

# Employment and Occupational Safety and Health Indicators

## Employment Indicators

	Unit	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015
Number of Employees on a Consolidated Basis <sup>※1 ※3</sup>	Persons	13,407	13,052	13,107	12,771	11,741
Female	Persons	1,335	1,536	1,430	1,382	1,262
Male	Persons	12,072	11,516	11,677	11,389	10,479
Pulp and Paper Business	Persons	7,853	7,449	7,516	7,337	7,368
Paper-Related Business	Persons	1,313	1,316	1,285	1,286	1,286
Wood Products and Construction Related Business	Persons	1,632	1,669	1,670	1,671	1,636
Other Businesses	Persons	2,377	2,397	2,399	2,263	1,238
Cross-Organizational <sup>※2</sup>	Persons	232	221	237	214	213
Overseas	Persons	1,625	1,621	1,785	1,745	1,662
Female	Persons	—	—	254	214	229
Male	Persons	—	—	1,531	1,531	1,433
Percent of upper management from the local community	%	—	—	—	83.2	80.6
New graduate hired <sup>※4</sup>	Persons	83	106	150	160	240
Female	Persons	10	9	15	17	22
Male	Persons	73	97	135	143	218
Mid-career recruits <sup>※4</sup>	Persons	100	189	123	190	146
Female	Persons	14	20	13	21	10
Male	Persons	86	169	110	169	136
The rate of employment of people with disabilities <sup>※1 ※8</sup>	%	1.82	1.91	1.78	1.99	1.98
Employees reemployed after retirement age <sup>※9</sup>	Persons	43	67	53	112	172
Nippon Paper Ind. Consolidated subsidiaries in Japan	Persons				309	327
Average age of employees <sup>※1 ※4</sup>	Years	41.7	41.8	41.9	42.7	43.3
Female	Years	40.8	41.5	42.0	42.0	42.8
Male	Years	41.8	41.8	41.9	42.7	43.3
Average years of employment <sup>※1 ※4</sup>	Years	21.2	20.9	21.0	18.7	19.0
Female	Years	19.8	20.0	20.0	15.9	17.8
Male	Years	21.3	20.9	21.1	19.0	19.2
Turnover rate(Includes employees leaving at the mandatory retirement age) <sup>※1 ※4</sup>	%	—	—	3.29	3.83	4.20
Female employees in management <sup>※1 ※6</sup>	%	2.09 <sup>※5</sup>	1.49	1.48	1.57	1.60
Nippon Paper Industries Consolidated entity in Japan	%	1.49	1.63	1.70	1.81	1.90
Consolidated subsidiaries outside Japan <sup>※7</sup>	%	—	12.3	16.0	17.8	20.4
Dispatched workers <sup>※1 ※4</sup>	Persons	—	—	—	87	131
Female	Persons	—	—	—	59	80
Male	Persons	—	—	—	28	51

※ 1 Fiscal year-end data

※ 2 Employees responsible for multiple businesses

※ 3 Data scope: consolidated subsidiaries

※ 4 Data scope: consolidated subsidiaries in Japan

※ 5 Data scope: Nippon Paper Group Inc. and Nippon Paper Industries Co., Ltd.

※ 6 Beginning with fiscal 2013 percentages have been adjusted retroactively to exclude associate directors, employees commissioned for specific purposes, employees on temporary assignment from other companies, and other non-full-time personnel to present percentages of only full-time employees.

※ 7 Managerial personnel at the level of section manager or positions higher

※ 8 Data scope: Nippon Paper Industries Co., Ltd.

※ 9 Data scope: Beginning with fiscal 2014, figures cover consolidated subsidiaries in Japan and management employees. Until fiscal 2013, figures covered only non-management employees at Nippon Paper Industries.

