



March 9, 2022

Company Name: Japan Pulp & Paper Co., Ltd.
Representative: Akihiko Watanabe, President
(First Section, Tokyo Stock Exchange. Company Code 8032)

Enhancement of the Sustainability Promotion Framework

Japan Pulp & Paper Co., Ltd. (the company) hereby announces that at a board of directors meeting held in February, 2022, the company approved initiatives to strengthen its systems and structures to promote sustainability, as detailed below:

1. Establishment of a System for Sustainable Management

Our corporate philosophy sets out integrity, fairness, and harmony as priority values that drive all our business activities, and our mission is to carve out a better future for society and the environment through the implementation of change, challenge, and creativity.

With the aim of promoting sustainable business management in a proactive and dynamic way under this corporate philosophy, we will establish a new Executive Sustainability Committee effective April 1, 2022.

The Executive Sustainability Committee will be responsible for formulating policy and planning strategy on all sustainability-related matters for the entire group, as well as overseeing the management of finding solutions to ESG issues and meeting our ESG goals. The committee will be chaired by the President, and will be made up chiefly of full-time directors and Executive Vice Presidents.

At the same time, we will establish a new Corporate Sustainability Division, which will be responsible for implementing policies relating to sustainability across the whole group.

2. Formulation of the Sustainability Policy

Prior to establishing the sustainable management system outlined above, we have formulated a Sustainability Policy.

Japan Pulp & Paper Group Sustainability Policy

Since its foundation in Kyoto in 1845 as Echisan Shōten, a merchant of traditional Japanese paper (*washi*), Japan Pulp & Paper Co., Ltd. has continually contributed to people's lives, cultures, education, and to the development of society and the economy by ensuring a stable supply of paper, while responding sincerely to the changing needs of society. Today, we have grown to become a global corporate group with activities across five business segments.

The Japan Pulp & Paper Group, as part of its Corporate Philosophy, defines its mission as “carving a better future for society and the environment.” Based on this Corporate Philosophy and the Charter of Corporate Behavior, and by implementing the Code of Conduct for Group Executives and Employees, our Sustainability Policy aims to help make a sustainable society a reality, while working to achieve sustainable growth for the group and to improve medium- and long-term corporate value.

In accordance with this policy, specific policies on important issues relating to sustainability will be determined on an individual basis.

Established February 8, 2022

Akihiko Watanabe, President
Japan Pulp & Paper Co., Ltd

Effective April 1, 2022

3. In conjunction with the establishment of the Sustainability Policy, we have revised and improved the Group Charter of Corporate Behavior, the Code of Conduct for Executives and Employees, and group policies and regulations in regard to sustainability.

The effective date of the revisions will be April 1, 2022, the same as that of the Sustainability Policy. For details, please refer to the attached sheet.

- (1) Charter of Corporate Behavior (revised)
- (2) Code of Conduct for Executives and Employees (revised)
- (3) Environmental Policy (revised)
- (4) Human Rights Policy (established)
- (5) Occupational Health and Safety Policy (established)
- (6) Health Management Policy (established)
- (7) Anti-corruption Policy (established)
- (8) Taxation Policy (established)
- (9) Stakeholder Communication Policy (established)

Japan Pulp & Paper Group
Charter of Corporate Behavior

1. Contributing to Society through Business Activities

By creating social and economic value through our business activities, we aim to build a circular economy and contribute to the sustainable development of people's lives, culture, society, and the economy.

2. Compliance with Laws and Regulations

We will work to enhance compliance practices across the board, and further strengthen corporate governance.

3. Promoting Environmental Protection

We will help to find solutions to climate change and other global environmental issues, and will take steps to protect the environment, including by reducing our greenhouse gas emissions.

4. Respect for Human Rights

Recognizing that respect for human rights is the foundation of our business activities, we will respect the human rights of all people involved in the group's business.

5. Diversity

To achieve diversity and inclusion, we will foster a workplace culture and build systems that embrace diversity in terms of personal attributes, values, and workstyles.

6. Fair and Appropriate Business Practices and Responsible Sourcing

We will ensure fair and appropriate business practices with all customers and suppliers, and work to build a sustainable and responsible procurement system to provide our customers with a safe, stable and reliable supply of products and services.

