

**NOTICE OF THE ONE HUNDRED AND FIRST
ORDINARY GENERAL MEETING OF SHAREHOLDERS**

Date and Time June 27, 2025 (Friday)
 10:00 a.m. (Reception desk to be opened at 9:00 a.m.)

Place The International Conference Hall
 2nd floor of The Keidanren (Japan Business Federation) Bldg.,
 3-2, Otemachi 1-chome, Chiyoda-ku, Tokyo

Matters to be resolved

- <Company Proposals>
- Proposal 1
 - Appropriation of Retained Earnings
- Proposal 2
 - Election of Nine (9) Directors
- Proposal 3
 - Election of Two (2) Audit & Supervisory Board Members

Table of Contents

Group Mission	1
Notice of the Ordinary General Meeting of Shareholders	3
Reference Documents for the Ordinary General Meeting of Shareholders	8
Business Report	26
Consolidated Financial Statements	64
Financial Statements	66
Audit Report	68

Nippon Paper Industries Co., Ltd.
Ticker Code: 3863

Nippon Paper Group Mission

Mission

The Nippon Paper Group aims to contribute to better living and cultural progress everywhere it does business.

Vision

A corporate group that meets the following requirements and is sustainably needed by society

1. Drive social sustainability through our business
2. Delight our customers
3. Instill pride in employees
4. Give back to society

Values

Challenge : Embrace new challenges

Fairness : Be fair

Teamwork : Champion teamwork

Slogan

Shaping the future with trees

Constantly creating new value and contributing to better living and cultural progress, as a comprehensive biomass company shaping the future with trees.

Over many years, we have nurtured trees, made paper, and offered a wide range of products that support people's life and culture.

We have managed forests in an appropriate manner, and pursued a variety of businesses by fully utilizing wood resources out of sustainably managed forests. Those businesses address social issues such as global warming and depletion of resources on earth, and contribute to running sustainable society.

Going forward, we will continue to provide a wide range of products and services that make the most of the outstanding properties of wood, as we strive to maximize the value of sustainable forest resources for the future.

To Our Shareholders

June 2025
Toru Nozawa
President, Representative Director

We would like to express our appreciation for your continued support and patronage.

You are cordially invited to attend the 101st Ordinary General Meeting of Shareholders of Nippon Paper Industries Co., Ltd. to be held on June 27, 2025 (Friday).

The Nippon Paper Group aspires to be a corporate group that will continue to be trusted and needed by society, by contributing to better living and cultural progress of people all over the world through its business activities.

We ask for the further support of our shareholders in our endeavors.

(Ticker Code: 3863)

June 6, 2025

(Start date of measures for electronic provision: May 28, 2025)

(Head Business Office) 4-1 Oji 1-chome, Kita-ku, Tokyo

(Headquarters) 6 Kanda-surugadai 4-chome, Chiyoda-ku, Tokyo

Nippon Paper Industries Co., Ltd.

Toru Nozawa

President, Representative Director

NOTICE OF THE ONE HUNDRED AND FIRST
ORDINARY GENERAL MEETING OF SHAREHOLDERS

This is to inform you that the 101st Ordinary General Meeting of Shareholders of Nippon Paper Industries Co., Ltd. will be held as set forth below.

In convening this Ordinary General Meeting of Shareholders, we take measures for electronic provision and post the matters subject to measures for electronic provision as the “NOTICE OF THE ONE HUNDRED AND FIRST ORDINARY GENERAL MEETING OF SHAREHOLDERS” on the following website on the Internet.

The Company’s website: <https://www.nipponpapergroup.com/english/ir/shareholder/meeting/>

In addition to the above, the matters subject to measures for electronic provision are posted on the following website on the Internet:

Tokyo Stock Exchange’s website (Listed Company Search):

TSE website: <https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

Please access the website above, enter and search for the Company’s name or ticker code, and select “Basic information” and then “Documents for public inspection/PR information” to view the information.

Aside from attending the meeting in person, you may exercise your voting rights either in writing or through electronic means (i.e., via the Internet, etc.). You are kindly requested to exercise your voting rights on or before 5:00 p.m. on June 26 (Thursday), 2025, after examining the Reference Documents for the Ordinary General Meeting of Shareholders stated in the matters subject to measures for electronic provision and in accordance with the guidance on pages 5 through 7.

Dear Shareholders:

1. Date and Time	June 27, 2025 (Friday), at 10:00 a.m. (Reception desk is scheduled to be opened at 9:00 a.m.)
2. Place	The International Conference Hall on the 2nd floor of the Keidanren (Japan Business Federation) Bldg., 3-2, Otemachi 1-chome, Chiyoda-ku, Tokyo (Please see the attached access map.)
3. Purpose Matters to be reported Matters to be resolved	(1) Report on the contents of the Business Report and the contents of the Consolidated Financial Statements, and the outcome of the audit conducted on the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 101st Fiscal Period (from April 1, 2024, to March 31, 2025). (2) Report on the contents of the Financial Statements for the 101st Fiscal Period (from April 1, 2024, to March 31, 2025) Proposal 1: Appropriation of Retained Earnings Proposal 2: Election of Nine (9) Directors Proposal 3: Election of Two (2) Audit & Supervisory Board Members

- Pursuant to laws and ordinances and the Company's Articles of Incorporation, among the matters subject to measures for electronic provision, the following items are not provided in the paper-based documents delivered to shareholders who have made a request for delivery of such documents. The Accounting Auditor, the Audit & Supervisory Board Members and the Audit & Supervisory Board have audited documents subject to audit including the following items.

- ① Basic Policy on Control of the Stock Company in the Business Report
- ② Consolidated Statement of Changes in Shareholders' Equity, etc., in the Consolidated Financial Statements
- ③ Notes to the Consolidated Financial Statement
- ④ Statement of Changes in Shareholders' Equity, etc., in the Non-Consolidated Financial Statements
- ⑤ Notes to the Non-consolidated Financial Statement

- If revisions to the matters subject to measures for electronic provision arise, a notice of the revisions and original and revised matters will be posted on the below websites.

The Company's website: <https://www.nipponpapergroup.com/english>

Tokyo Stock Exchange's website:

<https://www2.jpx.co.jp/tseHpFront/JJK020010Action.do?Show=Show>

<p>· A dedicated space will be provided in the venue for shareholders in wheelchairs.</p> <p>· If you need any assistance, please feel free to call us beforehand at the contact point: General Affairs Department, Personnel & General Affairs Division, Nippon Paper Industries Co., Ltd. TEL: +81-3-6665-1008</p>
--

Yours truly,

Toru Nozawa
President, Representative Director
Nippon Paper Industries Co., Ltd.

[End]

Guidance Notes on the Exercise of Voting Rights

1. Exercising voting rights by attending the Ordinary General Meeting of Shareholders

The date and time of the Ordinary General Meeting of Shareholders

June 27, 2025 (Friday), at 10:00 a.m. (Reception desk is scheduled to be opened at 9:00 a.m.)

Please submit the Voting Form enclosed herewith at the reception desk.

2. Exercising voting rights in writing

Voting Deadline: No later than June 26, 2025 (Thursday), at 5:00 p.m.

Please see page 6 for further information.

Please indicate your approval or disapproval of each of the proposals on the Voting Form enclosed herewith, and return the Voting Form to the Company so that it reaches us by no later than the above-mentioned voting deadline.

3. Exercising voting rights via the Internet, etc.

Voting Deadline: No later than June 26, 2025 (Thursday), at 5:00 p.m.

Please see pages 6 to 7 for further information.

Please exercise your voting rights by entering your approval or disapproval of each of the proposals.

Guidance Notes on the Exercise of Voting Rights

Guidance Notes on the Exercise of Voting Rights in writing

Please indicate your approval or disapproval of each of the proposals on the Voting Form.

Proposals 1

- ▶Approval ⇒ Enter ○ mark in 「賛」 column
- ▶Disapproval ⇒ Enter ○ mark in 「否」 column

Proposals 2 and 3

- ▶Approval of all candidates ⇒ Enter ○ mark in 「賛」 column
- ▶Disapproval of all candidates ⇒ Enter ○ mark in 「否」 column
- ▶Indicating approval or disapproval of only some of the candidates
⇒ Enter ○ mark in 「賛」 column or 「否」 column and enter the relevant candidate No. described in the Reference Document for the Ordinary General Meeting of Shareholders.

In the case that a Voting Form without indication of approval or disapproval for each Proposal is submitted, it will be treated as indication of approval.

The QR Code[®] for exercising voting rights via a smartphone, etc. is printed on the Voting Form.

Guidance Notes on the Exercise of Voting Rights via the Internet, etc.

Exercise of voting rights via a smartphone, etc.

1. Scan the QR code[®] printed on the Voting Form.

* “QR Code” is a registered trademark of DENSO WAVE INCORPORATED.

2. Tap the “Exercise your voting right (議決権行使へ)” button from the top screen of The Portal of Shareholders’ Meeting.

3. The top screen of Smart Exercise[®] is displayed. Then, follow the instructions on the screen and enter your approval or disapproval of each of the proposals.

Exercise of voting rights via a PC, etc.

Access the portal by entering your login ID and password printed on the Voting Form from the following URL. Then, follow the instructions on the screen and enter your approval or disapproval of each of the proposals.

You can log in via QR code® on the Voting Form.

The Portal of Shareholders' Meeting URL

▶<https://www.soukai-portal.net>

The URL of the website for voting

You can also use the voting website as before.

▶<https://www.web54.net>

Cautions:

- If you wish to change your vote after exercising your voting rights, it is necessary that you enter the “Exercise of Voting Rights code” and the “Password” on the Voting Form.
- When you exercise your voting rights both in writing and via the Internet, etc., only the last vote received shall be accepted as valid. When both votes via the Internet, etc. and in writing arrive on the same day, only the vote via the Internet, etc. shall be accepted as valid. Also, when you exercise your voting rights more than once via the Internet, etc., only the last vote exercised shall be accepted as valid.

For Institutional Investors

In addition to exercising voting rights through the Internet as described above, the electronic voting platform operated by ICJ Inc., a joint corporation established by the Tokyo Stock Exchange, Inc., etc., is available for nominal shareholders (including standing proxies) such as trust and custody banks when prior application for use of such platform has been made.

For inquiries:

Sumitomo Mitsui Trust Bank, Ltd.

Web Support Dedicated Dial:

Stock Transfer Agency Web-Support Department

Telephone: 0120-652-031

(Operating Hours: 9:00 a.m. to 9:00 p.m.)

■Reference Documents for the Ordinary General Meeting of Shareholders

Proposals and Reference Matters

Proposal 1. Appropriation of Retained Earnings

The Company is striving to meet the expectations of shareholders by strengthening its management platform and profitability of the group as a whole, and by achieving sustainable growth of corporate value.

The basic policy concerning dividends is to continue to pay stable dividends to the greatest extent possible on the basis of a comprehensive consideration of such factors as the business performance of the group and retention of sufficient internal reserves, etc.

The Company would like to propose that the year-end dividend for the current fiscal year be disbursed as follows:

1	Type of dividend property	Cash
---	---------------------------	------

2	Allotment of dividend property to shareholders and its total amount	10 yen per common share of the Company stock Total amount: 1,158,748,050 yen
---	---	---

3	Effective date of dividend of retained earnings	June 30, 2025
---	---	---------------

(Reference)

Changes in the dividend per share

(unit: yen)

	97th Term (Fiscal year ended March 2021)	98th Term (Fiscal year ended March 2022)	99th Term (Fiscal year ended March 2023)	100th Term (Fiscal year ended March 2024)	101st Term (Current) (Fiscal year ended March 2025)
Interim	10	10	0	0	0
Year-end	30	30	0	10	10
Annual	40	40	0	10	10

Proposal 2. Election of Nine (9) Directors

The terms of office of all nine (9) Directors will expire as of the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests that the shareholders elect nine (9) Directors (three (3) of them to be Outside Directors).

The candidates were determined by the Board of Directors upon receiving a report by the Personnel & Remuneration Advisory Committee on the selection of candidates. Furthermore, three (3) candidates for Outside Director fulfill the requirements for an Independent Officer prescribed by the Tokyo Stock Exchange.

The candidates for Director are as follows:

No.	Name	Current title and responsibilities at the Company	Attendance at the Board of Directors meetings
1	[Reappointment] Toru Nozawa	President and Chief Executive Officer	13/13 (100%)
2	[New appointment] Akira Sebe	Managing Executive Officer, General Manager of Corporate Planning Div. in charge of Affiliates & Subsidiaries	-
3	[Reappointment] Mitsuhiro Sugino	Director, Managing Executive Officer, General Manager of Biomass Material Business Div.	12/13 (92.3%)
4	[New appointment] Yasuhito Murakami	Managing Executive Officer, General Manager of Technical & Engineering Div.	-
5	[Reappointment] Atsumi Yasunaga	Director (concurrently serving) President of Nippon Paper Crexia Co., Ltd.	13/13 (100%)
6	[New appointment] Keiko Watanabe	Executive Officer, General Manager of Sustainability Transformation Div.	-
7	[Reappointment] Makoto Fujioka [Outside] [Independent Officer]	Outside Director	13/13 (100%)
8	[Reappointment] Yoko Hatta [Outside] [Independent Officer]	Outside Director	13/13 (100%)
9	[Reappointment] Yutaka Kunigo [Outside] [Independent Officer]	Outside Director	13/13 (100%)

Candidate

No. 1 TORU NOZAWA (Date of Birth: Mar. 10, 1959) Reappointment

No. of shares in the
Company held

40,667 shares



Brief personal history, title and responsibilities

Apr. 1981	Joined Jujo Paper Co., Ltd.
Jun. 2005	General Manager of Treasurer's Dept. of Financial Div. of the Company
Feb. 2008	General Manager of Accounting & Budgeting Dept. of Financial Div. of the Company
Jun. 2009	Deputy General Manager of Financial Div. of the Company
Apr. 2013	Executive Officer, Deputy General Manager of Financial Div. of the Company
Jun. 2014	Director, Executive Officer, General Manager of Corporate Planning Div., in charge of Affiliates & Subsidiaries of the Company
Jun. 2017	Director, Managing Executive Officer, General Manager of Corporate Planning Div., in charge of Affiliates & Subsidiaries of the Company
Jun. 2018	Director, Managing Executive Officer, General Manager of Corporate Planning Div. and Financial Div., in charge of Affiliates & Subsidiaries of the Company
Jun. 2019	President, Representative Director, President and Chief Executive Officer of the Company (currently serving)

Tenure as a Director

11 years

Attendance at the Board of Directors meetings

13/13 (100%)

Status of important concurrent offices in other entities

Chairman of Japan Paper Association

Reasons for selecting the candidate for Director

As President and Representative Director of the Company, Mr. Toru Nozawa demonstrates strong leadership and works to contribute to raising the corporate value of the Company and the Company Group. He has accelerated the reform of the business structure toward the achievement of the 2030 Vision and Medium-Term Business Plan 2025, aggressively addressed environmental and other issues including a reduction in GHG emissions, and thereby steadily achieved strengthening of the future-oriented corporate foundation of the Company and the Company Group. The Company reappoints him as a candidate for Director based on its judgment that he sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account his abundant experience and good track record with an excellent personality, broad insight and stringent self-discipline to fairly and precisely executes business administration and business operation, and that we can expect a leadership of him to supervise the management as a Chairman of the Board of Directors and drive the Company in the pursuit of further development.