## Work-Life Balance Indicators

	Unit	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Employees taking child-care leave <sup>※1</sup>	Persons	27	25	29	25	24
Female	Persons	25	25	28	21	24
recently giving birth	%	89	96	90	91	100
who returned to work	%	—	—	—	100	100
Male	Persons	2	0	1	4	0
Employees taking maternity/paternity leave <sup>※2</sup>	Persons	—	—	153	164	167
Female	Persons	—	—	13	23	22
Male	Persons	—	—	140	141	145
Average number of days taken for maternity/paternity leave <sup>※2</sup>						
Female	Days	—	—	66.0	85.6	79.4
Male	Days	—	—	3.3	3.1	3.2
Employees taking nursing-care leave <sup>※2</sup>	Persons	—	—	0	2	0
Total number of working hours <sup>※3</sup>	Hours	1,744	1,821	1,831	1,885	1,912
The rate of annual paid leave taken by employees <sup>※3</sup>	%	68.0	69.3	70.9	69.2	66.8

※ 1 Data scope: consolidated subsidiaries in Japan

※ 2 Data scope: In fiscal 2014, figures covered consolidated subsidiaries in Japan. In fiscal 2013, figures covered only Nippon Paper Industries.

※ 3 Data scope: Non-management employees of Nippon Paper Industries

## Occupational Accidents<sup>※</sup>

(Calendar year)

	2011	2012	2013	2014	2015
Frequency rate for occupational accidents requiring time off from work	0.39	0.77	0.30	0.31	0.40
Occupational accident severity rate	0.03	0.74	0.76	0.03	0.02

※ Data scope: Manufacturing sites of Nippon Paper Industries Co., Ltd., Nippon Paper Crecia Co., Ltd., and Nippon Paper Papyrus Co., Ltd.

## Acquisition of ISO Certification

### Acquisition of ISO 9001 Certification (as of March 31, 2016)

Company Name	Mills/Operating Division/ Production Subsidiaries
Nippon Paper Industries Co., Ltd.	Akita Mill, Nakoso Mill, Ashikaga Mill <sup>※1</sup> , Soka Mill <sup>※1</sup> , Fuji Mill(Yoshinaga), Otake Mill
(Chemical Division)	Gotsu Mill <sup>※2</sup> , Iwakuni Mill, Higashimatsuyama Mill, Yufutsu Mill
Nippon Paper Crecia Co., Ltd.	Tokyo Mill
Nippon Paper Papylia Co., Ltd.	Harada Mill, Suita Mill, Kochi Mill
Nippon Seitai Corporation	Hokkaido Office, Maebashi Mill, Saitama Mill
NIPPON PAPER UNITEC CO., LTD.	Four business sites at headquarters (construction/electricity/control systems/plant engineering)
Kokusaku Kiko Co., Ltd.	Headquarters/Equipment & Facilities Department/Yufutsu Department/Shiraoi Department/Asahikawa Department
NANKO UNYU CO.,LTD.	Headquarters/Ishinomaki Office/Shipping Management Center/Iwanuma Office/Nakoso Office/Akita Sales Office/ Service Department/Maintenance Shop/ Tokyo Branch
Nippon Paper Ishinomaki Technology Co., Ltd.	Headquarters
GAC Co., Ltd.	Headquarters/Mill, Marketing Division
FLOWRIC CO., LTD.	Headquarters, Concrete Research Center, Nagoya Mill
N&E Co., Ltd.	
Australian Paper	Maryvale Mill, Preston Facility
Jujo Thermal Oy	Kauttona Mill
Siam Nippon Industrial Paper Co., Ltd.	

※1 Renamed the "Kanto Mill" after an operational consolidation in April 2016.

※2 Certifications obtained for CMC and cellulose powder production.

