

Shaping the Future with Trees

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Eleven-Year Financial and Non-Financial Summary

Nippon Paper Industries Co., Ltd. and Consolidated Subsidiaries**
Fiscal Years Ended March 31

| | FY2011/3 | FY2012/3 | FY2013/3 | FY2014/3 | FY2015/3 | FY2016/3 | FY2017/3 | FY2018/3 | FY2019/3 | FY2020/3 | FY2021/3 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| (Millions of yen) | | | | | | | | | | | |
| Profit / Loss (Fiscal Year) | | | | | | | | | | | |
| Net sales | 1,099,817 | 1,042,436 | 1,025,078 | 1,081,277 | 1,052,491 | 1,007,097 | 992,428 | 1,046,499 | 1,068,703 | 1,043,912 | 1,007,339 |
| Cost of sales | 854,238 | 803,653 | 796,411 | 844,603 | 825,576 | 800,185 | 787,464 | 846,109 | 871,218 | 832,151 | 803,686 |
| Operating income | 35,608 | 36,524 | 25,145 | 28,536 | 23,656 | 22,623 | 23,764 | 17,613 | 19,615 | 35,048 | 19,233 |
| Ordinary income | 31,599 | 6,057 | 23,081 | 28,188 | 23,204 | 17,123 | 26,994 | 18,649 | 23,901 | 30,524 | 12,276 |
| Profit (loss) attributable to owners of parent | (24,172) | (41,675) | 10,652 | 22,770 | 23,183 | 2,424 | 8,399 | 7,847 | (35,220) | 14,212 | 3,196 |
| Cash flows from operating activities | 115,454 | 60,114 | 65,978 | 75,763 | 81,846 | 52,419 | 87,087 | 44,944 | 59,760 | 67,036 | 84,197 |
| Cash flows from investing activities | (93,467) | (46,626) | (61,766) | (24,861) | (42,483) | 16,270 | (65,278) | (62,731) | (47,461) | (70,113) | (182,945) |
| Free cash flow | 21,987 | 13,488 | 4,212 | 50,902 | 39,363 | 68,689 | 21,809 | (17,787) | 12,299 | (3,077) | (98,748) |
| Financial Position (End of Fiscal Year) | | | | | | | | | | | |
| Total assets | 1,560,592 | 1,527,635 | 1,497,729 | 1,480,894 | 1,495,622 | 1,390,918 | 1,388,885 | 1,429,892 | 1,390,814 | 1,363,469 | 1,547,326 |
| Total current assets | 515,392 | 546,344 | 507,335 | 505,417 | 484,498 | 502,912 | 486,205 | 490,479 | 515,407 | 496,871 | 533,764 |
| Total property, plant and equipment | 798,482 | 752,501 | 747,423 | 729,179 | 715,406 | 669,298 | 686,813 | 717,927 | 677,613 | 680,524 | 782,012 |
| Other non-current assets | 246,718 | 228,789 | 242,970 | 246,297 | 295,716 | 218,707 | 215,867 | 221,484 | 197,792 | 186,074 | 231,549 |
| Total liabilities | 1,151,829 | 1,160,983 | 1,101,269 | 1,054,309 | 1,005,881 | 966,233 | 953,974 | 986,493 | 995,470 | 976,892 | 1,122,605 |