Candidate

No. 2 **AKIRA SEBE** (Date of Birth: Dec.12, 1965) **New appointment**

No. of shares in the
Company held

13,489 shares



Brief personal history, title and responsibilities

Apr. 1988	Joined Jujo Paper Co., Ltd.
Jul. 2014	General Manager of Forestry Dept. of Raw Materials & Purchasing Div. of the Company
Jun. 2016	Deputy General Manager of Raw Materials & Purchasing Div. and General Manager of Forestry Dept. of the Company
Jun. 2018	General Manager of Raw Materials & Purchasing Div. and General Manager of Forestry Dept. of the Company
Apr. 2020	General Manager of Raw Materials & Purchasing Div. of the Company
Jun. 2020	Executive Officer, General Manager of Raw Materials & Purchasing Div. of the Company
Jun. 2021	Executive Officer, General Manager of Corporate Planning Div. in charge of Affiliates & Subsidiaries and International Business Div. of the Company
	Outside Director of LINTEC Corporation (currently serving)
	Director of Nippon Paper Crecia Co., Ltd. (currently serving)
	Director of Opal (currently serving)
Jun. 2024	Managing Executive Officer, General Manager of Corporate Planning Div. in charge of Affiliates & Subsidiaries of the Company (currently serving)

Reasons for selecting the candidate for Director

As Managing Executive Officer and General Manager of Corporate Planning Div. of the Company, Mr. Akira Sebe plays a central role in initiatives for various measures and challenges toward the achievement of the 2030 Vision and Medium-Term Business Plan 2025, contributing to raising the corporate value of the Company and the Company Group. The Company appoints him as a candidate for Director based on its judgment that he sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account his abundant experience and good track record with an excellent personality, broad insight and stringent self-discipline as a top management executive who fairly and precisely executes business administration and business operation, and that we can expect a leadership of him to drive the Company in the pursuit of further growth and development with a focus on business expansion in Livelihood-related Business and early commercialization of a new Biomass business.

Candidate

No. 3 MITSUHIRO SUGINO (Date of Birth: Jul. 30, 1963) Reappointment

No. of shares in the Company held

14,443 shares



Brief personal history, title and responsibilities

Apr. 1988	Joined Sanyo-Kokusaku Pulp Co., Ltd.
Jun. 2014	General Manager of Corporate Planning Dept. of Corporate Planning Div. of the Company
Jun. 2015	Deputy General Manager of Corporate Planning Div. and General Manager of Corporate Planning Dept. of the Company
Jun. 2018	Executive Officer, Deputy General Manager of Technical & Engineering Div. and General Manager of Production Dept. of the Company
Jun. 2019	Executive Officer, General Manager of Technical & Engineering Div., General Manager of Production Dept. and General Manager of Energy Business Div. of the Company
Sep. 2019	Executive Officer, General Manager of Technical & Engineering Div. and General Manager of Energy Business Div. of the Company
Jun. 2021	Executive Officer, General Manager of Biomass Material Business Div. and General Manager of Business Transformation Promotion Office of the Company
Jan. 2022	Executive Officer, General Manager of Biomass Material Business Div. of the Company
Jun. 2023	Director, Managing Executive Officer, General Manager of Biomass Material Business Div. of the Company (currently serving)

Tenure as a Director

2 years

Attendance at the Board of Directors meetings

12/13 (92.3%)

Reasons for selecting the candidate for Director

Mr. Mitsuhiro Sugino aggressively promotes early commercialization of a new Biomass business toward the achievement of the 2030 Vision and Medium-Term Business Plan 2025, contributing to raising the corporate value of the Company and the Company Group as Director, Managing Executive Officer, and General Manager of Biomass Material Business Div. of the Company. The Company reappoints him as a candidate for Director based on its judgment that he sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account his past experience and good track record with an excellent personality, broad insight and stringent self-discipline to fairly and precisely execute business administration and business operation, and that we can expect him to drive the Company in the pursuit of further development.

Candidate

No. 4 YASUHITO MURAKAMI (Date of Birth: Jul. 2, 1962) New appointment

No. of shares in the
Company held

13,847 shares



Brief personal history, title and responsibilities

Apr. 1986	Joined Sanyo-Kokusaku Pulp Co., Ltd.
Apr. 2009	General Manager of Safety & Environmental Control Dept. and General Manager of Technical Service Dept. of Shiraoi Mill of the Company
Apr. 2010	Deputy General Manager of Hokkaido Mill-Shiraoi of the Company
Apr. 2011	General Manager of Hokkaido Mill-Yufutsu of the Company
Jun. 2014	Technical Director of Phoenix Pulp and Paper Public Company Ltd.
Jul. 2016	Chief Technical Officer of Paper Australia Pty Ltd
Jun. 2018	President of Paper Australia Pty Ltd
Jun. 2019	Executive Officer, General Manager of Hokkaido Mill of the Company
Jun. 2020	Executive Officer, General Manager of Shiraoi Mill of the Company
Jun. 2021	Executive Officer, General Manager of Technical & Engineering Div. of the Company
Jun. 2023	Managing Executive Officer, General Manager of Technical & Engineering Div. of the Company (currently serving)

Reasons for selecting the candidate for Director

Mr. Yasuhito Murakami is at the top of Technical & Engineering Division as Managing Executive Officer and General Manager of Technical & Engineering Div. of the Company and aggressively promotes reduction in GHG emissions, environmental management, and taking initiatives to various technical issues, such as the rebuild of Opal toward the achievement of the 2030 Vision and Medium-Term Business Plan 2025, contributing to raising the corporate value of the Company and the Company Group. The Company appoints him as a candidate for Director based on its judgment that he sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account his past experience and good track record with an excellent personality, broad insight and stringent self-discipline to fairly and precisely execute business administration and business operation, and that we can expect him to drive the Company in the pursuit of further development.

Candidate

No. 5 ATSUMI YASUNAGA (Date of Birth: Jan. 18, 1960) Reappointment

No. of shares in the
Company held

16,568 shares



Brief personal history, title and responsibilities

Oct. 1990	Joined Jujo Paper Co., Ltd.
Oct. 2010	General Manager of Quality Assurance Dept. of Technical & Engineering Div. of the Company
Jul. 2013	Deputy General Manager of Hokkaido Mill and General Manager of Hokkaido Mill—Asahikawa of the Company
Jun. 2016	General Manager of Kushiro Mill of the Company
Jun. 2017	Executive Officer, General Manager of Kushiro Mill of the Company
Jun. 2019	Executive Officer, General Manager of Ishinomaki Mill and General Manager of Iwanuma Mill of the Company
Jun. 2020	Executive Officer, General Manager of Ishinomaki Mill of the Company
Jun. 2021	Managing Executive Officer, General Manager of Iwakuni Mill of the Company
Jun. 2023	Director of the Company (Concurrently serving) President of Nippon Paper Crecia Co., Ltd. (currently serving)

Tenure as a Director

2 years

Attendance at the Board of Directors meetings

13/13 (100%)

Status of important concurrent offices in other entities

President of Nippon Paper Crecia Co., Ltd.

Reasons for selecting the candidate for Director

Mr. Atsumi Yasunaga works to contribute to raising the corporate value of the Company and the Company Group as Director of the Company and President of Nippon Paper Crecia Co., Ltd. The Company reappoints him as a candidate for Director based on its judgment that he sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account his past experience and good track record with an excellent personality, broad insight and stringent self-discipline to fairly and precisely execute business administration and business operation, and that we can expect him to drive the Company in the pursuit of further development.

Candidate

No. 6 KEIKO WATANABE (Date of Birth: Nov. 10, 1966) New appointment

No. of shares in the
Company held

4,057 shares



Brief personal history, title and responsibilities

Apr. 1991	Joined Jujo Paper Co., Ltd.
Jul. 2019	General Manager of Environment & Safety Dept. of Technical & Engineering Div. of the Company
Mar. 2021	General Manager of Environment Dept. of Technical & Engineering Div. of the Company
Jun. 2022	Deputy General Manager of Technical & Engineering Div. and General Manager of Environment Dept. of the Company
Jun. 2024	Executive Officer, General Manager of Sustainability Transformation Div. of the Company (currently serving)

Reasons for selecting the candidate for Director

Ms. Keiko Watanabe works to contribute to raising the corporate value of the Company and the Company Group through the promotion of sustainable management, etc., as Executive Officer and General Manager of Sustainability Transformation Div. of the Company. The Company appoints her as a candidate for Director based on its judgment that she sufficiently understands social responsibility and the mission of business operations and qualifies for this position, taking into account her abundant experience and good track record in the CSR department and the environmental management department with an excellent personality, broad insight and stringent self-discipline to fairly and precisely execute business administration and business operation, and that we can expect her to drive the Company in the pursuit of further development.

Candidate

No. 7 MAKOTO FUJIOKA (Date of Birth: Mar. 27, 1950) Reappointment
Independent Officer (Outside)

No. of shares in the
Company held

1,000 shares



Brief personal history, title and responsibilities

Apr. 1972	Entered the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)
Jun. 1975	Studied abroad at Harvard Business School in the U.S. (acquired MBA)
Jun. 1987	Energy Conservation Minister of International Energy Agency (resided in France)
Jun. 1996	Deputy Director-General of the Ministry of International Trade and Industry (currently Ministry of Economy, Trade and Industry)
Feb. 2001	Ambassador extraordinary and plenipotentiary to the United Arab Emirates
Sep. 2003	Retired from the Ministry of Economy, Trade and Industry
Oct. 2003	Full-time adviser of Nippon Light Metal Co., Ltd.
Jun. 2004	Director, Managing Executive Officer of the same
Jun. 2007	Director, Senior Managing Executive Officer of the same
Oct. 2012	Director of Nippon Light Metal Holdings Co., Ltd. (in charge of CSR & Auditing Administration Dept. (thru Jun. 2015))
Jun. 2013	Director, Executive Vice President of Nippon Light Metal Co., Ltd. (thru Jun. 2015)
Jul. 2015	Senior Director of Japan Association for Chemical Innovation (thru Jun. 2019)
Jun. 2016	Outside Director of Eagle Industry Co., Ltd. (thru Jun. 2023) Outside Director of NOK CORPORATION
Jun. 2024	Outside Director of the Company (currently serving) Outside Director (Audit & Supervisory Committee Member) of NOK CORPORATION
Aug. 2024	Outside Director (Audit & Supervisory Committee Member) and Chairperson of the Nomination & Compensation Advisory Committee of the same (currently serving)

Tenure as a Director

9 years

Attendance at the Board of Directors meetings

13/13 (100%)

Status of important concurrent offices in other entities

Outside Director (Audit & Supervisory Committee Member) and Chairperson of the Nomination & Compensation Advisory Committee of NOK CORPORATION

Reasons for selecting the candidate for Outside Director and outline of expected roles

By using his broad knowledge and international perspective based on his experiences both in the public and private sectors, Mr. Makoto Fujioka is expected to supervise and provide advice on the execution of duties of the Company's Directors from an objective standpoint and is therefore reappointed as a candidate for Outside Director.

Candidate

No. 8 YOKO HATTA (Date of Birth: Jun. 8, 1952) Reappointment
Independent Officer (Outside)

No. of shares in the
Company held
0 shares



Brief personal history, title and responsibilities

Aug. 1988	Joined Peat Marwick Main & Co. (currently KPMG LLP New York Office)
Aug. 1997	Partner of the same Office
Sep. 2002	Partner of KPMG Peat Marwick Tax Corporation (currently KPMG Tax Corporation) (thru Sep. 2014)
Jun. 2008	Auditor of International Christian University (thru May 2023)
Jun. 2015	Outside Audit & Supervisory Board Member of Kobayashi Pharmaceutical Co., Ltd. (currently serving)
Jun. 2016	Outside Audit & Supervisory Board Member of IHI Corporation (thru Jun. 2020) Outside Audit & Supervisory Board Member of the Company (thru Jun. 2019)
Jun. 2019	Outside Director of the Company (currently serving)
Jun. 2022	Outside Director of Ajinomoto Co., Inc. (currently serving) Director (Audit & Supervisory Committee Member) (Outside) of KOEI CHEMICAL COMPANY, LIMITED (currently serving)

Tenure as a Director

6 years

Attendance at the Board of Directors meetings

13/13 (100%)

Status of important concurrent offices in other entities

Outside Audit & Supervisory Board Member of Kobayashi Pharmaceutical Co., Ltd.
Outside Director of Ajinomoto Co., Inc.
Director (Audit & Supervisory Committee Member) (Outside) of KOEI CHEMICAL COMPANY, LIMITED

Reasons for selecting the candidate for Outside Director and outline of expected roles

Although Ms. Yoko Hatta does not have experience of direct involvement in actual business operation, she is expected to supervise and provide advice on the execution of duties of the Company's Directors from an objective standpoint by drawing on her significant experience with international accounting firms and deep knowledge on international tax affairs, as well as her experience of serving as Outside Audit & Supervisory Board Member of the Company, and is therefore reappointed as a candidate for Outside Director.

Candidate

No. 9 YUTAKA KUNIGO (Date of Birth: Nov. 17, 1954) Reappointment
Independent Officer (Outside)

No. of shares in the
Company held
0 shares



Brief personal history, title and responsibilities

Apr. 1977	Joined Tokyo Gas Co., Ltd.
Apr. 2007	Executive Officer and General Manager of Gas Resources Dept. of Energy Resources Business Div. of the same
Apr. 2010	Managing Executive Officer and Chief Executive of Energy Resources Business Div. of the same
Jun. 2013	Director, Managing Executive Officer and Chief Executive of Energy Production Div. of the same
Apr. 2014	Representative Director, Executive Vice President, Chief Executive of Energy Solution Div. of the same
Apr. 2015	Representative Director, Executive Vice President and in charge of Power Business Planning Dept., Business Restructuring Project Dept., and Sales Innovation Planning Dept. of the same
Apr. 2016	Representative Director, Executive Vice President, Head of Power Business, Chief Executive of Regasification & Power Generation Div. and in charge of Power Business Planning Dept. of the same (thru Mar. 2017)
Apr. 2017	Chairman & Director of Tokyo Gas Engineering Solutions Corporation (thru Mar. 2020)
Jun. 2020	Outside Director of the Company (currently serving)
Mar. 2022	Outside Director of ISE CHEMICALS CORPORATION (currently serving)
Jun. 2022	External Director of Chiyoda Corporation (currently serving)

Tenure as a Director

5 years

Attendance at the Board of Directors meetings

13/13 (100%)

Status of important concurrent offices in other entities

Outside Director of ISE CHEMICALS CORPORATION

External Director of Chiyoda Corporation

Reasons for selecting the candidate for Outside Director and outline of expected roles

Mr. Yutaka Kunigo has been involved in a wide range of fields including engineering, personnel affairs, procurement, sales and international business at Tokyo Gas Co., Ltd. By using his significant experience and broad knowledge based on his experience of operating said company as a member of the management team, Mr. Yutaka Kunigo is expected to supervise and provide advice on the execution of duties of the Company's Directors from an objective standpoint and is therefore reappointed as a candidate for Outside Director.

Special notes on the candidates for Director

The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure the Company's Directors, Audit & Supervisory Board Members and Executive Officers, as well as Directors and Statutory Auditors of Nippon Paper Crexia Co., Ltd., Nippon Paper Papyrus Co., Ltd., and Nippon Tokai Industrial Paper Supply Co., Ltd. The Company plans to renew the insurance contract in August this year. If candidates for Director are appointed or reelected, they will be included in the insurance contract as insured persons. The outline of the contract is as follows.

1. The insurance covers litigation expenses and legal damages for which the insureds became liable in the event where they received a claim for damages from shareholders, business partners or other third parties due to the performance of their duties.
2. The insurance does not cover any claim for damages due to any conduct committed by insureds while knowing that the conduct is in violation of laws and regulations.
3. The premiums for the insurance contract are fully paid by the Company.

