May 25, 2020

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Continuation of Policy to Address Large-Scale Purchase of the Company's Shares (Takeover Defense Measures)

Based on the approval given by shareholders at the 93rd Ordinary General Meeting of Shareholders held on June 29, 2017, Oji Holdings Corporation (the "Company") has maintained its policy (takeover defense measures), for which the effective term lasts from the date of the said meeting until the conclusion of the 96th Ordinary General Meeting of Shareholders to be held on June 26, 2020, (hereafter referred to as "this Ordinary General Meeting of Shareholders"), to address the purchase of the Company's share certificates, etc. (Note 1) for the purpose of a specific shareholder group (Note 2) purchasing 20% or more of the voting rights (Note 3) or the purchase of the Company's share certificates, etc. with the result that a specific shareholder group holds 20% or more of the voting rights (in either case, a purchase to which the Board of Directors of the Company has given its consent beforehand is excluded. Hereafter, such a purchase is referred to as a "Large-Scale Purchase," and one who engages in a Large-Scale Purchase is referred to as a "Large-Scale Purchaser") (hereafter, this policy is referred to as the "Policy").

As the above-mentioned effective term of the Policy expires at the conclusion of this Ordinary General Meeting of Shareholders, the Company further reviewed it in view of, among others, the developments after the approval of the continuation of the Policy. The Company hereby announces that the continuation of the Policy with certain amendments was decided at the Board of Directors' meeting held on May 25, 2020, subject to the approval of the shareholders at this Ordinary General Meeting of Shareholders.

The Company's basic considerations of the Policy is stated in 1. and the details of the Policy as amended are stated in 2. below. However, please refer to the section below for the necessity, overview, characteristics and main amendments of the Policy.

[Necessity of the Policy]

The Company has deemed the revision of the Policy as necessary based on the following reasons.

Responsibility to shareholders	1) Appropriate provision of information • The Board of Directors of the Company believes that it has an obligation to provide information to shareholders so that they may appropriately evaluate a Large-Scale Purchase. 2) Ensuring appropriate time for assessment • The Board of Directors of the Company believes that it has an obligation to ensure time so that shareholders may appropriately assess a Large-Scale Purchase. * The Company recognizes that the provision of necessary information and time for assessment so that shareholders may appropriately evaluate a Large-Scale Purchase were not sufficiently ensured under the current legal system related to Large-Scale Purchases. As a result, the Company has judged that it will place significance on providing necessary information and ensuring time for assessment based on the Policy as its obligation to shareholders.
Responsibility to society	1) Contribute to a sustainable society over the medium to long term • The Group believes that it has an obligation to contribute to a sustainable society, and will develop wide-ranging businesses such as the pulp and paper manufacturing business, the plantation business and electric power generation business, as well as strive to achieve medium- to long-term enhancement of its corporate value, by exploring "beyond the boundaries into the future," based on the three themes of the Group's management philosophy, namely, "Creation of Innovative Value," "Contribution to the Future and the World" and "Harmony with Nature and Society." 2) Sustainable forest management over the medium to long term • The Group is committed to promoting environmental management as the largest owner of forests in Japan among private-sector companies and the one of the few private-sector forest management business operators and believes that, by practicing sustainable forest management, in particular, maintaining watershed protection functions of forests such as flood mitigation, as well as securing water sources, it plays an important role in preserving the land, which is a special position of the Company to be in. The Group thus believes that it has an obligation to maintain and improve the public value of forests over the medium- to long-term by developing its business activities in harmony with the environment. (Area of forests held by the Company domestically: approximately 190,000 hectares, approximately 0.5% of Japan's territory) * The Company believes that these social obligations that are also important to Japan are not able to be achieved in a day, but can be achieved with a stable management foundation. However, the Company recognizes that the establishment of legal regulations related to the owning of land in Japan is currently insufficient. As a result, the Company has judged that it will place significance on ensuring a management foundation over the medium- to long term- based on the Policy as its obligation to society.

[Overview of the Policy]

If a Large-Scale Purchase of the Company's shares occurs, the Policy is the procedure in which the Board of Directors implements countermeasures in certain cases upon evaluating and investigating the Large-Scale Purchase, while giving maximum respect to the recommendation of the special committee, consisting of members independent from the management team that manages and executes the operations of the Company, after requesting the provision of information related to the Large-Scale Purchaser and the Large-Scale Purchase from the Large-Scale Purchaser.

[Characteristics of the Policy]

The aim of the Policy is to secure and increase not only the Company's corporate value, but also the common interest of shareholders, and the Company does not assume that there will be circumstances where shareholders (excluding any Large-Scale Purchasers) may be caused economic damage or deprived of any right due to the implementation of countermeasures.

Establishment of the special committee	1) Purpose • The special committee shall eliminate arbitrary decisions by the Board of Directors in judging the implementation, etc. of countermeasures. • The special committee shall ensure the objectivity, fairness and rationality of the judgment of the Board of Directors. 2) Members • Committee members shall be selected from outside Directors of the Company, outside Audit & Supervisory Board Members of the Company and outside experts. 3) Role • The special committee shall deliberate and resolve the following, and report the details of the resolution to the Board of Directors. Whether or not to implement countermeasures, suspending the implementation of countermeasures, the necessity of holding a general meeting of shareholders to confirm the shareholders' intent, etc. • The Board of Directors of the Company shall give maximum respect to the recommendation of the special committee.
Holding of a general meeting of shareholders to confirm the shareholders' intent	• In cases where the Large-Scale Purchaser complies with Large-Scale Purchase rules and the implementation of countermeasures is proposed, The Board of Directors shall hold a general meeting of shareholders to confirm the shareholders' intent without exception to confirm the intent of the shareholders regarding whether to implement countermeasures unless it is extremely difficult to hold such a meeting.