7. Healthy and Safe Working Environment

We will work to strengthen our systems for occupational health and safety, and support all group employees to maintain and improve their health, with the target of eradicating workplace accidents, hazards, and occupational illnesses.

8. Thoroughgoing Risk and Crisis Management

We will take thorough steps on risk and crisis management to ensure that we are well prepared for risks including terrorism, cyber-attacks, natural disasters, and outbreaks of infectious disease.

9. Harmonious Coexistence and Coprosperity with Stakeholders

We will communicate proactively with all stakeholders, including executives and employees, customers and suppliers, shareholders and investors, and local communities, and will work to deepen mutual understanding with the aim of achieving harmonious coexistence and coprosperity.

Revised February 8, 2022

Akihiko Watanabe, President
Japan Pulp & Paper Co., Ltd

Effective April 1, 2022

Japan Pulp & Paper Group

Code of Conduct for Group Executives and Employees

This Code of Conduct for Group Executives and Employees (this “code”) sets out the values and behaviors that should be shared by executives and employees of the Japan Paper & Pulp Group (the “group”) in performing their day-to-day work, in order for the group to implement its Sustainability Policy in line with the group’s Charter of Corporate Behavior. We are responsible for complying with this code, and will ensure that all the executives and employees know, thoroughly understand, and put this code into practice in the course of their respective duties.

1. Contributing to Society through Business Activities

- (1) By implementing change, challenge, and creativity, we will provide useful products and services to society, and contribute to sustainable economic growth and solutions to the issues confronting society.
- (2) In carrying out our business activities, we will give due consideration to a balance between the economy, society, and the environment.

2. Absolute Compliance with Laws and Regulations

- (1) With an awareness of ourselves as members of the international community, we will have a correct understanding of the various laws, regulations, and social norms of countries and regions, and will conform with these in all our activities.
- (2) We will comply with the tax codes and relevant laws and regulations in the countries and regions where we do business, and will declare income and pay taxes appropriately.
- (3) We will at all times ensure that our business activities comply with laws and regulations. If we become aware of any actual or potential infringement of any laws or regulations, we will make a report immediately to a supervisor, the compliance department, or the whistle-blowing contact desk.

3. Promoting Environmental Protection

- (1) We will adhere to applicable environmental protection laws and regulations in the countries and regions where we do business.
- (2) In addition to working on activities that contribute to biological diversity and protecting the natural environment, we will undertake measures for the protection and efficient use of forest resources.
- (3) We will make efforts to lower the environmental impact of our business activities, through such measures as the reduction of greenhouse gas emissions, waste reduction and appropriate

disposal, and the promotion of recycling.

- (4) We will use energy, water, and other resources efficiently, and reduce our consumption.
- (5) We will promote the development, manufacture, and sale of environmentally friendly products, services, and systems. In our own procurement activities, we will select and purchase recycled materials and other environmentally friendly products.
- (6) We will work to prevent environmental pollution by using environmental management systems to establish and regularly review environmental targets, and make ongoing improvements to our status.
- (7) We will proactively disclose environmental information relating to our business activities and information on our environmental measures.

4. Respect for Human Rights

- (1) We will act in accordance with international norms on human rights, will respect human rights in all situations in our business activities, and will not discriminate against any individual on grounds of ethnicity, religion, faith, gender, sexual orientation or gender identity, nationality, age, place of origin, educational background, physical or mental disabilities, or any other reason.
- (2) We will not engage in any form of harassment that might harm the dignity of an individual based on gender, authority, or position. We will also strive to build a workplace that does not tolerate any harassment.
- (3) We will not engage in any slander or libel against another person.
- (4) We will not tolerate or have any involvement in child labor or forced labor. We will require the same commitment from all our business partners.
- (5) We will exercise full care to ensure that human rights violations do not arise in connection with our business activities, and that we do not aid or abet human rights violations by others.
- (6) We respect employees' freedom of association, right to join or not to join a union, and right of collective bargaining.