Special notes on the candidates for Outside Director

1. Mr. Makoto Fujioka, Ms. Yoko Hatta and Mr. Yutaka Kunigo are candidates for Outside Director as defined in Article 2, Paragraph 3, Item 7, of the Ordinance for Enforcement of the Companies Act.
2. In determining a candidate for Outside Director, the Company judges his or her independence by considering whether the candidate fulfills the standards of independence set by the Tokyo Stock Exchange, in addition to the statutory qualifications for being described as outside as stipulated by laws and regulations, and confirming whether there are any conflicts of interest with the general shareholders of the Company.
3. In light of the aforementioned standards and qualifications, the Company judges that Mr. Makoto Fujioka, Ms. Yoko Hatta and Mr. Yutaka Kunigo have the independence required to be independent officers, and the Company has filed them as Independent Officers of the Tokyo Stock Exchange under the provisions of said Exchange. If each of them is elected as originally proposed, he or she will continue to be an Independent Officer.
4. The Company has concluded contracts with Mr. Makoto Fujioka, Ms. Yoko Hatta and Mr. Yutaka Kunigo to limit the liability for damages as prescribed in Article 423, Paragraph 1, of the Companies Act to the amount stipulated by laws and regulations, in accordance with Article 427, Paragraph 1, of said Act. If their reappointment is approved, the Company intends to extend the relevant contracts with them.

Special notes on Mr. Makoto Fujioka, a candidate for Outside Director

1. Mr. Makoto Fujioka had served as Director of Nippon Light Metal Co., Ltd. through June 2015. Although the Company has purchase transactions related to raw materials with Nippon Light Metal Co., Ltd., the amount of the transactions is negligible (the amount of the Company's purchases from Nippon Light Metal Co., Ltd. is less than 1% of the net sales of Nippon Light Metal Co., Ltd.).
2. Mr. Makoto Fujioka had served as Outside Director of Eagle Industry Co., Ltd. through June 2023. Although the Company has purchase transactions related to equipment with Eagle Industry Co., Ltd., the amount of transactions is negligible (the amount of the Company's purchases from Eagle Industry Co., Ltd. is less than 1% of the net sales of Eagle Industry Co., Ltd.).

Special notes on Ms. Yoko Hatta, a candidate for Outside Director

1. Ms. Yoko Hatta served as Outside Audit & Supervisory Board Member of IHI Corporation through June 2020. Although the Company has purchase transactions related to facilities with IHI Corporation, the amount of the transactions is negligible (the amount of the Company's purchases from IHI Corporation is less than 1% of the net sales of IHI Corporation).
2. Ms. Yoko Hatta is currently serving as Outside Director of Ajinomoto Co., Inc. Although the Company has sales transactions in the Chemical Business with Ajinomoto Co., Inc., the amount of the transactions is negligible (the amount of sales is less than 1% of the net sales of the Company).
3. Ms. Yoko Hatta is currently serving as an Outside Audit & Supervisory Board Member at Kobayashi Pharmaceutical Co., Ltd. It was discovered around March 2024 that some of its products may cause health damage. Responding to this finding, Kobayashi Pharmaceutical announced a voluntary recall

on March 22, 2024, and received administrative order to recall the subject products due to a violation of the Food Sanitation Act from the Osaka City Public Health Center on March 27, 2024. The City of Osaka made investigations as a serious event including on-site investigations of its multiple production bases relevant to such products. A detailed report was submitted by the City of Osaka to the Ministry of Health, Labour and Welfare on March 19, 2025. Ms. Hatta has not been directly involved in development, production, and sale of products in question and had not recognized the event before receiving the relevant report. However, before receiving the report, she had made proposals about the importance of legal compliance and risk control, and after receiving the report, she has provided advice about and supervision of response to people suffering from health damage, thorough compliance, and efforts for taking effective measures for preventing the recurrence. Thus, she has fulfilled her duties as an Outside Audit & Supervisory Board Member.

4. Ms. Yoko Hatta served as Outside Audit & Supervisory Board Member of IHI Corporation through June 2020. In January 2019, it was discovered that inappropriate work had been performed in the commercial aircraft engine maintenance business of the company. To address the incident, the company received an order to conduct repairs by authorized method pursuant to the Aircraft Manufacturing Industry Act from the Ministry of Economy, Trade and Industry in March 2019, and also received an operation improvement order in accordance with the Civil Aeronautics Act from the Ministry of Land, Infrastructure, Transport and Tourism in April 2019. Ms. Hatta had made proposals about the importance of legal compliance and internal control based on her wealth of experience and deep insight prior to the discovery of the fact, and after the event came to light, she has received reports on the progress in the investigation of the fact, ascertained the status and focused on recurrence prevention, including the recommendation to immediately investigate the impact on safety, take appropriate recurrence preventive measures, and further strengthen and ensure compliance. In addition, although Ms. Hatta retired from the Outside Audit & Supervisory Board Member of IHI Corporation in June 2020, it was discovered in April 2024 that its consolidated subsidiary IHI Power Systems Co., Ltd. has made improper alterations in the test operation records for marine engines and land-use engines. It was also discovered in July 2024 that its consolidated subsidiary Niigata Transys Co., Ltd. has made improper alterations in the snow removal performance test for rotary snowplows. In addition, its consolidated subsidiary IHI Transport Machinery Co., Ltd. was determined to have engaged in a violation of the Antimonopoly Act in mechanical parking systems business by the Japan Fair Trade Commission in March 2025. She made proposals about the importance of legal compliance and risk control based on her wealth of experience and deep insight during her term of office of Outside Audit & Supervisory Board Member and in particular, after the event of the inappropriate work in the IHI's commercial aircraft engine maintenance business discovered in 2019 as above, she has fulfilled her duties such as strongly calling for further and exhaustively strengthening compliance. However, Ms. Hatta did not recognize the event before IHI disclosed it.

Special notes on Mr. Yutaka Kunigo, a candidate for Outside Director

Mr. Yutaka Kunigo had served as Director of Tokyo Gas Co., Ltd. through March 2017. Although the Company has purchase transactions of fuels with Tokyo Gas Co., Ltd., the amount of the transactions is negligible (the amount of the Company's purchases from Tokyo Gas Co., Ltd. is less than 1% of the net sales of Tokyo Gas Co., Ltd.).

Notes:

1. Candidate Akira Sebe is scheduled to retire as Outside Director of LINTEC Corporation on June 20, 2025, Director of Nippon Paper Crexia Co., Ltd. on June 24, 2025 and Director of Opal on June 27, 2025.
2. Candidate Yasuhito Murakami is scheduled to assume the office of President of Nippon Tokai Industrial Paper Supply Co., Ltd. on June 19, 2025, and Director of Opal on June 27, 2025.
3. There are no special conflicts of interest between each of the candidates and the Company.
4. The number of shares in the Company held by each candidate includes the number of shares held through the Nippon Paper Officers Share Ownership.
5. The attendance at meetings of the Board of Directors represents the status of attendance in office in the fiscal year ended March 31, 2025.
6. Jujo Paper Co., Ltd., stated in the section of brief personal history, changed its trade name to

Nippon Paper Industries Co., Ltd., as of April 1, 1993.

7. Sanyo-Kokusaku Pulp Co., Ltd., stated in the section of brief personal history, merged with the Company as of April 1, 1993.
8. On April 30, 2020, the Company completed the acquisition of the paperboard fiber based packaging business in Australia/New Zealand of Orora Limited, a company listed on the Australian Stock Exchange, and made it a subsidiary of Paper Australia Pty Ltd. The corporate group consisting of Paper Australia Pty Ltd and its subsidiaries is referred to as Opal.
9. Hokkaido Mill, stated in the section of brief personal history, was split into Asahikawa Mill and Shiraoi Mill as of June 25, 2020.
10. Kushiro Mill, stated in the section of brief personal history, was abolished on October 1, 2021.

[Reference: Skill Matrix of the Candidates for Director]

Positions	Name	Corporate management	ESG/ Sustainability	Finance/ Accounting	Human resource/ Labor	Risk management/ Governance	Technology/ R&D	Sales	Purchase/ Procurement	Internationality
Chairman & Representative Director	Toru Nozawa	○	○	○		○				
President, Representative Director	Akira Sebe	○			○				○	○
Executive Vice President, Representative Director	Mitsuhiro Sugino	○					○	○		○
Executive Vice President, Representative Director	Yasuhito Murakami	○			○		○			○
Director	Atsumi Yasunaga	○			○		○			
Director	Keiko Watanabe		○			○	○			
Outside Director	Makoto Fujioka	○	○			○				
Outside Director	Yoko Hatta			○		○				○
Outside Director	Yutaka Kunigo	○	○						○	

(Notes)

1. The above list does not represent all the knowledge and experience held by each candidate.
2. The positions of each candidate listed in the above list will be formally determined by a resolution of the Board of Directors following the conclusion of this General Meeting of Shareholders.

This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Proposal 3. Election of Two (2) Audit & Supervisory Board Members

Audit & Supervisory Board Member Kazunari Tatsu will retire as of the conclusion of this General Meeting of Shareholders. In addition, Audit & Supervisory Board Member Tomoyoshi Nishimoto will expire as of the conclusion of this General Meeting of Shareholders. Accordingly, the Company requests that the shareholders elect two (2) Audit & Supervisory Board Members (Outside Audit & Supervisory Board Member).

The candidate was determined by the Board of Directors upon receiving a report by the Personnel & Remuneration Advisory Committee on the selection of candidate.


The candidate for Audit & Supervisory Board Member is as follows:

This proposal has already received the consent of the Audit & Supervisory Board.

Candidate

No. 1

TOMOYASU ITAKURA (Date of Birth: Apr. 8, 1964) New appointment

No. of shares in the Company held	Brief personal history and title	
13,105 shares	Apr. 1988	Joined Jujo Paper Co., Ltd.
	Jun. 2015	General Manager of Accounting & Budgeting Dept. of Financial Div. of the Company
	Jun. 2017	Deputy General Manager of Financial Div. and General Manager of Accounting & Budgeting Dept. of the Company
	Jun. 2018	Deputy General Manager of Financial Div. of the Company
	Jun. 2019	Executive Officer, General Manager of Financial Div. of the Company
	Jun. 2021	Director, Executive Officer, General Manager of Financial Div. of the Company
	Jun. 2024	Director, Managing Executive Officer, General Manager of Financial Div. of the Company (currently serving)

Reasons for selecting the candidate for Audit & Supervisory Board Member

Mr. Tomoyasu Itakura works to contribute to raising the corporate value of the Company and the Company Group as Director, Managing Executive Officer and General Manager of Financial Div. of the Company. The Company appoints him as a candidate for Audit & Supervisory Board Member based on its judgment that he, as Audit & Supervisory Board Member of the Company, has an excellent personality and insights that contribute to an increase in soundness and transparency of management by auditing the Directors' execution of duties from a fair and objective standpoint, with many years of experience and good track record in the Company Group and his abundant knowledge regarding business administration and business operation.

Candidate

No. 2

TOMOYOSHI NISHIMOTO (Date of Birth: Feb. 6, 1962)

Reappointment

No. of shares in the
Company held

18,125 shares



Brief personal history and title

Apr. 1984	Joined Jujo Paper Co., Ltd.
Oct. 2010	General Manager of International Business Dept. of Corporate Planning Div. of the Company
Apr. 2013	General Manager of Subsidiaries and Affiliated Companies Dept. of Corporate Planning Div. of the Company
Jun. 2017	Deputy General Manager of Sales Management & Planning Div. of the Company
Feb. 2019	Deputy General Manager of Sales Management & Planning Div. and General Manager of Sales Planning Dept. of the Company
Jun. 2021	Statutory Auditor of NP Trading Co., Ltd. (currently serving) Audit & Supervisory Board Member of the Company (currently serving)

Tenure as an Audit & Supervisory Board Member

4 years

Attendance at the Board of Directors meetings

13/13 (100%)

Attendance at the Audit & Supervisory Board meetings

14/14 (100%)

Status of important concurrent offices in other entities

Statutory Auditor of NP Trading Co., Ltd.

Reasons for selecting the candidate for Audit & Supervisory Board Member

The Company reappoints Mr. Tomoyoshi Nishimoto as a candidate for Audit & Supervisory Board Member based on its judgment that he, as Audit & Supervisory Board Member of the Company, has an excellent personality and insights that contribute to an increase in soundness and transparency of management by auditing the Directors' execution of duties from a fair and objective standpoint, with many years of experience and good track record in the Company Group and his abundant knowledge regarding business administration and business operation.

Special notes on the candidates for Audit & Supervisory Board Member

The Company has entered into a directors and officers liability insurance contract as stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure the Company's Directors, Audit & Supervisory Board Members and Executive Officers, as well as Directors and Statutory Auditors of Nippon Paper Crecia Co., Ltd., Nippon Paper Papyrus Co., Ltd., and Nippon Tokai Industrial Paper Supply Co., Ltd. The Company plans to renew the insurance contract in August this year. If candidates for Audit & Supervisory Board Member are appointed or reelected, each candidate will be included in the insurance contract as insured persons. The outline of the contract is as follows.

- (1) The insurance covers litigation expenses and legal damages for which the insureds became liable in the event where they received a claim for damages from shareholders, business partners or other third parties due to the performance of their duties.
- (2) The insurance does not cover any claim for damages due to any conduct committed by insureds while knowing that the conduct is in violation of laws and regulations.
- (3) The premiums for the insurance contract are fully paid by the Company.

Notes:

1. Candidate Tomoyasu Itakura is scheduled to assume the office of Statutory Auditor of Nippon Paper Crecia Co., Ltd. on June 24, 2025.
2. There are no special conflicts of interest between the candidate and the Company.
3. The number of shares in the Company held by each candidate includes the number of shares held through the Nippon Paper Officers Share Ownership.
4. The attendance at meetings of the Board of Directors and the Audit & Supervisory Board represents the status of attendance in office in the fiscal year ended March 31, 2025. In addition, Candidate Mr. Tomoyasu Itakura attended 13/13 (100%) meetings of the Board of Directors held in the fiscal year ended March 31, 2025 as Director.
5. Jujo Paper Co., Ltd., stated in the section of brief personal history, changed its trade name to Nippon Paper Industries Co., Ltd., as of April 1, 1993.

(Attachment)

Business Report (From April 1, 2024, through March 31, 2025)

I. Status of the Company Group (a corporate group)

1. Business Progress and Results

The Japanese economy in the current fiscal year is seeing a gradual recovery owing to an increase in inbound demand and improvements in the employment and income environment, despite the impact of rising prices. The outlook remains uncertain due to factors including U.S. trade policy, continued inflation, and volatility in financial and capital markets.

Against this backdrop, in the Medium-Term Business Plan 2025 (FY2021-FY2025), the Company Group worked on the priority issues of “improving profitability of the Livelihood-related Business,” “increasing competitiveness of the graphic paper business,” “accelerating reductions in GHG emissions,” and “improving our financial position” under the basic strategy of “accelerating our business transformation”.

In the domestic business, we made the decision to stop the operation of a part of production facilities at the Shiraoi Mill and the Yatsushiro Mill as well as to develop the household tissue business with a focus on exports at the Yatsushiro Mill in FY2024, aimed at reorganization of the production system and business structure transformation in the graphic paper business. In addition, we are steadily advancing various initiatives such as achieving zero coal usage and reducing GHG emissions by stopping the operation of a coal-fired boiler at the Yatsushiro Mill.

Meanwhile, in the international business, we are advancing a significant overhaul of the production system and a large-scale personnel rationalization at the Maryvale Mill in Victoria, which withdrew from the paper business. We identified the reorganization of the Opal business in Australia as a top priority issue in FY2024 and the Company Group is reinforcing group-wide restructuring initiatives through further company-wide personnel rationalization and a structural reorganization of the packaging business.

As to the consolidated performance, net sales increased from the previous term thanks to a contribution from price revisions of various products and the impact of the depreciating yen, despite decreased demand in the Paper and Paperboard Business and a decline in revenue from the Energy Business. Operating income increased from the previous term owing to a contribution from efforts to promote cost improvement and price revisions of various products, despite the impact of conducting larger-scale maintenance shutdowns of production facilities compared to typical years at Nippon Dynawave Packaging Company, LLC as well as rising prices of raw material and fuel prices, and rising personnel and logistics costs. Additionally, profit attributable to owners of the

parent for the current fiscal year was 4,539 million yen due to the recording of gains on sales of non-current assets such as land and gains on sales of assets resulting from the reduction of cross-shareholdings, etc. in extraordinary income, while also recording impairment loss related to reorganization of the production system in the graphic paper business and impairment loss and business structure improvement expenses of Opal in extraordinary loss.

