and Pulp Resources Development Co., Ltd, which is the parent company of Cenibra. Cenibra is also assessed in T&P.

Website: <http://www.ojiholdings.co.jp>
[Latest annual report \(2018\)](#) | [Sustainability report \(2018\)](#)

Total:

53.5 / 120

44.6%



> Sustainability policy and leadership

8 / 11 72.7%

1. Sustainable forestry policy or commitment for all its operations?

The company has an Environmental Charter and Action Guidelines, a Behavior Standard, a Code of Conduct and Policies on Corporate Governance that cover sustainability issues

✓ 1 / 1 [Source](#)

2. Sustainability policy or commitment applies to all sourcing?

The company has separate Procurement policies and guidelines that cover same topics as company's own policies

✓ 1 / 1 [Source](#)

3. High-level position of responsibility for sustainability?

Chairman of Environmental Audit Committee

✓ 1 / 1 [Source](#)

4. One or more board members have responsibility for sustainability?

✗ 0 / 1 [Source](#)

5. Percentage or number of women board members?

0 (0%)

✓ 1 / 1 [Source](#)

	P	0.5 / 1	Source
6. Percentage or number of women in senior management team? 2 (6%) - The company reports for FY16 that two out of 34 "equivalent of general managers or above" were female. No more recent data was found			
	✓	1 / 1	Source
7. Sustainability report published within last two years? The company includes an Environmental Management, Social Responsibility and Corporate Governance section in its annual report			
	✓	1 / 1	Source
8. Member of multiple industry schemes or other external initiatives to improve forest management or transparency? CDP, UNGC			
	P	0.5 / 1	Source
9. Activities with government, NGOs or academic institutions to improve the sustainability of forest products? The company refers to a project one of its joint ventures, APFL, has undertaken with the University of Western Australia to evaluate water quality in forest plantations. It claims the surveys have shown plantations improving water quality. Details given are limited			
	✓	1 / 1	Source
10. Climate risks assessment available?			
	✗	0 / 1	Source
11. Natural capital assessment available?			



> Landbank, mills and traceability

8 / 21 38.1%

⚠ 5 media reports

	✓	1 / 1	Source
12. Lists countries and operations? Indonesia (plantation), Vietnam (plantation, processing facilities), Laos (plantation), Myanmar (processing facilities), China (plantation), Brazil (plantation, processing facility), Australia (plantation), New Zealand (plantation, processing facilities), Japan (forest concessions)			
13. Total area of natural forest designated for wood/wood fibre production (ha)? This indicator is disabled as the company has informed ZSL that it only produces wood/wood fibre from plantation forests			
	✓	1 / 1	Source
14. Total area of forest plantation (ha)? 450,000			
	✗	0 / 1	Source
15. Area of plantation/natural forest within outgrower schemes (ha)?			
	✗	0 / 1	Source
16. Unplanted (areas designated for future development as plantation forest) (ha)? No information however the company has a target to increase the land area of overseas forest plantations to 300,000 hectares by 2020			
	P	0.5 / 1	Source
17. Conservation set-aside and/or HCV area (ha)?			

109,162 - The company states 2,600 ha of forest is being conserved in Japan and the FSC certificates of one subsidiary show that 106,561.67 ha are protected in Brazil. However, this data does not cover all of the company's operations and some of the data is more than two years old

18. Area of Intact Forest Landscape (ha)?

This indicator is disabled as the company has informed ZSL that it doesn't have any Intact Forest Landscapes within its landbank

19. Number of Forest Management Units (FMUs)?

✘ 0 / 1 [Source](#)

20. Maps of forest management units (FMUs)?

✘ 0 / 1 [Source](#)

21. Forest management plans available for all FMUs?

✘ 0 / 1 [Source](#)

22. Monitoring of forest management plan implementation?

✘ 0 / 1 [Source](#)

23. Company has provided valid legal documents to Open Timber Portal on use rights (at the time of SPOTT assessments)?

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this

24. Company has provided valid legal documents to Open Timber Portal on forest management (at the time of SPOTT assessments)?

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this

25. Company has provided valid legal documents to Open Timber Portal on timber harvesting (at the time of SPOTT assessments)?