| Total net assets | 408,762 | 366,652 | 396,460 | 426,584 | 489,740 | 424,685 | 434,911 | 443,398 | 395,343 | 386,577 | 424,721 |
| Interest-bearing debt | 832,347 | 838,285 | 830,220 | 775,597 | 731,834 | 703,831 | 678,504 | 693,562 | 688,703 | 689,937 | 828,870 |
| Other | | | | | | | | | | | |
| Capital investment | 46,591 | 57,172 | 53,323 | 47,162 | 48,518 | 46,899 | 51,289 | 72,765 | 60,338 | 70,636 | 57,929 |
| Depreciation | 78,639 | 74,352 | 64,903 | 63,181 | 61,374 | 57,672 | 55,083 | 57,892 | 60,422 | 58,705 | 63,357 |
| Research and development expenses | 6,855 | 6,484 | 6,348 | 5,690 | 5,431 | 5,555 | 5,622 | 6,013 | 6,694 | 6,051 | 6,217 |
| Per Share Data | | | | | | | | | | | |
| Profit (loss) attributable to owners of parent | (208.73) | (359.90) | 92.00 | 196.67 | 200.27 | 20.95 | 72.57 | 67.80 | (304.34) | 122.89 | 27.67 |
| Cash dividends | 60.00 | 30.00 | 40.00 | 40.00 | 50.00 | 60.00 | 60.00 | 60.00 | 30.00 | 40.00 | 40.00 |
| Financial Indicators | | | | | | | | | | | |
| Operating income margin | 3.2% | 3.5% | 2.5% | 2.6% | 2.2% | 2.2% | 2.4% | 1.7% | 1.8% | 3.4% | 1.9% |
| EBITDA (Millions of yen) | 118,469 | 114,754 | 93,752 | 96,333 | 89,467 | 85,145 | 83,571 | 80,137 | 84,583 | 97,779 | 86,940 |
| Return (loss) on equity (ROE) | (5.6%) | (10.9%) | 2.8% | 5.6% | 5.1% | 0.5% | 2.0% | 1.8% | (8.6%) | 3.7% | 0.8% |
| Return on assets (ROA) | 2.7% | 1.2% | 2.3% | 2.7% | 2.2% | 2.0% | 2.6% | 1.9% | 2.2% | 2.7% | 1.3% |
| Return on invested capital (ROIC) | 3.5% | 1.5% | 2.9% | 3.3% | 2.8% | 2.4% | 3.2% | 2.3% | 2.9% | 3.5% | 1.6% |
| Debt/equity ratio (times) | 1.75 | 1.94 | 1.89 | 1.70 | 1.55 | 1.47 | 1.49 | 1.61 | 1.76 | 1.75 | 1.86 |
| ESG Indicators** | | | | | | | | | | | |
| Percentage of outside directors | 0% | 0% | 0% | 11.1% | 11.1% | 12.5% | 22.2% | 22.2% | 22.2% | 33.3% | 33.3% |
| Forest certification acquisition rate | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| GHG emissions**3 (Million t-CO ₂) | - | - | - | 7.28 | 7.18 | 7.12 | 7.17 | 6.99 | 6.83 | 6.26 | 5.75 |
| Waste recycling rate**4 | 99.0% | 96.7% | 95.8% | 95.9% | 98.2% | 97.6% | 98.4% | 98.6% | 98.2% | 97.2% | 97.6% |
| Percentage of female managers**5 | - | - | 1.49% | 1.48% | 1.57% | 1.60% | 1.86% | 2.47% | 2.29% | 2.43% | 2.65% |
| Lost-time injury frequency rate (LTIFR)**6 | 0.50 | 0.37 | 0.58 | 0.53 | 0.62 | 0.44 | 0.40 | 0.64 | 0.77 | 0.79 | 0.79 |