[Main amendments]

(1) Restrictions on the implementation requirements for countermeasures
• The implementation requirements for countermeasures will be even more restrictive so as to eliminate the possibility of arbitrary judgment by the Board of Directors of the Company even further (see 2.(3)(b)(i) and (ii)).
(2) Enhancement of Corporate Governance
• The Company established an upper limit for the deadline to submit Large-Scale Purchase information (see 2.(2)). • In cases where the Large-Scale Purchaser complies with Large-Scale Purchase rules and the implementation of countermeasures is proposed, a general meeting of shareholders to confirm the shareholders' intent shall always be held to confirm the intent of the shareholders regarding whether to implement countermeasures unless it is extremely difficult to hold such a meeting (see 2.(3)(e)). • Revisions to the Policy during its effective term have been limited to the extent deemed reasonable and necessary by laws and regulations, guideline amendments, etc. (see 2.(4)).

Furthermore, all Directors of the Company, including outside Directors, attended the Board of Directors Meeting held on May 25, 2020, wherein a resolution was passed on the amendment and continuation of the Policy. All Directors approved of the continuation of the Policy with certain amendments. Along with this, all Audit & Supervisory Board Members of the Company, including outside Audit & Supervisory Board Members, who were in attendance at the Board of Directors Meeting in question, also expressed their intent to pose no objection to the continuation of the Policy with certain amendments.

As of the present date, the Company has not received any proposal from third parties regarding Large-Scale Purchases of the Company's shares.

Note 1: Share certificates, etc. means share certificates, etc. prescribed in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act and Article 27-2, Paragraph 1 of the same Act.

Note 2: Specific shareholder group means (i) the holder of the Company's share certificates, etc. (meaning share certificates, etc. prescribed in Article 27-23, Paragraph 1 of the Financial Instruments and Exchange Act) (such holder is prescribed in Article 27-23, Paragraph 1 of the same Act and includes persons included in holders based on Paragraph 3 of the same Article) and joint holders of the same (meaning the joint holders prescribed in Article 27-23, Paragraph 5 of the same Act and including persons deemed to be joint holders based on Paragraph 6 of the same Article) or (ii) the person and persons in a special relationship (meaning persons in a special relationship prescribed in Article 27-2, Paragraph 7 of the same Act) who undertake the purchase, etc. of the share certificates, etc. of the Company (meaning share certificates, etc. prescribed in Article 27-2, Paragraph 1 of the same Act) (such purchase, etc. is prescribed in Article 27-2, Paragraph 1 of the same Act and including purchases undertaken on an exchange financial instruments market).

Note 3: Percentage of voting rights means (i) in the case of a specific shareholder group falling within the entry of (i) of Note 2, the percentage of share certificates, etc. held by the holder (meaning the holding ratio of share certificates, etc. prescribed in Article 27-23, Paragraph 4 of the Financial Instruments and Exchange Act; in this case, the number of share certificates, etc. held by the joint holder of the relevant holder (meaning the number of share certificates, etc. held prescribed in the same Paragraph) shall also be considered in calculation) or (ii) in the event that a specific shareholder group falls within the entry of (ii) of Note 2, the total percentage of ownership of share certificates, etc. of the relevant purchaser and persons in a special relationship with the purchaser (meaning the share certificates, etc. ownership rate prescribed in Article 27-2, Paragraph 8 of the same Act). When calculating the percentage of voting rights, reference may be made to the figures with respect to the total voting rights (meaning that prescribed in Article 27-2,

Paragraph 8 of the same Act) and the total number of shares issued (meaning that prescribed in Article 27-23, Paragraph 4 of the same Act) provided in the Annual Securities Report, Quarterly Securities Report or Share Buyback Report, whichever is most recent.

1. Basic Considerations

Currently, the Group is striving to achieve medium- to long-term enhancement of its corporate value, by exploring "beyond the boundaries into the future," based on the three themes of the Group's management philosophy, namely, "Creation of Innovative Value," "Contribution to the Future and the World" and "Harmony with Nature and Society."

Under this management philosophy, in the "FY2019–2021 Medium-term Management Plan," the Oji Group has established "Profitability Improvement of Domestic Business," "Expansion of Overseas Business," and "Promotion of Innovation" as the fundamental policies for Group management strategies and, through "Contribution to a Sustainable Society," aims to be a global corporate group that can maintain stable consolidated operating profit of at least 100.0 billion yen.

The Group will accomplish this Medium-term Management Plan, and recognizes that this is an important period to establish a solid management foundation.

The Group is committed to promoting environmental management as the largest owner of forests in Japan among private-sector companies and the one of the few private-sector forest management business operators and believes that, by practicing sustainable forest management, in particular, maintaining watershed protection functions of forests such as flood mitigation, as well as securing water sources, it plays an important role in preserving the land, which is a special position of the Company to be in. The Group thus believes that it is one of its social obligations to maintain and improve the public value of forests over the medium to long term by developing its business activities in harmony with the environment.

Within this environment and against the backdrop of the development of Japanese legal system, changes in the business environment, etc., it can be anticipated that, in the future, a Large-Scale Purchase will be undertaken with the objective of acquiring control of the Company.

The Board of Directors of the Company does not reject even a Large-Scale Purchase as long as it is based on the takeover proposal, etc. that contribute to the corporate value and the common interests of the shareholders of the Company. Provided that appropriate information is provided by the purchaser and time for assessment is secured including the opportunity to evaluate alternatives to allow shareholders to make informed decisions, the Company believes that shareholders should ultimately make their own decision on such a proposal by accepting or not accepting the purchase offer.

However, in not a few cases, such a Large-Scale Purchase does not actually contribute to the corporate value of the target company and eventually the common interest of its shareholders. Example of such Large-Scale Purchases include the one whose purpose, etc. is clearly detrimental to the corporate value of the target company and the common interest of its shareholders, the one that effectively forces the shareholders to sell their shares, and the one that does not provide sufficient time or information for the Board of Directors or the shareholders of the target company to examine the terms and conditions of the Large-Scale Purchase or for the Board of Directors of the target company to make alternative proposals.

On the other hand, the Company cannot currently say that the establishment of a legal system related to the owning of land in Japan and Large-Scale Purchases has been sufficient, and under the current laws and regulations, the Company recognizes that the Board of Directors of the Company have not been able to provide information to shareholders so that they may appropriately evaluate a Large-Scale Purchase, or ensure sufficient time for shareholders to appropriately assess a Large-Scale Purchase.

