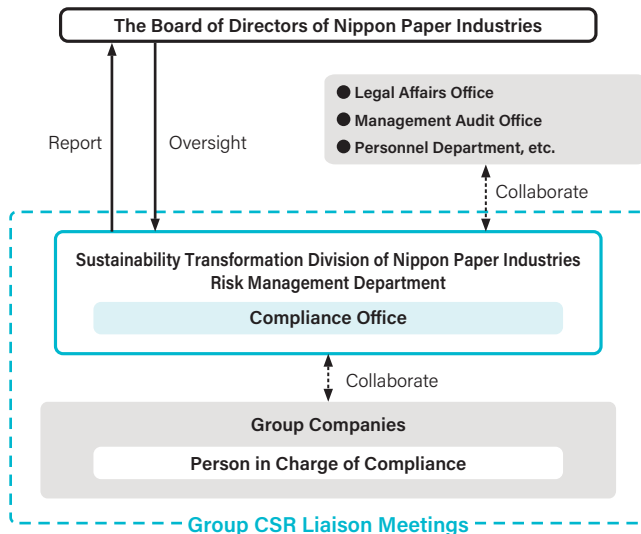


Compliance

1 Basic Policy

-  [→P88](#) **NIPPON PAPER GROUP Standards of Business Conduct**
-  [→P89](#) **NIPPON PAPER GROUP Code of Conduct**
-  [→P83](#) **Corporate Governance Policy**
-  [→WEB](#) **Basic Policies of Nippon Paper Industries Concerning Privacy Protection**
<https://www.nipponpapergroup.com/english/terms/#ancPolicy>
-  [→P90](#) **Nippon Paper Group Basic Policy on Prevention of Bribery to Public Officials**
-  [→P91](#) **Nippon Paper Group Basic Policy on Compliance with Competition Laws**
-  [→P87](#) **Basic Policies to Establish the Internal Control Systems**

2 Promotion Structure



- In the NIPPON PAPER GROUP CSR Liaison Meetings, the Compliance Office in the Sustainability Transformation Division works to enhance cooperation on compliance with the staff responsible for compliance at Group companies.
- The Division reports to the Board of Directors on compliance-related activities. In FY2024, reports were made on the operational status of the internal whistleblower system and the achievements of compliance training.
- The operational status of the internal whistleblower system is reported to the Board of Directors of the Company, and in addition, to Audit & Supervisory Board members and the Management Executive Committee, on a quarterly basis.
- A compliance awareness survey was conducted of the Company and selected Group company employees in FY2023, and of the employees of the remaining Group companies in FY2024, to assess the actual status of compliance. The survey results were reported in Management Executive Committee meetings and the like, and the Company is using the results to implement measures such as making the whistleblowing system easier to use.

3 Standards of Business Conduct and Code of Conduct

- To realize the Group Mission and live up to the Group's social responsibility as a modern corporation, in October 2024, what were then known as the Action Charter and the Codes of Conduct were revised with the approval of the Board of Directors.
- Previously, only the Action Charter applied to the entire Group, and each company created its own codes of conduct. The Company revised the Company's Codes of Conduct, making it a code shared by the entire Group, to earn the trust of society and heighten the brand value of the Group by having all employees share the same values and engage in conduct governed by consistent standards.
- The Sustainability Transformation Division is the driving force working on firmly establishing the Standards of Business Conduct and the Code of Conduct throughout the Group.

4 Personal Information Protection

- The "Basic Policies of Nippon Paper Industries Concerning Privacy Protection" has been established to facilitate the management of personal information.
- In accordance with the intention of the Act on the Protection of Personal Information, the Company tracks and manages the timing of acquisition and purpose of use of personal information held by each department in management ledgers.
- The ledgers are reviewed annually to ensure proper management.
- No formalized complaints were reported on customer data loss in FY2024.

5 Information System Security

- The Company has established "Information System Security Measures Rules" and is implementing information system security measures.
- The Company has established an information system security structure in which the General Manager of the Financial Division is the Chief Information System Security Supervisor (officer in charge of information system security). Security incidents and other matters are reported to the Board of Directors every year through the Risk Management Committee.
- One security incident in a Group company was reported in FY2024.
- In order to stop the spread of damage and prevent recurrence in the event of an incident such as a cyber-attack or virus infection, the Company has established a response system and procedures, and is providing training on this for Group employees. [→P12](#)

Compliance

6 Preventing Corruption

- To realize the Group Mission, the Group has set "Fairness" as a priority value for employees.
- In its various training programs, the Group educates its employees on the content related to anti-corruption (prevention of bribery and compliance with competition laws), such as inappropriate relationships with local governments and public officials in Japan and overseas with whom business activities are conducted, and not giving inappropriate benefits to, or receiving them from, customers and business partners in sales and purchasing activities. Also, the Company strives to correct any suspicious cases that may occur.
- In FY2023, the Japan Fair Trade Commission issued a cease and desist order and another order to a Group company. All Group companies, including the Group company in question, have been thoroughly implementing initiatives for ensuring compliance with the Antimonopoly Act, including various types of training, and are working to prevent any reoccurrence.
- In its "Declaration of Partnership Building," the Company declares that it will strive to comply with desirable business practices between main contractors and subcontractors, and actively work to correct any business practices and trading practices that may hinder the building of partnerships with business partners.

7 Intellectual Property Rights Protection

The Group appropriately manages the information it receives through its business activities and respects others' intellectual property rights.