### Acquisition of ISO 14001 Certification (as of March 31, 2016)

Company Name	Mills / Operating Divisions/ Manufacturing Companies
Nippon Paper Industries Co., Ltd.	Kushiro Mill, Hokkaido Mill, Akita Mill, Ishinomaki Mill, Iwanuma Mill, Nakoso Mill, Ashikaga Mill <sup>※</sup> , Soka Mill <sup>※</sup> , Fuji Mill, Otake Mill, Iwakuni Mill, Yatsushiro Mill, R&D Dept.
(Paper-Pak Division)	Paper-Pak Division (Ochanomizu and Oji regions), SOKA PAPER-PAK CO., LTD., EGAWA PAPER-PAK CO., LTD., MIKI PAPER-PAK CO., LTD., ISHIOKA KAKO CO., LTD.
(Chemical Division)	Gotsu Mill, Iwakuni Mill, Higashimatsuyama Mill, Yufutsu Mill
Nippon Paper Crecia Co., Ltd.	Tokyo Mill, Kaisei Mill, Koyo Mill, Kyoto Mill
Nippon Paper Papylia Co., Ltd.	Harada Mill, Suita Mill, Kochi Mill
Kitakami Paper Co., Ltd.	Headquarters/Ichinoseki Mill
NP Trading Co., Ltd.	Headquarters/Sapporo Branch Office/ Chubu Branch Office/Kansai Branch Office/Chugoku Branch Office/Kyushu Branch Office/Shizuoka Sales Office
Nippon Seitai Corporation	Headquarters, Hokkaido Office, Niigata Office, Maebashi Mill, Saitama Mill, Kansai Office, Kyusyu Office
Daishowa Uniboard Co., Ltd.	Headquarters, Miyagi Mill
N&E Co., Ltd.	
Nippon Paper Development Co., Ltd.	Headquarters, Landscape Department, Tokyo Department
Sakurai Co., Ltd.	Headquarters
Nippon Paper Ishinomaki Technology Co., Ltd.	Headquarters
Nippon Paper Industries USA Co., Ltd.	Port Angeles Mill
Australian Paper	Maryvale Mill
Jujo Thermal Oy	Kauttona Mill

※ Renamed the "Kanto Mill" after an operational consolidation in April 2016.

### Acquisition of FSSC 22000 Certifications (as of March 31, 2016)

Company Name	Mills/ Operating Division/ Production Subsidiaries
Nippon Paper Industries Co., Ltd.	
(Paper-Pak Division)	SOKA PAPER-PAK CO., LTD., EGAWA PAPER-PAK CO., LTD., MIKI PAPER-PAK CO., LTD., ISHIOKA KAKO CO., LTD.
(Chemical Division)	Gotsu Mill <sup>※</sup>

※ CMC, cellulose powder, and stevia and licorice sweeteners (all for use in food)

## Forest Management and Raw Material Procurement-Related Indicators

### Tree Species Nippon Paper Industries Co., Ltd. Procured from Overseas, and Their Countries of Origin (Fiscal 2015)

#### Hardwood

(tonnes=bone dry tonnes)		
Country	Percentage	Species
Australia	37%	Eucalyptus
South Africa	22%	Acacia
Brazil	18%	Eucalyptus, Acacia
Chile	12%	Acacia
Vietnam	11%	Eucalyptus
Total	100.0%	

#### Softwood

(tonnes=bone dry tonnes)		
Country	Percentage	Species
Australia	76%	Radiata pine
U.S.A	17%	Douglas fir
Russia	7%	Yezo spruce
Total	100.0%	

### Overseas Afforestation Areas by Country (1,000 hectares)

Country	End of 2009	End of 2010	End of 2011	End of 2012	End of 2013	End of 2014	End of 2015
Australia	80	79	77	38	38	36	15
Chile	13	13	13	13	13	13	13
Brazil	62	62	62	62	54	54	50
South Africa	11	11	11	11	11	11	11
Total	<b>166</b>	<b>165</b>	<b>163</b>	<b>124</b>	<b>116</b>	<b>114</b>	<b>89</b>

### Status of Forest Certification Acquisition for Overseas Afforestation Project and Company-Owned Forests in Japan

Overseas Plantation Project by operating company	Certification system name (License no)	Date of acquisition
PTP (Australia)	AFS	June 2006
BTP (Australia)	AFS	April 2006
Volterra (Chile)	FSC® (FSC®C120260)	January 2014
	CERTFORCHILE	December 2007
Forestco (South Africa)	FSC® (FSC®C012171)	April 2003
AMCEL (Brazil)	FSC® (FSC®C023383)	December 2008
	CERFLOR	September 2014

Company-owned forests in Japan by area	Certification system name	Date of acquisition
Hokkaido	SGEC	December 2005
Tohoku	SGEC	October 2007
Kanto and Chubu	SGEC	October 2007*
Kinki, Chugoku and Shikoku	SGEC	December 2006
Kyushu	SGEC	March 2005

\*The Company's Kitayama Forest in Shizuoka Prefecture was certified in December 2003.

