

TOPPAN

Sustainability Report 2020

Sustainability Report 2020



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Sustainability Report 2020

This report presents sustainability information about the Toppan Group, focusing chiefly on various types of performance data and information on environmental, social, and governance (ESG) issues.

Period Covered This report mainly covers activities in fiscal 2019 (from April 2019 to March 2020), though information on prior and later years is also included in parts.

Scope and Boundary Toppan Printing Co., Ltd. and its Group entities consolidated for accounting purposes. The information on personnel principally applies to personnel within Toppan Printing Co., Ltd., the parent company. For details on the scope of the environmental performance data, see the List of Indicators Assured by an Independent Assurance Provider shown on page 128.

Publication Dates (English version) Previous report, December 2019; Current report, November 2020; Next report, November 2021 (planned)

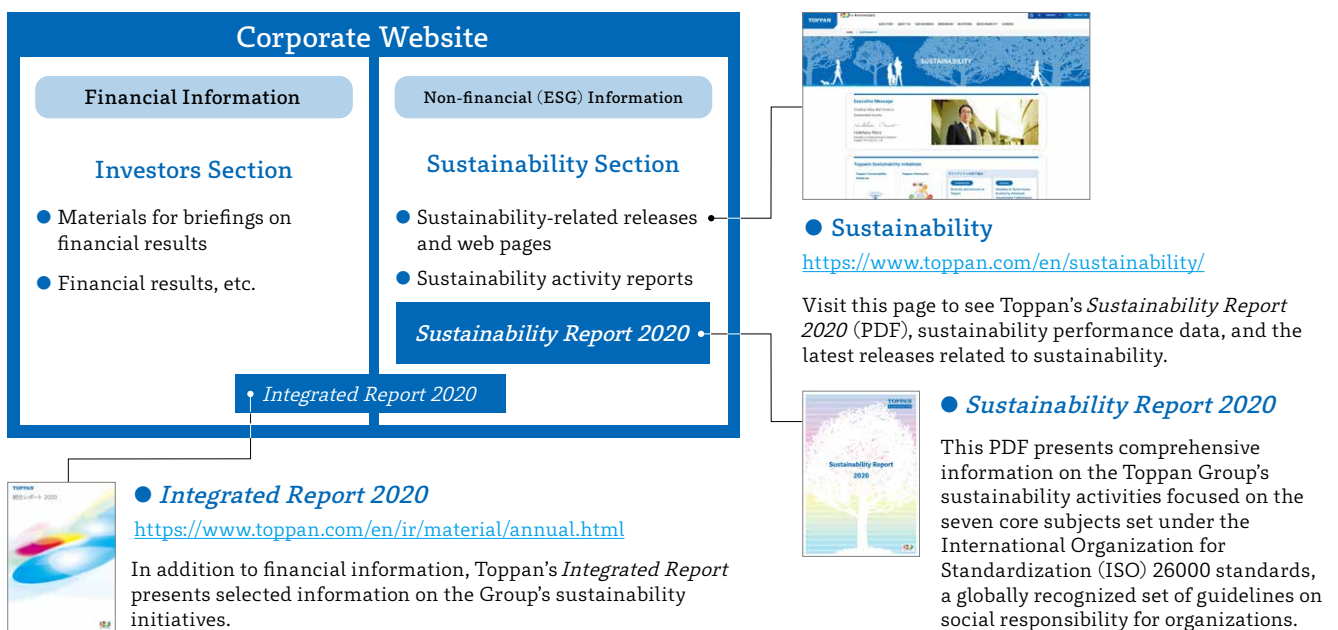
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Approach to Sustainability Information Disclosure

Toppan discloses general information on non-financial (environmental, social, and governance [ESG]) matters in a transparent, timely, appropriate manner to facilitate its engagement with customers, shareholders, investors, business partners, and stakeholders of every other type.



Guidelines Referenced

- ISO 26000 standards
- Global Reporting Initiative (GRI) Standards: The standards Toppan has referred to are listed in the "Global Reporting Initiative Content Index" on pages 130-132.
- Environmental Reporting Guidelines (fiscal year 2018 version) issued by the Ministry of the Environment of Japan

Executive Message



Creating Value that Drives a Sustainable Society

Hideharu Maro

Hideharu Maro

President & Representative Director
Toppan Printing Co., Ltd.

First of all, let me extend my heartfelt sympathies to the many people who have been affected by COVID-19. We are all praying for a timely recovery from the pandemic.

Since its foundation in 1900, Toppan has engaged in its business with a mission to contribute to the sustainable development of society by propagating printing technology. In 2000, the centennial year of Toppan Printing, we formulated *TOPPAN VISION 21* and declared our philosophy of “contributing to fulfilling lifestyles as a mainstay of information and culture.” We are pleased to see Toppan reach its 120th anniversary this year. Let me express my sincere thanks to our stakeholders for the strong and consistent support they have offered since our founding more than a century ago.

Moving into 2020, the world faces the challenges of climate change, marine plastic debris, the COVID-19 pandemic, and a host of other crises that are forcing people everywhere to reshape their lives and economic activities. To me, the fundamental shifts taking place in society represent an opportunity for the Toppan Group to evolve as a corporation that creates social value through innovation. In my view, this reaffirms the importance of Toppan’s technologies and services for the sustenance of civil and social infrastructure. We have developed these technologies and services based on the printing technologies Toppan has built up over its 120-year history. Looking ahead, we will address social issues as a provider of comprehensive solutions centered around “Toppan Digital Transformation (T-DX),” our key service tailored to meeting the rapidly expanding needs of the digital transformation.

In November 2019 we formulated and published the *TOPPAN SDGs STATEMENT* to set out our stance and the direction for our initiatives to take towards achieving the United Nations

Sustainable Development Goals (SDGs). These initiatives will drive the growth of the Group as a creator of social value. The material issues we seek to address in our Group operations have been selected from among the 17 SDGs. We classify these issues into two categories of materiality: “Companywide Materiality,” issues of focus to provide a platform for our corporate operations, and “Business Materiality,” issues to be addressed in our business operations. I have established, and am chairing, a Sustainability Promotion Committee to further intensify our sustainability activities. Under the committee framework, we will accelerate our SDG-focused initiatives by deliberating concrete measures and managing our progress towards attaining the goals set based on our assessment of materiality.

In May 2019 we also announced our support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We consider the impact of climate change on our business activities an important issue. We will be assessing the risks and opportunities presented by climate change and disclosing relevant information to our stakeholders.

As our society moves further into the new normal, we at the Toppan Group will help the international community realize a sustainable world by undertaking our sustainability activities with integrity and ramping up efforts towards a Toppan ideal that has endured since our foundation: to be a corporation that creates social value.

We greatly appreciate and rely on the ongoing support of all of our stakeholders.

September 2020

Toppan's Sustainability Initiatives

Evolving as a Corporation that Creates Social Value

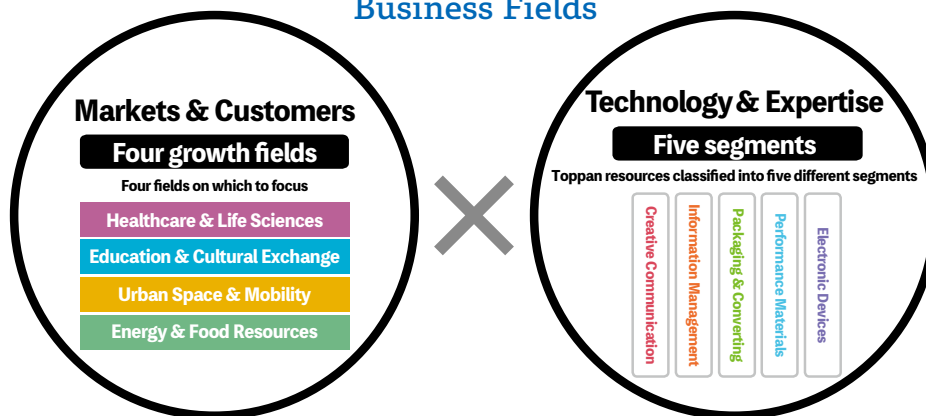
The Toppan Group strives to evolve as a corporation that creates social value towards the realization of a sustainable society. *TOPPAN VISION 21* sets forth the basic concepts and direction for the ongoing growth of the Group in harmony with society and the global environment. The vision consists of a "Corporate Structure" and a set of "Business Fields."