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this

26. Number of company owned pulp and paper mills?

✘ 0 / 1 [Source](#)

27. Maps or addresses of company owned pulp and paper mills?

✘ 0 / 1 [Source](#)

28. Number of company owned sawmills?

4 - References were found to four sawmills: Hyuga Japan, MOS Myanmar, KTH Sawmill, and Pan Pac Otago New Zealand. It is not clear if these represent all sawmills owned by the company

P 0.5 / 1 [Source](#)

29. Maps or addresses of company owned sawmills?

The company only provides static image files showing three sawmills. It is not possible to determine their exact location using these maps, and it is also unclear whether these represent all company sawmills

P 0.5 / 1 [Source](#)

30. Number of supplier mills?

✘ 0 / 1 [Source](#)

31. Maps or addresses of supplier mills?	✗	0 / 1	Source
32. Procedures to trace raw materials to country of harvest?	✓	1 / 1	Source
33. Procedures to trace raw materials to FMU level?	✓	1 / 1	Source
34. Percentage of supply traceable to country level (above 80%)? 100% - Verified by third party in 2017	✓	2 / 2	Source
35. Percentage of supply traceable to FMU level (above 75%)? 19% - The company reports that 19% of its total supply is from its own operations in 2017 therefore at least as much is traced back to FMU level. The company has procedures in place to trace materials back to FMU level however it is unclear from reporting what percentage of its supply is traced back to FMU level	P	0.5 / 2	Source



> Deforestation and biodiversity

4 / 10	40%		
⚠ 4 media reports			
36. Commitment to zero conversion of natural forest?	✗	0 / 1	Source
37. Zero conversion commitment applies to all sourcing?	✗	0 / 1	Source
38. Commitment to minimise the impact of logging roads? This indicator is disabled as the company has informed ZSL that it only produces wood/wood fibre from plantation forests			
39. Commitment to protect forest areas from illegal activities? The company only states regular on-site inspections to uncover issues such as illegal logging	P	0.5 / 1	Source
40. Evidence of monitoring deforestation?	✗	0 / 1	Source
41. Amount of deforestation recorded?	✗	0 / 1	Source
42. Commitment to biodiversity conservation?	✓	1 / 1	Source
43. Examples of species and/or habitat conservation management? The company reports various activities, including projects to protect kiwi chicks and fairy pitta habitat	✓	1 / 1	Source
44. Implementing a landscape-level approach to biodiversity conservation?	✗	0 / 1	Source

	P	0.5 / 1	Source
45. Identified species of conservation concern referencing international or national system of species classification?			
The company identified some species of conservation concern and has projects for species conservation however it has not referenced the system according to which these species are protected			
46. Commitment to sustainably manage the use of non-timber forest products (NTFPs)?			
This indicator is disabled as the company has informed ZSL that it only produces wood/wood fibre from plantation forests			
	✓	1 / 1	Source
47. Commitment not to use genetically modified organisms?			
The company has committed to not be directly or indirectly involved in the introduction of genetically modified organisms in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004)			



> HCV, HCS and impact assessments

1 / 7 14.3%

⚠ 1 media report

	P	0.5 / 1	Source
48. Commitment to conduct High Conservation Value (HCV) assessments?			
The company does not have a direct commitment to conduct HCV assessments across all of its operations. However, the company has committed to not be directly or indirectly involved in the destruction of High Conservation Values in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004). For this half points are awarded			
	P	0.5 / 1	Source
49. HCV commitment applies to all sourcing?			
The company has committed to not be directly or indirectly involved in the destruction of High Conservation Values in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004). For this half points are awarded			
50. Commitment to only use licensed High Conservation Value (HCV) assessors accredited by the HCV Resource Network's Assessor Licensing Scheme (ALS)?			
This indicator is disabled until sufficient number of HCV ALS licensed assessors are available for the location where the company operates			
	✗	0 / 1	Source
51. High Conservation Value (HCV) assessments available?			
	✗	0 / 1	Source
52. High Conservation Value (HCV) management and monitoring plans available?			
	✗	0 / 1	Source
53. Commitment to the High Carbon Stock (HCS) Approach?			
54. High Carbon Stock (HCS) assessments available?			
This indicator is disabled as the company has informed ZSL that it hasn't expanded its plantation area since April 2015			
	✗	0 / 1	Source
55. Commitment to conduct social and environmental impact assessments (SEIAs)?			
	✗	0 / 1	Source
56. Social and environmental impact assessments (SEIAs) available?			