Accordingly, with respect to Large-Scale Purchases that would impact the management of the Company, while giving maximum respect to the recommendation of the special committee, consisting of members independent from the management team that manages and executes the operations of the Company, the Company believes the suitability of these purchases should be judged in accordance with certain rules.

The Board of Directors of the Company continues to maintain this fundamental approach and, as follows, sets rules regarding Large-Scale Purchases of the Company's shares (hereafter referred to as the "Large-Scale Purchase Rules"), and requests compliance with the Large-Scale Purchase Rules from Large-Scale Purchasers. The Board of Directors of the Company has a policy of taking certain measures in the event that a Large-Scale Purchaser does not comply with the Large-Scale Purchase Rules. The Board of Directors of the Company also has a policy of taking certain measures when it is clear that the Large-Scale Purchase will cause damage from which it will be difficult for the Company to recover or in cases where the interests of the Company's shareholders as a whole will suffer significant damage.

To the Board of Directors of the Company, a Large-Scale Purchase conducted in accordance with the Large-Scale Purchase Rules shall be considered to be in accord with the interest of the Company's shareholders as a whole.

2. Details of the Policy

(1) Establishing Large-Scale Purchase Rules

For the interest of all shareholders of the Company, any Large-Scale Purchase shall be conducted in accordance with the Large-Scale Purchase Rules prescribed below.

These Large-Scale Purchase Rules require (i) the Large-Scale Purchaser to provide the Board of Directors of the Company with sufficient information in advance and (ii) any Large-Scale Purchase to be commenced only following the passage of the Board of Directors' Assessment Period (or, if a general meeting of shareholders to confirm the shareholders' intent (defined in (3)(e) below; the same shall apply hereinafter) is held, after the conclusion of such a meeting).

(2) Details of Large-Scale Purchase Rules

First, the Company shall have the Large-Scale Purchaser provide to the Board of Directors of the Company sufficient information required for the Company's shareholders to make a judgment and for the Board of Directors to form an opinion (hereafter, this information is referred to as the "Large-Scale Purchase Information"). Specifics are defined in Appendix 1.

As the concrete details of the Large-Scale Purchase Information may vary based on the details of the Large-Scale Purchase, when a Large-Scale Purchaser intends to undertake a Large-Scale Purchase, the Company will first have the Large-Scale Purchaser submit to the Company a statement of intent to comply with the Large-Scale Purchase Rules. In the statement of intent, the Company asks that the name, address, governing law of incorporation of the Large-Scale Purchaser, the name of its representative, and domestic contact information of the Large-Scale Purchaser, and outline of the proposed Large-Scale Purchase be clearly indicated. Within five (5) business days following receipt of this statement of intent, the Company shall deliver to the Large-Scale Purchaser a list of the Large-Scale Purchase Information which should be submitted to the Company by the Large-Scale Purchaser.

In the event that it is considered that the information initially submitted alone is insufficient as Large-Scale Purchase Information, the Company may have additional information submitted until the Large-Scale Purchase Information is sufficiently complete through the establishment of a reasonable

submission deadline (not more than sixty (60) days counted from the day on which the Company delivers the list of Large-Scale Purchase Information) by the Board of Directors of the Company on the condition that a similar judgment is reached by the special committee, and the specific deadline established and the reasons that the reasonable period is necessary shall be disclosed to shareholders.

The Board of Directors of the Company shall promptly disclose the fact that there has been a Large-Scale Purchase proposal. Additionally, the Large-Scale Purchase Information submitted to the Board of Directors of the Company shall be disclosed in full or in part in a timely manner if it is deemed necessary for shareholders to make a judgment.

Next, in accordance with the degree of difficulty of the assessment, etc. of the Large-Scale Purchase, a sixty (60)-day period (in the case of the purchase of all the shares of the Company through a public tender offer only for cash (yen) consideration) or a ninety (90)-day period (in the case of other Large-Scale Purchases) after the completion of submission of the Large-Scale Purchase Information shall be set aside as a period for the assessment, investigation, negotiation, opinion formation, and the preparation of alternative proposals by the Board of Directors (hereafter referred to as the "Board of Directors' Assessment Period"). The Board of Directors' Assessment Period will not be extended. The Board of Directors of the Company shall promptly disclose the fact that the submission of the Large-Scale Purchase Information was completed and matters relating to the Board of Directors' Assessment Period. The Large-Scale Purchase shall be commenced only following the passage of the Board of Directors' Assessment Period (or, if a general meeting of shareholders to confirm the shareholders' intent is held, after the conclusion of such a meeting).

During the Board of Directors' Assessment Period, the Board of Directors of the Company, while receiving the advice of outside experts, shall make a sufficient assessment and investigation of the submitted Large-Scale Purchase Information and shall disclose an opinion as the Board of Directors. As necessary, the Board of Directors may negotiate with the Large-Scale Purchaser concerning improvements in the terms of the Large-Scale Purchase and may also present, as the Board of Directors of the Company, alternative proposals to the shareholders. Additionally, the Board of Directors of the Company shall submit the Large-Scale Purchase Information to a special committee and request an assessment and investigation of the information. The special committee shall undertake its own assessment and investigation of the Large-Scale Purchase Information and shall make a recommendation concerning the measures of response which the Board of Directors of the Company should take in accordance with the Policy. The Board of Directors of the Company shall take the special committee's recommendation into consideration and shall determine a measure of response that complies with the Policy while giving maximum respect to that recommendation.