The Corporate Structure is made up of three elements: Toppan's Corporate Philosophy, the Corporate Creed, and the Conduct Guidelines. The Corporate Philosophy specifies ideals and the most important values and concepts for the Group. The Corporate Creed expresses the standards to be kept foremost in mind when

performing business operations. The Conduct Guidelines set out the basic concepts and behavioral norms for Toppan employees both as businesspeople and as members of society.

The Business Fields, meanwhile, are made up of two categories: "Markets & Customers" and "Technology & Expertise." The former focuses on four key fields for growth: Healthcare & Life Sciences, Education & Cultural Exchange, Urban Space & Mobility, and Energy & Food Resources. The latter encompasses accumulated Toppan technology and expertise in five segments. Toppan is creating social value in these four growth fields by using the Group's technology and expertise in the five segments to provide an array of products, services, and solutions developed through inclusive relationships with stakeholders.

TOPPAN VISION 21 Business Fields



Toppan's Sustainability Activities

The Toppan Group undertakes sustainability activities in accordance with the principles of the United Nations Global Compact and the guidelines of the ISO 26000 Guidance on Social Responsibility, a globally recognized standard for organizations. The United Nations Sustainable Development Goals (SDGs) have also been incorporated into the Group's sustainability activity targets. Toppan is committed to addressing the social issues targeted by the SDGs in order to promote the continual development of the Group as a creator of social value.

Japan joined with 192 other countries to adopt the SDGs at the UN Summit held in September 2015. The SDGs encompass 17 goals and 169 targets focused on social agendas for the international community to commit to achieving by 2030. Private-sector businesses around the world are expected to join policy initiatives to address the social agendas under the SDGs.

Since its foundation in 1900, Toppan has supported various client companies in their efforts to overcome challenges faced in business. The solutions Toppan offers to meet the ever-changing needs of markets and clients are based on specialist knowledge and

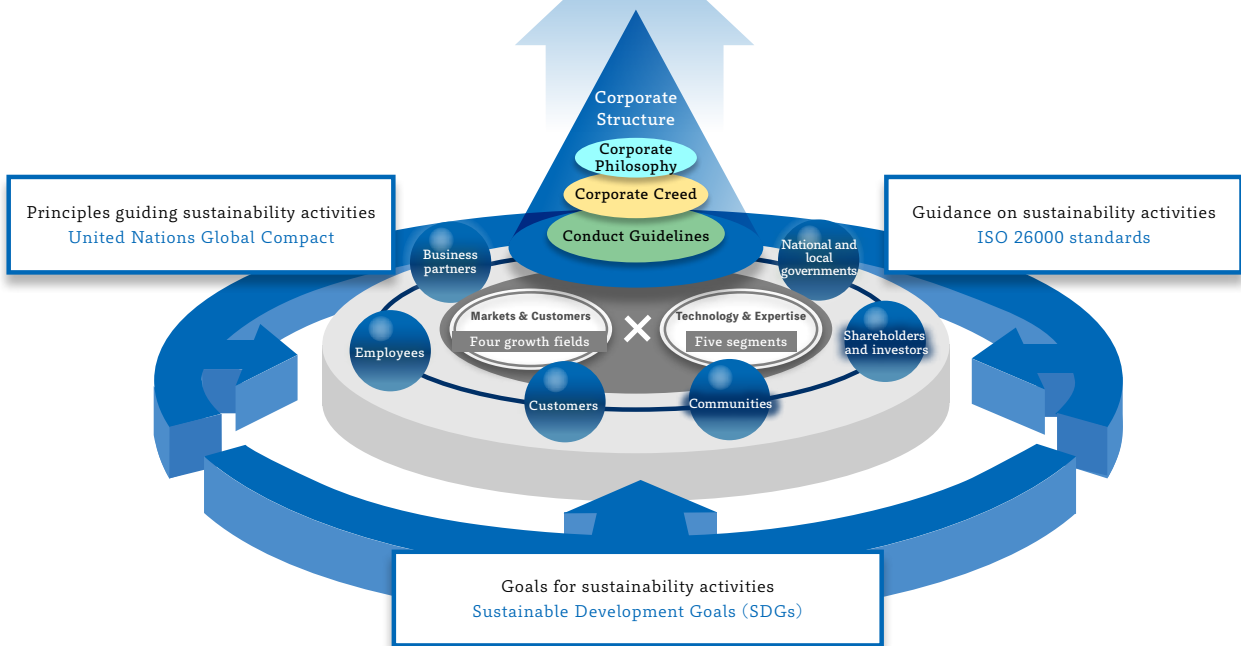
expertise of every variety derived from printing over many decades. Toppan shapes the Group's current Business Fields by applying printing technologies on all fronts.

In working with client companies as a partner to tackle the challenges they face, the Toppan Group gains opportunities to help solve global social issues through its core B2B business models. The areas targeted under the SDGs are the very issues Toppan should address as a corporation that has been striving to create social value through the Group's business enterprises.

Toppan formulated and published the *TOPPAN SDGs STATEMENT* in November 2019 to declare the Group's commitment to intensified initiatives for achieving the SDGs and actions to integrate those initiatives with management. According to this statement, Toppan has selected material issues on which to concentrate in the Group's SDG-focused activities as an impetus for its further growth as a corporation that creates social value. For the realization of a sustainable society, Toppan will earnestly engage in initiatives to attain the goals set based on the assessment of materiality by no later than 2030, the international community's target year for the attainment of the SDGs.

■ Toppan's Approach to Sustainability **A sustainable society**
A corporation that creates social value

TOPPAN VISION 21



Mechanism for Promoting Sustainability Initiatives

Toppan has established a Sustainability Promotion Committee chaired by the President & Representative Director to drive the Group's sustainability activities.

Working groups (WGs) are set under the committee to check the progress of sustainability activities and set out Toppan's approach for promoting future activities. The committee deliberates the conclusions of the WGs and reports and makes relevant recommendations to the Board of Directors through the

Management Committee. Based on the decisions of the Board of Directors on the directions of activities, the committee encourages the WGs to guide relevant departments across the Company in the planning and implementation of concrete measures.

Toppan also coordinates and shares information with Group companies to advance Group-wide sustainability initiatives. For intensified sustainability management, Toppan holds training sessions on sustainability for new employees every year and organizes annual Group-wide basic education programs for the employees of Toppan and the other main companies in the Group.

■ Promotion Structure



Stakeholder Engagement

Toppan values communication with stakeholders in its sustainability activities. Stakeholder opinions are a core guiding-factor in the Group's strategies to upgrade the activities.

Stakeholders	Main Initiatives	Examples of Engagement
Customers	Developing and supplying safe, secure products and services	Maintaining and improving the quality of products and services under the guidance of Japan-wide conferences of quality assurance departments
		Protecting personal information through strict information security management
		Offering universal design (UD) products and services; supporting client companies in their work to improve the design of their products and services from UD perspectives
		Delivering everyday-life value through Toppan online services for consumers; continuously improving the services
	Creating opportunities to sound out opinions on products and services	Performing daily operations
		Holding and participating in exhibitions and seminars
		Inviting customers to spaces where Toppan products are displayed
	Nurturing collaborative innovation to create social value	Engaging in industry-academia-government pilot projects, etc.
		Driving open innovation programs
		Advocating digital transformation using the "Toppan Digital Transformation (T-DX)" service
		Offering environmentally friendly products and services
		Operating "PLAZA21," a showroom for presenting examples of social value creation based on printing technology
		Operating "NIPPON GALLERY TABIDO MARUNOUCHI," a tourism-themed space for the collaborative revitalization of regions throughout Japan as major travel destinations
		Operating "L · IF · E," a showroom that inspires visions of fulfilling lifestyles in the future
		Operating "DX-GATE," a co-creation venue that allows visitors to experience a broad range of social businesses
Operating "WAO," a co-working space for supporting open innovation		
Shareholders and investors		Disclosing information on Toppan's financial position; briefing shareholders and investors on the Group's business activities and plans
	Briefing shareholders and investors on financial results	
	Briefing retail investors on the Group's financial performance; holding individual meetings and briefings for institutional investors	
	Issuing the <i>Integrated Reports</i> and <i>Toppan Story</i> newsletters	
	Posting IR information on the Toppan corporate website	
	Answering questionnaires from environmental, social, and governance (ESG) rating agencies	
Business partners	Promoting sustainable procurement	Publishing and advocating the Toppan Group CSR Procurement Guidelines
		Setting up the Supplier Hotline as a portal for receiving reports from business partners
		Monitoring compliance in procurement departments; improving compliance in procurement operations
		Controlling chemical components of products
		Conducting surveys and holding workshops on business continuity planning (BCP) for business partners
Providing fair and equal business opportunities		Verifying the legality of lumber as a paper material
		Concluding basic sale and purchase agreements with business partners