57. Company has provided valid legal documents to Open Timber Portal on impact assessments (at the time of SPOTT assessments)?

This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this



> **Soils, fire and GHGs**

3 / 10 30%

3 media reports

58. Commitment to best management practices for soils and/or peat?

✘ 0 / 1 [Source](#)

59. Commitment to reduced impact logging?

This indicator is disabled as the company has informed ZSL that it only produces wood/wood fibre from plantation forests

60. Commitment to no planting on peat of any depth?

This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat

61. Commitment on peatland planting applies to all sourcing?

This indicator is disabled as the company has informed ZSL that it doesn't have suppliers with landbank on peat

62. Landbank or planted area on peat (ha)?

This indicator is disabled as the company has informed ZSL that it doesn't have landbank on peat

63. Evidence of best management practices for soils and/or peat?

✘ 0 / 1 [Source](#)

64. Commitment to zero burning?

✘ 0 / 1 [Source](#)

65. Commitment to zero burning applies to all sourcing?

✘ 0 / 1 [Source](#)

66. Evidence of management and monitoring fires?

✘ 0 / 1 [Source](#)

67. Details/number of hotspots/fires in FMUs controlled by the company?

✘ 0 / 1 [Source](#)

68. Time-bound commitment to reduce GHG emissions intensity?

2,020 (10%) - Reduction of GHG emissions per unit of production by more than 10% in 2020 relative to a 2013 (fiscal year) baseline

✓ 1 / 1 [Source](#)

69. Progress towards reducing GHG emission intensity?

1 - The company achieved an 8% reduction in GHG emissions Intensity in FY2017 compared with FY2013

✓ 1 / 1 [Source](#)

70. Report GHG emissions from land use change?	✗	0 / 1	Source
71. Methodology used to calculate GHG emissions? For Japanese operations calculations are based on the 'Act on the Rational Use of Energy' and the 'Act on Promotion of Global Warming Counter measured', while for overseas operations calculations are based on the GHG Protocol	✓	1 / 1	Source



> Water, chemical and waste management

5.5 / 13 42.3%

⚠ 1 media report

72. Time-bound commitment to improve water quality (BOD and COD)? The company has a year-on-year target to improve both BOD and COD emission intensities by 1% or more	✓	1 / 1	Source
73. Progress towards commitment on water quality (BOD and COD)? The company has achieved the targets by improving the emission intensities of BOD by 9% and COD by 1.7%	✓	1 / 1	Source
74. Commitment to protection of natural waterways through buffer zones?	✗	0 / 1	Source
75. Evidence of treatment of pulp and paper mill effluent?	✓	1 / 1	Source
76. Evidence of sawmill run-off containment and wastewater treatment?	✗	0 / 1	Source
77. Time-bound commitment to improve water use intensity? The company has a year-on-year target to improve water intensity by 1% or more	✓	1 / 1	Source
78. Progress towards commitment on water use intensity? 2.9% - Improvement in 2017 compared to 2016 figures	✓	1 / 1	Source
79. Commitment to eliminate chlorine and chlorine compounds for bleaching?	✗	0 / 1	Source
80. Commitment to minimise the use of chemicals, including pesticides and chemical fertilisers?	✗	0 / 1	Source
81. No use of World Health Organisation (WHO) Class 1A and 1B pesticides?	✗	0 / 1	Source
82. No use of chemicals listed under the Stockholm Convention and Rotterdam Convention?	✗	0 / 1	Source
83. Integrated Pest Management (IPM) approach?	✗	0 / 1	Source

84. Chemical usage per ha or list of chemicals used?

The summary audit reports of the company's FSC certified areas contain lists of pesticides used however these do not cover the company's whole operations



> Community, land and labour rights

11 / 22 63.6%

7 media reports

✓ 1 / 1 [Source](#)
85. Commitment to human rights, referencing the UN Declaration on Human Rights or UN Guiding Principles on Business and Human Rights?
✓ 1 / 1 [Source](#)
86. Commitment to human rights applies to all sourcing?

