

Respect for Human Rights

1 Basic Policy

[→P95](#) NIPPON PAPER GROUP Human Rights Policy

- This policy was approved by the Board of Directors of Nippon Paper Industries in May 2022.
- The policy is available in Japanese and English and disclosed on the NIPPON PAPER GROUP's website to inform all stakeholders, including the Group employees and suppliers.
- In addition to this Policy, all business entities of the Group comply with laws and regulations including minimum wages.

[→P92](#) Principles and Basic Policies Concerning Raw Materials Procurement

- In September 2022, "Principles and Basic Policies Concerning Raw Materials Procurement" was revised.
- During the preparation process, the Group repeatedly engaged in dialogue with external experts and reflected stakeholders' opinions in the revised content.
- The document was prepared in Japanese and English and disclosed on the website of the Group to convey the content to its suppliers worldwide.

NIPPON PAPER GROUP's Commitments Relating to Human Rights

Year	Topics	
2004	Signed and began participating in the United Nations Global Compact	● Expresses support for the 10 Principles in 4 fields, including human rights
2004	Established the Philosophy and Basic Policy on Human Rights, Employment and Labor	● Declaration of respect for basic human rights and prohibition of forced labor and child labor
2005	Established the Principles and Basic Policies Concerning Raw Materials Procurement	● Stated consideration of human rights throughout the supply chain
2022	Established the NIPPON PAPER GROUP Human Rights Policy by revising the Philosophy and Basic Policy on Human Rights, Employment and Labor	<ul style="list-style-type: none"> ● Revised in accordance with international human rights norms, endorsing the UN's Guiding Principles on Business and Human Rights ● Declared respect for human rights in all business activities of the Group
2022	Revised the Principles and Basic Policies Concerning Raw Materials Procurement	● Revised the content to allow more effective responses to social issues, such as respect for human rights and climate change

2 Promotion Structure

The Group has established its Risk Management Committee, which is chaired by the president and representative director, operates under the supervision of the Board of Directors of the Company, and holds meetings at least once annually. This risk management promotion structure handles risks related to the Group's human rights.

[→P08](#) Risk Management Promotion Structure

3 Human Rights Due Diligence

1. Human Rights Due Diligence Initiatives

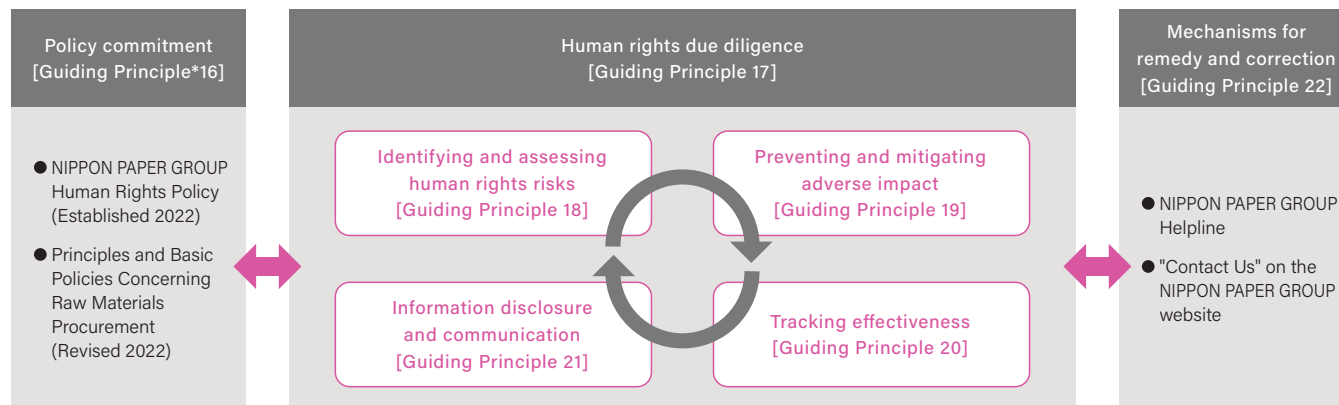
- The Company launched the Human Rights Working Group and introduced human rights due diligence in 2021.
- The Company has constructed a human rights due diligence system based on the "corporate responsibility to respect human rights" required by the United Nations "Guiding Principles on Business and Human Rights."
- In 2022, the Company evaluated human rights risks (forced labor, child labor, freedom of association, discrimination, customer-related risks, and community-related risks) for all stakeholders (employees and customers of the Company itself, Group companies, suppliers, local communities, etc.) in value chains related to the Paper and Paperboard Business, the Paper-Pak Business, and the Chemical Business. Then the Company identified human rights issues that are high-risk and should be prioritized.
- The Company is working to address high-priority human rights issues, for example, by expanding the content and scope of the survey for its business partners.
- The Company will continue to conduct human rights risk assessments regularly, working with business partners to reduce risks and expanding the assessment scope.

Initiatives to Confirm Respect for Human Rights in the Value Chain

Year	Content
2007~	● Confirmed initiatives related to human rights in audits for overseas chip suppliers based on the Action Plan for Wood-based Raw Material Procurement
2011~	● Confirmed initiatives related to human rights in CSR surveys →P02 for overseas consolidated subsidiaries (For all consolidated subsidiaries from 2021)
2015~	<ul style="list-style-type: none"> ● Conducted on-site interviews concerning human rights at overseas chip suppliers ● Conducted interviews concerning human rights at contractors of mills in Japan
2021~	● Conducted human rights due diligence by the Human Rights Working Group
2023~	● Expanded the supplier survey, which was previously limited to the woody material suppliers, to include critical suppliers of general raw materials for paper and paperboard products
2024~	● Started working on initiatives for products such as paper cartons, chemical, household paper and healthcare, and specialty paper, in the same way as for paper and paperboard

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Overview of Human Rights Due Diligence (Nippon Paper Industries)



* The United Nations Guiding Principles on Business and Human Rights

2. Identification of Human Rights Issues

The Company identified human rights issues that should be prioritized through the following process.