The results are as shown below.

Net Sales	1,182,431 million yen (increase of 1.3% Y o Y)	Operating Income	19,706 million yen (increase of 14.1% Y o Y)
Ordinary Income	15,505 million yen (increase of 6.6% Y o Y)	Profit Attributable to Owners of Parent	4,539 million yen

Principal Businesses (As of March 31, 2025)

	Principal Products
Paper and Paperboard Business	Paper, paperboard, pulp, paper making materials
Livelihood-related Business	Household tissue, processed paper products, chemical products
Energy Business	Electric power
Lumber, Construction Materials, Civil Engineering and Construction-Related Business	Lumber, construction materials, civil engineering and construction
Other Business	Logistics, leisure, other

Net Sales and Operating Income of Each Business Segment

Business Segment	Net Sales			Operating Income (Loss)		
	Current Fiscal year (million yen)	Comparison with the Previous Term		Current Fiscal year (million yen)	Comparison with the Previous Term	
		Change in Amount (million yen)	% of Change (%)		Change in Amount (million yen)	% of Change (%)
Paper and Paperboard Business	565,911	− 4,263	− 0.7	8,268	− 3,416	− 29.2
Livelihood-related Business	457,880	21,118	4.8	− 6,137	1,924	-
Energy Business	48,295	− 5,421	− 10.1	3,559	1,960	122.6
Lumber, Construction Materials, Civil Engineering and Construction Related Business	78,760	3,250	4.3	9,582	− 213	− 2.2
Other Business	31,582	433	1.4	3,002	207	7.4
Total	1,182,431	15,116	1.3	18,276	463	2.6
Adjustment	—	—	—	1,430	1,977	—
Consolidated total	1,182,431	15,116	1.3	19,706	2,440	14.1

(Notes) 1. Adjustment is an elimination of inter-segment transactions.
2. Figures rounded down to nearest million yen.

The status of each business segment is as follows:

Paper and Paperboard Business

Net Sales: 565,911 million yen (decrease of 0.7% Y o Y)

Domestic sales volume of paper fell below that of the previous term as demand for both newspapers and printing and communication paper continued to decline.

Domestic sales volume of paperboard products fell below that of the previous term as a result of overall weak demand caused mainly by a decline of consumer spending due to price hikes.

Livelihood-related Business

Net Sales: 457,880 million yen (increase of 4.8% Y o Y)

Net sales of household Paper exceeded those of the previous term due to a contribution from price revisions of products, recovery in demand for commercial-use products driven by the increase in inbound demand, steady demand for healthcare products and other factors. As to liquid-packaging carton, sales volume fell below that of the previous term as the demand continued to decline due to rising awareness of defensive spending caused by overall food price inflation.

Net sales of dissolving pulp (DP) exceeded those of the previous term as a result of stable market conditions and the impact of the depreciating yen. Net sales of overseas operations exceeded those of the previous term, due to an increase in sales volume of corrugated board in Opal and the impact of the depreciating yen.

Energy Business

Net Sales: 48,295 million yen (decrease of 10.1% Y o Y)

Net sales of the energy business fell below those of the previous term due to an increase in the number of maintenance outage days, and a decline in the sales price of electricity, which was driven by a decline in coal prices.

Lumber, Construction Materials, Civil Engineering and Construction-Related Business

Net Sales: 78,760 million yen (increase of 4.3% Y o Y)

As to the lumber and construction material, net sales exceeded those of the previous term due mainly to increasing demand for fuel chips, though the number of new housing construction projects continued to decrease primarily in owner-occupied homes.

Other Business

Net Sales: 31,582 million yen (increase of 1.4% Y o Y)

As to the consolidated results of the other business segment, the net sales increased by 433 million yen from the previous term to 31,582 million yen and operating income increased by 207 million yen from the previous term to 3,002 million yen.

2. Status of Capital Investment

The amount of capital investment of the Company Group during the current fiscal year reached a total of 52,300 million yen. The major capital investments were fuel conversion investment in biomass in Japan, installation of facilities for increased production of household tissues, and renewal work for aging facilities in the corrugated board business overseas.

3. Status of Financing Activities

The Company Group procured funds through borrowings from financial institutions, etc.

4. Issues to be addressed

(1) Toward achieving the Medium-Term Business Plan 2025 (FY2021 – FY2025)

Regarding the economic environment surrounding the Company Group in FY2024, the Japanese economy saw moderate recovery as a whole, despite the continued inflation. On the other hand, unpredictable situations such as prolonged Ukraine invasion, the Middle East situation, and the economic slowdown in China continued. In FY2025, addition to these factors, it is concerned that the situation of this plan is expected to remain uncertain due to U.S. tariff policies, decline of consumer sentiment caused by higher interest rates, and supply constraints caused by a labor shortage.

Progress of Business Structure Transformation

While the demand for graphic paper, which is our business, is declining, the Company has promoted the business structure transformation and has reallocated management resources to the Livelihood-related Business, which is our growing business. As a result, we expect to expand the sales ratio of the Livelihood-related Business from 32% in FY2020 to 41% in FY2025 to raise the operating income from 7,900 million yen to 15,000 million yen. We will continue to promote the business structure transformation by expanding the Livelihood-related Business

Initiatives in FY2024

In FY2024, the Company took measures including thorough cost reductions, price revisions, and sales expansion by differentiated products, resulting in maintaining profitability of the domestic business and staying on track for achieving the Medium-Term Business Plan 2025. In the international business, although profit improvement of Opal in Australia delayed from our initial plan, steady improvements have been made.

① Reorganize the Opal business

We are striving to rebuild the Opal business in Australia as an urgent management issue.

The Maryvale Mill in Victoria, which withdrew from the paper business, has established the production system as a packaging base paper mill, including the optimization of pulp production. Although the recovery in profitability is slower than expected due mainly to the time required to establish optimal operating conditions and the deteriorating conditions of the base paper export market, we strive to reinforce the foundations for further profit improvement. On the other hand, in the packaging business acquired in 2020, productivity has greatly improved after a new corrugated board mill commenced operation in Victoria in August 2023 and a progressive renewal of three obsolete processing machines in FY2024. In addition, we have been continuing our efforts to reduce fixed costs, such as closing our corrugated box mill in Queensland in August 2024 and consolidating and closing bases in the bag-making and carton businesses, and implementing company-wide personnel rationalization.

② Expand and strengthen profitability of the Livelihood-related Business

In the liquid-packaging carton business, Nippon Dynawave Packaging Company, LLC in the U.S. has conducted a long-term maintenance to strengthen stable operations in the first half of FY2024. As a result, production has stabilized, and sales have remained firm since the second half.

In the household paper and healthcare, a production facility for household paper products established in the Ishinomaki Mill commenced its commercial operation in April 2024. In addition, we decided to establish a production facility for household paper products in the Yatsushiro Mill in August 2024. We will promote to enhance cost competitiveness by increasing facilities of integrated production from pulp and household paper.

In the chemical business, a production mill of carboxymethylcellulose (CMC) for lithium-ion batteries in Hungary commenced its commercial operation in March 2025. As we expect the expansion of EV in the future, we will supply products from our production bases in Japan and Hungary and deliver them to our global customers (battery manufacturers and automobile manufacturers).

③ Reinforce foundation of graphic paper business

In August 2024, we made decisions of stopping the operation of the Shiraoi Mill's number eight paper machine and the Yatsushiro Mill's N2 paper machine. We strive to enhance competitiveness by improving productivity of graphic paper and continuing cost improvements through these efforts. We will promote to reorganize the production system together with reduction in GHG emissions and secure its profitability as a core business under a situation in which demand for graphic paper declines.

Initiatives in FY2025

In FY2025, we will continue to make efforts to recover profitability of the international business by carefully watching the impact on the business by social and economic conditions, such as rising personnel and logistics costs and forex movements. At the same time, we will work to achieve the goals of the Medium-Term Business Plan 2025 by striving for company-wide cost reductions, ensuring the realization of investment returns, and maintaining appropriate pricing to ensure stable supply of products.

① Improve profit of the Opal business

In the Maryvale Mill, we have reached a basic agreement on a new labor-management agreement in line with the new production system as a packaging base paper mill, and it will enable us to promptly realize a structural reorganization and improved profitability of the mill. In the packaging business, we will expand sales of packaging products mainly in the Oceania region by maximizing the effects of capital investments made until now. In addition to these measures, by fully utilizing the Company Group's knowledge, technology, R&D capabilities, and procurement and sales networks, we will strive to improve profit of the Opal business and promptly turn profitable as an effort spanning the entire group.

② Expand and strengthen profitability of the Livelihood-related Business

The liquid-packaging carton business is expected to further expand sales, as the first product adoption of the next-generation paper container, "NSATOM®," has been decided, in addition to the environmentally conscious products we have actively promoted. In the overseas market, we intend to grow the business through establishing an integrated service structure in cooperation with Elopak and Shikoku Kakoki Co., Ltd.

In household paper and healthcare business, we will enhance cost competitiveness through integrated production from pulp and promote the expansion of overseas business in collaboration with our global partners.

In the chemical business, we will increase profitability by maximizing effects of capital investments made for functional cellulose and functional coating resins.

③ Reinforce foundation of Paper and paperboard business

We will strive to enhance competitiveness by optimizing the production system and expanding exports as well as by improving operating rates and productivity. While proceeding with the reduction of production facilities, we will strengthen the operational stability and BCP system, and maintain stable supply of products.

④ Biomass products

Regarding cellulose nanofiber (CNF) "CELLENPIA®", which the Company is using as a new material for development, the adoption for food and cosmetics usages has steadily increased, and also it has been adopted for the use of reinforcing mobility-related

components. In the future, we will aim to expand the uses in the automobile and other industrial fields. In addition, for domestic wood-derived bioethanol, which we are considering commercialization mainly as raw materials of sustainable aviation fuel (SAF), we are scheduled to receive subsidy and entrustment from New Energy and Industrial Technology Development Organization (NEDO) in a project of “Research and Development of Technologies to Promote Biomanufacturing.” We will promote the development of products contributing to resolve the social issues by producing new biomass materials derived from wood, which is a sustainable resource, and expand the biomass materials business.

(2) Strengthen sustainability management

The Company Group will promote sustainability management that pursues both sustainability in society and environment as well as corporate growth.

① Green House gas reduction

In response to the growing social demand for addressing climate change and the introduction of policies such as emissions trading scheme starting in FY2026, we have been accelerating efforts in fuel conversion, energy saving, and the reorganization of our production system as key measures to reduce GHG emissions. We raised the FY2030 target of 45% (compared to FY2013 level) in GHG emissions reductions, which was set when formulating 2030 Vision, to 54%. As for the reduction of GHG through the reorganization of our production system, we are considering it mainly in the graphic paper business, and we plan to significantly reduce GHG emissions by achieving zero coal usage at Yatsushiro Mill by stopping the operation of a paper machine and one coal boiler. The Ishinomaki Mill received a government support program using GX Economic Transition Bonds and we will significantly reduce GHG emissions by converting fuel from coal to black liquor. Alongside these reduction efforts, we will grow as a comprehensive biomass company in a decarbonized and circular economy by producing new biomass materials derived from pulp and supplying them to society as low-GHG green products.

② Develop green strategy

Maximizing the value of forests and expanding products utilizing wood resources, we will strive both to build a circulation-oriented society and to strengthen our business foundation. In overseas forested sites, we aim to enhance CO₂ fixation efficiency (versus

2013) by 30% by FY2030 by improving the productivity of forests, using tree breeding, proliferation, and planting technologies which the Company has developed over many years. In addition, in the existing tree planting business in the Southeast Asia, we will leverage this to secure a stable supply of resources for the Company by improving productivity through technological support. In Japan, we will establish a system to annually produce 10 million seedlings of elite trees for the forestry industry by FY2030, aiming to contribute to revitalizing the domestic forestry industry and solving the pollinosis issue together with business growth by strengthening the domestic timber supply chain. In addition, under the nation's carbon credit certification system called the J-Credit Scheme, as to forest credits derived from forests' ability to absorb and fix CO₂, we aim to register projects achieving a cumulative total of 200,000 t-CO₂ in company-owned forests in Japan by FY2027. At the same time, we will acquire business opportunities in cooperation with local municipalities and other forest-owning companies.

③ Promote product recycling

We have been building a recycling chain for difficult-to-recycle used paper which had been disposed of or incinerated, and expanding recycling through our technologies and facilities. We have enabled reusing of release paper, which had been difficult with traditional technologies, and products for food and beverages such as paper cups by optimizing the operation and installing the facilities. In the restaurant and service industries, needs from users who want to recycle paper containers are increasing. In the future, we will collect a wider range of paper to respond to social demand and establish a new style of business together with supporting companies.

④ Human resources strategy

Based on the priority issues of each business outlined in the Medium-Term Business Plan 2025, the Company clarified the basic policy of human resource strategies and is working on recruitment, training, retention, and appropriate allocation.

To strengthen the foundations of the graphic paper business, we aim to simultaneously maintain and strengthen our competitiveness while enhancing labor-saving initiatives based on the basic policy of "Human resource maximization and appropriate allocation of personnel". In addition, in order to expand and strengthen

profitability of the Livelihood-related Business, we will lead to the smooth implementation of business structure transformation based on our basic policy “Allocation of human resources to new and growing businesses”. We will also enhance systems to support the appropriate allocation of talent for each business, such as the enhancement of training programs by positions with a purpose of career development and contents for talent development, and programs for transfer support and career course changes.

From the perspective of securing talent who will support our business strategy, the Company has set “Improvement of employee engagement” as the basic policy in its overall human resource strategy. We will enhance employee engagement through the revitalization of internal communication by conducting coaching skills training at each site and facilitating dialogue between management and employees. Furthermore, we strive to retain talented human resources by continuously enhancing our workplace environment to realize diverse and flexible work styles, such as considering the introduction of a regional career-track employment system in addition to the existing system to work from home and taking annual paid leave in hourly increments.

Given the growing labor shortage and increased labor market mobility, it is important to focus on how to acquire talent. We will work to increase and expand recruiting channels by leveraging employee referrals (Referral recruitment) and conducting a method of rehiring former employees (Alumni recruitment) in addition to the recruitment of midcareer workers and international talent.

On the finance side, while proactively selling assets such as real estate and stocks for strategic purposes, we will make selective investments necessary for accelerating transformation of the business structure, giving full consideration to financial discipline. Net interest-bearing debt, which was 723,500 million yen at the end of FY2023, reduced to 694,900 million yen at the end of FY2024, resulting in under the target value in the Medium-Term Business Plan 2025 (710,000 million yen or less).

In addition, for promoting management that is aware of capital costs, we will set KPI for each business and conduct regular progress reviews to further advance initiatives aimed at improving PBR, starting from FY2025.