5. Free, Fair, and Transparent Business Practices

- (1) We will comply with all anti-competitive laws and regulations including anti-monopoly laws in the countries and regions where we do business. In addition to taking proactive measures against infringements, we will establish internal control systems to detect and correct promptly any infringement that may occur.
- (2) We will maintain transparency at all times with regard to public and government officials and will not be involved in any conduct that might raise a suspicion of bribery, payoffs, or granting of favors in exchange for any unfair business advantage.

- (3) We will deal with all business partners fairly and equally, and will not give or receive gifts, entertainment, or other economic benefits that go beyond the scope of normal social courtesies.
- (4) We will not have any involvement in fraudulent business transactions or money laundering.
- (5) We will appropriately manage undisclosed material information that comes to our knowledge through our business activities. We will not buy or sell shares or other securities based on any material information not in the public domain (insider trading).
- (6) We will ensure appropriate protection and management of intellectual property and respect the rights of third parties, and will not infringe on such rights.
- (7) We will not assume directorship of another company or organization without the approval of the company to which we are assigned, or engage in any business activities that may compete with the group.
- (8) We will not engage in any conduct that conflicts or may conflict with the interests of the group.
- (9) We will not engage in any political activities in the workplace without the approval of the company to which we are assigned. We will not use any company name of the group or any job title held at the group in any political activities in which we engage in a personal capacity.

6. Provide a Safe and Healthy Working Environment

- (1) We are committed to providing a healthy, safe and comfortable working environment where all employees can work together with peace of mind.
- (2) We will make ongoing efforts to maintain and improve our physical and mental health, and will be mindful of the health of our supervisors, subordinates, and colleagues.
- (3) We will respect individuality and diversity so that everyone can make the most of their abilities. We will work to improve awareness in the workplace so that employees who are providing childcare or nursing care or living with an illness can also continue to fully exercise their abilities.
- (4) We will work to achieve work-life balance by reviewing working practices, while seeking to improve productivity.
- (5) We will abide by collective agreements and other labor-management decisions and arrangements and work to maintain good labor-management relations.

7. Thorough-going Risk Management

- (1) We will establish an across-the-board risk management system to prepare for risks including terrorism, cyber-attacks, natural disasters, and outbreaks of infectious disease.
- (2) In the event of a disaster or an accident, we will respond in a swift and appropriate manner, always putting the safety of people first.
- (3) We will not have any relationship with antisocial forces or criminal organizations that threaten

the order and safety of society, and we will never respond to unreasonable demands.

8. Establishing Trust with Business Partners

- (1) We will work to provide a stable supply of safe, dependable, and environmentally friendly products and services.
- (2) We will proactively disclose information to allow our business partners to make a rational choice of products and services. We will not make any inappropriate presentation or advertising that is factually incorrect, misleading, or might be regarded as discriminatory.
- (3) We will strictly protect and manage all confidential information, personal data, and other important information that comes to our knowledge through our business activities. We will not use information for any purpose other than originally intended—both during and after our employment with the group.
- (4) As well as working to provide products and services that meet the needs of business partners, we will work to improve customer satisfaction by responding sincerely to feedback from business partners and ensuring that this feedback is reflected in improvements and development of products and services.
- (5) We will work to foresee possible risks that might arise in the course of our business and reduce risks and minimize losses.

9. Fair Disclosure and Dialogue with Stakeholders

- (1) We will take every opportunity to listen sincerely to the opinions of stakeholders to understand their expectations and requests to the group, including negative opinions, and will work to ensure that these are reflected in our corporate activities.
- (2) We will disclose various information relating to our corporate activities to stakeholders in a timely, appropriate, and equitable manner.
- (3) We will fulfill our accountability to stakeholders chiefly by taking such measures as accurate information-gathering and record-keeping, and appropriate accounting and reporting.
- (4) Should facts emerge that are detrimental to the group, we will never conceal such information, and will make prompt and appropriate disclosures to stakeholders.

10. Harmony with Society and the Community

- (1) We will respect, and act in consideration of, the cultures, religions, and customs of the countries and regions in which we do business.
- (2) We will contribute to the cultural, economic, and social development of the countries and regions in which we do business.