## Breakdown of company-owned forests in Japan by IUCN(International Union for Conservation of Nature) (as of March 31, 2016) (1,000 hectares)

IUCN category		Commercial forest area <sup>※</sup>	Environmental forest area <sup>※</sup>	Total	% Share	Ratio of environmental forest area (%)	
I	Strict nature reserve / wilderness area	0	0	0	0%	-	Protected area that is managed mainly for scientific research or wilderness
II	National park	0.6	4.5	5.1	6%	88%	Protected area managed mainly for ecological processes and recreation
III	Natural monument or Feature	0	0	0	0%	-	Protected area managed mainly for specific natural monument
IV	Habitat / species management area	0	0	0	0%	-	Protected area managed mainly for particular species or habitats
V	Protected landscape/ seascape	2.5	0.7	3.2	4%	22%	Protected area managed mainly for landscape/seascape protection and recreation
VI	Protected area with sustainable use of natural resources	0	0	0	0%	-	Protected area managed mainly for the sustainable use of ecosystems
Not Applicable		68.6	13.1	81.7	91%	16%	
Total		71.7	18.3	90.0	100%	20%	

※ Commercial forest area: The portion of Company-owned forests utilized as resources under appropriate forest management.

Environmental forest area: The portion of forests where environmental functions are conserved. The logging of trees for the purpose of lumber production is prohibited in this portion.

## Environmental Accounting<sup>※</sup>

### Environmental Conservation Costs

(Millions of Yen)

Category	Investment	Cost
(1) Business area costs		
① Pollution prevention costs	681	12,427
② Global environmental conservation costs	3,786	1,051
③ Resources circulation costs	556	8,766
(2) Upstream/downstream cost	-	1,990
(3) Administration cost	-	641
(4) R&D cost	-	1,107
(5) Social activity costs	-	54
(6) Environmental remediation costs	-	541
<b>Total</b>	<b>5,023</b>	<b>26,578</b>

※ Accounting standards are based on Environmental Accounting Guidelines 2005  
Data Scope: consolidated subsidiaries in Japan

### Environmental Benefits of Environmental Conservation

(Millions of Yen)

Effect	Amount
Income from company-owned forests in Japan	519
Reduced expenses from energy saved	1,932
Reduced disposal expenses through the effective use of waste	5,373
Gain on sales from the recycled waste	125
Reduced expenses through the recycling of shipping material	88
<b>Total</b>	<b>8,037</b>

## Environment-Related Indicators

### Balance of Materials for All Businesses (Principal Materials) ※1

[Units] GWh = Gigawatt hours, BDt = Bone-dry tonnes, ADt = Air-dry tonnes Note: t indicates Tonnes (also called Metric Tons)

INPUT → OUTPUT

Fossil energy input		Water consumption		942m t		CO2 emission from fossil energy		Nitrogen			
Purchased electricity	2,145GWh	River water	744m t	7.15m t	1.70k t	Oil	163k kℓ	Industrial water	170m t	Phosphorous	0.26k t
Coal	2,603k t	Well water	27m t	5.1k t	839k BDt	Gas	241k t	Public water supply	1m t	Waste generation	52k BDt
Other fossil fuels	12k t	Raw Material		9.6k t	52k BDt	Other non-fossil fuels※2	5,716k t			Recycling of waste	787k BDt
Other non-fossil fuels※2	5,716k t	Woodchips	4,894k BDt	1.5k t	787k BDt	(Black liquor subtotal)	3,975k t	Chemical substances subject to the PRTR Law ※3		Products manufactured	
		Logs	810k BDt	(Amount released)	158t					Paper, household Paper	4.57m t
		Pulp	431k ADt	(Amount transferred)	78t					Paperboard	1.90m t
		Recycled paper(Pulp)	3,140k ADt	Wastewater	920m t					Pulp	107k t
		Base paper	114k BDt	Public water	912m t					Paper container	98k t
Chemical substances subject to the PRTR Law (Amount handled)	11,433t			Sewerage	8m t					Chemical products	105k t
				COD/BOD	62.9k t					Building materials	67k t
				SS	26.0k t					Electricity	1,228GWh

※1 Beginning with fiscal 2015, the reporting scope has been changed to add Siam Nippon Industrial Paper and remove South East Fibre Exports, which was divested, and Australian Paper's Shoalhaven Paper Mill, which was closed..