Stakeholders	Main Initiatives	Examples of Engagement	
National and local governments	Preparing for disasters	Participating in anti-disaster and fire-safety activities in the community	
	Stimulating communities	Supporting governments through business operations Participating in community festivals and events	
	Supplying information for solving social issues and promoting policies	Holding lectures, etc. on the environment and community design Answering questionnaires and surveys carried out by governments (e.g., government statistics) Organizing and participating in events to present Toppan technologies, etc. to public offices and municipalities	
Communities	Ascertaining opinions and requests	Setting up a portal for receiving and handling inquiries	
	Supporting the arts and culture	Operating the Printing Museum, Tokyo Operating the Toppan Hall; holding the <i>Toppan Charity Concert</i> series	
		Contributing to culture with help from Toppan resources	Organizing "Printing School" workshops off-site Organizing the "Kanosei (potential) Art Project" to support persons with illnesses and disabilities
	Conserving community environments	Regularly beautifying and cleaning up the surroundings of operational sites Organizing events to learn about biodiversity	
	Popularizing para-sports	Organizing hands-on para-sports events; delivering para-sports information via Toppan's <i>SPORTRAIT</i> website (in Japanese)	
	Communicating with the community	Holding plant tours Welcoming community members to in-house events	
		Supporting the empowerment of diverse human assets*	Formulating a policy to promote diversity in the workplace; obtaining commitments from top management Implementing programs to pursue diversity management, raise awareness about unconscious bias, etc. Adopting and supporting telecommuting systems Operating systems for in-house staff recruitment and employee self-determination on the career path
	Sharing wide-ranging information within the Group		Sending out executive messages Issuing <i>CONVEX</i> and <i>CONVEX Online</i> , in-house Group newsletters Surveying Group employees on wide-ranging topics Convening a Toppan Group Human Resource Development Committee and sharing information across the Group
Facilitating labor-management partnership			Convening business councils on a Company-wide level and operational site level Convening special committees to discuss pertinent issues of the day Holding labor-management events
			Providing information on occupational health and safety; implementing measures for mental healthcare
Receiving inquiries on human rights, etc.	Arranging a program to determine when employees on mental healthcare leave can return to work, as a safeguard to prevent the recurrence of mental illnesses Setting up the Toppan Group Helpline		

*Toppan values its employees as precious "human assets."

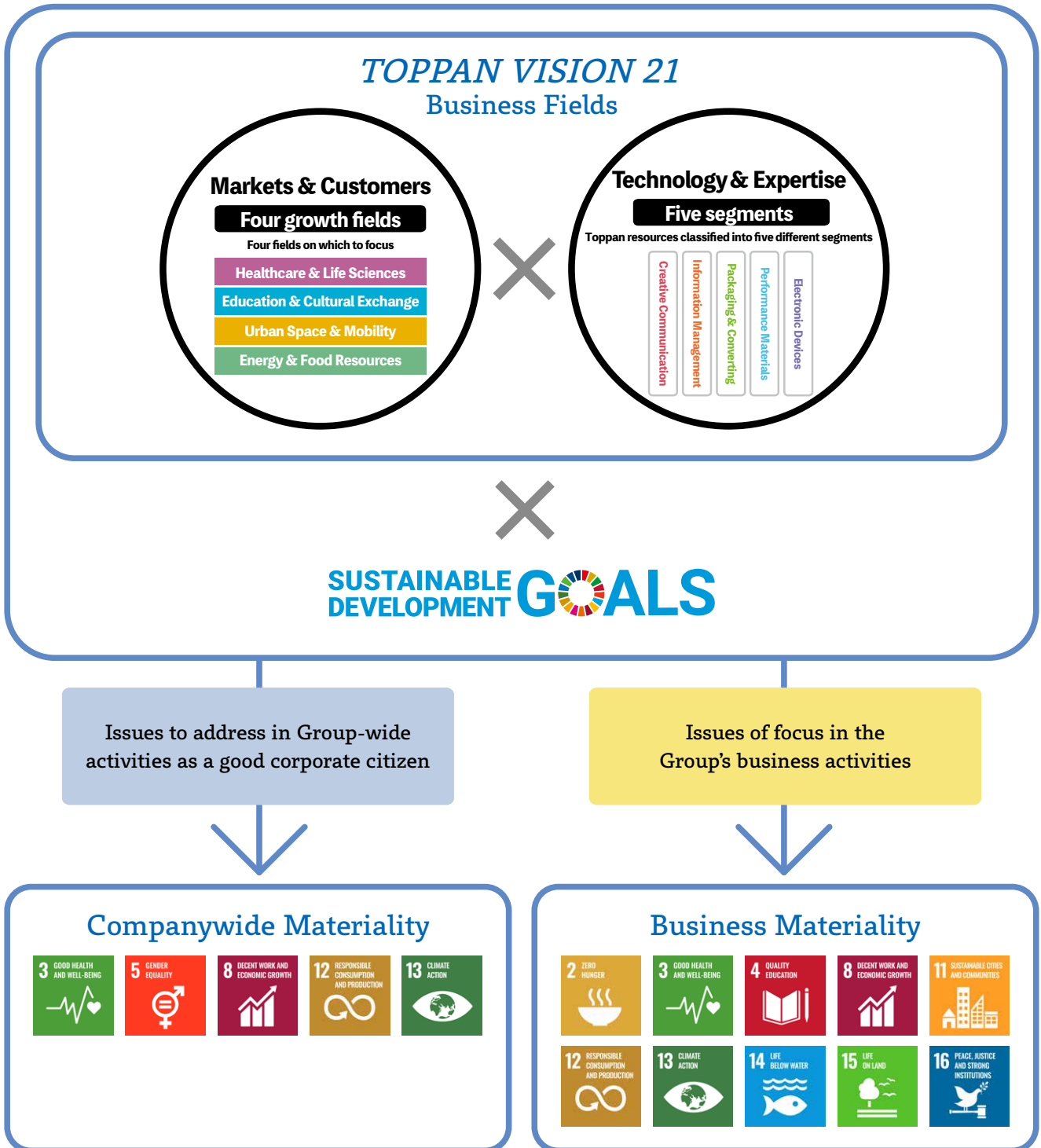
Materiality

Toppan has selected a set of material issues on which to focus in its sustainability activities, in order to accelerate initiatives developed to help solve social issues throughout the business enterprises of the Group.

The material issues are aligned with the set of "Business Fields" set out in *TOPPAN VISION 21*. In selecting the issues, Toppan has focused on areas in which the Group can create new value for

society by applying its technology and expertise to collaborative work with stakeholders.

Toppan will be evolving into a corporation that creates social value by helping to realize fulfilling lifestyles through the implementation of sustainability initiatives that address the material issues selected for the Group.



Selection Criteria

In selecting the material issues, Toppan prioritized the principles of the Corporate Philosophy, Corporate Creed, and Conduct Guidelines presented in *TOPPAN VISION 21*, the master plan plotting out the basic direction for corporate activities at the Group. Toppan has also incorporated the concepts of the United Nations Sustainable Development Goals (SDGs), a set of long-term global development agendas. Based on these conceptual foundations, Toppan classifies the material issues into two categories: "Companywide Materiality" and "Business Materiality." Companywide Materiality themes are key issues Toppan should address in its Group operations as a good corporate citizen. Business Materiality themes are issues on which to focus in the course of business to help resolve social issues under the SDGs.