Revised February 8, 2022

Akihiko Watanabe, President
Japan Pulp & Paper Co., Ltd

Effective April 1, 2022

Japan Pulp & Paper Group

Environmental Policy

Recognizing that measures to address climate change and other global environmental issues are an important priority for our business activities, the Japan Pulp & Paper Group (the “group”) will take steps to protect the natural environment through our business activities, including by reducing our greenhouse gas emissions.

1. Compliance with Relevant Laws and Regulations

We will comply with all laws and regulations relevant to environment protection in the countries and regions where we do business.

2. Protecting the Natural Environment

In addition to working on activities that contribute to the conservation of biological diversity and the natural environment, we will take measures to protect and make efficient use of forest resources.

3. Reducing the Impact on the Environment

We will take steps to minimize the environmental impact of our business activities, through the reduction of greenhouse gas emissions, the reduction and appropriate disposal of waste, the promotion of recycling, and other measures.

4. Efficient and Reduced Use of Resources

We will strive to use energy, water, and other resources efficiently, and make efforts to reduce our consumption.

5. Building a Circular Economy

We will promote the development, manufacture, and sale of environmentally friendly products, services, and systems. In our own procurement activities, we will select and purchase recycled materials and other environmentally friendly products.

6. Preventing Environmental Pollution

We will work to prevent environmental pollution by using environmental management systems to establish and regularly review environmental targets, and to make ongoing improvements to our status against these targets.

7. Promotion of Communication

Through proactive disclosure of environmental information relating to our business activities and information relating to our environmental measures, we will work to promote communication with local communities, government authorities, and all other stakeholders, to

build and maintain relationships of trust.

As well as disclosing this Group Environmental Policy externally, we will ensure that it is known and thoroughly understood by all people who work for the group, and raise awareness of environmental issues and promote educational activities on environmental issues within the group.

Established February 8, 2022

Akihiko Watanabe, President
Japan Pulp & Paper Co., Ltd

Effective April 1, 2022

Japan Pulp & Paper Group

Human Rights Policy

Recognizing that respect for human rights lies at the foundation of all our business activities, and based on our basic philosophy of respect for the human rights of all people involved in our business, the Japan Pulp & Paper Group (the “group”) has drawn up this Group Human Rights Policy to ensure that we meet our responsibility to respect the human rights of all people involved in our business.

In accordance with this policy, we will promote measures to ensure respect for human rights as we work to achieve our aim of realizing a sustainable society.

1. Basic Approach

Based on the United Nations’ Guiding Principles on Business and Human Rights, we support and respect the UN International Bill of Human Rights, the International Labour Organization’s ILO Declaration on Fundamental Principles and Rights at Work, and other international norms on human rights.

2. Scope of Application

This policy applies to all executives and employees working at the group. We will also expect our suppliers and other business partners to understand and support this policy, and urge them to respect human rights.

3. Due Diligence on Human Rights

In accordance with the UN Guiding Principles on Business and Human Rights, we will establish and operate a system for due diligence on human rights, in order to identify, prevent, and minimize any negative impact on human rights arising from our business activities.

4. Redress

If it becomes evident that the group has caused or contributed to any negative impact on human rights, we will take steps to redress and correct this through the appropriate procedures. We will also establish a system to deal with complaints about human rights violations, and ensure that it is operated in an appropriate manner so that no disadvantage accrues to the whistleblower.

5. Dialogue and Discussions with Stakeholders

In dealing with any negative impact on human rights, we will take advice from experts, and create opportunities for dialogue with relevant stakeholders to discuss the matter sincerely.

6. Education for Executives and Employees

We will provide appropriate training and education for executives and employees to ensure that this policy is understood and strictly adhered to throughout the group.

7. Disclosure of Information

We will disclose information relating to our measures on human rights appropriately.

8. Responsibility

We will appoint a director responsible for the execution of this policy, and to supervise its implementation.

9. Strict Compliance with Laws and Regulations

We will comply strictly with the laws and regulations in force in the countries and regions where we do business. Where the laws and regulations of a country or region differ from or are in conflict with international human rights norms, we will seek to find a way to respect the international principles of human rights.

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Japan Pulp & Paper Group

Occupational Health and Safety Policy

Recognizing that occupational health and safety measures are an important priority for our business activities, the Japan Pulp & Paper Group (the “group”) will strive together with all the people who work at the group to eradicate workplace accidents, hazards, and occupational illnesses.