※2 Biomass fuels and waste fuels

※3 Japan only

### Major Environmental Performance Data ※1

Note: t indicates Tonnes (also called Metric Tons)

	Unit	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Energy	Fossil energy input	Millions GJ	88	91	97	95
	Non-fossil energy input※2	Millions GJ	69	66	77	80
	CO2emissions from fossil energy	Million t-CO2	6.55	6.63	7.29	7.15
Water consumption	Million t	870	953	883	939	942
Waste water	Amount discharged	Million t	843	905	907	918
	COD/BOD	Thousand t	46.9	54.0	56.0	63.7
	SS	Thousand t	16.8	21.3	22.0	23.6
Gas emissions	SOx	Thousand t	3.37	3.50	3.34	4.32
	NOx	Thousand t	7.05	7.95	9.03	8.78
	Soot and dirt	Thousand t	1.25	1.04	1.52	1.54
Waste	Amount generated	Thousand t	688	737	819	850
	Final waste disposal	Thousand t	44	49	71.9	54.2

※1 Changes in the Data Collection Scope: Australian Paper was added to the data collection scope in fiscal 2013. Jujo Thermal Oy and South East Fibre Exports Pty. Ltd. were added in fiscal 2014. Siam Nippon Industrial Paper Co., Ltd. was added in fiscal 2015. SHIKOKU COCA-COLA BOTTLING CO., LTD. was excluded from the data collection scope in fiscal 2014, and South East Fibre Exports Co., Ltd., in fiscal 2015, following divestments in both cases. The Shoalhaven Mill of Australian Paper was excluded from the data collection scope in fiscal 2015, following its closure.

※2 Energy from biomass and waste

### Environment-Related Complaints (FY 2015)

Complaints	Noise	Vibration	Odor	Dust and mist dispersal	Smoke	Other	Total
Number	5	1	1	3	0	2	12

### External Awards for Environmental Conservation Activities (FY 2015)

Recipient	Award	Award Organization
NP Trading Co., Ltd.	Chiyoda ward Anti-Global-Warming Action Plan System Environmental Consciousness Award	Chiyoda ward, Tokyo
Nippon Paper Industries Co., Ltd	2015 Biodiversity Action Award For conducting the School of Friendship for Forests and Paper, and for pursuit of business operations and protection of Blackiston's fish owl habitat through collaborative activities※	Japan Committee for the United Nations Decade on Biodiversity

※ Awarded jointly with the Wild Bird Society of Japan

Amounts of Substances Subject to the PRTR Law Released and Transferred<sup>※1</sup> (FY2015)

Cabinet Order No.	CAS No	Chemical Substance	Unit	Amount Released	Amount Transferred
1	—	Water-soluble zinc compounds	t	2	11
2	79-06-1	Acrylamide	t	0	0
4	—	Acrylic acid and water-soluble salt	t	0	0
6	818-61-1	Acrylic acid 2-hydroxyethyl ester	t	0	0
9	107-13-1	Acrylonitrile	t	0	0
30	—	n-alkylbenzenesulfonic acid and its salts (alkyl C=10-14)	t	0	0
33	1332-21-4	Asbestos	t	0	4
37	80-05-7	4,4'-isopropylidenediphenol	t	0	0
48	2104-64-5	O-ethyl-O-(4-nitrophenyl)phenylphosphonothioate	t	2	0
53	100-41-4	Ethylbenzene	t	0	0
57	110-80-5	Ethylene glycol monoethyl ether	t	1	5
80	1330-20-7	Xylene	t	3	0
85	111-30-8	Glutaraldehyde	t	0	0
98	79-11-8	Chlorodifluoromethane	t	0	0
127	67-66-3	Chloroform <sup>※2</sup>	t	57	15
144	—	Inorganic cyanide compounds (except complex salts and cyanates)	t	2	0
145	100-37-8	2-diethylaminoethanol	t	0	0
149	56-23-5	Tetrachloromethane	t	0	37
154	108-91-8	Cyclohexylamine	t	1	0
213	127-19-5	N,N-dimethyl acetamide	t	0	0
232	68-12-2	N,N-dimethylmethanamide	t	0	0
243	—	Dioxins <sup>※2</sup>	g-TEQ	0	8
272	—	Copper salts (water-soluble, except complex salts)	t	2	0
296	95-63-6	1,2,4-trimethylbenzene	t	4	0
300	108-88-3	Toluene	t	20	5
302	91-20-3	Naphthalene	t	0	0
318	75-15-0	Carbon disulfide	t	7	0
333	302-01-2	Hydrazine	t	0	0
374	—	Hydrogen fluoride and its water-soluble salts	t	22	0
392	110-54-3	N-hexane	t	0	0
395	—	Water-soluble salts of peroxodisulfuric acid	t	0	0
405	—	Boron compounds	t	11	0
407	—	Poly (oxyethylene) alkyl ether (alkyl C=12-15)	t	0	0
410	9016-45-9	Polyoxyethylene nonylphenyl ether	t	0	0
411	50-00-0	Formaldehyde	t	4	0
412	—	Manganese and its compounds	t	18	0
414	108-31-6	Maleic anhydride	t	0	0
415	79-41-4	Methacrylic acid	t	0	0
418	2867-47-2	2-(dimethylamino) ethyl methacrylate	t	0	0
419	97-88-1	N-butyl methacrylate	t	0	0
420	80-62-6	Methyl methacrylate	t	0	0
438	1321-94-4	Methylnaphthalene	t	1	0
448	101-68-8	Methylenebis (4,1-phenylene) diisocyanate	t	0	0
455	110-91-8	Morpholine	t	0	0
Total <sup>※3</sup>			t	158	78