Selection Process

Toppan selected the material issues based on the criteria described on the left by comprehensively assessing corporate activities through discussions with relevant departments across the Company. The appropriateness of the selections was checked through dialogue with stakeholders and external experts. Senior management thereupon reviewed the selections and finalized them with authorization from the Board of Directors.

Opinion about Materiality at Toppan

Realizing a Fair and Sustainable Society through Unique Toppan Initiatives

● Materiality Themes that Reflect Identity and Uniqueness

Toppan's identity shone through most clearly in the "sustainable global environment" in the "Business Materiality" themes. Packaging is a major enterprise for Toppan. The Group can use its technologies in packaging to change the current picture of the business and contribute significantly to the sustainability of the global environment. With regard to "Companywide Materiality," I think that the "employee health & job satisfaction" theme demonstrates the true Toppan culture. This theme seems to reflect Toppan's commitment to health management. The various healthcare measures Toppan has in place attests to the great value the Group places on its employees.

● Supporting Justice with Unique Businesses

Among the United Nations Sustainable Development Goals (SDGs), my particular focus is on GOAL 16: Peace, Justice and Strong Institutions. I believe that many social problems are rooted in the issue of justice.

I look forward to seeing Toppan contribute to the realization of justice, as well. Printing technology has enabled society to disseminate information and knowledge widely. Printing has contributed tremendously to the realization of justice through the democratization of knowledge. The same is true of modern digital technology. Our ability to retrieve the needed knowledge rapidly and affordably from anywhere in the world is a powerful force for achieving justice and meeting the SDGs.

Digitalization, on the other hand, is generating new inequities, such as the digital divide (the knowledge gap between the haves and have-nots in the digital world). If Toppan is to achieve the digital transformation, the Group must meet the challenge of contributing to the realization of justice while resolving digital inequities. Justice will become more important at the organizational level within the Group, as well as at the market level the Group serves.

● Realizing a Sustainable Business and Enhancing Diversity

I have found that Toppan, a member of the manufacturing industry, is making steady, specific efforts to address

environmental issues such as pollution and CO₂ emissions. If the pursuit of the digital transformation can be made into a truly sustainable business for the Group, solutions for many environmental, social, and governance challenges will flourish.

Toppan must further clarify how the Group expects to address "environment, communities, and people" in the Business Materiality theme as a sustainable business. The "employee health & job satisfaction" theme under the Companywide Materiality has also become significant with the advent of COVID-19. Toppan is expected to intensify its diversity management and inclusion efforts to adapt to the drastic changes we are seeing in work styles, in the directions in which organizations are moving, and in the abilities required of individuals.

● Overcoming Contradictions and Creating Innovation

Some of the SDGs require us to balance goals that contradict each other, goals that require conflicting conditions to achieve, or short-term goals and long-term goals that seem inconsistent when pursued together. We need to depart from convention and try the completely new approach of balancing *both* goals together rather than prioritizing *either* one. The new approach of balancing *both* is what leads us to innovation. Contradictions are truly seeds of new value.

Visions and leadership are indispensable for overcoming contradictions and driving innovation. Toppan envisions a future of "fulfilling, sustainable living." Toppan must strengthen its leadership and organization in order to pursue that vision. I would like all Toppan employees to see the rapid changes in our world as opportunities to create the future they wish to live in. I also hope that they will actively think and act towards realizing the future they desire by overcoming the various contradictions and achieving balance.



Ryoko Toyama
Director (external)
Toppan Printing Co., Ltd.

Ideals pursued in Toppan's sustainability initiatives: Fulfilling, Sustainable Living



To promote fulfilling, sustainable living, an ideal the Group is committed to realizing through its sustainability initiatives, Toppan has classified the material issues into two categories: “Companywide Materiality” (two themes) and “Business Materiality” (three themes).

Companywide Materiality

- Environmentally friendly & sustainable production
- Employee health & job satisfaction


Business Materiality

- Environment (sustainable global environment)
- Communities (creation of safe, secure, enriched communities)
- People (empowerment and fulfillment of body and mind)

As a solid foundation for corporate activities, the two Companywide Materiality themes provide a platform to support the Toppan Group's initiatives focused on the three Business Materiality themes.

The three Business Materiality themes are guideposts for Toppan to follow through the Group's efforts to realize fulfilling, sustainable living. Efforts focused on every theme link to the other themes to reinforce the sustainability activities.

		Ideal Approach
Business Materiality	Sustainable global environment	<p>Global crises such as climate change, ocean pollution, and deforestation threaten the livelihoods of billions of people throughout the world. The global community is currently challenged by two major crises: marine plastic debris and food loss. All of the environmental challenges the world faces, no matter the type, are vital issues for Toppan as a Group that has been engaged in the packaging business since its founding in 1900.</p> <p>The Toppan Group has been developing and supplying a great variety of environment-friendly packaging products. Prominent among them are Toppan's GL BARRIER transparent barrier films and Cartocan paper-based beverage containers. The Group also produces a 101 ECO SHEET series and various other interior décor materials designed in consideration of the environment.</p> <p>Toppan will continue to develop new businesses by leveraging the Group's advantages in environment-friendly production and pooling its expertise in the creation of systems and services in areas related to the design of sales promotion strategies.</p> <p>The Toppan Group is committed to the creation of a sustainable global environment to ensure sustainable life on our planet through 2030 and beyond.</p>
	Creation of safe, secure, enriched communities	<p>Many of the challenges facing communities across the world are especially urgent in Japan, a country with a declining birthrate, aging population, and mass migration from rural areas into densely populated mega-cities. Building communities that are safe and resilient against disasters is a critical challenge for the future not only for Japan, but for all of the world.</p> <p>Toppan has long provided a variety of services to improve communities by addressing the diverse issues they face. The Group's multilingual speech translation systems, for example, help Japanese-speaking natives communicate with immigrant workers and visitors from other countries. Toppan has also archived historical buildings such as temples, shrines, and castles using virtual reality (VR) technology and promoted the application of VR reproductions as a tourism resource. Toppan's VR technology has also been used for disaster evacuation drills and safety training sessions at plants and construction sites across Japan.</p> <p>Toppan will continue applying the knowledge and expertise the Group has cultivated for the last 120 years to the design of safe, secure, and enriched communities.</p>
	Empowerment and fulfillment of body and mind	<p>Societies with declining birthrates and aging populations need to maintain the physical and mental health of their populations to optimize their potential to live longer, higher-quality lives.</p> <p>Toppan has spearheaded various educational and childcare businesses and operated health-point programs and other healthcare projects to maintain and enhance the health of community members.</p> <p>Toppan will continue to apply the Group's unique approach to empower people and give them opportunities to enrich their bodies and minds. The Group will offer health-support systems for people working in organizations and companies and use Toppan's color-related technologies and educational content development capabilities to develop services that support physical and mental wellbeing.</p>
Companywide Materiality	Environmentally friendly & sustainable production	<p>In 1992 Toppan established its Declaration on the Global Environment, a basic philosophy for the Company's environmental conservation activities. In April 2009 the Group updated the declaration by issuing The Toppan Group Declaration on the Global Environment, a new basic environmental philosophy for Group-wide activities. This declaration reflects Toppan's more assertive approach to conserving the global environment for the creation of a sustainable society where all life can coexist into the future.</p> <p>Toppan will uphold the Group's commitment to global environmental conservation as a responsible member of international society by firmly maintaining the stance stated in the Declaration on the Global Environment: "to realize a sustainable society through forward looking corporate activities with consideration for the conservation of the global environment."</p>
	Employee health & job satisfaction	<p>Toppan values its employees as precious "human assets." The Group is convinced that human assets perform to their full potential when they are vigorous, earnest, and driven.</p> <p>To support motivated, vigorous, and earnest work, Toppan established a Health Management Declaration in 2015. Various measures have been taken in line with the declaration with a view to maintaining and enhancing the health of employees. Toppan has also launched various initiatives to pursue diversity management with a focus on the creation of a corporate culture that allows diverse human assets to enjoy job satisfaction and perform to their full potential.</p> <p>Towards 2030 and beyond, Toppan is ramping up efforts to promote positive working environments where all employees can work in good health for longer periods, take satisfaction in their jobs, and fulfill their potential.</p>

*Every indicator assured by an independent assurance provider is marked with an assurance stamp .