(3) Policies in the event of a Large-Scale Purchase

(a) When a Large-Scale Purchaser does not comply with the Large-Scale Purchase Rules

When a Large-Scale Purchaser does not submit a statement of intent, when a Large-Scale Purchaser commences a Large-Scale Purchase prior to the passage of the Board of Directors' Assessment Period, when a Large-Scale Purchaser does not provide sufficient information in accordance with the Large-Scale Purchase Rules, or when a Large-Scale Purchaser otherwise does not comply with the Large-Scale Purchase Rules, the Board of Directors of the Company shall, for the purpose of protecting the interests of the Company's shareholders as a whole, take measures, such as the issuance of subscription rights to shares, deemed to be within the authority of the Board of Directors by the Companies Act, other laws and the Company's Articles of Incorporation and may oppose the Large-Scale

Purchase. The Board of Directors of the Company shall, in advance of deciding to implement countermeasures, consult the special committee concerning the appropriateness of the implementation of the countermeasures and shall receive the special committee's recommendation. While giving maximum respect to the recommendation of the special committee, the Board of Directors of the Company shall make a decision on the implementation of the countermeasures having referenced the opinions of attorneys, financial advisors and other outside experts.

The Company speculates that the issuance of subscription rights to shares will be used as a specific countermeasure. An outline of the case where subscription rights to shares are issued based on a shareholder allotment as a concrete countermeasure shall, as a general principal, be as set forth in Appendix 2. In the event subscription rights to shares are issued, the exercise period, exercise terms and acquisition terms may be established having given consideration to their impact as a countermeasure, such as making the exercise terms and acquisition terms of the subscription rights to shares so as not to vest in a specific shareholder group that has a certain percentage or more of the voting rights.

The establishment of these Large-Scale Purchase Rules and countermeasures in the event that a Large-Scale Purchaser does not comply with said rules are deemed to be a fair and appropriate response for the purpose of protecting the rightful interests of the Company's shareholders as a whole. Contrarily, it is possible that, through the countermeasures, a Large-Scale Purchaser that does not comply with the Large-Purchase Rules may ultimately experience detrimental effects including economic losses. May this serve as advanced warning against commencing a Large-Scale Purchase in disregard of the Large-Scale Purchase Rules.

(b) When a Large-Scale Purchaser complies with the Large-Scale Purchase Rules

With respect to the purchase of the Company's shares on a scale that may have an impact on the management of the Company, the purposes of the Large-Scale Purchase Rules, from the perspective of protecting the interests of the Company's shareholders as a whole, are to provide information necessary for shareholders to make a judgment whether to accept such a purchase, to provide shareholders with the assessment and opinion of the Board of Directors of the Company who are actually responsible for the management of the Company and, furthermore, to ensure that there is an opportunity for shareholders to be presented with alternative proposals. When the Large-Scale Purchase Rules are being complied with, these rules are not, as a general principle, in place to inhibit the Large-Scale Purchase simply on the judgment of the Board of Directors of the Company alone.

However, exceptionally, even though a Large-Scale Purchaser complies with the Large-Scale Purchase Rules, when the Board of Directors of the Company judges, having referred to the opinions of attorneys, financial advisors and other outside experts and having given maximum respect to the recommendation of the special committee, that it is clear that the Large-Scale Purchase will cause damage from which it will be difficult for the Company to recover or the interests of the Company's shareholders as a whole will suffer significant damage, measures set forth in (3) (a) above may be taken in order to deter the Large-Scale Purchase (provided, however, that if a general meeting of shareholders to confirm the shareholders' intent has been held, the Board of Directors of the Company shall make a decision in accordance with the resolution passed by the general meeting of shareholders to confirm the shareholders' intent). Timely and appropriate disclosures shall be made in the event it is decided to take such countermeasures.

Concretely, when acts are deemed to fall within the patterns below, the Company shall consider, as a general principle, the Large-Scale Purchase to fall within cases where it is clear that the purchase will

cause damage from which it will be difficult for the Company to recover or cases where the interests of the Company's shareholders as a whole will suffer significant damage.

(i) When purchases clearly infringe on the interests of shareholders as a whole due to acts listed in the following [1] to [4], etc.

[1] Act of buying up shares and demanding that the Company buy those shares at a high price

[2] Act of taking temporary control of the Company and engaging in management to realize the profits of the purchaser to the detriment of the Company, such as acquiring important assets, etc. of the Company at a low price

[3] Act of appropriating the assets of the Company to secure the debts or to be a source for repayment of the debts of the purchaser or its group companies, etc.

[4] Act of taking temporary control of the Company management, disposing of high valued assets, etc. without immediate relation to the business of the Company, and paying out a temporarily high dividend with the profits from that disposal, or watching for an opportunity for a rapid increase in stock prices caused by the temporarily high dividend to sell off shares

(ii) When it is objectively probable that purchases will effectively force shareholders to sell shares, such as coercive two-tiered tender offers (meaning the purchase of shares such as in a public tender offer under which the second stage purchase terms are disadvantageously set compared to the initial purchase terms or the second stage purchase terms are left ill-defined)

(c) Suspension after implementation of countermeasure

Even after the decision to take countermeasures in accordance with the Policy, the Board of Directors of the Company may decide to suspend the implementation of the countermeasures, having given maximum respect to the recommendation of the special committee, (i) when the Large-Scale Purchaser halts the Large-Scale Purchase and (ii) when there is a change in the relevant facts, etc. upon which the determination to take countermeasures were premised, and it is judged that the Large-Scale Purchase will not cause damage from which it will be difficult for the Company to recover, and furthermore, will not significantly damage the interests of the Company's shareholders as whole (provided, however, that if a general meeting of shareholders to confirm the shareholders' intent has been held and a resolution supporting the suspension of the implementation of countermeasures has been passed at the meeting, the Board of Directors of the Company shall make a decision in accordance with the resolution passed by the general meeting of shareholders to confirm the shareholders' intent).

In the case of, for example, a gratis allotment of subscription rights to shares as a countermeasure, when circumstances have arisen, such as the Large-Scale Purchaser withdrawing the Large-Scale Purchase, after the determination of shareholders who should receive an allotment of rights and the Board of Directors judges, having considered the recommendation of the special committee, that the implementation of countermeasures is inappropriate, the gratis allotment of subscription rights to shares may be suspended during the period up to the effective date of the subscription rights to shares or, during the period after the gratis allotment of the subscription rights to shares up to the start of their exercise period, the Company may acquire the subscription rights to shares without consideration and suspend the implementation of the countermeasures.