5. Changes of Assets and Profit/Loss Status

Category	98th Term (Ended March 2022)	99th Term (Ended March 2023)	100th Term (Ended March 2024)	101st Term (Current) (Ended March 2025)
(million yen) Net sales	1,045,086	1,152,645	1,167,314	1,182,431
(million yen) Operating income (loss)	12,090	(26,855)	17,266	19,706
(million yen) Ordinary income (loss)	14,490	(24,530)	14,550	15,505
(million yen) Profit (loss) attributable to owners of parent	1,990	(50,406)	22,747	4,539
(Yen) Basic earnings (loss) per share	17.23	(436.28)	197.09	39.33
(million yen) Total assets	1,639,286	1,666,542	1,731,245	1,703,308
(%) ROE (Return on equity)	0.5	(12.3)	5.3	1.0
(%) ROA (Return on assets)	1.3	(1.0)	1.4	1.4

- (Notes)
- Figures rounded down to nearest million yen.
 - ROE (Return on Equity) and ROA (Return on assets) were calculated using the following formula.

$$\text{ROE (Return on Equity)} = \text{Profit attributable to owners of parent} / \text{average of the balance at the beginning of the term and the balance at the term-end of the sum of Shareholders' equity and Accumulated other comprehensive income}$$

$$\text{ROA (Return on assets)} = (\text{Ordinary income} + \text{Interest expense}) / \text{Total assets at the term-end}$$

6. Status of Principal Subsidiaries, etc. (As of March 31, 2025)

(1) Status of Principal Subsidiaries

Company Name	Capital	The Company's voting rights ratio	Principal business operation
[Paper and paperboard business]		%	
Nippon Paper Papyrus Co., Ltd.	Million yen 3,949	100.0	Manufacture and sales of specialty paper
NP Trading Co., Ltd.	1,000	100.0	Sales of paper, pulp and chemicals
Nippon Tokai Industrial Paper Supply Co., Ltd.	350	65.0	Sales of paper and paperboard
[Livelihood-related Business]			
Nippon Paper Crecia Co., Ltd.	Million yen 3,067	100.0	Manufacture and sales of household tissues
Opal	(1,000 AUD) 2,268,920	100.0	Manufacture and sales of base paper for cardboard, cardboard box, paper containers for general use and heavy-duty sack and paper bags; sales of packaging material and materials for industrial use
Nippon Dynawave Packaging Company LLC	(1,000 USD) 200,000	100.0	Manufacture, processing and sales of base paper for paper containers of liquid including soft drink and milk, and base paper for cup containers, etc., manufacture and sales of pulp
[Energy Business]			
Nippon Paper Ishinomaki Energy Center Ltd.	Million yen 6,000	70.0	Wholesale supply and sale of electricity
[Lumber, Construction Materials, Civil Engineering and Construction-Related Business]			
Nippon Paper Lumber Co., Ltd.	Million yen 440	100.0	Sales of lumber and sawed lumber

Company Name	Capital	The Company's voting rights ratio	Principal business operation
[Others]			
Nippon Paper Logistics Co., Ltd.	Million yen 70	100.0	Warehouse, transport, and freight shipment

(Note) Figures rounded down to nearest million yen, nearest thousand Australian dollars and nearest thousand U.S. dollars.

(2) Status of Business Combinations

1. The number of consolidated subsidiaries for the current term is 54 companies and the number of equity method affiliates is 12 companies.

2. The Company sold all shares in Daishowa Uniboard Co., Ltd. on October 1, 2024.

7. Primary Sales Offices and Mills (As of March 31, 2025)

Domestic	<p>Nippon Paper Industries Co., Ltd.: Head Office (Chiyoda-ku, Tokyo) Sales Bases: Head Office, 5 sales branch offices and others Production Bases: Asahikawa Mill (Asahikawa-shi, Hokkaido), Shiraoi Mill (Shiraoi-cho, Hokkaido), Akita Mill (Akita-shi, Akita) Ishinomaki Mill (Ishinomaki-shi, Miyagi), Iwanuma Mill (Iwanuma-shi, Miyagi), Nakoso Mill (Iwaki-shi, Fukushima), Ashikaga Mill (Ashikaga-shi, Tochigi), Soka Mill (Soka-shi, Saitama), Fuji Mill (Fuji-shi, Shizuoka), Gotsu Mill (Gotsu-shi, Shimane), Otake Mill (Otake-shi, Hiroshima), Iwakuni Mill (Iwakuni-shi, Yamaguchi), Yatsushiro Mill (Yatsushiro-shi, Kumamoto), Kushiro Mill (Kushiro-shi, Hokkaido), Higashimatsuyama Mill (Higashimatsuyama-shi, Saitama) Nippon Paper Liquid Package Product Co., Ltd. Egawa Mill (Gokamachi, Ibaraki), Miki Mill (Miki-shi, Hyogo), Ishioka Mill (Ishioka-shi, Ibaraki) Laboratories: Research Laboratory (Kita-ku, Tokyo), Packaging Research Laboratory (Kita-ku, Tokyo), Fuji Innovative Materials Research Laboratory (Fuji-shi, Shizuoka), Chemical Products Research Laboratory (Iwakuni-shi, Yamaguchi), Functional Materials Development Laboratory (Higashimatsuyama-shi, Saitama)</p>
	<p>Nippon Paper Papyrus Co., Ltd.: Head Office (Chiyoda-ku, Tokyo) Sales bases: Head Office, 1 branch office Production Bases: Harada Mill (Fuji-shi, Shizuoka), Suita Mill (Suita-shi, Osaka), Kochi Mill (Ino-cho, Kochi)</p>
	<p>Nippon Paper Crecia Co., Ltd.: Head Office (Chiyoda-ku, Tokyo) Sales bases: Head Office, 8 sales branch offices Production Bases: Miyagi Mill (Ishinomaki-shi, Miyagi), Tokyo Mill (Soka-shi, Saitama), Kaisei Mill (Kaisei-cho, Kanagawa), Koyo Mill (Fuji-shi, Shizuoka), Kyoto Mill (Fukuchiyama-shi, Kyoto)</p>
Overseas	Opal (Australia, New Zealand)
	Nippon Dynawave Packaging Company LLC (U.S.)

8. Status of Employees (As of March 31, 2025)

Names by Business Segment	Number of employees	Comparison with the end of previous term
Paper and paperboard business	5,185	+29
Livelihood-related Business	6,722	-346
Energy business	93	-3
Lumber, Construction Materials, Civil Engineering and Construction-Related Business	1,451	-72
Other Business	1,491	-41
All Companies (Cross-organization)	203	+21
Total	15,145	-412

(Notes) 1. Number of employees means the number of personnel who are actually working.

2. "All Companies (Cross-organization)" indicates employees who belong to the administrative department and cannot be classified by specific business segment.

9. Status of Main Lenders (As of March 31, 2025)

Creditor	Balance of Borrowings
Mizuho Bank Ltd.	95,977 million yen
The Norinchukin Bank	58,974 million yen
Sumitomo Mitsui Banking Corporation	54,832 million yen
Development Bank of Japan, Inc.	54,500 million yen
Japan Bank for International Cooperation	48,929 million yen
Meiji Yasuda Life Insurance Company	28,500 million yen
Nippon Life Insurance Company	27,000 million yen
The Shizuoka Bank, Ltd	26,461 million yen
Sumitomo Mitsui Trust Bank, Ltd.	24,451 million yen
Mizuho Trust & Banking Co., Ltd.	23,500 million yen

(Notes) 1. In addition to the above, the Company procured syndicated loan which amounts to 127,915 million yen.

2. Figures rounded down to nearest million yen.

II. Shares of the Company (As of March 31, 2025)

1. Total number of authorized shares 300,000,000 shares
2. Total number of issued shares 116,254,892 shares
(including 380,087 treasury shares)
3. Number of shareholders 206,552

4. Major shareholders (Top 10)

Name	Number of shares held	Percentage of shares held
The Master Trust Bank of Japan, Ltd. (Trust Account)	15,982,100	13.79%
Custody Bank of Japan, Ltd. (Trust Account)	8,365,300	7.22%
Nippon Paper Industries Co., Ltd. Employee Share Ownership	3,121,029	2.69%
Nippon Paper Industries Co., Ltd. Business Partners Share Ownership	2,601,700	2.25%
Nippon Life Insurance Company	2,473,165	2.13%
TAIJU LIFE INSURANCE COMPANY LIMITED	2,258,900	1.95%
Mizuho Bank Ltd.	2,000,000	1.73%
State Street Bank West Client - Treaty 505234	1,703,800	1.47%
State Street Bank And Trust Company 505223	1,384,668	1.19%
JP Morgan Chase Bank 385781	1,355,989	1.17%

(Note) Percentage of shares held is calculated excluding the 380,087 treasury shares.

5. Status of shares granted to officers and directors during the current fiscal year as consideration for performance of duties

	Number of shares	No. of persons granted shares
Directors (excluding Outside Directors)	—	0 person

III. Officers and Directors of the Company

1. Directors and Audit & Supervisory Board Members (As of March 31, 2025)

Title in the Company	Name	Areas of responsibility, important offices concurrently held in other companies or organizations
Chairman & Director	Fumio Manoshiro	
President, Representative Director	Toru Nozawa	President and Chief Executive Officer Chairman of Japan Paper Association
Executive Vice President, Representative Director	Masanobu Iizuka	Executive Vice President, Aide to the President, in charge of Duplex Board & Packaging Paper Sales Div. President of Nippon Tokai Industrial Paper Supply Co., Ltd. Director of Opal
Director	Atsumi Yasunaga	President of Nippon Paper Crecia Co., Ltd.
Director	Mitsuhiro Sugino	Managing Executive Officer General Manager of Biomass Material Business Div.
Director	Tomoyasu Itakura	Managing Executive Officer, General Manager of Financial Div.
Outside Director	Makoto Fujioka	Outside Director (Audit & Supervisory Committee Member) and Chairperson of Nomination & Compensation Advisory Committee of NOK CORPORATION
Outside Director	Yoko Hatta	Outside Audit & Supervisory Board Member of Kobayashi Pharmaceutical Co., Ltd. Outside Director of Ajinomoto Co., Inc. Director (Audit & Supervisory Committee Member) (Outside) of KOEI CHEMICAL COMPANY, LIMITED
Outside Director	Yutaka Kunigo	Outside Director of ISE CHEMICALS CORPORATION External Director of Chiyoda Corporation
Standing Audit & Supervisory Board Member (full-time)	Kazunari Tatsu	Statutory Auditor of Nippon Paper Crecia Co., Ltd.
Audit & Supervisory Board Member (full-time)	Tomoyoshi Nishimoto	Statutory Auditor of NP Trading Co., Ltd.
Outside Audit & Supervisory Board Member	Takafumi Okuda	Special Counsel at Mori Hamada & Matsumoto
Outside Audit & Supervisory Board Member	Nanako Aono	Representative Director and President of GEN Co., Ltd. Outside Audit & Supervisory Board Member of MISUMI Group Inc. Outside Director (Audit and Supervisory Committee Member) of MEIKO NETWORK JAPAN CO., LTD.

(Notes) 1. Changes of post, responsibilities and important concurrently holding offices of the Officers made during the current fiscal year are as follows:

Name	New post, responsibility, etc.	Former post, responsibility, etc.	Date of Change
Toru Nozawa	Chairman of Japan Paper Association	(Newly appointed)	May 20, 2024
Tomoyasu Itakura	Managing Executive Officer, General Manager of Financial Div.	Executive Officer, General Manager of Financial Div.	June 27, 2024
Makoto Fujioka	Outside Director (Audit & Supervisory Committee Member) of NOK CORPORATION	Outside Director of NOK CORPORATION	June 26, 2024
	Outside Director (Audit & Supervisory Committee Member) and Chairperson of Nomination & Compensation Advisory Committee of NOK CORPORATION	Outside Director (Audit & Supervisory Committee Member) of NOK CORPORATION	August 2, 2024

2. The law firm to which Outside Audit & Supervisory Board Member, Mr. Takafumi Okuda belongs changed its name to Mori Hamada & Matsumoto on December 23, 2024.
3. Mr. Makoto Fujioka, Ms. Yoko Hatta and Mr. Yutaka Kunigo are Outside Directors set forth in Article 2, Item 15 of the Companies Act.
4. Mr. Takafumi Okuda and Ms. Nanako Aono are Outside Audit & Supervisory Board Members as set forth in Article 2, Item 16 of the Companies Act.
5. Standing Audit & Supervisory Board Member (full-time), Mr. Kazunari Tatsu successively held the positions General Manager of Treasurer's Dept. and Deputy General Manager of Financial Div., and has considerable expertise in finance and accounting.
6. Audit & Supervisory Board Member (full-time), Mr. Tomoyoshi Nishimoto has many years of experience in the accounting division and considerable expertise in finance and accounting.
7. Outside Audit & Supervisory Board Member, Ms. Nanako Aono is licensed as a certified public accountant, and has considerable expertise in finance and accounting.
8. The Company has filed Outside Director Mr. Makoto Fujioka, Outside Director Ms. Yoko Hatta, Outside Director Mr. Yutaka Kunigo, Outside Audit & Supervisory Board Member Mr. Takafumi Okuda and Outside Audit & Supervisory Board Member Ms. Nanako Aono as Independent Officers of the Tokyo Stock Exchange in accordance with the provisions thereof.

[For reference: Executive Officers (as of March 31, 2025)]

Title in the Company	Name	Responsibilities
President and Chief Executive Officer	Toru Nozawa	
Executive Vice President	Masanobu Iizuka	Aide to the President, in charge of Duplex Board & Packaging Paper Sales Div. (concurrently serving) President of Nippon Tokai Industrial Paper Supply Co., Ltd.
Managing Executive Officer	Shinichiro Nakamura	General Manager of Iwakuni Mill
Managing Executive Officer	Mitsuhiro Sugino	General Manager of Biomass Material Business Div.
Managing Executive Officer	Takashi Ochi	General Manager of Research & Development Div.
Managing Executive Officer	Yasuhito Murakami	General Manager of Technical & Engineering Div.
Managing Executive Officer	Kazuto Shimada	General Manager of Graphic Paper Sales Div.
Managing Executive Officer	Kazunori Itaya	General Manager of Chemical Sales Div.
Managing Executive Officer	Tomoyasu Itakura	General Manager of Financial Div.
Managing Executive Officer	Yoshisada Yamabe	General Manager of Yatsushiro Mill
Managing Executive Officer	Akira Sebe	General Manager of Corporate Planning Div. in charge of Affiliates & Subsidiaries
Executive Officer	Tomomi Nojiri	General Manager of Sales Planning Div.
Executive Officer	Tetsuaki Taniguchi	General Manager of Newsprint Sales Div.
Executive Officer	Daishiro Takigawa	General Manager of Duplex Board & Packaging Paper Sales Div.
Executive Officer	Hideki Sugimura	Director of Nippon Tokai Industrial Paper Supply Co., Ltd.
Executive Officer	Naohiro Isihioka	General Manager of Iwanuma Mill
Executive Officer	Kazuyasu Yamamoto	General Manager of Ishinomaki Mill
Executive Officer	Koichi Sato	General Manager of Raw Material & Purchasing Div.
Executive Officer	Hiroyuki Nakagawa	Director of Shin Tokai Paper Co., Ltd.
Executive Officer	Yoshinori Matsubara	General Manager of Energy Business Div.
Executive Officer	Hiroya Kakehashi	General Manager of Akita Mill
Executive Officer	Keiko Watanabe	General Manager of Sustainability Transformation Div.
Executive Officer	Kazuhiro Ito	General Manager of Paper-Pak Sales Div.
Executive Officer	Takashi Fujihara	General Manager of Fuji Mill
Executive Officer	Koichiro Takahashi	General Manager of Personnel & General Affairs Div.

2. Amount of remuneration, etc., for Directors and Audit & Supervisory Board Members

(1) Policy, etc. for determination of the contents of remuneration, etc. for each Director

In order to ensure objectivity and transparency of its remuneration system, the Company, by resolution of the Board of Directors, determined the policy for determination of the contents of remuneration, etc. for each Director (hereinafter, “Determination Policy”) as follows based on deliberations by the Personnel & Remuneration Advisory Committee and advice from external experts.