1. Strict Adherence to Relevant Laws and Regulations and Internal rules

We will strictly adhere to the laws and regulations on occupational health and safety in force in countries and regions where we do business, as well as our internal rules and regulations.

2. Building a Workplace Where Everyone Can Work in Comfort

We will strengthen our systems for maintaining occupational health and safety and work to achieve smooth communications in order to build an environment in which everyone can work with peace of mind.

3. Preventing Occupational Accidents

We will work to prevent occupational accidents by conducting risk assessments, implementing thorough-going measures to prevent overwork, and promoting measures for improving mental health. In the event of any accident, we will assess the situation promptly, investigate the cause, and formulate measures to prevent reoccurrence.

4. Promoting Occupational Health and Safety Training and Education

We will bolster our training and education on occupational health and safety to foster and spread awareness of the importance of occupational health and safety among all people who work at the group.

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Effective April 1, 2022

Japan Pulp & Paper Group

Health Management Policy

Recognizing that human resources are our most important management resource, the Japan Pulp & Paper Group (“the group”) seeks to improve the health and vitality of all its executives and employees.

1. Promoting Good Mental and Physical Health

We will actively support our executives and employees in their voluntary efforts to maintain and improve their physical and mental health.

2. Creating an Energetic Workplace

By creating a workplace environment in which all executives and employees can improve their own abilities and work with energy and enthusiasm, we will improve work engagement and further enhance productivity and vitality in the workplace.

3. Realizing Work-life Balance

We will carry out workstyle reforms and support the realization of a work-life balance so that each and every executives and employees can find satisfaction and meaningful value in both their official roles at work and in their private lives.

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Japan Pulp & Paper Group Anti-Corruption Policy

The Japan Pulp & Paper Group (the “group”) will strive to prevent bribery of public and government officials, inappropriate demands of business partners, and other acts of corruption.

1. Prohibition of Acts of Corruption

- (1) We will maintain transparency at all times with regard to public and government officials, and will not offer bribes or grant favors in any form.
- (2) We will always maintain fair and equal relationships with all our business partners, and will not give or receive gifts, entertainment, or other economic benefits that go beyond the scope of normal social courtesies.

2. Compliance with Relevant Laws and Regulations in All Countries

We will abide by all laws and regulations, guidelines, and other social norms relating to the prevention of bribery in all countries and regions in which we do business, as well as internal regulations.

3. Obligation to Keep Records

Whenever we give money or other benefits to a third party in the course of executing our business, we will make an accurate and complete record in accounting books, and will keep related documents that may serve as evidence.

4. Education and Training

To prevent corruption, and to ensure the legal compliance of our business operations, we will ensure that all executives and employees are fully aware of this policy, and will provide regular education and training to this end.

5. Establishment of a Whistle-blowing System

We will establish a system for receiving reports or whistle-blowing from executives and employees regarding actual or potential infringements of any laws or regulations related to the prevention of corruption, and will operate the system appropriately so that executives and employees who report or whistle-blow will not be disadvantaged.

6. Disciplinary Actions

Any executive or and employee found to be in violation of this policy will be subject to disciplinary actions in accordance with internal regulations.

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Effective April 1, 2022

Japan Pulp & Paper Group

Taxation Policy

The Japan Pulp & Paper Group (the “group”) will pay taxes appropriately in all countries and regions where we do business, thus contributing to the development of economies and societies and to the interests of all our stakeholders.

1. Taxation Compliance

We will comply with the taxation codes and relevant laws and regulations in force in the countries and regions where we do business, and will declare income and pay taxes appropriately.

2. Transfer Pricing

In transactions with foreign-related parties, we will conduct business at a price in line with the arm’s length principle, to ensure that we pay taxes appropriately in each country and region where we do business.

3. Taxation Planning

We will conduct taxation planning in line with the purposes and actual conditions of our business activities, and will not interpret laws and regulations for the sole purpose of taxation avoidance or in contravention of the intent of taxation laws and regulations and international rules on taxation.

4. Countermeasures for Taxation Risk

With regard to important taxation issues, in addition to receiving advice from outside experts, we will work to minimize taxation risk through prior consultation with taxation authorities as necessary.