*1 Nippon Paper Industries Co., Ltd. merged with and absorbed its parent company Nippon Paper Group, Inc. and was publicly listed on April 1, 2013. For this reason, figures for FY2013/3 and prior fiscal years represent the financial results of Nippon Paper Group, Inc.

*2 Data available on a continuing yearly basis have been provided for comparison purposes, considering changes in the scope of aggregation and similar factors.

*3 Scope: Consolidated and non-consolidated Group companies in Japan subject to the Act on Rationalization of Energy Use.

*4 Consolidated Group companies in Japan

*5 Nippon Paper Industries Co., Ltd.

*6 For the manufacturing offices belonging to Nippon Paper Industries Co., Ltd., Nippon Paper Papyrus Co., Ltd., Nippon Paper Creca Co., Ltd., and Nippon Paper Liquid Package Product Co., Ltd. (including affiliated companies)

* Free cash flow = Cash flows from operating activities + Cash flows from investing activities

* Interest-bearing debt = Short-term borrowings + Long-term debt

* EBITDA = Operating income + Depreciation + Dividend income + Interest income + Amortization of goodwill

* Return (loss) on equity (ROE) = Profit (loss) attributable to owners of parent / [Average of balances at the beginning and end of fiscal year (Shareholders' equity + Accumulated other comprehensive income)] x 100

* Return on assets (ROA) = (Ordinary income + Interest expense) / Total assets at end of fiscal year x 100

* Return on invested capital (ROIC) = (Ordinary income + Interest expense) / (Year-end shareholders' equity + Year-end accumulated other comprehensive income + Year-end balance of interest-bearing debt) x 100

* The FY2021/3 result for the debt/equity ratio represents the adjusted net debt/equity ratio.

* Adjusted net debt/equity ratio = (Net interest-bearing debt - Equity-type debt) / (Shareholders' equity + Equity-type debt)

* Equity-type debt: The amount of debt financed by hybrid loans that has been recognized as equity credit by ratings agencies (50% of the financed amount)

Overview of Financial Results

Profit / Loss

In FY2021/3, the Nippon Paper Group's business environment faced severe pressures due to the impact of the COVID-19 pandemic. The Group recorded a large decline in sales of newsprint and printing paper owing to sluggish advertising demand, particularly in the first half of the fiscal year.

FY2021/3 was the final year of the Sixth Medium-Term Business Plan. In this crucial year, the Group strove to strengthen the competitiveness of the Paper Business and also steadily transformed its business structure. Notably, the Group reaped the benefits of reorganizing the production structure of the Paper Business, started operating production facilities for household paper, and decided to withdraw from the pulp and paper business at the Kushiro Mill.

In terms of consolidated business results, net sales decreased 3.5% year on year to ¥1,007.3 billion and operating income declined 45.1% year on year to ¥19.2 billion. These results mainly reflected the impact of a substantial downturn in demand for newsprint and printing paper and the recording of acquisition-related expenses of ¥6.0 billion in connection with the acquisition of Orora Limited's paperboard and fiber-based packaging business in Australia and New Zealand.

In non-operating expenses, the Group incurred a foreign exchange valuation loss at a Brazilian subsidiary due to the impact of the depreciation of the Brazilian real. Additionally, the Group recorded several items under extraordinary loss, including an impairment loss on the withdrawal from the pulp and paper business at the Kushiro Mill, and a loss on disaster associated with the 2021 Fukushima Prefecture Offshore Earthquake. As a result, ordinary income was ¥12.3 billion, down 59.8% year on year, and profit attributable to owners of parent was ¥3.2 billion, down 77.5% year on year.

Net Sales

| (¥ billion) | FY2017/3 | FY2018/3 | FY2019/3 | FY2020/3 | FY2021/3 |
|--|--------------|----------------|----------------|----------------|----------------|
| Paper and Paperboard | 659.2 | 675.8 | 674.0 | 646.7 | 568.3 |
| Daily-Life Products | 224.2 | 258.4 | 266.2 | 270.2 | 317.9 |
| Energy | 14.6 | 17.8 | 36.2 | 33.0 | 33.4 |
| Wood Products and Construction-Related | 63.5 | 62.8 | 59.8 | 61.6 | 59.9 |
| Other | 30.9 | 31.7 | 32.5 | 32.3 | 27.8 |
| Total | 992.4 | 1,046.5 | 1,068.7 | 1,043.9 | 1,007.3 |

* Results for FY2017/3 to FY2020/3 have been restated to reflect the segment classification of results for FY2021/3.

Overview by Segment

Paper and Paperboard Business

Net sales were ¥568.3 billion and operating income was ¥2.5 billion. Sales volume of newsprint and printing paper in Japan decreased substantially from the previous fiscal year due to the impact of the COVID-19 pandemic. Sales volume of paperboard in Japan decreased slightly from the previous fiscal year, owing to a decline in demand for industrial products and sluggish demand from general consumption as people refrained from going outdoors during the pandemic.