- 1) In regard to monthly remuneration for Directors, the base amounts shall be determined according to their respective responsibilities in the Company. 70% of the base amount is to be paid as a fixed amount and 30% of it, in principle, is to be varied depending on the achievement level of the Medium-Term Business Plan. The base amount is determined by utilizing external objective survey data, and by taking into consideration factors such as the Company’s business performance, scale of business, and operating environment. Business performance indexes are established so that they may effectively function as an incentive for achieving the business performance targets, and are subject to review as necessary according to changes in the business environment. Part of each Director’s monthly remuneration shall be contributed to the Nippon Paper Officers Share Ownership to purchase shares of the Company. There are no bonuses or retirement benefits.
- 2) Stock remuneration in the form of the BBT is paid to Directors to make a clearer link between the compensation provided to Directors and the Company’s share value, and thereby increase their motivation to make contributions to improve the Company’s mid- to long-term performance and increase its corporate value by Directors sharing with shareholders not only the benefits of rising share prices but also the risks associated with falling share prices. Stock remuneration is a system under which the Company’s shares acquired through a trust using money contributed by the Company as a source and an amount of money equivalent to the market value of the Company’s shares will be delivered to the Directors through the trust. The number of shares to be delivered is calculated based on the number of points according to their respective responsibilities. Directors will receive delivery of the stock remuneration upon their retirement from office, in principle. The ratio between fixed remuneration, performance-based remuneration, and

stock remuneration paid to Directors is determined appropriately in light of the objectives of each type of remuneration.

- 3) In regard to Outside Directors and Audit & Supervisory Board Members, monthly remuneration is paid to them at fixed amounts. In light of the type of their responsibilities, contribution to the Nippon Paper Officers Share Ownership shall be voluntary.

[Remuneration for Internal Directors]

	Fixed remuneration	Performance-based remuneration	BBT (from the fiscal year ended March 31, 2020)
Method	Cash payment		Award points
Maximum remuneration	700 million yen per year		25,000 points per year (1 point is equivalent to 1 share)
Payment timing	Monthly (no bonuses or retirement benefits)		Upon retirement as Directors (Cumulative points are converted to shares and awarded)
Calculation method	Base amounts shall be determined according to their respective responsibilities, 70% of which is paid as a fixed amount.	Base amounts shall be determined according to their respective responsibilities, 30% of which in principle is paid after making adjustments according to the achievement level of the Medium-Term Business Plan.	Award the number of points as determined by their position
Performance standards	—	Financial target 70%: Consolidated performance (net sales and operating income) 30%: Non-consolidated performance (net sales and operating income) Non-financial target 1) Achievement status of GHG emissions reduction target in the 2030 Vision 2) Achievement status of improvement of employee engagement	—
Other	Part of the remuneration is contributed to the Nippon Paper Officers Share Ownership		—

(Note) Outside Directors and Audit & Supervisory Board Members receive fixed monthly remunerations only.

- (2) Reasons for the Board of Directors to have judged that contents of remuneration, etc. for each Director for the current fiscal year conform to the Determination Policy

At the Company, the Personnel & Remuneration Advisory Committee has confirmed that contents of remuneration, etc. for each Director for the current fiscal year conform to the Determination Policy. Procedure to determine remuneration is as follows.

- 1) To further strengthen corporate governance, the Company has established the Personnel & Remuneration Advisory Committee as an advisory body for the Board of Directors. The majority of this Committee shall consist of Independent Outside Directors.
- 2) The Personnel & Remuneration Advisory Committee, being consulted by the Board of Directors regarding the system for remuneration for Directors and Audit & Supervisory Board Members of the Company and other related matters, shall deliberate the appropriateness of such a system, etc., and provide advice based on the evaluation of business performance and other factors of the Company.
- 3) The Personnel & Remuneration Advisory Committee shall consist of the President and Representative Director, the General Manager of the Personnel & General Affairs Division and the Independent Outside Directors, and its secretariat shall be the General Manager of the Personnel Department.
- 4) The Personnel & Remuneration Advisory Committee shall deliberate, with the appropriate involvement of the Independent Outside Directors who are the members of the Committee, receiving their advice.
- 5) The Board of Directors shall determine the remuneration, etc. for Directors, receiving the opinions of the Personnel & Remuneration Advisory Committee.

3. Total amount of remuneration, etc., for Directors and Audit & Supervisory Board Members for the current fiscal year

	Number of Persons	Total amount of remuneration, etc. by type (million yen)			Total amount (million yen)
		Fixed remuneration	Performance-based remuneration	Stock remuneration	
Directors	9	306	89	26	422
(Outside Directors included in above)	[3]	[43]	[—]	[—]	[43]
Audit & Supervisory Board Members	4	62	—	—	62
(Outside Audit & Supervisory Board Members included in above)	[2]	[15]	[—]	[—]	[15]

- Notes:
1. Figures rounded down to the nearest million yen.
 2. A resolution for the maximum total remuneration for Directors to be 700 million yen per fiscal year (60 million yen per fiscal year for Outside Directors) was adopted at the 95th Ordinary General Meeting of Shareholders held on June 27, 2019. Separately from the aforementioned amount, it was resolved to introduce a Stock Compensation Plan “Board Benefit Trust (BBT)” to Directors (excluding Outside Directors). The upper limit of the points to be awarded to the Directors based on the plan is 25,000 points per fiscal year (1 point is equivalent to 1 share of the Company stock). The number of Directors at the time of the closing of the Ordinary General Meeting of Shareholders was nine (of which, three were Outside Directors).
 3. A resolution for the maximum total remuneration for Audit & Supervisory Board Members to be 120 million yen per fiscal year was adopted at the 83rd Ordinary General Meeting of Shareholders held on June 22, 2007. The number of Audit & Supervisory Board Members at the time of the closing of the Ordinary General Meeting of Shareholders was four.
 4. Of the performance evaluation standards, net sales were selected to pursue expansion in topline and operating income was selected to improve profitability, respectively, as performance indicators.
 5. Results of indicators for performance-based remuneration during the current fiscal year were consolidated net sales of 1,167,300 million yen, non-consolidated net sales of 598,300 million yen, consolidated operating income of 17,200 million yen, and non-consolidated operating income of 12,300 million yen.
 6. The “Board Benefit Trust (BBT)” is a stock compensation plan under which shares of the Company will be acquired through a trust from the stock market using money contributed by the Company as a source within the amount approved by the 95th Ordinary General Meeting of Shareholders held on June 27, 2019, and the Company’s shares and the money equivalent to the market value of the Company’s shares will be delivered to the Directors, (excluding Outside Directors) and Executive Officer other than Directors, etc. through the trust in accordance with the Officer Stock Benefit Regulations established by the Company. In principle, the Directors, etc. will receive delivery of the Company’s shares, etc. upon their retirement from office. The trust will not exercise voting rights pertaining to the Company’s shares held by the trust account based on the instructions from the trust administrator, who is independent from the Company.

4. Matters regarding directors and officers liability insurance

The Company has entered into a directors and officers liability insurance contract as

stipulated in Article 430-3, Paragraph 1 of the Companies Act with an insurance company to insure the Company's Directors, Audit & Supervisory Board Members and Executive Officers, as well as Directors and Statutory Auditors of Nippon Paper Creca Co., Ltd., Nippon Paper Papyrus Co., Ltd., and Nippon Tokai Industrial Paper Supply Co., Ltd. The Company plans to renew the insurance contract in August this year. The outline of the contract is as follows.

- (1) The insurance covers litigation expenses and legal damages for which the insureds became liable in the event where they received a claim for damages from shareholders, business partners or other third parties due to the performance of their duties.
- (2) The insurance does not cover any claim for damages due to any conduct committed by insureds while knowing that the conduct is in violation of laws and regulations.
- (3) The premiums for the insurance contract are fully paid by the Company.

5. Matters regarding Outside Officers

(1) Concurrently served executive posts, etc. in other entities, etc., and relationship between the Company and such entities, etc.

Title in the Company	Name	Concurrent Position	Relationship between the Company and Such Other Entities
Outside Director	Makoto Fujioka	Outside Director (Audit & Supervisory Committee Member) and Chairperson of Nomination & Compensation Advisory Committee of NOK CORPORATION	No special relationship
Outside Director	Yoko Hatta	Outside Audit & Supervisory Board Member of Kobayashi Pharmaceutical Co., Ltd.	No special relationship
		Outside Director of Ajinomoto Co., Inc.	Although the Company has sales transactions in the Chemical Business with Ajinomoto Co., Inc., the amount of transactions is negligible (The amount of sales to Ajinomoto Co., Inc. is less than 1% of the net sales of the Company).
		Director (Audit & Supervisory Committee Member) (Outside) of KOEI CHEMICAL COMPANY, LIMITED	No special relationship
Outside Director	Yutaka Kunigo	Outside Director of ISE CHEMICALS CORPORATION	No special relationship
		External Director of Chiyoda Corporation	No special relationship
Outside Audit & Supervisory Board Member	Takafumi Okuda	Special Counsel at Mori Hamada & Matsumoto	No special relationship

Title in the Company	Name	Concurrent Position	Relationship between the Company and Such Other Entities
Outside Audit & Supervisory Board Member	Nanako Aono	Representative Director and President of GEN Co., Ltd.	No special relationship
		Outside Audit & Supervisory Board Member of MISUMI Group Inc.	Although the Company has purchase transactions related to equipment with MISUMI Group Inc., the amount of transactions is negligible (The amount of the Company's purchases from MISUMI Group Inc. is less than 1% of the net sales of MISUMI Group Inc.).
		Outside Director (Audit and Supervisory Committee Member) of MEIKO NETWORK JAPAN CO., LTD.	No special relationship

(2) Major activities in the current fiscal year

Title in the Company	Name	Board of Directors Meeting Attendance	Board of Auditors Meeting Attendance	Main Activities
Outside Director	Makoto Fujioka	13 of 13 (100%)	—	The Company expects him to supervise and offer advice to the Directors' business operation from an objective standpoint, leveraging his extensive knowledge and international perspective cultivated through his experience in both public and private sectors. He asked suitable questions both on resolutions and on reports, as well as voiced his opinion from an independent perspective, as necessary, at the Board of Directors meetings. Specifically, he voiced his opinion at the Board of Directors meetings on the materialization of management strategies in preparation for the introduction of a carbon tax, the enhancement of internal audits for overseas sites, and the importance of incorporating PBR improvement measures into specific initiatives at each business.

Title in the Company	Name	Board of Directors Meeting Attendance	Board of Auditors Meeting Attendance	Main Activities
Outside Director	Yoko Hatta	13 of 13 (100%)	—	The Company expects her to supervise and offer advice to the Directors' business operation from an objective standpoint, leveraging her extensive experience in international accounting firms, and deep insight on international taxation, etc. She asked suitable questions both on resolutions and on reports, as well as voiced her opinion from an independent perspective, as necessary, at the Board of Directors meetings. Specifically, she voiced her opinion at the Board of Directors meetings on the importance of confirming the positioning and expected effects of the overall business strategy during deliberations on individual projects, conducting more precise estimations of the effects of overseas investments based on the business environment, and performing comparative analyses with simulations of withdrawal from a business and initiatives to further promote the dissemination of the Action Charter and the Codes of Conduct among all officers and employees of the Company Group.
Outside Director	Yutaka Kunigo	13 of 13 (100%)	—	The Company expects him to supervise and offer advice to the Directors' business operation from an objective standpoint, leveraging his broad career at Tokyo Gas Co., Ltd., experience in leading the management as Representative Director, Executive Vice President, and deep insight accumulated in the international energy business. He asked suitable questions both on resolutions and on reports, as well as voiced his opinion from an independent perspective, as necessary, at the Board of Directors meetings. Specifically, he voiced his opinion at the Board of Directors meetings on more proactive investor relations activities regarding the Company's growth strategy, a longer-term effectiveness verification on investment projects approved by the Board of Directors, and the importance of examining multiple scenarios in business strategy and discussions from a medium- to long-term perspective.
Outside Audit & Supervisory Board Member	Takafumi Okuda	13 of 13 (100%)	14 of 14 (100%)	He asked suitable questions both on resolutions and on reports from the perspective of an expert as an attorney at law, as well as voiced his opinion from

Title in the Company	Name	Board of Directors Meeting Attendance	Board of Auditors Meeting Attendance	Main Activities
				an independent perspective, as necessary. Further, at the Audit & Supervisory Board meetings, he discussed significant matters on audit, as well as asked suitable questions regarding audits conducted by other Audit & Supervisory Board Members, and voiced his opinions from an independent perspective, as necessary.
Outside Audit & Supervisory Board Member	Nanako Aono	13 of 13 (100%)	14 of 14 (100%)	She asked suitable questions both on resolutions and on reports based on her extensive experience in the private sector and from the perspective of an expert as a certified public accountant, as well as voiced her opinion from an independent perspective, as necessary. Further, at the Audit & Supervisory Board meetings, she discussed significant matters on audit, as well as asked suitable questions regarding audits conducted by other Audit & Supervisory Board Members, and voiced her opinions from an independent perspective, as necessary.

(3) Outline of the Contract for Limitation of Liabilities

Pursuant to Article 427, Paragraph 1, of the Companies Act, the Company entered into a Contract for Limitation of Liabilities with Outside Director Mr. Makoto Fujioka, Outside Director Ms. Yoko Hatta, Outside Director Mr. Yutaka Kunigo, Outside Audit & Supervisory Board Member Mr. Takafumi Okuda and Outside Audit & Supervisory Board Member Ms. Nanako Aono, which limits the amount of their liability for damages under Article 423, Paragraph 1 of the Companies Act to the amount provided in laws and ordinances.

(4) Total amount of remuneration

	Number	Total Amount of Remuneration, etc.
Outside Officer	5	58 million yen

(Note) Figures rounded down to nearest million yen.

IV. Status of Accounting Auditor

1. Name of Accounting Auditor Ernst & Young ShinNihon LLC

2. Amount of remuneration, etc. for the Accounting Auditor during the relevant fiscal year

	Amount
① Amount of remuneration, etc. to be paid to Accounting Auditor by the Company	226 million yen
② Total amount of cash and other financial benefits to be paid to accounting auditor by the company and subsidiaries of the Company	325 million yen

(Notes) 1. Figures rounded down to nearest million yen.

2. The Audit & Supervisory Board gave consent on the amount of remuneration, etc. to be paid to the Accounting Auditor as a result of the careful screening of details of the audit plan for the current fiscal year such as the number of audit days and the staff allocation, checking and evaluation of the audit performance for the preceding fiscal year, appropriateness of the Accounting Auditor's auditing operation concerning the business operation of the Company and the grounds for calculation of the estimates that become the basis of the amount of remuneration, etc.
3. Since the amounts of remuneration, etc. for audits under the Companies Act and that for audits under the Financial Instruments and Exchange Act are not explicitly distinguished in the audit contract between the Company and Accounting Auditor and cannot be practically distinguished, the amount in ① above includes remuneration, etc. for audits under the Financial Instruments and Exchange Act.
4. The Company pays compensation to Accounting Auditor for support services for the application of "Accounting Standard for Leases" which is a service other than those stipulated in Article 2, Paragraph 1 of the Certified Public Accountants Act of Japan, which is included in the total amount of ②.
5. Certain subsidiaries of the Company are subject to statutory audits by audit firms, etc. other than Ernst & Young ShinNihon LLC.

3. Policy for determining Accounting Auditor dismissal or non-reappointment

- (1) If the Accounting Auditor falls under any of the items under Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board will dismiss the Accounting Auditor by the unanimous consent of all Audit & Supervisory Board Members pursuant to the provision of the same Article.
- (2) The Audit & Supervisory Board shall determine the contents of any proposal regarding dismissal or non-reappointment to be submitted to the General Meeting of Shareholders with due consideration for the independence and the qualifications of the accounting auditor provided in the related laws and regulations or standards, etc. (Business Accounting Council "Quality Control Standards for Audit," etc.).

V. System to ensure the appropriateness of business operation and the status of operation of such system

1. System to ensure the appropriateness of business operation

The Company formulated the Basic Policies to Establish the Internal Control Systems by a resolution adopted at the Board of Directors meeting held on May 25, 2006, and has made necessary amendments as needed. The details of the Basic Policies are as follows:

“System to ensure execution of duties by Directors in conformity with laws and ordinances or the Articles of Incorporation”

- (1) For appropriate and sound execution of the Company’s business, the Board of Directors establishes an effective internal control system and establishes an organizational structure that complies with laws and ordinances or the Articles of Incorporation.
- (2) The Audit & Supervisory Board audits the effectiveness and function of the internal control systems.