※1 A summary of the release or transfer volumes of substances, excluding dioxins, that are handled in quantities of at least 1 tonne by Group companies. Dioxins and formaldehyde are designated type 1 chemical substances.

※2 Includes unintentionally generated chloroform and dioxins.

※3 Dioxins are not included in total data.

## The Nippon Paper Group Environmental Action Plan (Green Action Plan 2015) main initiatives and final results (as of March 31, 2015)

	Green Action Plan 2015	Progress
1. Anti-global warming action	Reduce CO2 emissions from fossil energy by 25% versus fiscal 1990.	<ul style="list-style-type: none"> <li>• Despite lower production volume in the Paper and Paperboard businesses, reduced CO2 emissions from fossil energy by 30.0% and the use of fossil energy by 39.0% versus fiscal 1990, outperforming the targets, through boiler modifications, updating of equipment, consolidation of facilities, fuel conversion, and energy-saving activities in daily operations.</li> <li>• Advanced highly efficient modal shift transport.</li> <li>• Nippon Paper Industries Co., Ltd.'s use of freight trains to transport wastepaper on return trips, hereby reducing energy consumption and CO2 emissions earned the Fiscal 2014 Green Logistics Partnership Conference Special Award and the Logistics Environment Special Award at the Japan Association for Logistics and Transport's 16th Environmental Awards.</li> </ul>
	Reduce the use of fossil energy by 30% versus fiscal 1990.	
	Reduce logistics-generated CO2 emissions.	
2. Protection and development of forest resources	Facilitate the Tree Farm Initiative, an overseas afforestation project for procuring sustainable resources, with the aim of increasing overseas afforested area up to 200,000 hectares.*1	<ul style="list-style-type: none"> <li>• As of the end of 2015, total afforested areas came to 89,000 ha.</li> <li>• Going forward, plans to take full advantage of AMCEL's forest resources in Brazil will be drawn up for purposes including afforestation for the energy business.</li> <li>• Currently maintaining SGECC, FSC®*2, and PEFC certification for 179,000 ha of company-owned forests in Japan and overseas.</li> <li>• AMCEL S.A., adding to its FSC®-FM certification, obtained the PEFC reciprocal CERFLOR FM certification in September 2014.</li> <li>• Have purchased only certified woodchips since fiscal 2013.</li> <li>• In working to enhance traceability through the use of forest certifications, cleared the requirements of PEFC rules in their entirety and FSC® rules to 91% with respect to the assessment of imported wood risk in fiscal 2015.</li> </ul>
	Maintain forest certification in all proprietary forests, both domestically and internationally.	
	Ensure that all imported hardwood chips are PEFC- or FSC®-certified.*3	
3. Recycling of resources	Increase the ratio of recycled paper to paper to at least 40%. Increase the ratio of recycled paper to paperboard to at least 88%	<ul style="list-style-type: none"> <li>• Ratio of recycled paper to paper: 38% (Underachieved the target. Proactive efforts to use wastepaper were negatively affected by factors such as lower production of products incorporating recycled content.)</li> <li>• Ratio of recycled paper to paperboard: 89% (Achieved the target)</li> <li>• Granulation equipment was introduced to diversify the approaches for recycling ash, which accounts for approximately 80% of waste by volume. Sales of the granulated product, however, came to 30%, below the target rate for on-site recycling. The objective for waste recycling rate, including off-site recycling, was achieved with a 98% result.</li> <li>• Vigorous efforts, including the installation of filtration equipment and the reuse of process water, were made to reduce water consumption.</li> </ul>
	Increase the waste recycling rate to at least 97%.	
	Recycle at least 40% of waste generated within mills.	
	Reduce water use in the manufacturing process.	