Daily-Life Products Business

Net sales were ¥317.9 billion and operating income was ¥7.9 billion. In household paper, net sales were mostly unchanged from the previous fiscal year, mainly owing to the effects of integrating sales functions for hand towels with Try-Fu Co., Ltd., although demand declined for products such as tissue paper. In liquid packaging cartons, sales volume increased year on year mainly due to sales growth driven by the installation of new filling machines. Sales volume of dissolving pulp decreased from the previous fiscal year in response to weakening overseas demand in countries such as China. In functional film, sales volume increased year on year atop firm demand for mobile device applications.

Energy Business

Net sales were ¥33.4 billion and operating income was ¥6.9 billion. Net sales increased mainly due to the impact of an increase in the number of operating days at electric power generation facilities.

Wood Products and Construction-Related Business

Net sales were ¥59.9 billion and operating income was ¥6.5 billion. The number of new housing starts was stagnant and the sales volume of lumber and other products decreased year on year.

Operating Income

| (¥ billion) | FY2017/3 | FY2018/3 | FY2019/3 | FY2020/3 | FY2021/3 |
|--|-------------|-------------|-------------|-------------|-------------|
| Paper and Paperboard | 1.1 | (8.0) | (9.1) | 6.2 | 2.5 |
| Daily-Life Products | 13.0 | 13.7 | 12.6 | 12.9 | 7.9 |
| Energy | 3.5 | 4.1 | 7.9 | 6.8 | 6.9 |
| Wood Products and Construction-Related | 4.4 | 4.5 | 4.9 | 5.9 | 6.5 |
| Other | 1.8 | 3.3 | 3.3 | 3.2 | 1.4 |
| Acquisition-related expenses | — | — | — | — | (6.0) |
| Total | 23.8 | 17.6 | 19.6 | 35.0 | 19.2 |

* Results for FY2017/3 to FY2020/3 have been restated to reflect the segment classification of results for FY2021/3.

Financial Position

Consolidated total assets at the end of FY2021/3 were ¥1,547.3 billion, an increase of ¥183.8 billion from ¥1,363.5 billion at the end of FY2020/3. This was mainly because of an increase in assets due to the acquisition of Orora Limited's paperboard and fiber-based packaging business in Australia and New Zealand.

Total liabilities increased ¥145.7 billion from ¥976.9 billion at the end of FY2020/3 to ¥1,122.6 billion. The main reason for this increase was the borrowing of funds for the aforementioned business acquisition, as well as an increase of ¥14.3 billion in deferred tax liabilities.

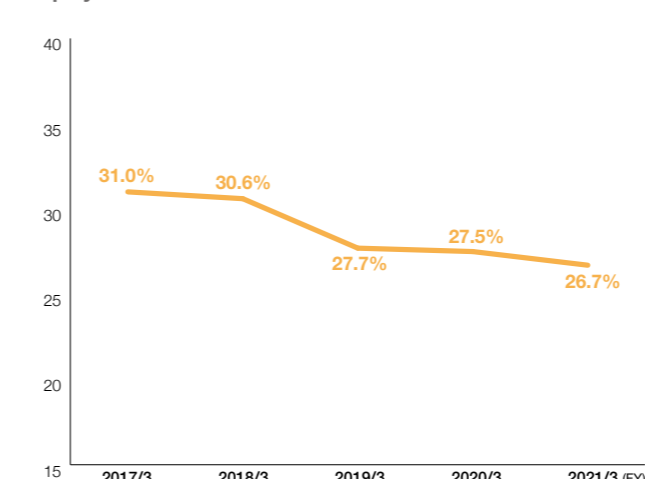
Total net assets increased ¥38.1 billion from ¥386.6 billion at the end of FY2020/3 to ¥424.7 billion. This was mainly because of an increase of ¥39.3 billion in accumulated other comprehensive income.

For the abovementioned business acquisition, the Group raised ¥60 billion through a hybrid loan, for which 50% of the financed amount is recognized as equity credit. This hybrid loan was taken out from the standpoint of maintaining financial discipline.

With this move, the Group has adopted the adjusted net debt/equity ratio as a management indicator. The adjusted net debt/equity ratio is determined by taking into account the amount of debt financed through hybrid loans that has been recognized as equity credit by rating agencies.

As a result, the adjusted net debt/equity ratio was 1.86 times and the equity ratio was 26.7%.