(1) Referring to various kinds of international guidance, such as the human rights guidance tools formulated by the United Nations Environment Programme Finance Initiative and the Caux Round Table Japan's "Important Human Rights Issues by Industry (9th edition)," the Company has organized the human rights issues in the Company's* value chain and made a list of human rights risks for each stakeholder.

* The Paper and Paperboard Business, the Paper-Pak Business, and the Chemical Business

(2) All human rights risks on the list were scored from the perspectives of "adverse impact on human rights," "probability of occurrence," and "relationship/distance with the Company," and the Company identified human rights that should be prioritized.

3. Human Rights Surveys at Contractors of Mills in Japan

- The Company sends survey forms to contractors of mills in Japan and has them conduct self-checks to confirm compliance with labor and safety laws and regulations (once a year).
- Survey results are shared with the human resource managers of each mill for the purpose of support for improvements.
- Follow-up surveys have been conducted since FY2019.
- In FY2022, the Company reviewed the survey contents based on the results of the human rights risk assessment and has conducted a survey using the revised version since FY2023.
- In FY2024, the Company received survey replies from a total of 82 contractors at 15 sites in Japan.

4. Confirmation of Consideration for Human Rights at Overseas Wood Chip Suppliers

- Based on the "Principles and Basic Policies Concerning Raw Materials Procurement," the Company has employees in charge of procurement or local representatives visit overseas wood chip suppliers to conduct interviews covering matters

such as health, hygiene, safety, disaster preparedness, working conditions, and local environmental concerns.

- The target area of the surveys is all countries from which the Company procures wood chips, with priority given to countries with high-volume transactions or high risks.
- The Company is improving the current surveys by reviewing the contents of the interviews every year based on the results of previous interviews and dialogue with external stakeholders.

Results of On-Site Surveys of Overseas Chip Suppliers

Year of Survey	Country	Results
FY2020	Thailand	No problems found
FY2021	Australia	No problems found
FY2022	Vietnam	No problems found
FY2023	Brazil, Thailand	No problems found
FY2024	Vietnam	No problems found

5. Expansion of Confirmation of Human Rights Issues for Material Suppliers

- Under the "Principles and Basic Policies Concerning Raw Materials Procurement," the Company formulated an action plan for the procurement of all raw materials in FY2022.
- Based on the action plan, the Company expanded the confirmation of human rights issues through a survey, which was previously limited to the suppliers of woody materials such as chips and pulp, to include critical suppliers of general raw materials not only for paper and paperboard products but also for paper cartons, chemical, household paper and healthcare and specialty paper. Surveys have been conducted successively since FY2024.

6. Human Rights Surveys within the Group

The Group conducts annual [CSR surveys](#) → P02 to confirm the status of human rights initiatives at each Group company.

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4 Remedy Mechanism

- The Company accepts inquiries regarding concerns about any possible violation of human rights through the "NIPPON PAPER GROUP Helpline," which the Company set up as an internal whistleblower system.
- The Group's website also accepts inquiries in Japanese and English through the "Contact Us" page, which is open to anyone.
- The Company's Compliance Office and associated departments respond to inquiries received through the NIPPON PAPER GROUP Helpline and the Group's corporate website. In FY2024, there were 29 human rights-related complaints (harassment-related).
- The Group was subject to no legal actions whatsoever regarding human rights in FY2024.



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Whistleblower System (Remedial Measures)

- NIPPON PAPER GROUP Helpline
- "Contact Us" on the NIPPON PAPER GROUP website

5 Other Initiatives

1. Training and Development Activities for Employees, etc.

- In pursuit of personnel management cognizant of human rights, the Group has employees responsible for personnel matters at each company and office participate in training courses hosted by government agencies.
- The Group conducts compliance training to encourage all employees to help prevent harassment in the workplace.
- In FY2024, based on the "NIPPON PAPER GROUP Human Rights Policy," the Company held e-learning training →P02 for all Group employees, with a total of 9,615 participants (Theme: "Fundamentals of Business and Human Rights").
- The sustainability lecture, →P02 which is held regularly by the Company, featured human rights in FY2024 to raise awareness among all Group employees and contractors of its mills.



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Achievements in Compliance-related Employee Training and Education

2. Labor Initiatives

The Group implements the following initiatives regarding respect for human rights in labor.

- Support for the universal principles advocated by the United Nations Global Compact (freedom of association and recognition of the right to collective bargaining)
- Continuous dialogue between labor and management →P73
- Stipulating the prohibition of harassment in the Company's employment rules (Nippon Paper Industries)

3. Local Community Initiatives

The Group implements the following initiatives to protect the human rights of people in the areas where the Group conducts its business.

- Environmental communications →P27
- Coexistence with local communities in overseas plantation projects →P20

4. Relationships with Other External Organizations and Other Institutions

- The Company holds dialogues with external experts to confirm objective evaluations of its human rights initiatives and consider improvements.
- The Company has been a member of Amnesty International Japan since 2007 and has the opportunity to share opinions at least once a year. In FY2024, the parties discussed the human rights training for all Group employees, the human rights issue survey for contractors of mills in Japan, and the expansion of the scope of human rights issue confirmation through a survey for raw material suppliers.
- The Company participates in the Global Compact Network Japan's Human Rights Due Diligence Subcommittee to collect information and exchange opinions on the latest trends in human rights and the initiatives of each company.