The company has committed to not be directly or indirectly involved in the violation of human rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which defines human rights as those established through the UN Declaration of Human Rights

✓ 1 / 1 [Source](#)
87. Commitment to respect indigenous and local communities' rights?

The company has committed to not be directly or indirectly involved in the violation of human rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which encompasses the rights of Indigenous and Tribal Peoples as established by the ILO Convention 169

P 0.5 / 1 [Source](#)
88. Commitment to respect legal and customary property rights?

The company has committed to not be directly or indirectly involved in the violation of traditional rights in forestry operations. This commitment is made through the FSC Policy for Association (FSC-POL-01-004), which encompasses customary rights. This policy does not reference legal rights and no reference to legal rights could be found in company sources

✓ 1 / 1 [Source](#)
89. Commitment to free, prior and informed consent (FPIC)?
✗ 0 / 1 [Source](#)
90. FPIC commitment applies to independent suppliers?
✗ 0 / 1 [Source](#)
91. Details of free, prior and informed consent (FPIC) process available?
P 0.5 / 1 [Source](#)
92. Examples of local stakeholder engagement to prevent conflicts?

One example of community dialogue

✗ 0 / 1 [Source](#)
93. Details of process for addressing land conflicts available?
P 0.5 / 1 [Source](#)
94. Commitment to support the inclusion of women across forestry operations, including addressing barriers faced?

The company has a programme to promote active participation of women with regards to human resources. This initiative does not seem to address inclusion of women in forestry operations

✓ 1 / 1 [Source](#)
95. Commitment to provide essential community services and facilities?

<p>96. Company has provided valid legal documents to Open Timber Portal on population rights (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this</p>	<p>✘ 0 / 1 Source</p>
<p>97. Commitment to respect all workers' rights? The company only commits to sourcing from suppliers who adhere to the protection of human rights and labour rights, but does not make a clear commitment for its own operations</p>	<p>✓ 1 / 1 Source</p>
<p>98. Reference to Fundamental ILO Conventions? The company has committed to not be directly or indirectly involved in the violation of any of the ILO Core Conventions. This commitment is made through the FSC Policy for Association (FSC-POL-01-004)</p>	<p>✓ 1 / 1 Source</p>
<p>99. Commitment to eliminate gender related discrimination with regards to employment and occupation?</p>	<p>✓ 1 / 1 Source</p>
<p>100. Company has provided valid legal documents to Open Timber Portal on labour regulations (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this</p>	<p>✓ 1 / 1 Source</p>
<p>101. Percentage or number of temporary employees? 2,781</p>	<p>✓ 1 / 1 Source</p>
<p>102. Percentage or number of women employees? 18.96%</p>	<p>✓ 1 / 1 Source</p>
<p>103. Payment of minimum wage? Company states that a minimum wage is paid to all workers, but no evidence provided</p>	<p>P 0.5 / 1 Source</p>
<p>104. Reporting of salary by gender?</p>	<p>✘ 0 / 1 Source</p>
<p>105. Commitment to address occupational health and safety, referencing the ILO Code of Practice on Safety and Health in Forestry Work? The company has a health and safety plan in the workplace but does not refer to the ILO Code of Practice on Safety and Health in Forestry Work</p>	<p>P 0.5 / 1 Source</p>
<p>106. Time lost due to work-based injuries? 0.62 - Frequency rate of accidents resulting in lost work hours</p>	<p>✓ 1 / 1 Source</p>
<p>107. Number of fatalities as a result of work-based accidents? 2</p>	<p>✓ 1 / 1 Source</p>
<p>108. Provision of personal protective equipment and related training? The company only provides information on safety training. No information on personal protective equipment found</p>	<p>P 0.5 / 1 Source</p>