Equity Ratio



* Equity ratio = (Year-end shareholders' equity + Year-end accumulated other comprehensive income) / Year-end total assets x 100

Cash Flows

Consolidated cash and cash equivalents increased ¥16.9 billion compared with the end of FY2020/3, to ¥69.7 billion as of the end of FY2021/3.

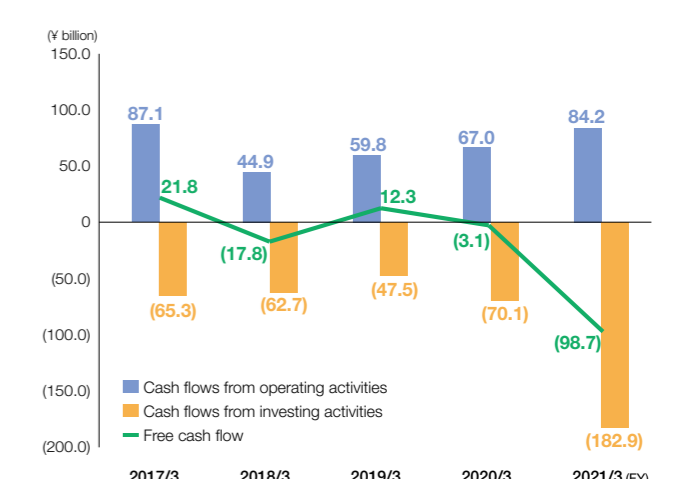
Net cash provided by operating activities was ¥84.2 billion, an increase of ¥17.2 billion from FY2020/3. The main factors were profit before income taxes of ¥10.7 billion, depreciation of ¥63.4 billion, impairment loss of ¥8.6 billion, and an increase in working capital (total changes in receivables, inventories, and payables) of ¥10.2 billion.

Net cash used in investing activities was ¥182.9 billion, an increase of ¥112.8 billion from FY2020/3. The main uses of cash were ¥131.1 billion for the acquisition of Orora Limited's paperboard and fiber-based packaging business in Australia and New Zealand and ¥61.5 billion for purchases of non-current assets.

As a result, free cash flow for FY2021/3 was negative ¥98.7 billion.

Net cash provided by financing activities in FY2021/3 was ¥113.7 billion, compared with net cash used of ¥7.4 billion in FY2020/3. This was mainly because the Group raised funds related to the aforementioned business acquisition by obtaining long-term and short-term loans payable, while there were outflows such as redemption of bonds of ¥15.0 billion and cash dividends paid of ¥4.6 billion.

Cash Flows



Business and Other Risk Factors

The management of the Nippon Paper Group has identified the following as major risks due to their potentially significant impact on the financial position, business performance, and cash flows of consolidated Group companies.

(1) Major Risks Associated with Management Strategies

Delays in Business Structure Transformation and the Creation of New Businesses

In the Paper Business, which is one of the Nippon Paper Group's businesses, a market contraction has been continuing as a trend in response to IoT and digital transformation (DX), as well as the impact of the COVID-19 pandemic. In response, the Group has been shifting its business structure to growing businesses such as the Daily-Life Products Business. While the Group strives to develop new businesses and products, if these efforts do not progress as planned, the Group's business performance, financial position, and other aspects could be affected.

Overseas Business

The Nippon Paper Group manufactures and sells pulp and paper and operates forestry plantations and other businesses in North America, South America, Scandinavia, Southeast Asia, Australia, and other overseas locations. In the past few years, the Group has been strengthening the development of its business operations overseas. Developing business operations overseas entails a number of risks, including changes to laws and regulations by local governments, labor disputes, and the impact of political uncertainty on economic activities. The materialization of such risks may affect the Group's business performance, financial position, and other aspects.

(2) Risks Associated with the Business Environment and Business Activities

Product Demand and Market Conditions

The Nippon Paper Group carries out businesses such as the Paper and Paperboard Business, Daily-Life Products Business, Energy Business, and Wood Products and Construction-Related Business. The Group is exposed to the risk of fluctuations in demand for its products based on factors such as economic conditions and fluctuations in product prices based on factors such as market conditions. Such fluctuations could affect the Group's business performance, financial position, and other aspects.