“System to ensure the propriety of business operation of the Company and its subsidiaries”

- (1) System for preservation and management of information related to execution of duties by Directors

The statutory documents and any other documents related to execution of duties by Directors shall be appropriately preserved and managed in accordance with the rules for documents management, etc.

- (2) Rules and other systems related to the management of risks of loss of the Company and its subsidiaries

For risks related to execution of the business of the Company and its group companies, depending on the type of individual risk, the department in charge of such risk will endeavor to prevent risk by means such as implementing education and training under manuals, in addition to establishing necessary rules and guidelines. If any problem occurs, the parent company will, together with its subsidiaries, prevent enlargement of damage to the Company Group, and lay out a framework necessary to minimize such damage.

- (3) System to ensure efficient execution of duties by Directors of the Company and its subsidiaries

- ① Establish a system with which each body and organizations including the Board of Directors functions effectively and exercises its duties properly and efficiently in accordance with the rules for decision-making such as the rules

- of the Board of Directors, rules of approval, and rules for segregation of duties.
- ② Introduce the Executive Officer System and separate the function of overall management supervision and decision making by the Board of Directors from the function of execution of each individual department's business by the Executive Officers, to clarify where the responsibility and authority lay.
 - ③ Each business sector and each group company will not only establish a medium-term business plan and clarify its issues and goals, but also manage its performance thoroughly under such plan during each fiscal year.
 - ④ To pursue the development of the entire Company Group, the Company shall hold meetings of the Group Management Strategy Committee as needed to deliberate on important matters related to the Company Group such as management strategies for each business field.
- (4) System to ensure execution of duties by employees of the Company and its subsidiaries in conformity with laws and ordinances or the Articles of Incorporation
- ① Establish the "NIPPON PAPER GROUP Standards of Business Conduct" and "NIPPON PAPER GROUP Code of Conduct," and familiarize all employees with compliance thereto.
 - ② The Management Audit Office implements internal audits of the Company and its group companies pursuant to the Internal Audit Rules, etc.
 - ③ Establish "Nippon Paper Group Help Line" as an internal report system within the Company Group and operate this system strictly.
- (5) Systems related to the reporting of the matters concerning execution of duties by Directors, etc., of the Company's subsidiaries to the Company
- ① In order to ensure appropriate operation of business within the Group, the Company shall establish a fundamental policy for the Group companies' business management and operation rules for affiliated companies, and appropriately manage business operations in the Group according to such systems as application for approval, advance and ex post facto report to the Company, etc.
 - ② The Audit & Supervisory Board Members ensure appropriate operation of business within the Group through presiding over the "Nippon Paper Group Audit & Supervisory Board Member Liaison Committee," which consists of the Audit & Supervisory Board Members of the primary group companies of the Company, and the Audit & Supervisory Board of the Company, and have periodic discussions about audit policy and audit method, etc., and enhance mutual collaboration by exchanging information, etc.
 - ③ The Company shall hold Presidents' Meetings of associated companies to

receive reports on the current situation and issues of the primary group companies of the Company.

(6) System related to employees who assist in execution of duties by the Audit & Supervisory Board Members, matters related to the independence of such employees from the Directors and matters related to ensuring the effectiveness of the instructions given to such employees

- ① Assign some employees of the Company as the assistants of the Audit & Supervisory Board Members who assist the Audit & Supervisory Board Members in executing their duties. For such assignment, prior consent by the Audit & Supervisory Board Members is required.
- ② The Company's employees who assist the Audit & Supervisory Board Members in executing their duties shall follow the instructions from the Audit & Supervisory Board Members and prioritize performing the duties related to their instructions.

(7) System for Directors and employees to report to the Audit & Supervisory Board Members; other system related to the report to the Audit & Supervisory Board Members; and system to ensure effective audit by the Audit & Supervisory Board Members

- ① Directors, Executive Officers and employees will report to the Audit & Supervisory Board without delay when he/she becomes aware of any material breach of laws and ordinances or the Articles of Incorporation, concerning the execution of duties, any fact of wrongdoing or any possibility of material damage to the Company. And the Audit & Supervisory Board Members may, at any time, request that the Directors, Executive Officers and employees make a report to them.
- ② Further, in order to appropriately convey the Company's information to the Audit & Supervisory Board Members, without limiting to the reports from the Directors, Executive Officers and employees, the Company shall facilitate an environment to allow the Audit & Supervisory Board Members to exchange information closely with the Accounting Auditor and legal advisors, etc.
- ③ Representative Directors endeavor to communicate closely with the Audit & Supervisory Board Members through such means as holding meetings as often as possible with Audit & Supervisory Board Members, etc. Moreover, Representative Directors ensure, upon request by the Audit & Supervisory Board Members, attendance of the Audit & Supervisory Board Members at any material meetings.

- ④ At meetings of the Nippon Paper Group Audit & Supervisory Board Member Liaison Committee, the Audit & Supervisory Board Members of the Company shall receive explanation from the Audit & Supervisory Board Members of the group companies on the content of reports received from the officers and employees of such group companies.
 - ⑤ The department in charge of the Company's Nippon Paper Group Help Line shall report regularly to the Company's Audit & Supervisory Board Members on the status of internal reporting from the officers and employees of the Company Group.
 - ⑥ The Company shall provide rules for operation of the Nippon Paper Group Help Line, in which it is to be clearly stipulated that users of the internal reporting system should not suffer disadvantageous treatment and that an internal disciplinary measure might be imposed on those who give disadvantageous treatment to such users.
 - ⑦ Based on the audit plans formulated by the Audit & Supervisory Board Members, the Company shall provide an annual budget for paying expenses and costs that are incurred by the execution of duties by the Audit & Supervisory Board Members.
 - ⑧ When the Audit & Supervisory Board Members request the Company to make an advance payment of expenses based on Article 388 of the Companies Act that are necessary to execute their duties, the Company shall process such expenses or debts promptly.
- (8) System to ensure the reliability of financial reports of the Company and its subsidiaries
- In order to ensure the reliability of financial reports, the Company shall improve an internal control system for financial reporting and operate such system properly in accordance with rules of internal control for financial reports. Further, the Company shall evaluate the system's effectiveness on a continuing basis and take necessary measures to improve the system.
- (9) System of the Company and its subsidiaries toward elimination of anti-social forces
- The Company and its subsidiaries shall never have any relationship with any anti-social force or organization. The Company and its subsidiaries shall take a resolute stand against unreasonable demand and respond to such incident in coordination with outside specialized agencies, as needed.

2. Status of operation of the system to ensure the appropriateness of operation

The Company strives to ensure the appropriateness of operation through formulating and operating the Basic Policies to Establish the Internal Control Systems. The outline of the operation of the system to ensure the appropriateness of operation of the Company during the current fiscal year was as follows.

(1) Risk management system

- ① The Company has established a Risk Management Committee chaired by President, Representative Director and made reports to the Board of Directors. At the Committee, risks projected by the Company Group were identified, and reports were made on the implementation status of crisis response training for earthquakes occurring directly beneath the Tokyo Metropolitan Area, in addition to business continuity management (BCM) such as the review of business continuity plan (BCP). Regarding those results, an opportunity was separately provided for exchanging opinions among Chairman, Outside Directors, Audit & Supervisory Board Members, and secretaries.
- ② The Company established the Environmental Committee, the Safety and Disaster Prevention Committee, the Product Risk Committee and the Raw Materials Committee to promote risk management activity across the entire Company Group. Each Committee was held during the current fiscal year to confirm efforts of each group company. At the Environmental Committee, we have further strengthened information sharing necessary for ensuring compliance with environmental laws and regulations across the entire group as well as for responding to carbon pricing and other relevant policies, aimed to all group companies with production sites, etc. In addition, regarding the environment, safety and disaster prevention, and product risk, internal audits were conducted on an ongoing basis.
- ③ As progress of the action plan concerning the Principles and Basic Policies Concerning Raw Materials Procurement, the Company discussed effective measures for reducing the procurement risk in supply chain of the Group's raw materials procurement at the Raw Materials Committee and made reports to the Board of Directors.

(2) Compliance system

- ① We have revised the NIPPON PAPER GROUP Standards of Business Conduct" and "NIPPON PAPER GROUP Code of Conduct to reflect social environment changes. In the course of the revision, we held workshops for department heads to deepen their understanding and discuss the proposed

revisions. To ensure that our values are shared across the Group and that we act according to consistent standards, we have established a unified Codes of Conduct for the entire group. At the same time, we have established a framework in which company-specific guidelines, tailored to the circumstances of each group company, are presented in the Codes of Conduct Handbook.

- ② The Company operates the Nippon Paper Group Help Line as its internal reporting system. The Compliance Office of the Risk Management Dept., which is in charge of this system, has responded to all the items reported and consulted via this system and addressed each issue appropriately in alliance with related departments, specialized external companies and attorneys. The status of such internal reporting was reported quarterly from the Compliance Office to the Management Execution Committee and the details were reported quarterly to the Audit & Supervisory Board Members. In order to confirm the compliance awareness and a degree of familiarity with the Help Line, the Company implemented a compliance awareness survey targeting officers and employees of the Company and its group companies.
 - ③ We conducted training related to the Antimonopoly Act twice a year for the sales and purchasing departments of the Company and its group companies.
- (3) Audit & Supervisory Board Members' audit and internal audit
- ① The Audit & Supervisory Board Members attended important meetings such as Board of Directors meetings, and meetings of the Group Management Strategy Committee and Management Execution Committee. The Audit & Supervisory Board Members held fourteen meetings to share information, while performing onsite audits at each department and office of the Company, as well as group companies. The Audit & Supervisory Board Members held two meetings of the Nippon Paper Group Audit & Supervisory Board Member Liaison Committee, at which they received reports on audit activities at each group company.
 - ② The Management Audit Office performed internal audits of the Company and the group companies and provided support for improvement as necessary, including introduction of external experts to the audited sites. The Office also made reports on the results to President and Representative Director and full-time Audit & Supervisory Board Members twice and Outside Directors and Outside Audit & Supervisory Board Members twice. The Management Audit Office also performed evaluation on validity of internal audits regarding financial reporting of the Company and the group companies.

President and Representative Director reported summaries of the results of these internal audits, etc. to the Board of Directors.

- ③ The Audit & Supervisory Board Members and the Management Audit Office held an information exchange meeting once a month. In addition, the Management Audit Office attended meetings of the Nippon Paper Group Audit & Supervisory Board Member Liaison Committee to integrate Audit & Supervisory Board Members' audits and internal audits. Audit & Supervisory Board Members periodically received reports from the Accounting Auditor on the results of accounting audits and shared information.

(4) The Group companies' business management

- ① The Presidents' Meeting of associated companies was held among the Company and its 19 primary group companies, where each company reported the responses for achievement of the Medium-Term Business Plan 2025.
- ② The Group Management Strategy Committee consisting of major officers of the Company and presidents of five major group companies, engages in discussion from a group-wide perspective, by facilitating information sharing within the Group, speedier decision making, and maximum utilization of the Group's management resources. With the attendance of Outside Directors and Outside Audit & Supervisory Board Members, the Committee deliberated on strategic projects and long-term vision, and asked opinions from outside officers based on their abundant experience and expertise and had active discussions.

(5) System of execution of duties

- ① The Board of Directors held thirteen regular meetings. Material matters are deliberated in advance at the Management Strategy Committee and Management Execution Committee and submitted to the Board of Directors.
- ② With regard to the effectiveness of the Board of Directors, self-evaluation and analysis were performed in the form of a questionnaire, receiving advice from an external institution, and deliberated at the Board of Directors meeting. We discussed the goal achievement scenarios, KPI, and hurdle rates for each business segment and priority issue. Thus, discussions about the strategic direction and key initiatives of each business segment have deepened from a long-term perspective and it was confirmed that the effectiveness of the Board of Directors has been ensured.

VI. Stocks for strategic purposes

[Policy for shareholdings]

The Company holds shares that are judged to be contributing to the improvement of corporate value, upon verifying the effects of holding individual stocks for strategic purposes in terms of medium- to long-term economic rationale for holding, and maintaining and reinforcing comprehensive relationships with business partners.

The significance of such shareholdings is verified at the Board of Directors meeting every year. If the Company deems there to be no good reason to hold certain stocks, the Company shall sell them in light of gains and losses, etc. from such stocks.

[Standard for exercising voting rights]

In exercising voting rights pertaining to stocks for strategic purposes, the Company shall examine the contents of each proposal, and exercise as appropriate upon judging whether or not the proposal will contribute to the improvement of the corporate value of the Company and the investee company.

The Company shall not vote for any proposal that would impair the corporate value of the Company and the investee company.

[Amount recorded on the consolidated balance sheet, etc.]

The total amount of shares held for strategic purposes and deemed holdings of shares recorded on the consolidated balance sheet as of March 31, 2025 is 64,010 million yen, which accounts for 12.54% of net assets.

Consolidated Financial Statements **Consolidated Balance Sheet**

(As of March 31, 2025)

(Unit: million yen)

Category	Amount	Category	Amount
Assets		Liabilities	
Current assets	[638,305]	Current liabilities	[479,192]
Cash and deposits	185,941	Notes and accounts payable-trade	142,222
Notes and accounts receivable-trade	180,296	Short-term borrowings	231,334
Merchandise and finished goods	120,634	Current portion of bonds payable	10,000
Work in process	19,220	Income taxes payable	2,843
Raw materials and supplies	90,214	Other current liabilities	92,792
Other current assets	42,452	Non-current liabilities	[713,680]
Allowance for doubtful accounts	(455)	Bonds payable	55,000
Non-current assets	[1,065,003]	Long-term borrowings	560,682
(Property, plant and equipment)	[783,982]	Lease liabilities	17,910
Buildings and structures	151,771	Deferred tax liabilities	55,863
Machinery, equipment and vehicles	343,994	Provision for environmental measures	8,099
Land	208,662	Retirement benefit liability	8,995
Mountain forests and afforestations	28,412	Other non-current liabilities	7,129
Construction in progress	25,593	Total liabilities	1,192,873
Other property, plant and equipment	25,547	Net assets	
(Intangible assets)	[13,210]	Shareholders' equity	[330,974]
Intangible assets	13,210	Share capital	104,873
(Investments and other assets)	[267,810]	Capital surplus	216,393
Investments securities	172,984	Retained earnings	11,547
Retirement benefit asset	46,500	Treasury shares	(1,840)
Deferred tax assets	11,711	Accumulated other comprehensive income	[151,051]
Other investments and other assets	37,173	Valuation difference on available-for-sale securities	13,920
Allowance for doubtful accounts	(558)	Deferred gains or losses on hedges	13,708
		Foreign currency translation adjustment	90,410
		Remeasurements of defined benefit plans	33,011
		Non-controlling interests	[28,409]
		Total net assets	510,435
Total assets	1,703,308	Total liabilities and net assets	1,703,308

Consolidated Statement of Profit and Loss

(From April 1, 2024 through March 31, 2025)

(Unit: million yen)

Category	Amount	
Net sales		1,182,431
Cost of sales		991,368
Gross profit		191,062
Selling, general and administrative expenses		171,356
Operating income		19,706
Non-operating income		
Interest income	1,367	
Dividend income	1,790	
Share of profit of entities accounted for using equity method	9,255	
Other	3,637	16,050
Non-operating expenses		
Interest expense	9,154	
Foreign exchange losses	3,697	
Other	7,399	20,251
Ordinary income		15,505
Extraordinary income		
Gain on sales of non-current assets	5,220	
Gain on return of assets from retirement benefits trust	5,079	
Gain on sales of investment securities	5,013	
Insurance claim income	3,223	
Other	692	19,229
Extraordinary loss		
Impairment loss	13,329	
Australian business structure improvement expenses	5,935	
Loss on retirement of non-current assets	1,797	
Other	984	22,046
Profit before income taxes		12,688
Income taxes-current	4,932	
Income taxes-deferred	601	5,533
Profit		7,154
Profit attributable to non-controlling interests		2,615
Profit attributable to owners of parent		4,539