Progress in Addressing Issues of Companywide Materiality

Environmentally Friendly & Sustainable Production

■ Medium-and-long-term Greenhouse Gas Emission Reduction Targets for Fiscal 2030 (for All Group Sites)

→ See page 94 for details

Greenhouse Gas Emission Reduction Targets		Fiscal 2019 Results
Targeting Scope 1 and 2	Reduce by 30% compared to the fiscal 2017 level	Reduced by 11.6% compared to the fiscal 2017 level
Targeting Scope 3	Reduce by 20% compared to the fiscal 2017 level	Reduced by 5.2% compared to the fiscal 2017 level

Scope1 + Scope2

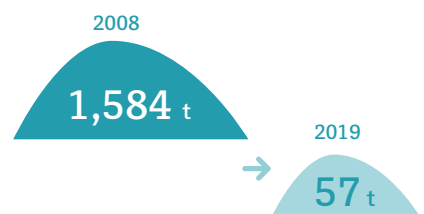


■ Medium-term Environmental Targets for Fiscal 2020 (for Domestic Sites)

→ See page 94 for details

Medium-term Environmental Targets		Fiscal 2019 Results
Mitigation of global warming	Reduce CO ₂ emissions by 30% compared to the fiscal 2008 level (751 kt-CO ₂ → 530 kt-CO ₂ ; reduce by 221 kt-CO ₂)	Reduced by 29.6% compared to the fiscal 2008 level (528 kt-CO ₂ ; reduce by 223 kt-CO ₂)
Action for building a recycling-oriented society	Reduce final landfill waste disposal by 95% compared to the fiscal 2008 level (1,584 t → 80 t; reduce by 1,504 t)	Reduced by 96.4% compared to the fiscal 2008 level (57 t; reduce by 1,527 t)
Conservation of the atmospheric environment	Reduce VOC emissions into the atmosphere by 70% compared to the fiscal 2008 level (7,326 t → 2,198 t; reduce by 5,128 t)	Reduced by 65.9% compared to the fiscal 2008 level (2,498 t; reduce by 4,828 t)

Final landfill waste disposal



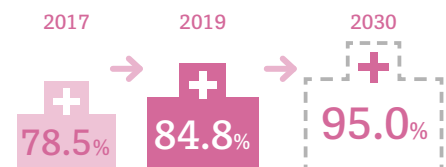
Employee Health & Job Satisfaction

■ Prevention of Serious Illness (Fiscal 2030 Targets)

→ See page 36 for details

Fiscal 2030 Targets (up/down from fiscal 2019)				Fiscal 2019 Results
Employees	Risk of serious illness	Obesity risk	20.0% (down 7.2% pts.)	27.2%
		High blood pressure risk	8.0% (down 2.2% pts.)	10.2%
		Diabetes risk	8.0% (down 2.8% pts.)	10.8%
		Lipid risk	28.0% (down 2.9% pts.)	30.9%
	Medical examinations	Gynecological screening rate	75.0% (up 7.2% pts.)	67.8%
Families	Health checkups	Family health checkup rate	95.0% (up 10.2% pts.)	84.8%

Family health checkup rate



■ Support for Employees with Children (Fiscal 2030 Targets)

→ See page 44 for details



Targets for the "Hagukumi (nurturing) Program"		Fiscal 2019 Results
Hagukumi Art Salon	Participation rate: 45%	6.73%
Hagukumi Seminar	Full attendance by managers	5.69% of managers attended
Hagukumi Circle	Participation rate: 10%	2.60%

Participation in Hagukumi Circle

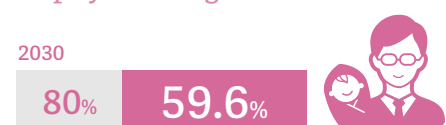


■ Elimination of Gender Disparities (Fiscal 2030 Targets)

→ See pages 40 and 46 for details

Fiscal 2030 Targets		Fiscal 2019 Results
Percentage of managers and supervisors by gender ¹	Eliminate disparities in manager and supervisor ratios by gender	Women: 55.4% Men: 75.0%
Proportion of eligible male employees taking childcare leave ²	Proportion of eligible male employees taking childcare leave: 80%	59.6% 
10-year retention rate by gender	Eliminate disparity in the 10-year retention rate by gender	Women: 65.9%  Men: 58.4%

Proportion of eligible male employees taking childcare leave



¹ Percentages of employees working as managers and supervisors, out of all current employees who were recruited as regular hires from 2001 to 2010 (as of March 31, 2020)

² Proportion of male employees taking childcare leave in fiscal 2019 among those with children born from April 2019 to March 2020

Diversity and Inclusion at Toppan

Diverse perspectives driving innovation

Creating Workplaces in which Everyone Can Fulfill their Potential Based on a Foundation of Respect for the Individual

Shinichi Ohkubo

Executive Vice President & Representative Director
Personnel & Labor Relations Division

Diversity Has Given Rise to Innovation and Supported the Expansion of Business

Since its founding in 1900, Toppan has expanded its operations by leveraging the unique technologies and expertise developed in its core business of printing. I believe that this was driven by innovation born out of the coming together of wide-ranging insights, experiences, perspectives, abilities, and sensibilities. The fusion of these elements shapes Toppan's unique approach to diversity and inclusion and has been the driving force behind our history of innovation.

Today, Toppan engages in multifarious businesses that cater to more than 20,000 client companies. As social trends accelerate, Toppan needs to stay at the forefront of such trends and address them as we expand business, so that we continue to be an integral part of society. To respond to change and the trust and expectations of customers, we need all our employees to create solutions enabled by their diverse capabilities. That is why diversity and inclusion are vital for Toppan.

Strategic Diversity and Inclusion Based on a DNA of Respect for the Individual

Throughout the Company's history, Toppan's leaders have always espoused the philosophy of respect for the individual. To put this into practice, the Personnel & Labor Relations Division continues to create frameworks and working environments that enable all employees to fully leverage their skills, knowledge, and experience and work with motivation, vitality, and commitment. In collaboration with the labor union, we have established a labor-management committee for the promotion of job satisfaction and implemented a variety of measures based on discussions that have taken place.

Through these initiatives, employees have come to recognize and respect each other's individuality and make the most of their capabilities in their work. I feel that the concept of respect for the individual is deep-rooted at the Company. However, we need to implement measures that are even more strategic and clear-cut to ensure sustainable growth. We thought that if initiatives we have implemented based on the philosophy of respect for the individual are reframed within the framework of diversity and inclusion, and awareness of them is strengthened, employees will be able to act on their own initiative. Based on this thinking, we established the Diversity & Inclusion Promotion Office in April 2019.



With a dedicated department, it is now possible to make announcements and provide explanations based on disseminating information from a single point and consolidating it through the lens of diversity and inclusion. I feel that we can now give a clearer indication of what Toppan is aiming for and the path that we should take. I believe that the role of the Diversity & Inclusion Promotion Office will continue to grow to enable us to provide information with clarity to parties both inside and outside the Company and to accelerate our activities.

Consistent Progress Generated by Steady Efforts

We take pride in being a pioneer in diversity and inclusion. However, we need to strengthen our activities further as there are still issues to address and areas in which we are not yet where we should be.

From here on we need to be more conscious of diversity and inclusion, make it an integral part of management, and reflect it in decision-making. With the advance of globalization, we are seeing an increase in the employment of foreign nationals and personnel with career experience in other sectors. We have to work on building the foundations on which such people can maximize their potential and thrive at Toppan.