In the event that the implementation of countermeasures is suspended as noted above, information

concerning this will be promptly disclosed along with matters deemed necessary by the special committee.

(d) Establishment of special committee and investigation thereby

In the Policy, in order to ensure the objectivity, fairness and rationality of the judgment of the Board of Directors of the Company when judging whether the Large-Scale Purchaser has complied with the Large-Scale Purchase Rules, whether the Large-Scale Purchase falls within cases where it is clear that the purchase will cause damage from which it will be difficult for the Company to recover or cases where the interests of the Company's shareholders as a whole will suffer significant damage, and then whether to take countermeasures against the Large-Scale Purchase, whether to hold a general meeting of shareholders to confirm the shareholders' intent in determining whether to take such countermeasures and whether to suspend their implementation, the Company shall establish a special committee as an organization independent from the Board of Directors of the Company, and the Board of Directors of the Company shall give maximum respect to the committee's recommendation. The special committee shall consist of three (3) members who shall be selected from among outside directors, outside audit & supervisory board members, company managers with a wealth of management experience, persons thoroughly familiar with investment banking, attorneys, certified public accountants, tax accountants, academics, or other persons with similar qualifications.

When a decision is made to or not to implement countermeasures, to or not to hold a general meeting of shareholders to confirm the shareholders' intent, or to suspend the implementation of countermeasures, the Board of Directors of the Company shall always consult with the special committee and receive its recommendation. The special committee may, at the expense of the Company, obtain the advice of third parties (including financial advisors, certified public accountants, attorneys, consultants and other experts) who are independent from the management team of the Company, or request the attendance of the Company's directors, audit & supervisory board members, employees, etc. at meetings of the special committee and request explanations concerning necessary information. The special committee shall deliberate and form resolutions and, based on the contents of those resolutions, present their recommendation to the Board of Directors of the Company. When judging whether to implement countermeasures, whether to hold a general meeting of shareholders to confirm the shareholders' intent in determining whether to take such countermeasures and whether to suspend the implementation of countermeasures, the Board of Directors of the Company shall give maximum respect to the special committee's recommendation. A summary of the rules of the special committee is found in Appendix 3.

(e) Procedure for the confirmation of the shareholders' intent

If the Board of Directors of the Company has determined, after giving maximum respect to the recommendations of the special committee, that whether to implement countermeasures should be determined through the procedure for the confirmation of the shareholders' intent, the Board of Directors of the Company may hold a general meeting of shareholders to confirm the shareholders' intent (hereinafter "General Meeting of Shareholders to Confirm the Shareholders' Intent"). In cases where the Large-Scale Purchaser complies with Large-Scale Purchase Rules and the implementation of countermeasures is proposed, a General Meeting of Shareholders to Confirm the Shareholders' Intent shall always be held to confirm the intent of the shareholders regarding whether to implement countermeasures unless it is extremely difficult to hold such a meeting. In conjunction with the holding of a General Meeting of Shareholders to Confirm the Shareholders' Intent, the Board of Directors of the

Company may also solicit the shareholders of the Company on the exercise of voting rights at the General Meeting of Shareholders to Confirm the Shareholders' Intent in order to prevent damage to the corporate value and the common interest of shareholders. The convocation procedure and the voting methods of the General Meeting of Shareholders to Confirm the Shareholders' Intent shall be the same as those of the ordinary or extraordinary general meeting of shareholders, which are based on laws and regulations and the Articles of Incorporation of the Company, and the Board of Directors of the Company shall obey the resolution of the General Meeting of Shareholders to Confirm the Shareholders' Intent on whether to implement countermeasures.

(4) Effective term of the Large-Scale Purchase Rules

In the event that the consent of a majority of the voting rights of the shareholders in attendance (including the shareholders who exercise voting rights in writing or online) is obtained at this Ordinary General Meeting of Shareholders with respect to the continuation of the Policy, the effective term of the Policy shall be up to the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within three (3) years from the date of this Ordinary General Meeting of Shareholders, and this shall apply in successive terms thereafter.

Even during the effective term, the Policy shall be abolished at the point in time when a resolution is passed to abolish the Policy in a general meeting of shareholders or when a resolution is passed to abolish the Policy at a meeting of the Board of Directors of the Company. Furthermore, even during the effective term of the Policy, the Board of Directors of the Company may revise the Policy within the extent deemed reasonable and necessary by laws and regulations, guideline amendments, etc. upon receiving approval from the special committee. In the event that the Board of Directors resolves to abolish or otherwise amend the Policy, matters deemed appropriate by the Board of Directors of the Company or the special committee shall be disclosed in an appropriate and timely manner in accordance with applicable laws and regulations.

3. Supplemental explanations

(1) Members of the special committee

Mr. Michihiro Nara, Mr. Toshihisa Takata and Mr. Norio Henmi are nominated as members of the special committee and will work as members of the special committee in the event that the continuation of the Policy is approved in this Ordinary General Meeting of Shareholders. A profile of each of these individuals is set forth in Appendix 4.

(2) Impact on shareholders and investors of the Company

While it is not assumed that there will be circumstances where shareholders (except for any Large-Scale Purchasers) may be caused economic damage or deprived of any right due to the implementation of countermeasures based on the Policy, the Board of Directors of the Company shall timely and appropriately disclose information in accordance with relevant laws and regulations and financial instruments exchange rules when it decides to take concrete countermeasures.

In the event that a gratis allotment of subscription rights to shares is undertaken as one of the possible countermeasures, an allotment of subscription rights to shares shall be made to shareholders recorded in the final shareholder registry on the record date separately determined at a meeting of the Board of Directors of the Company and publically announced, in accordance with the number of shares held. Thus, shareholders need to be recorded in the final shareholder registry on the said record date. Additionally,

shareholders need to complete payment of a fixed sum within the prescribed period in order to exercise the subscription rights to shares and obtain those shares. However, in the event that the Company undertakes the acquisition of subscription rights to shares in accordance with acquisition terms that allow the Company to acquire subscription rights to shares in exchange for shares of the Company, shareholders who hold the subscription rights to shares subject to the said acquisition by the Board of Directors of the Company may receive the grant of the Company's shares as consideration for the acquisition of the subscription rights to shares by the Company without the need for the payment of monies. Separate notification of the details of these procedures shall be made in accordance with laws and regulations and financial instruments exchange rules when in fact subscription rights to shares are issued or acquired.