Raw Material and Fuel Prices

The Nippon Paper Group is engaged in businesses in which it purchases raw materials and fuel such as wood chips, wastepaper, heavy oil, coal, and chemicals, and uses these resources to manufacture and sell products. The Group is thus exposed to the risk of fluctuations in input prices for raw materials and fuel based on domestic and international market conditions. Such fluctuations could affect the Group's business performance, financial position, and other aspects.

COVID-19

The Nippon Paper Group has set up the COVID-19 Response Office to monitor the Group's condition in relation to COVID-19. The COVID-19 Response Office is also responsible for preparing guidelines designed to prevent the spread of COVID-19 among employees and ensure business continuity. Based on these guidelines, COVID-19 response measures are implemented in each division.

Natural Disasters

The occurrence of an earthquake or large-scale natural disaster in the vicinity of the Nippon Paper Group's production and sales bases may impact its production, sales and other business activities. This may lead to opportunity losses due to a production stoppage, additional costs to restore facilities, and/or damage to products, merchandise and raw materials. Such consequences of natural disasters may affect the business performance, financial position, and other aspects of the Group.

Environment-Related Legal Risk

The Group is subject to the application of environmental regulations in various businesses. Revisions and amendments to such regulations could limit production activities and result in additional costs, affecting the Group's business performance, financial position, and other aspects. In addition, the Group releases CO₂ emissions in manufacturing processes and other activities. The introduction of a full-scale carbon pricing scheme could affect the Group's business performance, financial position, and other aspects.

Manufacturing Conditions

The Nippon Paper Group's production activity is based on the estimated demand and production capacity of existing facilities. The Group is exposed to the risk of a reduction in product supply capability due to fires, accidents or other problems occurring at facilities, or a decline in the capacity utilization rate of production facilities caused by disruptions to the procurement of raw materials and fuel. Such fluctuations in product supply capability could affect the Group's business performance, financial position, and other aspects.

Product Liability

The Nippon Paper Group could receive claims for compensation for loss or damage in relation to product liability, but it has not received any significant claims of this sort at present. However, the Nippon Paper Group may be liable for the payment of compensation for loss or damage in the future. While the Group has enrolled in product liability insurance, it may not be enough to cover the amount of compensation for loss or damage for which the Group may be held liable.

Human Resource Recruitment and Labor-Related

The Nippon Paper Group recognizes that there is a vital need to recruit and develop optimal human resources to expand its business in the future. The Group's inability to recruit optimal human resources could restrict its business operations, which could in

turn affect its business performance, financial position, and other aspects. Additionally, if the Group were found to be out of compliance with various labor-related rules, the Group could be subject to lawsuits or experience a loss of public trust. Such events could adversely impact the business performance, financial position, and other aspects of the Group.

Litigation

In the course of doing business worldwide, the Nippon Paper Group is exposed to the risk of litigation or other actions associated with criminal or civil affairs, taxation, antitrust law, product liability law, intellectual property rights, and environmental and labor issues. As a result, such litigation could affect the Group's business performance, financial position, and other aspects.

Information Systems

The Nippon Paper Group strengthens and rigorously implements security measures for its information systems. The Group also implements extensive information security measures to address the work-from-home environment. If there are any problems such as information leakages due to unauthorized access to computers and/or data breaches due to criminal acts, the Nippon Paper Group may be held liable for the payment of compensation for loss or damage and experience a loss of public trust in the Group. Such events could affect the business performance, financial position, and other aspects of the Group.

Foreign Exchange

The Nippon Paper Group is exposed to the risk of foreign exchange fluctuations associated with import, export and other transactions. In terms of the balance of import and exports, the Group's imports of raw materials and fuel, such as wood chips, heavy oil, coal, and chemicals, exceed its exports of products and other items. For this reason, the depreciation of the yen against the U.S. dollar has a negative impact on business performance.