For the employment of persons with disabilities, I think it is essential to provide environments in which people can work with motivation, vitality, and commitment. It is important that employees are able to fully leverage their skills and strengths, take on their work proactively while establishing cooperative frameworks, and fulfill the Company's social responsibilities together. For example, T.M.G. Prepress Toppan Co., Ltd., a joint venture with the Tokyo Metropolitan Government and Tokyo's Itabashi City, takes on various work for Toppan and is now indispensable in supporting what we do (see page 14).

We have also been active in addressing LGBT issues from an early stage (see page 16). It is very important that everyone has their own unique perspective and reflects that in their work. It is said that around 8% of people are in the LGBT demographic, but gender identity and sexual identity are broad spectrums for everyone. We want everyone to respect each other's individuality and make the most of their skills and characteristics and also to be conscious of the goal of creating an environment in which diversity of all kinds is acknowledged and accepted.



Bringing Toppan's Diversity and Inclusion to Wider Society

Due to the impact of the COVID-19 pandemic, working from home has become commonplace and the ways in which we communicate have changed. For example, Toppan has been proactive in introducing online meetings, and an added benefit has been the inclusiveness generated by people being able to discuss matters without being conscious of people's job titles and to speak on equal

terms regardless of position.

I hope we can take our experience of diversity and inclusion as a company, what we have done, and the results we have seen, including the lessons learned during the COVID-19 pandemic, and be proactive in sharing it with wider society. The reason for this is that what Toppan is aiming for is not just the advancement of diversity and inclusion at our company, but in society as a whole. Toppan will continue to undertake such initiatives to contribute to creating a sustainable society filled with diversity.



Workplaces that Accommodate All Abilities

As part of its diversity and inclusion initiatives, Toppan has made efforts to support the working lives of persons with disabilities. Employees with disabilities all make vital contributions to Toppan, and the Company is driving development of and support for job categories and working environments that enable everyone to build on their individual strengths and characteristics to create social value together.

Where people with disabilities work at Toppan 1

Toppan Electronics Products Shiga Plant



Osamu Fukunaga (left) and Yoshiki Hiramatsu (right) maintain close communication while keeping an eye on colleagues to ensure that operations progress smoothly.

An Indispensable Team of Four People with Disabilities

Toppan Electronics Products handles the manufacturing operations of the Toppan Group's Electronics business. Its Shiga Plant has been employing people with disabilities since 2001.

Mayumi Yoshida, a manager from the plant's general affairs department, says, "When we first started to recruit people with disabilities, we experienced problems with communication due to a lack of understanding on our part, and we encountered such issues as employees finding it difficult to remember what to do. From 2008, we temporarily suspended recruitment of people with disabilities, but we started again in 2015, collaborating with local high schools for people with disabilities and Hello Work, the Japanese government's Employment Service Center. To improve the process of bringing people into the company, we use work experience to enable them to see what the workplace and the work done are like. This also enables us to get an idea of people's individual interests and aptitude, which has made the process of joining the company much smoother."

Toppan Electronics Products initially started by recruiting and assigning people to workplaces where large color filter panels are packaged. Work was subsequently expanded to areas where the cores of anti-reflection film rolls are prepared for reuse.

Plant manager Toru Ogura says, "This process involves taking the cores of anti-reflection film rolls after use, wiping away any dirt, and repairing any damage. The operation is now handled completely by a team of four people with disabilities. When doing this work, employees have to be able to assess how much dirt needs to be wiped off and identify cores that cannot be used again. The experience that the team has accumulated has enabled them to do that. We are able to process about 700 cores per month in house, which makes a considerable contribution to cost saving."

Clear Communication Builds Trust

Various measures have been taken in consideration of people with disabilities in the area in which cores are prepared for reuse. Supervisor Osamu Fukunaga and employee Yoshiki Hiramatsu look back on what has been done so far:

"The area in which the work is performed is inside the warehouse, so to begin with the lighting and air conditioning needed

improvement," says Fukunaga. "We gradually worked on creating a better working environment by taking such measures as replacing equipment to make it easier to perform the task and increasing the number of dollies used for transporting things. When Yoshiki came to work here, it was the first time I had really had any contact with a person with a disability, so I have to admit I was anxious about what I should be doing. However, I looked at the individual and worked out how to communicate. Originally, I gave instructions for setup and process management, but Yoshiki has become the leader and has taken over all of the management duties for this work."

Hiramatsu says, "When I started to work here, I was nervous about working with people, but Mr. Fukunaga communicated with me well, and I began to really enjoy the work after about six months. Before I was given the responsibility of being the leader, all I thought I had to do was to follow instructions, but my thinking has changed now. I study what is going on by confirming instructions supervisors have given or watching the work that other people are doing. When someone new joins us, I know that they will be nervous, so I make an effort to help them get used to working here. I focus on communication and make a point of talking to them during break times and giving them encouragement if they make a mistake."

Fukunaga adds, "The four people working here all have their own unique individual personalities and characteristics, and the time they take to perform tasks differs, too. With Yoshiki taking the lead, I hope they can make further improvements and gradually increase efficiency." "The volume of work varies from month to month, but I have become more confident that by checking schedules and giving instructions to the team as its leader, I can help us to work hard and get through the busy periods," says Hiramatsu. "I take a lot of satisfaction from consistently meeting the standards required. There are people around us who I want to learn from in terms of techniques but also as human beings, so I intend to work hard to get closer to that ideal."

The Shiga Plant has become a model for the employment of persons with disabilities at Toppan, and the Group intends to steadily continue these initiatives.

Plant manager Ogura closes by saying, "Workplaces that include people with disabilities are not special environments at our plant. The people working there all take part in team meetings and events and exchange ideas to produce synergies. I intend to continue our efforts to create workplaces and plants that provide good working conditions for everyone."



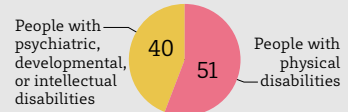
Where people with disabilities work at Toppan 2

T.M.G. Prepress Toppan Co., Ltd.

T.M.G. Prepress Toppan Co., Ltd.

Location: Itabashi City, Tokyo
 Established: June 11, 1993
 Business: DTP, IT development, IT solutions, web content production, digitalization, office support, etc.
 No. of employees: 120 (including 91 people with disabilities)

Breakdown of employees with disabilities



(As of June 1, 2020)

T.M.G. Prepress Toppan handles a variety of office and administration work for Toppan's operational sites. Employees with disabilities (known as "Friendly Staff") work at the Toppan sites, which fosters diverse perspectives and drives change in the way people work.



Employees from T.M.G. Prepress Toppan working inside an office at Toppan's Akihabara site in Tokyo provide office support services, such as internal mail delivery, shredding of documents, data input, sorting and dispatch of items to be distributed to employees, and digitalization of hard copy documents.



Teruhiko Munekata

Director & Head of General Affairs

T.M.G. Prepress Toppan was established in 1993 through joint investment by Toppan, the Tokyo Metropolitan Government, and Itabashi City, one of Tokyo's wards. It is a model

company for the employment of people with severe disabilities. Our Akihabara location for providing office support currently has 13 staff with intellectual or developmental disabilities.

I have been involved in labor-related work for a long time at Toppan, but I feel it is very challenging to assess the extent to which labor management should intrude into the minds of employees, especially those with psychiatric disabilities. However, it is my mission to create frameworks in which every employee can continue to make small steps and stand on their own two feet. We will always aim to be the number one company in providing employment opportunities for people with disabilities.



Chiemi Hori

Head of Human Resource Development Office and Certified Social Worker

Our Akihabara office is next to the Toppan Printing head office building, so we are driving initiatives that can be model cases for the employment

of people with disabilities throughout the Toppan Group. When advancing human resource development, I am mindful of ensuring that the entire team shares the same mental model. For example, we make sure that everyone is pulling in the same direction by regularly conducting social skills training, either through group discussions focusing on a particular issue or through encouraging

people to act directly. We separate and segmentize "work" and "social skills", and encourage people to see the two combined as forming their "job." By combining this with looking back on what people have done each week, we target the fulfillment of their potential. This is one of the indicators for their personal growth, and their committed efforts to take on challenges are a great asset for the company.

I hope we can share the know-how we have accumulated regarding the employment of people with disabilities with the rest of the Toppan Group and wider society, as well.