Even though a resolution has once been passed for the gratis allotment of subscription rights to shares, there may be cases where the Company, in accordance with 2. (3) (c) above, suspends the gratis allotment of subscription rights to shares during the period up to the effective date for the gratis allotment of subscription rights to shares or, acquires the subscription rights to shares without consideration up to the day immediately prior to the first date of the exercise period of the subscription rights to shares following the effective date for the gratis allotment of the subscription rights to shares. In these events, there is a possibility for corresponding fluctuation in the stock price of the Company's shares. For example, in the event that after the determination of shareholders who should receive a gratis allotment of subscription rights to shares (on or after the ex-rights date), the Company acquires the subscription rights to shares without consideration and does not issue new shares, no dilution of the per-share value of the shares shall arise and, therefore, investors who traded in the Company's shares on the premise that dilution of the value of the Company's shares would occur risk suffering a loss due to fluctuations in the stock price.

An overview of the status of holdings of the Company's shares is presented in Appendix 5.

(3) Satisfaction of the requirements of the guidelines regarding takeover defense

The Policy satisfies the three principles (principle of protecting and enhancing corporate value and the common interests of shareholders, principle of prior disclosure and shareholders' opinion, and principle of ensuring the necessity and reasonableness) set out in the "Guidelines Regarding Takeover Defense Measures for the Purposes of Protection and Enhancement of Corporate Value and Common Interests of Shareholders" announced by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005.

(4) Not a Dead-Hand Takeover Defense Measure or Slow-Hand Takeover Defense Measure

The Policy is one that may be abolished by the Board of Directors consisting of Directors that were elected at a general meeting of shareholders of the Company. It is possible for a person who has purchased the Company's share certificates, etc. in bulk to nominate Directors at a general meeting of shareholders of the Company and abolish the Policy through the Board of Directors consisting of such Directors. Accordingly, the Policy is not a dead-hand takeover defense measure (a takeover defense measure in which its implementation cannot be stopped even by replacing a majority of the members of the Board of Directors). Furthermore, the term of office of Directors of the Company is one (1) year, meaning the Policy is not a slow-hand takeover defense measure (a takeover defense measure in which the replacement of the members of the Board of Directors cannot occur all at once and therefore it takes time to stop its implementation).

(Appendix 1)

Large-Scale Purchase Information

1. Information on the Large-Scale Purchaser and its group (in the case of a fund, including the partners and other constituent members)

(1) Names, capital relation, and financial details

(2) In the case where the Large-Scale Purchaser is an individual: Nationality, professional experience, names of companies or other organizations (hereafter referred to as "juridical person"), their principal businesses and addresses which the relevant person proposing the takeover has managed, operated or has been employed at, and the beginning and ending dates of such management, operation or employment

(3) In the case where the Large-Scale Purchaser is a juridical person: In respect to the relevant juridical person and its important subsidiaries, etc., principal businesses, country where incorporated, governance status, financial details of capital and long-term borrowing for the past three (3) years, major legal procedures pending in court relating to the relevant juridical person or its assets, outline of businesses undertaken up to the present, and names of directors, corporate officers, etc.

(4) If any: Criminal history for the past five (5) years (excluding traffic violations and similar petty crimes), violations relating to the Financial Instruments and Exchange Act and the Companies Act (including foreign laws comparable to these) for the past five (5) years, and whether there are other important issues relating to compliance

2. The objective, method and details of the Large-Scale Purchase (including the value/type of consideration for the acquisition, timing of acquisition, structure of related transactions, lawfulness of the method of acquisition, and feasibility of acquisition)

3. Basis for the calculation of the consideration for the acquisition of the Company's shares (including the facts/assumptions which are the premise of the calculation, calculation method, numerical information used in the calculation, and synergies which it is assumed will be created through the series of transactions relating to the acquisition and bases of the calculation for such synergies)

4. Financial resources for the Large-Scale Purchase (including concrete name of the supplier (including the material supplier) of funds, procurement method, and details of related transactions)

5. Post-purchase management policy, business plan, and capital and dividend policies for the Company

6. Post-purchase policies dealing with the Company's employees, trading partners, customers, regional society, and other interested parties (stakeholders) relating to the Company

7. Details and prospects of required procedures when executing the Large-Scale Purchase, such as required approval of governmental authorities and agreement of third parties. The applicability of antitrust laws or other competition laws and of other important laws of the countries and regions where the Large-Scale Purchaser or the Company engages in business or sells products and thoughts concerning whether these laws will be obstacles when executing the Large-Scale Purchase and that basis

8. Other information reasonably judged necessary and requested by the Board of Directors or the special committee of the Company

(Appendix 2)

Summary of Subscription Rights to Shares

1. Shareholders subject to the allotment of subscription rights to shares and issuance terms

   Shareholders who are recorded in the final shareholder registry on the record date prescribed by the Board of Directors shall be allotted subscription rights to shares at a rate of one (1) right per share possessed (however, excluding common shares held by the Company). There may be cases where shareholders shall be granted the right to receive an allotment of subscription rights to shares and are solicited to subscribe to subscription rights to shares for subscription and cases where a gratis allotment of subscription rights to shares shall be made.

2. Class and number of shares to be delivered upon exercise of subscription rights to shares

   The class of shares to be delivered upon exercise of the subscription rights to shares shall be the common shares of the Company, and the upper limit of the total number of the shares to be delivered upon exercise of subscription rights to shares shall be determined by subtracting the total number of the common shares of the Company issued (excluding the number of common shares held by the Company) from the total number of shares authorized to be issued as of the record date prescribed by the Board of Directors of the Company. The number of shares to be delivered upon exercise of one (1) subscription right to shares shall be one (1) share; provided, however, if the Company makes a share split or a share consolidation, the required adjustments shall be made.