> Certification standards

4 / 14 28.6%

⚠️ 1 media report

	✘	0 / 1	Source
109. Time-bound plan for achieving 100% third-party legality verification of FMUs or achieved? Company only has a vague statement on promoting and increasing forest certification however no target or timeline mentioned			
	✘	0 / 1	Source
110. Time-bound plan to source only wood/wood fibre that is in legal compliance verified by a third party?			
	✓	1 / 1	Source
111. Percentage area (ha) verified as being in legal compliance by a third party? 350,000 (78%) - The company has a total landbank of 450,000 ha out of which 180,000 ha is FSC certified and 170,000 ha of the non-FSC certified area is certified by SGEC (PEFC Japan). Legality verification is provided for this 350,000 ha by the certifications			
	✘	0 / 1	Source
112. Percentage of all wood/wood fibre supply traded/processed verified as being in legal compliance by a third party? 6% - The company only states that 6% of its supply comes from their own overseas plantations that are certified by FSC			
	✘	0 / 1	Source
113. Time-bound plan for achieving 100% FSC FM certification of FMUs or achieved 100% FSC-certification of FMUs?			
	✘	0 / 1	Source
114. Commitment to source only wood/wood fibre that meets FSC Controlled Wood requirements?			
	P	1 / 2	Source
115. Percentage area (ha) FSC FM certified? 180,000 (40%) - The company has a total landbank of 450,000 ha out of which 180,000 ha is FSC certified, which represents 40%			
	✘	0 / 2	Source
116. Percentage of wood/wood fibre supply from outgrower scheme and/or independent suppliers that is FSC FM certified?			
	P	0.5 / 2	Source
117. Percentage of all wood/wood fibre supply traded/processed that are FSC certified (above 75%)? 6% - The company states that 18% of its supply was certified including 6% of its own certified plantations which are FSC certified. However it is unclear which certification covers the remaining 12% that comes from overseas private plantations			
	P	1.5 / 2	Source
118. Percentage area (ha) PEFC certified (excluding FSC certified area)? 170,000 (63%) - The company has a total landbank of 450,000 ha out of which 180,000 ha is FSC certified. 170,000 ha of the remaining non-FSC certified area (270,000 ha) is certified by SGEC (PEFC Japan) certification which represents 63%			



> Smallholders and suppliers

3 / 6 50%

⚠️ 2 media reports

119. Programme to support outgrower scheme smallholders?	✘	0 / 1	Source
120. Percentage of outgrower scheme smallholders involved in programme?	✘	0 / 1	Source
121. Process used to prioritise, assess and/or engage suppliers on compliance with company's policy and/or legal requirements? The company states that it will verify that its suppliers of wood raw materials are fulfilling requirements through either document-based or on-site surveys, based on the Oji Group Partnership Procurement Policy	✓	1 / 1	Source
122. The company has a Due Diligence System (DDS)?	✓	1 / 1	Source
123. Suspension or exclusion criteria for suppliers?	✘	0 / 1	Source
124. Percentage of suppliers assessed and/or engaged on compliance with company requirements? 1,153 (100%) - The company produced a report in 2018 that states they have received 548 traceability reports from domestic woodchip suppliers, 220 reports on each shipment from overseas woodchip suppliers and 385 reports from pulp suppliers which "confirm our procurement complies with the wood raw material procurement guideline"	✓	1 / 1	Source



> Governance and grievances

3 / 6 50%

⚠ 3 media reports

125. Commitment to ethical conduct and prohibition of corruption?	✓	1 / 1	Source
126. Company has provided valid legal documents to Open Timber Portal on legal registration (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
127. Disclosure of the company's management approach to tax and payments to governments?	✘	0 / 1	Source
128. Company has provided valid legal documents to Open Timber Portal on taxes, fees and royalties (at the time of SPOTT assessments)? This indicator is disabled as the company's reporting broadly suggests that it doesn't operate in a geography currently covered by Open Timber Portal. Please note that ZSL has been unable to confirm this			
129. Whistleblowing procedure?	✓	1 / 1	Source
130. Own grievance or complaints system open to all stakeholders?	✓	1 / 1	Source
131. Details of grievances disclosed?	✘	0 / 2	Source