Yutaka Fushiki

Job Coach
 Office Service Akihabara Group
 Operational Support
 Manufacturing Department

Another coach and I work at the Akihabara office. The employees with intellectual or developmental disabilities are very good at following instructions, and this means that the coach has a significant influence on them. You gain a great deal of satisfaction when you consider that the growth and skills of the coaches are indispensable to the growth of each employee. We recognize the importance of people being autonomous in their work and place a lot of value on interacting with them as members of society while also maintaining appropriate distance and not micromanaging. For example, we let employees handle the work themselves from the stage of preparation, without setting it up for them. If there was something an employee did not understand, we used to ask them to raise their hand and a coach would go to help them, but these days we have them go to the coach they want to ask a question to. Doing this has enabled us to enhance their work skills and experience. Going forward, I think it will be important to strengthen understanding regarding people with disabilities within



the Toppan Group and foster personnel who will fulfill the role of coaches.



Itsuzo Ichinose

Director

T.M.G. Prepress Toppan handles a variety of work for the Toppan Group, from DTP production to the design

and development of automated typesetting systems. Taking on that kind of work allows Toppan's employees to focus on their core work. I think this also contributes to changing the way in which people work. I place value on a mutually-beneficial relationship. Things that people without disabilities think of as routine, are not necessarily things that people with disabilities see the same way. If people do not understand and consider this, people with and without disabilities will find it hard to work together. We will continue to take on challenges to allow the infinite potential of each and every employee to flourish.



Work-Life Balance

Based on an approach of supporting people's desire to work, Toppan strives to establish environments that facilitate a balance between people's work and their private lives.

In addition to enhancing and expanding a range of programs to support the balancing of work and childcare, Toppan runs the Hagukumi (nurturing) Program, which provides support for the mental wellbeing of employees with childcare responsibilities. To provide support for people balancing work with nursing care, Toppan focuses on initiatives that can alleviate concerns and allow employees to work with peace of mind. These include the enhancement of support programs, the provision of information to employees, and the holding of seminars.

→ See pages 44-45 for details



The Hagukumi Art Salon, part of the Hagukumi Program

Promoting Understanding of LGBT Issues

Toppan is undertaking various activities to promote understanding of LGBT issues and ensure working environments in which everyone feels comfortable.

One of these efforts is the holding of LGBT seminars open to Group employees. In 2018, LGBT activist Koyuki Higashi spoke about diversity in the workplace, and in 2019, diversity and inclusion consultant Kayo Fujiwara gave a talk on gender and sexual diversity. These seminars provided forums in which employees could further their understanding of LGBT-related matters and engage in dialogue about them. The Company endeavors to ensure that its programs and systems support the diverse living styles of its employees and on July 1, 2020, revised its systems related to the spouses of employees to make them applicable to same-sex and common-law partners.



LGBT-related open seminar conducted by Kayo Fujiwara

Diversity and Inclusion Are Driving Forces for Change at Toppan

Toppan's business relies upon our ability to empathize with other people and understand and give form to something that may not be easy to express visually or verbally. I think that DNA translates to diversity and inclusion.

The various parts of Toppan have been proactive in undertaking diversity-related initiatives. However, if we consider such factors as changes in society and the amendment of legislation, it becomes clear that we need to position diversity and inclusion as driving forces for change and ensure that everyone throughout the Company shares the same awareness of objectives. In April 2019, therefore, we established the Diversity & Inclusion Promotion Office. The roles of this office include working with various divisions of the Company to enhance activities and increasing the speed at which we make progress to ensure that we are in line with changes in wider society. We have three people in our team at the head office, but we have also appointed personnel at sites throughout Japan to be part of a diversity promotion committee, and we advance activities while collaborating and sharing information with

Chizuko Sawada

Head of Diversity & Inclusion Promotion Office
and General Manager of Human Resource
Development Center
Personnel & Labor Relations Division



them.

The establishment of the Diversity & Inclusion Promotion Office has also made it possible to make recommendations directly to management. I believe that widespread recognition of the importance of diversity for management strategy will give momentum to promoting it throughout the Company. From here on, I see the key to inclusion being the degree to which we can ensure psychological safety for each and every employee. This is not just restricted to the employment of people with disabilities or LGBT-related initiatives, but includes the creation of workplaces that enable job satisfaction for everyone as the way in which we work changes, for example, with the expansion of working from home. To achieve this, we need to transform, almost to turn conventional approaches and thinking on their head. We will change the organization by respecting, valuing, and leveraging our differences. At the same time, we will make steady efforts in a range of areas to promote diversity and inclusion at Toppan while fostering personnel who will drive diversity for the next generation.

Solutions to Social Issues Enabled by Advanced Visualization Technologies

Using printing technology to communicate the right information accurately

High-definition Visual Media Are Changing the Way We Communicate

Communication using words and printed text involves conveying images and emotions by converting them into text information. However, it is a means of communication that can easily lead to an incomplete understanding. The person conveying information may not be able to fully express what they are thinking or feeling using words and the person receiving the information may not properly understand what is being communicated.

In the case of visual expression, however, it is said that a photograph can convey information equivalent to 2,000 characters of text and that watching video is equivalent to several million characters of text information. With high-quality 4K and 8K video in particular, the amount of information contained within is even larger because the images have higher definition and resolution. This means that the level of immersion of the experiences is heightened because what is displayed looks very similar to the real scenery.

The use of these kinds of visual media is significantly changing the way in which we communicate. If the deployment of 5G mobile communication systems enables not just high-speed, large-volume transmission, but also multiple connections and minimal delays, it can drive the use of high-quality visual media and make it possible to deliver a wealth of content to large numbers of people.

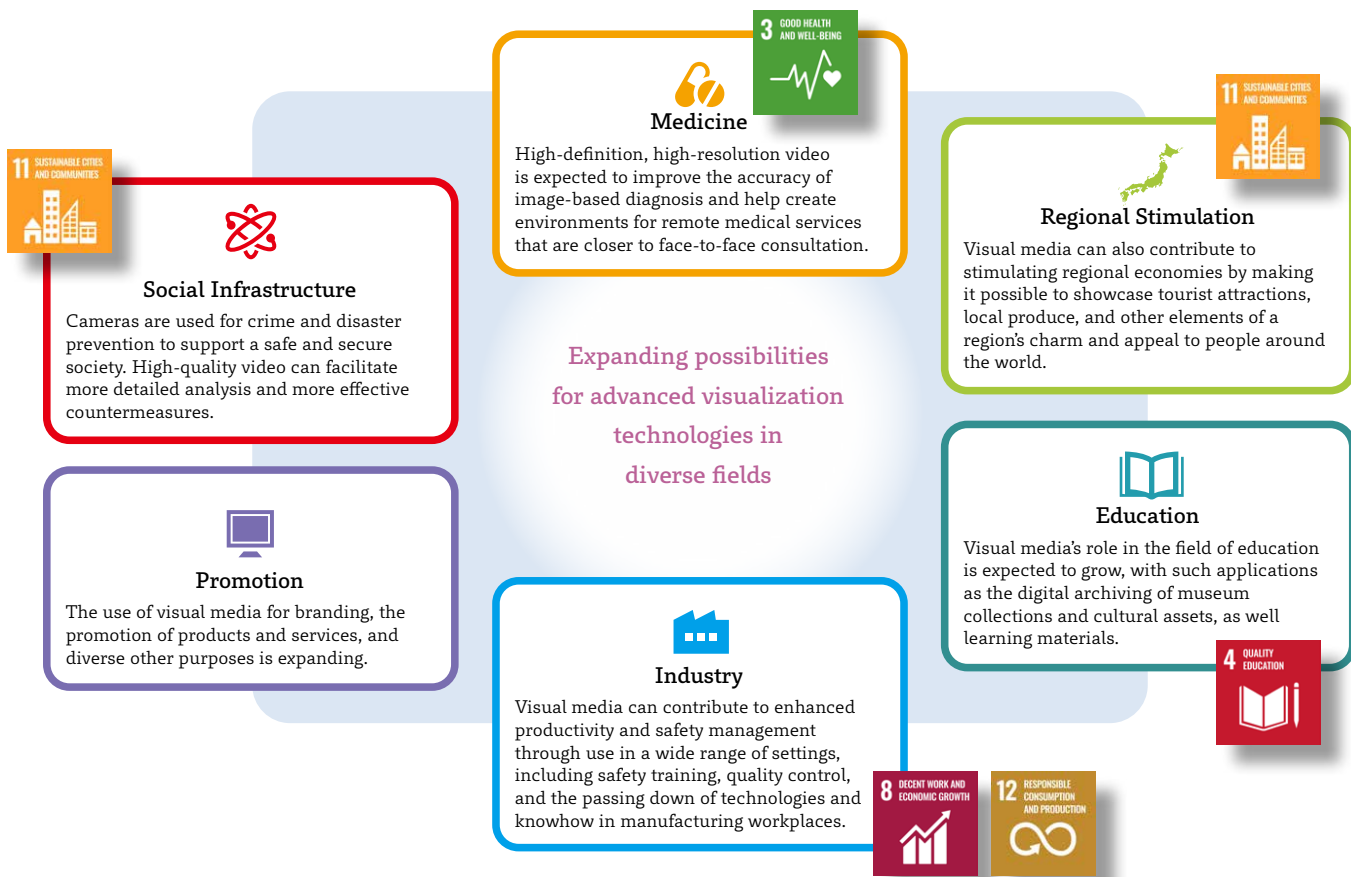
Toppan's DNA and Technology Can Contribute to a New Foundation for Society