3. Total number of subscription rights to shares to be issued

   The total number of subscription rights to shares to be allotted shall be the number prescribed by the Board of Directors of the Company, and its upper limit shall be determined by subtracting the total number of the common shares of the Company issued (excluding the number of common shares held by the Company) from the total number of shares authorized to be issued as of the record date prescribed by the Board of Directors of the Company. The Board of Directors may make an allotment of subscription rights to shares multiple times within a scope not to exceed the upper limit of the total allotment number.

4. Amount to be paid in for each subscription right to shares

   Gratis (No payment of monies is required.)

5. Amount of property to be contributed upon exercise of subscription rights to shares

   The amount of property to be contributed upon exercise of subscription rights to shares shall be an amount of one (1) yen or more prescribed by the Board of Directors.

6. Restrictions on transfer of subscription rights to shares

   The acquisition of subscription rights to shares by transfer shall require approval by a resolution of the Board of Directors.

7. Exercise terms of subscription rights to shares

   The Company may determine terms for the exercise of subscription rights to shares, such as not allowing the exercise of rights by persons belonging to a specific shareholder group holding 20% or more voting rights (excluding persons whose acquisition or possession of the Company's share certificates, etc. is deemed by the Board of Directors of the Company not to be contrary to the interests of the Company's shareholders as a whole). Details shall be separately determined at a meeting of the Board of Directors of the Company.

8. Exercise period, etc. of subscription rights to shares

   The exercise period, acquisition terms, and other necessary matters of subscription rights to shares shall be separately determined by the Board of Directors. With respect to acquisition terms, the Company may determine terms that allow the Company to acquire subscription rights to shares held by persons other than those whose exercise of subscription rights to shares due to the exercise terms of 7. above is not allowed and may deliver one (1) share per subscription right to shares.

(Appendix 3)

Summary of the Rules of the Special Committee

1. The special committee shall be established for the purposes of defying arbitrary judgments of the Board of Directors regarding the implementation, etc. of countermeasures against Large-Scale Purchases, and ensuring objectivity, fairness, and rationality of the judgment of the Board of Directors.
2. The special committee shall consist of three (3) members, independent from the management team that manages and executes the operations of the Company, and appointed by the Board of Directors of the Company from among any of the following relevant persons: (i) outside directors of the Company, (ii) outside audit & supervisory board members of the Company, (iii) outside experts. However, outside experts shall be company managers with a wealth of management experience, persons thoroughly familiar with investment banking, attorneys, certified public accountants, tax accountants, academics, or other persons with similar qualifications, and such persons must conclude with the Company contracts that include a duty of care of prudent manager provision, determined separately by the Board of Directors of the Company.
3. The terms of office of special committee members shall be until the conclusion of the Ordinary General Meeting of Shareholders for the last fiscal year ending within three (3) years after their appointment. However, this limit shall not apply in cases where the term of office is otherwise provided for by a resolution of the Board of Directors of the Company.
4. The special committee shall receive consultations from the Board of Directors, deliberate and form resolutions regarding the various matters listed in the items below, and present their recommendation to the Board of Directors of the Company based on the contents of those resolutions. In said deliberations and forming of resolutions, each member of the special committee shall consider the deliberated action from the perspective of whether said action will contribute or not contribute to the corporate value and the common interests of the shareholders of the Company, not with the purpose of pursuing the committee member's own personal benefit or that of the management team of the Company.
   [1] The appropriateness of implementing countermeasures against Large-Scale Purchases
   [2] Suspending the implementation of countermeasures against Large-Scale Purchases
   [3] Whether it is necessary to hold a General Meeting of Shareholders to Confirm the Shareholders' Intent
   [4] From among the other matters that the Board of Directors of the Company should pass judgment on, matters for which the Board of Directors of the Company has consulted the special committee
5. The special committee may, at the expense of the Company, obtain the advice of third parties (including financial advisors, certified public accountants, attorneys, consultants and other experts) who are independent from the management team of the Company.
6. In order to gather necessary information, the special committee may request the attendance of the Company's directors, audit & supervisory board members, employees, or others that the special committee recognizes as necessary, and may demand explanations regarding matters that the special committee inquires about.
7. Resolutions by the special committee shall be made, as a general principle, with of all members of the special committee in attendance and by a majority of those in attendance. However, under unavoidable circumstances, resolutions may be made with a majority of the members of the special committee in attendance and by a majority of their voting rights.

(Appendix 4)

Names and Brief Histories of the Members of the Special Committee

The following three individuals shall be appointed as members of the special committee upon approval of continuation of the Policy.

Michihiro Nara

(Date of birth: May 17, 1946)

Brief history

April 1974	Registered as an attorney-at-law
June 2014	Director, the Company (to the present)

* In the event approval is given to the agenda item regarding the election of directors at this Ordinary General Meeting of Shareholders, Mr. Michihiro Nara shall be appointed as an outside director.

Toshihisa Takata

(Date of birth: January 8, 1954)

Brief history

April 1976	Joined Ministry of Foreign Affairs of Japan
August 2010	Ambassador Extraordinary and Plenipotentiary of Japan to Kenya
October 2010	Ambassador Extraordinary and Plenipotentiary of Japan to Kenya, Eritrea, Seychelles, and Brundi
January 2013	Ambassador Extraordinary and Plenipotentiary of Japan to Kenya, Eritrea, Seychelles, and Brundi and Somalia
August 2013	Ambassador in charge of Okinawan Affairs
May 2015	Ambassador Extraordinary and Plenipotentiary of Japan to New Zealand, Samoa, the Cook Islands, and Samoa
June 2016	Ambassador Extraordinary and Plenipotentiary of Japan to New Zealand, the Cook Islands, Samoa, and Niue
March 2017	Ambassador Extraordinary and Plenipotentiary of Japan to New Zealand, the Cook Islands, and Niue
October 2018	Retired from office
June 2019	Director, the Company (to the present)

* In the event approval is given to the agenda item regarding the election of directors at this Ordinary General Meeting of Shareholders, Mr. Toshihisa Takata shall be appointed as an outside director.

