

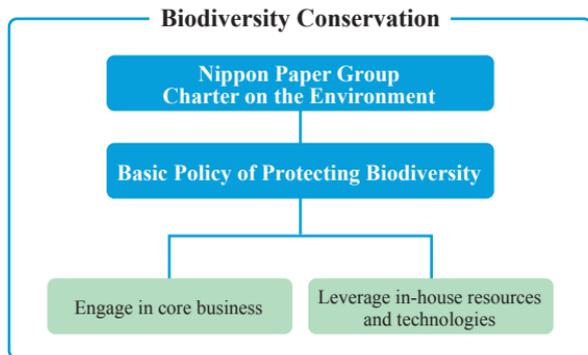


Policy for the future:

The Nippon Paper Group's business is heavily dependent on forests. The group's activities affect the forests, and their rich biodiversity in a variety of ways. Sustainable forest use is the foundation of our business continuity and development.

The Nippon Paper Group Environmental Charter upholds a philosophy of taking biodiversity into consideration. Also, the group's Basic Policy on Biodiversity Conservation, recognizes the impact of corporate activities on biodiversity and aims to harmonize the sustainable use of ecosystems with business activities through supply chain management. Throughout our core businesses and activities, our initiatives leverage our own resources and technologies to conserve biodiversity.

- The Nippon Paper Group endeavours to reduce the environmental impact of its activities while procuring sustainable wood materials from appropriately managed forests and supplying society with a wide range of wood-based products.
- Not only are our forests sustainably managed, but we also conduct biodiversity surveys within our forests internationally, establishing reserves to protect biodiversity.



< Case: Balancing Conservation of Habitats for Blakiston's Fish Owl and Wood Production Business >



Photo: Japan Wildbird Association

In 2010, the company agreed with the Wild Bird Society of Japan to establish a joint reserve to preserve the habitat of the endangered Blakiston's fish owl and to protect them.

The Nippon Paper Industries No.3 Nemuro Wild Bird Sanctuary for Blakiston's Fish Owl (approximately 126 hectares) was established within a company-owned forest in Hokkaido, in an area free of any logging for timber production.

In 2015, an additional agreement was made.

Setting standards for balancing business with habitat conservation for Blakiston's fish owl in 1,986 hectares of company-owned forests in Hokkaido where timber is produced.

- Carefully planning the scale and timing of operations
- Conserving giant trees that may be used for nesting
- Avoiding forest management during breeding.

FY2020
Awarded the Hokkaido
Biodiversity Conservation
Practice Award