Financial Statements

Balance Sheet

(As of March 31, 2025)

(Unit: million yen)

Category	Amount	Category	Amount
Assets		Liabilities	
Current assets	[499,118]	Current liabilities	[389,079]
Cash and deposits	157,963	Notes payable	8,851
Notes receivable	1,533	Accounts payable-trade	52,392
Accounts receivable-trade	107,556	Short-term borrowings	222,957
Merchandise and finished goods	52,205	Current portion of bonds payable	10,000
Work in process	13,752	Account payable	79,887
Raw materials and supplies	48,549	Accrued expenses	6,755
Short-term loans receivable	107,269	Income taxes payable	965
Other accounts receivable	10,130	Other current liabilities	7,268
Other current assets	6,964	Non-current liabilities	[585,401]
Allowance for doubtful accounts	6,964	Bonds payable	55,000
	(6,808)	Long-term borrowings	500,245
Non-current assets	[794,860]	Provision for share-based remuneration for directors (and other officers)	369
(Property, plant and equipment)	[369,297]	Provision for environmental measures	6,470
Buildings	64,234	Deferred tax liabilities	2,009
Structures	16,868	Deferred tax liabilities for revaluation	17,935
Machinery and equipment	114,615	Other non-current liabilities	3,370
Vehicles	28		
Tools, furniture and fixture	2,430	Total liabilities	974,480
Land	139,425	Net assets	
Mountain forests and afforestations	17,342	Shareholders' equity	[303,502]
Leased assets	1,446	Share capital	104,873
Construction in progress	12,905	Capital surplus	130,226
(Intangible assets)	[3,516]	Legal capital surplus	83,552
Software	2,263	Other capital surplus	46,674
Other intangible assets	1,252	Retained earnings	69,965
(Investments and other assets)	[422,046]	Legal retained earnings	432
Investments securities	28,490	Other retained earnings	69,532
Shares in and investment in capital of affiliates	385,358	Reserve for reduction entry of non-current assets	3,171
Long-term loans to affiliates	51	Retained earnings carried forward	66,361
Long-term prepaid expenses	1,715	Treasury shares	(1,562)
Prepaid pension cost	1,945	Valuation and translation adjustments, etc.	[15,996]
Other investments and other assets	5,840	Valuation difference on available-for-sale securities	9,863
Allowance for doubtful accounts	(1,354)	Deferred gains or losses on hedges	399
		Revaluation difference on land	5,732
		Total net assets	319,498
Total assets	1,293,978	Total liabilities and net assets	1,293,978

Statement of Profit and Loss

(From April 1, 2024 through March 31, 2025)

(Unit: million yen)

Category	Amount	
Net sales		535,439
Cost of sales		468,992
Gross profit		66,447
Selling, general and administrative expenses		61,264
Operating profit		5,182
Non-operating income		
Interest and dividend income	18,582	
Other	2,453	21,036
Non-operating expenses		
Interest expense	6,743	
Expenses of preparing for business	1,283	
Other	4,771	12,798
Ordinary income		13,419
Extraordinary income		
Gain on sales of investment securities	5,288	
Gain on return of assets from retirement benefits trust	5,079	
Others	978	11,347
Extraordinary loss		
Impairment loss	6,823	
Loss on retirement of non-current assets	1,305	
Other	530	8,658
Profit before income taxes		16,107
Income taxes-current	(2,944)	
Income taxes-deferred	29	(2,914)
Profit		19,022

Audit Report

Independent Auditor's Report on the Consolidated Financial Statements: True Copy

Independent Auditor's Report

May 19, 2025

To: The Board of Directors
Nippon Paper Industries Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo Office
Designated Limited Liability Partner
Executive Member CPA Ryogo Ichikawa
Designated Limited Liability Partner
Executive Member CPA Tatsuya Kushida
Designated Limited Liability Partner
Executive Member CPA Takahiro Kawagishi

Opinion

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of changes in shareholders' equity, etc. and the notes to the consolidated financial statements of Nippon Paper Industries Co., Ltd. (the "Company") for the fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Company, which consists of the Company and its consolidated subsidiaries, for the period covered by the consolidated financial statements in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Consolidated Financial Statements." We are independent of the Company and its consolidated subsidiaries in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The Other Information comprises the business report and the related supplemental schedule. Management is responsible for the preparation and disclosure of the Other Information. In addition, the Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operation of the controls over the Group's reporting process of the Other Information.

Our audit opinion on the consolidated financial statements does not cover the Other Information, and we do not provide an opinion on the Other Information.

Our responsibility in conducting the audit of the consolidated financial statements is to read the Other Information and, in doing so, consider whether there are material inconsistencies between the Other Information and the consolidated financial statements or our knowledge obtained in the audit procedure and to pay attention to whether there are any indication of a material error in the Other Information besides such material differences.

If, based on the work we have performed, we conclude that there is a material misstatement in the Other Information, we are required to report such facts.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the presentation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the consolidated financial statements in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the consolidated financial statements from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the consolidated financial statements.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.

- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control.

- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.

- Determine whether it is appropriate for management to prepare the consolidated financial statements on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the consolidated financial statements in the audit report, or if the notes to the consolidated financial statements pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the consolidated financial statements. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the consolidated financial statements are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the consolidated financial statements including related notes, and whether the consolidated financial statements fairly present the transactions and accounting events on which they are based.

- Plan and conduct the audit of the consolidated financial statements to obtain sufficient and appropriate audit evidence regarding the financial information of the Company and its consolidated subsidiaries, which serves as the basis for expressing an opinion on the consolidated financial statements. The auditor is responsible for the direction, supervision and review of the audit of the consolidated financial statements, and is solely responsible for the audit opinion.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and the contents of measures or safeguards if the auditor takes measures to eliminate obstacles or applies safeguards to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company or its consolidated subsidiaries requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

[END]

Independent Auditor's Report

May 19, 2025

To: The Board of Directors
Nippon Paper Industries Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo Office

Designated Limited Liability Partner
Executive Member CPA Ryogo Ichikawa
Designated Limited Liability Partner
Executive Member CPA Tatsuya Kushida
Designated Limited Liability Partner
Executive Member CPA Takahiro Kawagishi

Opinion

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of profit and loss, the statement of changes in shareholders' equity, etc. and the related notes, and the accompanying supplementary schedules of Nippon Paper Industries Co., Ltd. (the "Company") for the 101st fiscal year from April 1, 2024 through March 31, 2025.

In our opinion, the financial statements and the accompanying supplementary schedules referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in Japan.

Basis for the Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibility under the auditing standards is stated in "Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules." We are independent of the Company in accordance with the provisions related to professional ethics in Japan, and are fulfilling other ethical responsibilities as an auditor. We believe that we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Other Information

The Other Information comprises the business report and the related supplemental schedule. Management is responsible for the preparation and disclosure of the Other Information. In addition, the Audit & Supervisory Board Members and Audit & Supervisory Board are responsible for overseeing the Directors' execution of duties relating to the design and operation of the controls over the Group's reporting process of the Other Information.

Our audit opinion on the financial statements does not cover the Other Information, and we do not provide an opinion on the Other Information.

Our responsibility in conducting the audit of the financial statements is to read the Other Information and, in doing so, consider whether there are material inconsistencies between the Other Information and the financial statements or our knowledge obtained in the audit procedure and to pay attention to whether there are any indication of a material error in the Other Information besides such material differences.

If, based on the work we have performed, we conclude that there is a material misstatement in the Other Information, we are required to report such facts.

We have nothing to report in this regard.

Responsibilities of Management, Audit & Supervisory Board Members and the Audit & Supervisory Board for the Financial Statements and the Accompanying Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the accompanying supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the accompanying supplementary schedules that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the accompanying supplementary schedules, management is responsible for assessing whether it is appropriate to prepare the financial statements and the accompanying

supplementary schedules in accordance with the premise of a going concern, and for disclosing matters relating to going concern when it is required to do so in accordance with accounting principles generally accepted in Japan.

Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for monitoring the execution of Directors' duties related to designing and operating the financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements and the Accompanying Supplementary Schedules

Our responsibility is to obtain reasonable assurance about whether the financial statements and the accompanying supplementary schedules as a whole are free from material misstatement, whether due to fraud or error, and to express an opinion on the financial statements and the accompanying supplementary schedules from an independent standpoint in an audit report, based on our audit. Misstatements can occur as a result of fraud or error, and are deemed material if they can be reasonably expected to, either individually or collectively, influence the decisions of users taken on the basis of the financial statements and the accompanying supplementary schedules.

We make professional judgment in the audit process in accordance with auditing standards generally accepted in Japan, and perform the following while maintaining professional skepticism.

- Identify and assess the risks of material misstatement, whether due to fraud or error. Design and implement audit procedures to address the risks of material misstatement. The audit procedures shall be selected and applied as determined by the auditor. In addition, sufficient and appropriate audit evidence shall be obtained to provide a basis for the audit opinion.

- In making those risk assessments, the auditor considers internal control relevant to the entity's audit in order to design audit procedures that are appropriate in the circumstances, although the purpose of the audit of the financial statements and the accompanying supplementary schedules is not to express an opinion on the effectiveness of the entity's internal control.

- Assess the appropriateness of accounting policies adopted by management and the method of their application, as well as the reasonableness of accounting estimates made by management and the adequacy of related notes.

- Determine whether it is appropriate for management to prepare the financial statements and the accompanying supplementary schedules on the premise of a going concern and, based on the audit evidence obtained, determine whether there is a significant uncertainty in regard to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If there is a significant uncertainty concerning the premise of a going concern, the auditor is required to call attention to the notes to the financial statements and the accompanying supplementary schedules in the audit report, or if the notes to the financial statements and the accompanying supplementary schedules pertaining to the significant uncertainty are inappropriate, issue a modified opinion on the financial statements and the accompanying supplementary schedules. While the conclusions of the auditor are based on the audit evidence obtained up to the date of the audit report, depending on future events or conditions, an entity may be unable to continue as a going concern.

- Besides assessing whether the presentation of and notes to the financial statements and the accompanying supplementary schedules are in accordance with accounting principles generally accepted in Japan, assess the presentation, structure, and content of the financial statements and the accompanying supplementary schedules including related notes, and whether the financial statements and the accompanying supplementary schedules fairly present the transactions and accounting events on which they are based.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the scope and timing of implementation of the planned audit, material audit findings including material weaknesses in internal control identified in the course of the audit, and other matters required under the auditing standards.

The auditor reports to Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the observance of provisions related to professional ethics in Japan as well as matters that are reasonably considered to have an impact on the auditor's independence, and the contents of measures or safeguards if the auditor takes measures to eliminate obstacles or applies safeguards to reduce obstacles to an acceptable level.

Interest

Our firm and engagement partners have no interests in the Company requiring disclosure under the provisions of the Certified Public Accountants Act of Japan.

[End]

Audit Report

The Audit & Supervisory Board, upon deliberation based on the audit reports prepared by each of the Audit & Supervisory Board Members on execution of duties by the Directors during the 101st fiscal year, from April 1, 2024 through March 31, 2025, has prepared this Audit Report and presents as follows;

1. Method and detail of audit by Audit & Supervisory Board Members and the Audit & Supervisory Board
 - (1) The Audit & Supervisory Board determined the audit policy and the task division, and in addition to receiving reports about the status of implementation of audit and result thereof from each Audit & Supervisory Board Member, received reports from Directors, etc. and from the Accounting Auditor on the status of execution of their duties, and, when necessary, requested their explanations.
 - (2) In compliance with the Audit & Supervisory Board Members' audit standards which the Audit & Supervisory Board established, and in accordance with the audit policy and task division, each Audit & Supervisory Board Members endeavored to gather information and to improve audit environment through communicating well with the Directors, the management monitoring office, and other employees, etc. and conducted audits by the following methods;
 - (i) Attended the Board of Directors' meetings and other important meetings to receive reports from the Directors and employees, etc. on the status of execution of their duties and requested their explanations as needed; reviewed important documents of decision making, etc.; and examined the status of performance and assets at the Company's head office and primary business offices. As to the subsidiaries, we communicated with and exchanged information with the Directors and Audit & Supervisory Board Members, etc., of the subsidiaries, and visited the subsidiaries, etc. and received reports on their businesses as needed.
 - (ii) Received reports regularly, requested their explanations as necessary and expressed our opinion about the status of formation and operation of the systems (the internal control system), including the system to ensure execution of duties by Directors in conformity with laws or ordinances and the Articles of Incorporation described in the Business Report and the system formed in accordance with the resolutions and the substance thereof by the Board of Directors regarding formulation of other system which is provided in the paragraph 1 and 3 of Article 100 of the Ordinance for Enforcement of the Companies Act as a necessary system to ensure appropriate business operation of a corporate group consisting of the stock company and its subsidiaries.
 - (iii) As to the basic policy on suitability of person who controls the decision making over the financial and business policies of the Company stipulated in the Ordinance for Enforcement of the Companies Act, and each of its approach as described in the Business Report, we conducted study of the contents in view of the status, etc. of deliberation by the Board of Directors and other bodies.
 - (iv) Monitored and verified whether the Accounting Auditor maintained its independent position and implemented appropriate audits, and received reports from the Accounting Auditor on the status of execution of their duties, and, when necessary, requested explanation from them. We also received the notice from the Accounting Auditor to the effect that the firm has established the "system to ensure appropriate execution of their duties" (as stipulated in each Item in the Article 131 of the Corporate Accounting Rule) in accordance with the "Quality Control Standards for Audit" (Business Accounting Council), etc., and, when necessary, requested their explanations.

Through the methods above, we examined the Business Report and its Supplementary Schedule, the financial statements (the balance sheet, the statement of profit and loss, the statement of changes in shareholders' equity, etc., and the notes to the non-consolidated financial statements) and its supplementary schedule as well as the consolidated financial statement (the consolidated balance sheet, the consolidated statement of profit and loss, the consolidated statement of changes in shareholders' equity, etc., and the notes to the consolidated financial statement) for the current fiscal term.

2. Conclusion of the audit
 - (1) Conclusion of audit of the Business Report, etc.
 - (i) We find that the business report and its supplementary schedule fairly present the status of the Company in compliance with the laws or ordinances and the Articles of Incorporation.
 - (ii) We find that there is no material fact of misconduct or serious violation of laws or ordinances or the Articles of Incorporation by any Directors in executing of their duties.
 - (iii) We find that the substance of resolutions by the Board of Directors regarding the internal control system is appropriate. In addition, we find that there is no other item to be pointed out as to the entries in the Business

Report regarding the relevant internal control system or as to execution of duties by the Directors including the internal control system relating to the financial report.

- (iv) We find that there is no item to be pointed out as to the entries in the business report regarding the basic policy and its initiatives on suitability of person(s) who controls the decision making over the financial and business policies of the Company stipulated in the Ordinance for Enforcement of the Companies Act.

- (2) Conclusion of audit on the Financial Statement and its Supplementary Schedule

We find that the method and result of audit by the Ernst & Young Shin Nihon LLC are appropriate.

- (3) Conclusion of audit on the Consolidated Financial Statement

We find that the method and result of audit by the Ernst & Young Shin Nihon LLC are appropriate.

May 19, 2025

Audit & Supervisory Board	
Nippon Paper Industries Co., Ltd.	
Standing Audit & Supervisory Board Member (full-time)	Kazunari Tatsu (Seal)
Audit & Supervisory Board Member (full-time)	Tomoyoshi Nishimoto (Seal)
Audit & Supervisory Board Member	Takafumi Okuda (Seal)
Audit & Supervisory Board Member	Nanako Aono (Seal)

(Note) Audit & Supervisory Board Member Takafumi Okuda and Audit & Supervisory Board Member Nanako Aono are the Outside Audit & Supervisory Board Members stipulated in the item 16 of Article 2 and the paragraph 3 of Article 335 of the Companies Act.

[End]