Norio Henmi

(Date of birth: June 13, 1957)

Brief history

April 1989	Registered as an attorney-at-law
June 2018	Audit & Supervisory Board Member, the Company (to the present)

* Mr. Norio Henmi is an outside audit & supervisory board member as prescribed in Article 2, Item 16 of the Companies Act.

(Appendix 5)

Overview of the status of holdings of the Company's shares (as of March 31, 2020)

1. Total number of shares authorized to be issued

2,400,000,000 shares

2. Total number of shares issued

1,014,381,817 shares

3. The number of shareholders at the end of the period

65,690 shareholders

4. Major shareholders (top 10)

Name of shareholder	Shares held	Percentage of total shares issued
	thousand shares	%
The Master Trust Bank of Japan, Ltd. (Trust account)	85,345	8.6
Japan Trustee Services Bank, Ltd. (Trust account)	58,342	5.9
Japan Trustee Services Bank, Ltd. (Trust account 4)	33,971	3.4
Sumitomo Mitsui Banking Corporation	31,668	3.2
Nippon Life Insurance Company	25,658	2.6
Mizuho Bank, Ltd.	21,636	2.2
Oji Group Employee Stock-holding Association	19,766	2.0
Japan Trustee Services Bank, Ltd. (Trust account 5)	16,700	1.7
The Norinchukin Bank	16,654	1.7
Japan Trustee Services Bank, Ltd. (Trust account 9)	16,154	1.6

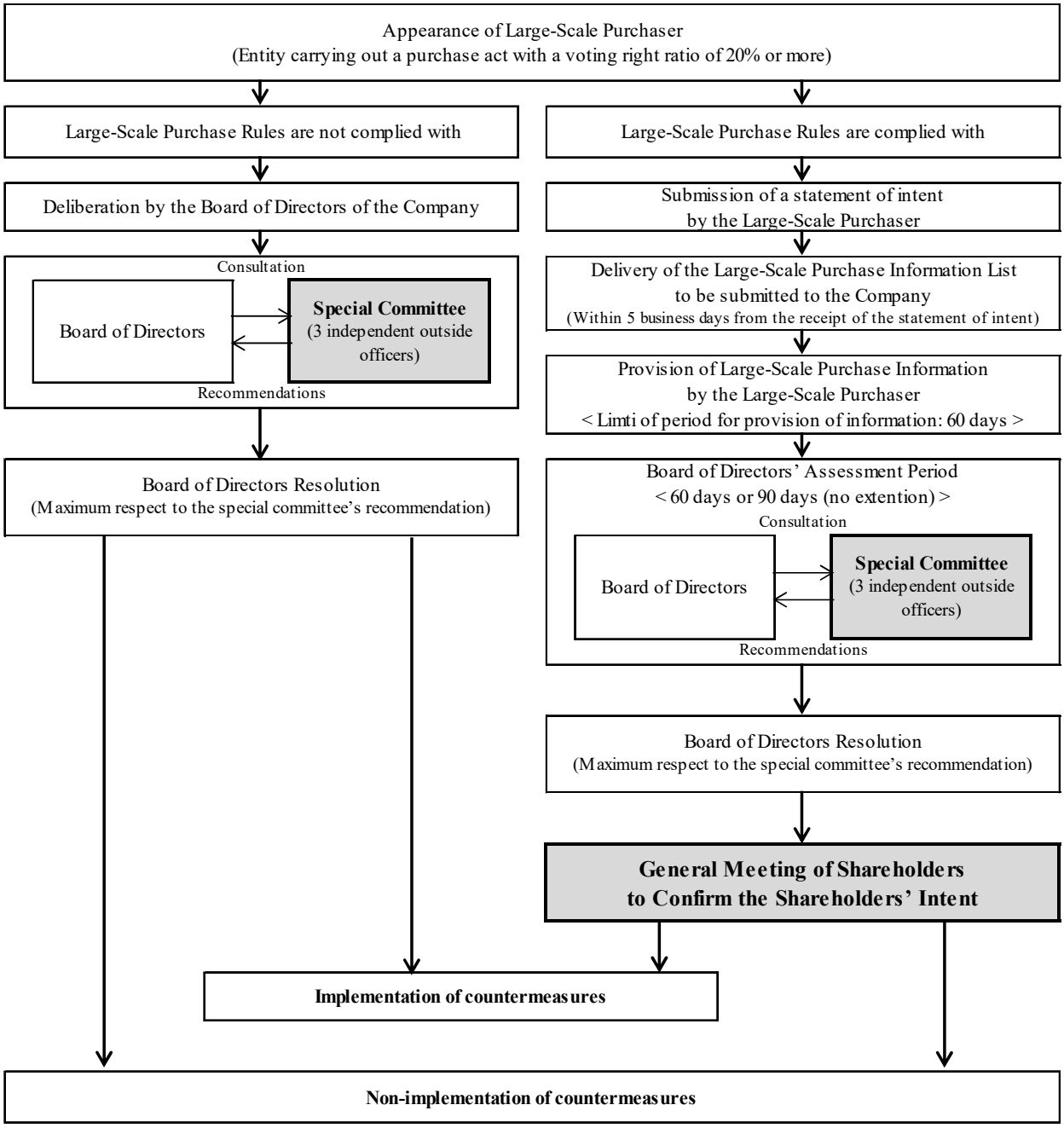
Note 1: The Company holds treasury stock of 22,327 thousand shares, which is excluded from the above list.

Note 2: The percentage of total shares issued has been calculated after excluding the Company's treasury stock (22,327 thousand shares).

Note 3. Numbers less than one thousand are rounded down to the nearest thousand.

(Reference)

Scheme for the Implementation of the Policy (Conceptual Diagram)



The above diagram is the scheme for implementation of the policy illustrated as explanation to our shareholders. Please refer to the text for the exact contents of this policy.