M&As and Business Alliances

The Nippon Paper Group may conduct activities such as M&As and business alliances. In the process, the Group conducts a thorough examination of business strategies and synergistic effects before it decides to engage in such activities, and it works to maximize its results after it concludes such agreements. However, changes in the operating environment and other factors may prevent the Group from achieving the results it had initially anticipated. In these circumstances, the business performance, financial position, and other aspects of the Group could be affected.

(3) Financial and Accounting Risks

Share Prices

The Nippon Paper Group holds marketable shares primarily in business partners and affiliated companies. Therefore, the Group is exposed to the risk of share price fluctuations that could affect its business performance, financial position, and other aspects.

Interest Rates

The Nippon Paper Group is exposed to the risk of interest rate fluctuations with respect to interest-bearing debt and other items. Such fluctuations could affect the business performance, financial position, and other aspects of the Group.

Credit Risk

The Nippon Paper Group takes care to limit its credit risk through measures such as continuously evaluating the financial and related information of its business partners in accordance with credit management rules and establishing credit limits accordingly, but any event that disrupts the collection of receivables, such as a deterioration in the financial condition or bankruptcy of customers, could affect the business performance, financial position, and other aspects of the Group.

Impairment of Fixed Assets

The Nippon Paper Group owns fixed assets such as production facilities and land. Changes in the operating environment and other factors that result in a significant decline in future cash flow generated through these assets may lead to an incurrence of an impairment loss and affect the business performance, financial position, and other aspects of the Group.

Retirement Benefit Obligation

The Nippon Paper Group's retirement benefit expenses and obligation are calculated based on actuarial assumptions such as the rate of return and the discount rate on pension assets. However, any circumstances requiring a change in the actuarial assumptions or an impairment to pension assets resulting from stagnation of the stock market and other factors may affect the business performance, financial position, and other aspects of the Group.

Reversal of Deferred Tax Assets

The Nippon Paper Group records deferred tax assets after it judges the recoverability of deductible temporary differences and operating loss carryforwards based on an estimation of future taxable income. However, changes in the operating environment and other factors that lead to a decline in taxable income, or changes in the tax regulations and other factors that lead to a revision in recoverability, may cause a reversal of deferred tax assets. Such a reversal could affect the business performance, financial position, and other aspects of the Group.

For the full text of Business and Other Risk Factors, please visit the website below.

<https://www.nipponpapergroup.com/english/ir/policy/risk/>



Company Profile / Investor Information (as of March 31, 2021)

Corporate Overview

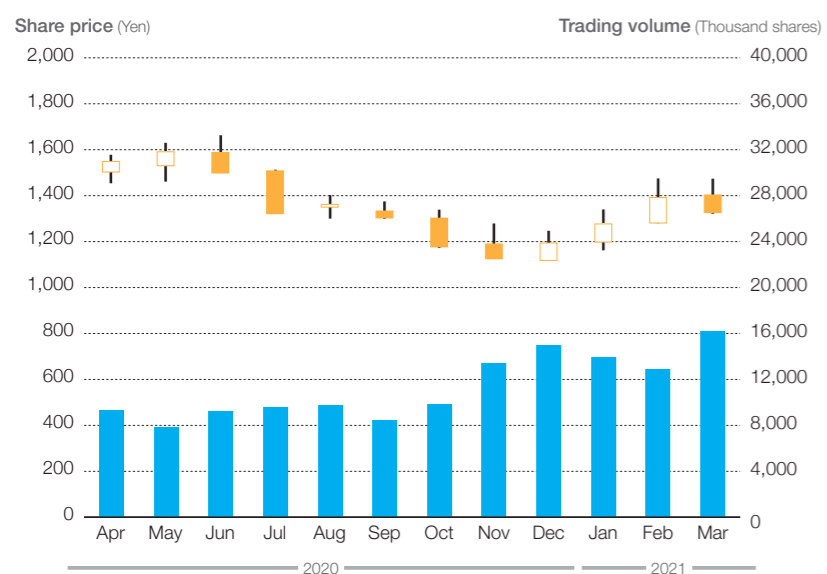
| | |
|-------------------------------|--|
| Company Name | Nippon Paper Industries Co., Ltd. |
| Head Office | 4-6 Kanda-Surugadai, Chiyoda-ku, Tokyo 101-0062, Japan |
| Establishment | August 1, 1949 |
| Number of Employees | 5,329 non-consolidated 16,156 consolidated |
| Capital | ¥104,873 million |
| Shares | Number of shares authorized to be issued 300,000,000 shares Number of shares issued 116,254,892 shares (including 355,784 shares of treasury stock) |
| Number of Shareholders | 115,836 |