5. Relationships with Taxation Authorities

We will work to establish and maintain relationships of trust with taxation authorities, by responding sincerely to taxation audits, investigations and other inquiries.

6. Taxation Governance Systems

We have a system in place in which all important questions relating to taxes are to be reported to executives in charge of taxation affairs. We will also work to establish a system for information sharing, consultation and advice, in order to raise the level of understanding and awareness of taxation matters among all executives and employees.

Established February 8, 2022

Akihiko Watanabe, President
Japan Pulp & Paper Co., Ltd

Effective April 1, 2022

Stakeholder Communication Policy

The Japan Pulp & Paper Group (the “group”), regards integrity, fairness, and harmony as Our Corporate Spirit, which embodies the values we most cherish, and regards carving a better future for society and the environment as Our Mission. Based on these and by implementing Our Principles, “Change,” “Challenge,” and “Create,” we will work to solve social problems and contribute to building sustainable societies.

We believe that two-way dialogue with our stakeholders is important to us to understand the expectations and demands that society has of the group. Accordingly, we will continue to work to make timely and appropriate disclosure of information and to engage in proactive communication.

Type of stakeholder	Description of communication	Main communication activities and methods
All stakeholders	<p>We engage in accurate information disclosure and active dialogue to help us accurately understand the expectations and demands of society and allow us to build relationships of trust.</p> <p>We provide and collect information relating to sustainability, including environmental protection and respect for human rights.</p>	<ol style="list-style-type: none"> 1. PR activities including information made available via our website 2. Response to inquiries submitted via our website 3. Annual report 4. Exhibitions, trade shows and events 5. Promotional and advertising activities
Executives and Employees	<p>We work to ensure that all group Employees and Executives are fully aware of our corporate philosophy and to ensure understanding of the management policy through messages from the president.</p> <p>We carry out dialogue to build an environment where executives and employees with diverse values can work comfortably and make the most of their abilities.</p>	<ol style="list-style-type: none"> 6. Intranet 7. Issuing of the group magazine (four times a year) 8. Issuing compliance letters 9. HR appraisal/self-evaluation system 10. Dialogue sessions between management and employees 11. Training and seminars 12. Internal and external consultation desks 13. “Something New” activities
Business partners and consumers	<p>We proactively release information and engage in dialogue to help us understand the needs of business partners and consumers and to contribute to solving issues.</p>	<ol style="list-style-type: none"> 14. Communication through our business activities 15. Dissemination of information through our EC sites 16. Responses to inquiries via EC sites 17. Certification and registration for CSR procurement

Shareholders and investors	We work to provide timely and accurate information, to improve management transparency and deepen understanding of the group's business, with the aim of achieving continued growth, increasing corporate value, and gaining a fair evaluation from investors.	18. General meetings of shareholders 19. Financial results briefings for analysts and institutional investors (twice a year) 20. Meetings with analysts and institutional investors (as necessary) 21. Securities report 22. Financial report 23. Timely disclosures to Tokyo Stock Exchange 24. Responses to surveys by ESG rating agencies
Local communities	We aim to give back to the local communities in which our business facilities are located through our activities as a “good corporate citizen,” and to achieve harmonious coexistence through collaboration with local governments.	25. Organizing exchange events with local community residents at our business facilities 26. Signing agreements with local governments on disaster prevention cooperation and support for disaster prevention and mitigation 27. Social contributions and volunteer activities
NPOs and NGOs	Through dialogue with NPOs and NGOs, we work to gain an understanding of the responses to social and environmental issues expected of our group, and ensure these are reflected in our business activities.	28. Collaborations with NPOs and NGOs through our business 29. Sponsorship and participation in events, etc.
Government agencies, local governments, and industry associations	<p>In carrying out our business activities, we abide by the laws and regulations of all the countries where we operate, and fulfill our role as a “good corporate citizen”.</p> <p>We cooperate with local governments in areas where our business facilities are located to contribute to local communities.</p>	30. Appropriate communications with relevant government authorities and local governments. 31. Activities through industry associations

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Corporate Philosophy, Policies & Strategies of the Japan Pulp & Paper Group