4. Observance of environment-related laws and reduction of environmental load	Use the environmental management system to strengthen environmental management.	<ul style="list-style-type: none"> <li>• As of March 31, 2016, 48 business locations at 14 consolidated subsidiaries, and 4 business locations at 4 non-consolidated subsidiaries, had obtained ISO 14001 certification. Eco-Action 21 certification had been obtained by 1 business location at 1 non-consolidated subsidiary. Of the Nippon Paper Group's principal production sites, 95% have obtained ISO 14001 certification.</li> <li>• Based on the Nippon Paper Group Chemical Substance Management Guidelines, the types and volumes of chemical substances handled are being ascertained, and proper chemical substance management is being pursued.</li> <li>• Updates of recovery equipment and substitutions of chemical substances reduced releases and transfers of PRTR substances by 22%, compared to figures for fiscal 2010.</li> <li>• In establishing and updating facilities, pursuant to energy management rules, energy efficiency is being used as one selection benchmark for procurement.</li> </ul>
	Properly control and reduce the use of chemical substances.	
	Facilitate the procurement of raw materials and equipment with a smaller environmental burden throughout the supply chain.	
5. Development of eco-friendly technologies and products	Enhance the more sophisticated use of wood materials.	<ul style="list-style-type: none"> <li>• Having succeeded in developing a cellulose nanofiber (CNF) sheet with exceptional deodorant properties, Nippon Paper Crecia Co., Ltd. introduced the new Acty brand of adult diapers incorporating CNF in October 2015.</li> <li>• To expand sales of CNF deodorant sheets and commercialize other CNF properties, Nippon Paper Industries Co. Ltd. decided to build a high-capacity CNF production facility at its Ishinomaki Mill. With annual capacity of 500 tonnes, this facility is scheduled to come online in April 2017.</li> <li>• Participated in a NEDO project for the development of manufacturing process technology for non-edible plant-based chemical products. Achieved progress in developing elemental technologies for an integrated woody-biomass-to-chemical-raw-material production process.</li> </ul>
	Develop equipment technology for facilitating a departure from reliance on fossil energy.	
	Reduce the environmental load through ecofriendly products and services.	
6. Proactive environmental communication	Disclose environment-related information to stakeholders whenever appropriate with the use of CSR reports, the website etc.	<ul style="list-style-type: none"> <li>• At the end of September of every year, sustainability reports are issued in both printed and online editions. Also, the ShikiOriori, environmental communication magazine is being published to provide reader-friendly information on various social issues and the Nippon Paper Group's responses to them.</li> <li>• Risk information was shared with local communities and to foster relationships of mutual trust.</li> <li>• Actively participated in environmental endeavors including clean-up and greening initiatives organized by local communities, while promoting various activities including mill tours and Internships.</li> </ul>
	Proactively facilitate environmental communication on a regional basis through, for example, dialogue with local people and governments.	
	Proactively participate in and support environment conservation activities.	
7. Biodiversity commitments	Remain aware of the impact of business activities on biodiversity, and facilitate companywide biodiversity commitments.	<ul style="list-style-type: none"> <li>• The Nippon Paper Group's Basic Policy on the Protection of Biodiversity was established in April 2016.</li> <li>• With forest certification systems as one of several biodiversity protection benchmarks, efforts were made to promote sustainable forest management.</li> <li>• Concluded a memorandum of understanding with the Wild Bird Society of Japan for the mutual benefit of Blakiston's fish owl habitat preservation and the Nippon Paper Group's logging operations, in company-owned forests in Hokkaido</li> </ul>

\*1 No deadline has been set at this point. \*2 FSC® Logo License No. FSC®C120260, FSC®C012171, FSC®C023383 \*3 Aside from FM certification, CW certification is also included