Major Shareholders

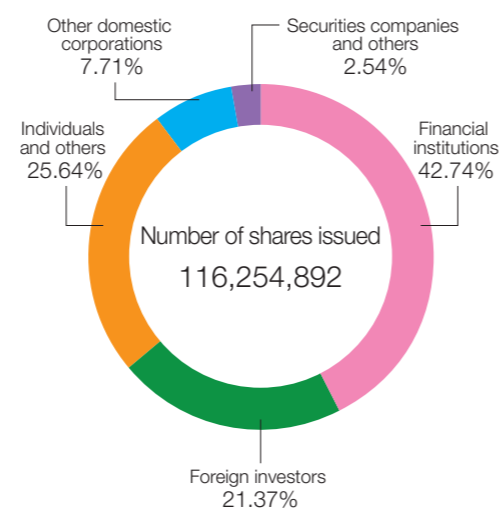
| Name | Shares Held | Shareholding Ratio (%) |
|---|-------------|------------------------|
| Ichigo Trust Pte. Ltd. | 9,693,600 | 8.36 |
| Custody Bank of Japan, Ltd. (Trust Account) | 9,327,200 | 8.05 |
| The Master Trust Bank of Japan, Ltd. (Trust Account) | 8,990,600 | 7.76 |
| Mizuho Bank, Ltd. | 4,341,855 | 3.75 |
| Nippon Paper Industries Co., Ltd. Employee Share Ownership Association | 3,139,129 | 2.71 |
| Nippon Life Insurance Company | 2,473,165 | 2.13 |
| State Street Bank and Trust Company 505103 | 2,296,181 | 1.98 |
| TAIJU LIFE INSURANCE COMPANY LIMITED | 2,258,900 | 1.95 |
| Nippon Paper Industries Co., Ltd. Business Partners Share Ownership Association | 2,087,500 | 1.80 |
| Custody Bank of Japan, Ltd. (Trust Account 7) | 1,793,200 | 1.55 |

* The shareholding ratio was calculated after deducting 355,784 shares of treasury stock.

Share Price and Trading Volume Trends



Percentage of Shares Held by Shareholder Type



ESG Databook 2021

The Nippon Paper Group has issued the ESG Databook 2021 on its website at the same time as this report. In the ESG Databook 2021, the Group discloses information on CSR-related activities to all stakeholders. The ESG Databook 2021 was prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Sustainability Reporting Standards.

https://www.nipponpapergroup.com/english/csr/npg_esgdb2021_e_ALL.pdf



Online Resources

Nippon Paper Group's Website:

<https://www.nipponpapergroup.com/english/>



CSR Website:

<https://www.nipponpapergroup.com/english/csr/>



Securities Report (Japanese only):

<https://disclosure.edinet-fsa.go.jp/>
(EDINET code: E11873)



Corporate Governance Report:

<https://www.nipponpapergroup.com/english/ir/20210706ECGR.pdf>



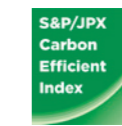
External Evaluations



FTSE Blossom Japan



ETHIBEL
PIONEER & EXCELLENCE



S&P/JPX
Carbon
Efficient
Index

2021 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX

2021 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)



2021 ecovadis
Sustainability Rating



DBJ 環境格付
2018

The Development Bank of Japan (DBJ) has awarded Nippon Paper Industries its highest environmental rating, citing its particularly advanced environmental initiatives.
Environmental rating acquisition date: November 2018



ESG/SDGs
ASSESSMENT
LOAN

Sumitomo Mitsui Banking Corporation (SMBC) has awarded Nippon Paper Industries the AAA rating, its highest rating for ESG / SDGs assessment-based financing.