

Basic Policy for Building an Internal Control System

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1. A system for ensuring that the execution of duties by Directors and employees of Oji Holdings (the“Company”) and its subsidiaries shall comply with laws, regulations, and the Articles of Incorporation

1. The Company, having established the Oji Group Corporate Code of Conduct and the Oji Group Behavior Standard, reconfirms that Directors and employees of the Company and its subsidiaries shall promote corporate activities with an awareness of responsibility as a corporate citizen and by a strong sense of ethics that respond to the trust of society, and promises to continue such activities.
2. The Company shall strive to identify and remedy any problems by establishing a division for ensuring thorough compliance with laws and regulations through development of a Group-wide compliance system including training on legal compliance and an internal whistleblowing system.
3. The Company has established an internal system for preventing any form of relationship with anti-social forces by introducing an internal contact office. The Company shall maintain a firm stance against anti-social forces.
4. The Internal Audit Department shall conduct audits on compliance and report the results of the audits at the meeting stipulated in the Group Regulations.

2. A system related to the storage and management of information regarding the execution of duties by Directors

1. The Company shall store and manage documents (including documents issued by electromagnetic means) in accordance with laws and regulations and the Company's regulations on the handling of documents. Documents shall be accessible by Directors and Audit & Supervisory Board Members at all times upon request.

3. A system including regulations on the management of risks on loss to the Company and its subsidiaries

1. Important matters related to the Group-wide risk management and internal control systems shall be deliberated and reported, and proposed amendments to the Fundamental Policies on the Construction of an Internal Control System shall be deliberated, at a meeting stipulated in the Group Regulations.
2. The Company shall clarify its risk management structure by establishing fundamental regulations on the management of the Group's risks, and at the same time, manage Group-wide risks exhaustively and comprehensively and establish a system for handling each specific risk.
3. The Internal Audit Department shall conduct audits on the status of risk management and report the results to the meeting stipulated in the Group Regulations.

4. A system for ensuring efficient execution of duties by Directors of the Company and its subsidiaries

1. The Company shall establish a Group-wide management philosophy, fundamental management policies, medium-term management plans, and annual budget of the overall Group to clarify the goals and tasks to be shared by Directors and employees of the Company and its subsidiaries.
2. Each Director of the Company and its subsidiaries shall implement specific measures related to operations they are in charge of by following the above philosophy, fundamental policies, and plans, check the status of their progress accurately and promptly by making use of information technology systems and similar tools, and report the status to the Board of Directors of the Company and its subsidiaries. The Group shall establish a system for better achieving targets and completing tasks by encouraging improvements to eliminate or reduce factors that impair efficiency
3. The Company shall clarify the authorities and responsibilities of employees of the Company and its key subsidiaries in an attempt to ensure their duties are carried out organizationally and efficiently.

5. A system for ensuring appropriate business operations of the corporate group consisting of the Company and its subsidiaries, and a system related to reporting to the Company on matters concerning the execution of duties by Directors of the Company's subsidiaries

1. The roles of the Company and its subsidiaries and the Group's governance structure shall be clearly stipulated in the Group Regulations.
2. Unified procedures for internal approval and reporting in the Group shall be stipulated in the Group Regulations, thereby ensuring internal checks within the Group.

6. Matters related to employees who assist Audit & Supervisory Board Members in

the execution of their duties, matters related to the independence of such employees from Directors, and matters related to securing the effectiveness of directions to such employees, which apply where the assignment of such employees is requested by Audit & Supervisory Board Members

1. The Company shall establish a division that assists Audit & Supervisory Board Members in the execution of their duties and assign several dedicated employees who are capable of validating the Company's business operations
2. The division that assists Audit & Supervisory Board Members in the execution of their duties shall be under the direct control of the Audit & Supervisory Board, and personnel reassignment and personnel evaluations of employees who belong to the division and disciplinary actions against them shall be subject to approval by Audit & Supervisory Board Members.
3. Employees who belong to the division that assists Audit & Supervisory Board Members in the execution of their duties shall follow directions and orders from Audit & Supervisory Board Members.

7. A system for reporting to Audit & Supervisory Board Members by Directors and employees of the Company and its subsidiaries, Audit & Supervisory Board Members of the subsidiaries, and those who have received reports from these persons, and a system for ensuring that they shall not receive disadvantageous treatment as a result of the reporting

1. It is stipulated in the Group Regulations that matters related to the execution of important duties and matters that may cause a substantial loss should be deliberated or reported at a meeting specified by the Group Regulations. The Company shall secure a system under which important matters are reported to Audit & Supervisory Board Members through their attendance at the meeting or the inspection of documents.
2. Directors and employees of the Company and its subsidiaries and Audit & Supervisory Board Members of the subsidiaries shall report matters to the Audit & Supervisory Board, including those that are deemed necessary by Audit & Supervisory Board Members and those that Audit & Supervisory Board Members specially request them to report, in addition to matters designated by law, on an as-needed basis.
3. The Company shall report the status of compliance, such as internal audits, risk management, and whistleblowing, to Audit & Supervisory Board Members on a regular basis.
4. The Company shall secure a system that ensures that under the whistleblowing system, whistleblowers shall not receive any disadvantageous treatment as a result of their whistleblowing.

8. Matters related to policies on expenses generated concerning the execution of duties by Audit & Supervisory Board Members

1. Where an Audit & Supervisory Board Member has requested a payment of expenses needed for the execution of their duties, such expenses shall be processed promptly.
2. The Company shall set an annual budget for the expenses needed by Audit & Supervisory Board Members for fulfilling the audit plan.

9. Other systems for ensuring that audits by Audit & Supervisory Board Members shall be conducted effectively

1. The Company shall provide opportunities for regular exchanges of opinions between Audit & Supervisory Board Members and the Representative Director and Accounting Auditors.