

NIPPON PAPER GROUP Basic Policy on Compliance with Competition Laws

The Group formulates this basic policy in relation to the compliance with competition laws of relevant countries (including Japan) based on the Group Mission and the provisions of the Standards of Business Conduct as well as the spirit thereof.

1. Compliance with competition laws of relevant countries

Officers or employees^{*2} of NIPPON PAPER GROUP^{*1} must not in any way take part in a cartel or bid rigging that would violate laws and regulations of relevant countries (including Japan), or in any act that could be suspected of being involved in the foregoing with competitors or trade associations.

2. Contact with competitors

Do not have contact with any competitors unless there is a good reason. If you have had contact with a competitor, you must accurately record the background and correspondences thereof, and properly keep such records. You should conduct activities regarding trade associations in an extremely restrictive manner to the extent that does not cause suspicion under competition laws, taking into account that such activities are opaque and may easily give rise to the suspicion that they tend to suppress competition.

3. Agreement with competitors

No agreement that would impede fair trade^{*3} must be entered into with competitors.

4. Interventions to distributors, unjust discrimination

Do not unreasonably restrict prices, quantity, sales territories, suppliers, marketing method, etc. in relation to deals entered into by distributors with their suppliers. Furthermore, do not unjustly discriminate against distributors in relation to prices, quantity, payment terms, and other terms and conditions.

5. Dumping

Do not sell any products or services at an unfairly low price without regard for profit.

6. Abuse of superior bargaining position

Do not impose unreasonable conditions on suppliers regarding raw materials, subcontractors, distributors, etc., taking advantage of your superior bargaining position.

7. Misrepresentation

Do not make any false indication or representation, or misleading or unfounded indication or representation in operating activities or promotional activities.

8. Provision of education/training

NIPPON PAPER GROUP will provide education/training for its officers and employees on a regular basis based on these guidelines in order to prevent a violation of competition laws and ensure the appropriateness of business execution.

- *1 NIPPON PAPER GROUP: Refers to Nippon Paper Industries Co., Ltd. and its subsidiaries (meaning companies of which Nippon Paper Industries Co., Ltd. controls decisions on the financial and business policies, including indirect investment subsidiaries).
- *2 Officers or employees: Means directors and auditors, as well as executive officers, full-time employees, contract employees, employees on a short-term contract, temporary employees, part-time employees and other persons who engage in the business of NIPPON PAPER GROUP.
- *3 An agreement that would impede fair trade: Typical examples include price cartels, bid rigging, division of markets/sales territories/customers, etc.; regardless of whether they are in writing or oral, or in whatever form.

Established on November 8, 2017