8 Whistleblower System (Remedial Measures)

1. Mechanism of the Internal Whistleblower System

- The Company has established a "NIPPON PAPER GROUP Helpline," which allows employees to directly report and consult regarding human rights (harassment, working conditions, and other potential risks or concerns), corruption (bribery, violations of competition laws, and other illicit activities), environment-related laws and regulations, outside the everyday chain of command.

- Upon receiving reports, the Compliance Office conducts fact-finding investigations regarding any concerns about violations of laws or corporate ethics. In accordance with the seriousness of the incident, the Company takes corrective actions and measures to prevent recurrence, such as internal disciplinary action, warnings and guidance, and awareness-raising activities for employees through e-learning, etc., while giving consideration to the whistleblower.
- Reports and requests for advice are accepted through multiple channels such as telephone, email, and mail. In addition, contact via chat service has been available since April 2024.
- The utmost care is taken to protect the privacy of whistleblowers.
- The whistleblower system can be used anonymously, but if a report is anonymous, there is a limit to how far the report can be investigated. Therefore, it is recommended that reporters provide their real names as much as possible.
- In accordance with the amended Whistleblower Protection Act of June 2022, employees who have left the company not more than one year ago are added to the scope of users of the system, and the Company prohibits any disadvantageous treatment as a result of whistleblowing, and protects the whistleblower's personal information, as stipulated in the Company's internal rules.
- The Company regularly informs employees about the consultation desk by distributing compliance cards to all group employees, contractors and other parties, and by including information about it in each corporate newsletter.

2. Operational Status of the Whistleblower System and Responses

- In FY2024, there were 69 requests for consultation and reports (FY2023: 43 cases, FY2022: 61 cases,) of which about 50% were related to harassment, and about 20% were doubts about labor-related rules and their operation, while about 10% had doubts about business instructions and responses.

- In order to further strengthen efforts to prevent harassment, which occurs frequently, the Company is continuing to conduct the following harassment training.

- e-learning and video-based training for all employees* (ongoing initiative started in FY2023)

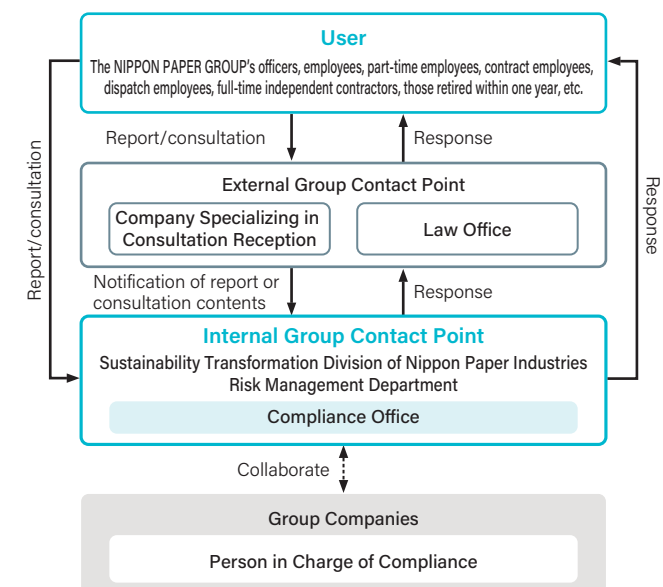
* This includes both dispatched and part-time employees

- Online training for head office managers (FY2024)
- Face-to-face training for head office department heads (FY2024)

3. Receipt of Opinions from Those Who Are Not Eligible for the Use of the Helpline

Opinions from third parties (customers, business partners, and other agencies) not covered by the NIPPON PAPER GROUP Helpline are accepted through "Contact Us" on the Group's website [→WEB](#) and are handled appropriately by the Company's Compliance Office and other relevant departments.

Internal Whistleblower System



Compliance

9 Employee Training and Education

Achievements in Compliance-related Employee Training and Education (FY2024)

The Group systematically and continuously conducts activities to raise awareness of the importance of compliance among employees.

Responsible department	Topic / Title	Target participants	Number of participants	Number of events (frequency)
Risk Management Department/ Compliance Office	Compliance General	New employees of NIPPON PAPER GROUP	94	1
		New managers of Nippon Paper Industries	48	1
		Newly appointed corporate officers of NIPPON PAPER GROUP and mill managers of Nippon Paper Industries	22	1
		Corporate officers and mill managers of Nippon Paper Industries	40	1 (once a year)
	Harassment-related topics	Group employees	7,915	1
	The Antimonopoly Act	Group employees	2,176	2
	Quality compliance	Employees of Nippon Paper Industries	56	1
	Thoroughly establishing the Standards of Business Conduct and the Code of Conduct	Group employees	6,606	1
Legal Affairs Office ^{*1}	Compliance with anti-bribery/competition laws	Group employees(excluding mill operators)	4,470 ^{*2}	1
	Raising sensitivity to legal risks	Managers of Nippon Paper Industries	1,401 ^{*2}	1
Intellectual Property Department	Basic information, etc. concerning patents	Group employees	817 in total	23 sessions in total
Information Systems Department	Prevention of information leakage incidents, etc.	Group employees	6,435 ^{*2}	1 (once a year)

*1 Semi-annual lectures are held one at a time in order. The lectures cover the six topics of prevention of insider trading, exclusion of anti-social forces, protection of personal information, preparation and storage of contracts, compliance with anti-bribery/competition laws, and raising sensitivity to legal risks

*2 For those including contractors, etc.