Toppan has engaged in the business of printing since its foundation and has developed printing technologies over many years that accurately record and communicate information. This expertise is leveraged in the production of media employing advanced visualization technologies, such as high-quality video and virtual reality (VR).

Printing technologies for reproducing shape and color in detail facilitate the production of VR content with an overwhelming sense of immersion and realism. Toppan takes advantage of the experience and track record built up in the daily handling of high-resolution, high-volume data to create high-quality 4K and 8K visual media.

By providing high-definition visual expression technologies, Toppan not only meets promotion, marketing, and other needs of businesses and local governments, but also contributes to solutions to social issues through the use of such technologies in fields including education, manufacturing, disaster and crime prevention, medicine, and art.

Toppan will continue to leverage its DNA and outstanding technologies to respond to an ever-evolving society while proactively creating and rolling out services that can help form a new foundation for that society.





Possibilities of advanced visualization technologies ①

Opening the Mind with Virtual Windows

Natural Window—a space solution offering hyper-immersion

The Natural Window System and its Effect

This solution involves taking high-quality 4K video content shot by Toppan using special techniques and displaying it on digital signage with a window frame to create an experience of window scenery with an outstanding sense of immersion.

Analysis based on measurement of biological response to break rooms featuring Natural Window, posters, or blank walls has shown that Natural Window helps relieve stress and enables people to refresh in a short time period. By introducing Natural Window as a means to improve workplace environments, Toppan aims to contribute to work style reform and health management for employees and staff.



Break room at Toppan's BPO Square Asaka facility

Topic

Pilot Project to Support the Akita City Government's Efforts for an Age-friendly City

To contribute to efforts by the government of Akita City in Akita Prefecture to create an age-friendly city,¹ Toppan worked with four television and communication-related companies in a pilot project for "Natural Window for CATV,"² a new video distribution service. The test involved getting feedback from users and transmitting video to household 4K televisions to spur communication and participation in society by senior citizens. By encouraging social engagement by seniors, Toppan hopes to help maintain social infrastructure and address issues faced by an ageing society, such as labor shortages.

1. The World Health Organization (WHO) launched a project in 2007 to address the issues of global ageing, urbanization, and the ageing of urban populations. In December 2011 the government of Akita City became the first local authority in Japan to join the WHO Global Network for Age-Friendly Cities and Communities. Subsequently, in March 2019, Akita was selected from cities in the network as one of 11 undertaking advanced initiatives.
2. Pilot project for high-quality 4K video transmission conducted in Akita City to support the creation of an age-friendly city.
Related press release (in Japanese)
<https://www.toppan.co.jp/news/2020/03/newsrelease200312.html>

Possibilities of advanced visualization technologies ②

Preparing for Evacuation

Evacuation simulation system

Visual Content Enables Repeated Experience

In May 2019, Toppan worked with the government of Akita City, Akita Prefecture, to develop an evacuation simulation system that uses visual media to demonstrate which locations might become flooded and how they become flooded in the event of a tsunami caused by a large-scale earthquake. The system enables people to experience the specific action and routes to take when evacuating in such an emergency. Visual content simulating a tsunami was also produced. It is hoped that repeated use of the system and content will allow all residents to be better prepared for evacuation based on the simulated experience of the dangers of tsunamis and what action needs to be taken to stay safe.

Features of the Evacuation Simulation System

The system facilitates repeated simulated experience of evacuation based on the concept of "faster, higher, further" advocated by the Akita City government.

A realistic simulation of a tsunami approaching has been produced in 360-degree virtual reality. This can be shown on a large screen for multiple viewers or viewed on head-mounted displays for a highly immersive experience. Using a controller, evacuation can be commenced from any location within the virtual space, and users can experience evacuating via the appropriate routes to designated

evacuation areas. By making use of a function for going back over one's own evacuation route and switching between aerial, rear, and other views, users can confirm the action they need to take from multiple perspectives.

Features of the Tsunami Simulation

This content aims to help people confirm visually the dangers of a tsunami hitting the city and explains clearly the precautions that need to be taken when evacuating.

Actual video of the Tsuchizaki district in Akita City has been combined with computer graphics to produce something that is easy for residents to understand. The content is available for viewing on the Akita City website.



A scene from the evacuation simulation system. Users can confirm such details as time from start of evacuation, sea level, and rearview mirror display as they use the system.



The tsunami simulation content explains what would happen if a tsunami hit the city using real images to enable residents to be prepared for evacuation.





Possibilities of advanced visualization technologies ③

Transcending Space and Time to Share Abilities

IoA Virtual Teleportation



Overcoming Distance and Time to Share Abilities

Toppan is undertaking joint creation and development with Jun Rekimoto, professor of the Interfaculty Initiative in Information Studies at the University of Tokyo, who advocates the Internet of Abilities (IoA). One of the outputs of these activities is the launch of IoA Virtual Teleportation and efforts to drive its application in society. The IoA is a concept for the infrastructure of future society and involves fusing people and technologies via networks to expand consciousness and abilities.

Aiming to expand human capabilities, this initiative is expected to be effective for a wide range of applications. These include physical rehabilitation, support for elderly people and those with limited mobility, and the tracking of movements of experienced practitioners to enable training and the passing on of specialist skills.

Topic

Virtual Hometown Excursion Enabled by IoA Gakuen™

IoA Gakuen™ (“gakuen” means “school” in Japanese) employs IoA Virtual Teleportation technology and uses 4K video and 5G-related communication to connect schools with distant locations and provide a platform for broad-based learning for children that overcomes the physical and time constraints of travel.



In November 2019, IoA Gakuen™ was used for a virtual hometown excursion by children attending the Futaba Minami and Kita elementary schools in Iwaki City, Fukushima Prefecture. The majority of the town of Futaba has been classified as an area to which people cannot return following the 2011 Tohoku earthquake and tsunami. The virtual excursion provided an opportunity for children to learn about the state of the town today and the efforts being undertaken for restoration and reconstruction.

Possibilities of advanced visualization technologies ④

Supporting Accurate Diagnosis for Remote Medicine

Color management system and high-definition video technologies

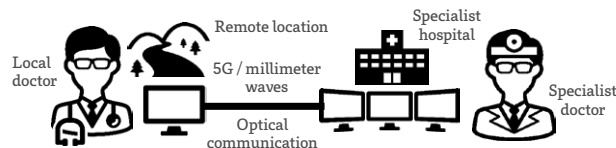
Enhancing Dialogue and Information Sharing Between Doctors

To address the issue of support for medical care in regions with limited numbers of specialist physicians, growing attention is being focused on remote medicine, in which specialists are connected with local doctors and can communicate with them via networks. Due to the spread of COVID-19, remote medicine has increased in importance and is being used not just in regional areas but also by doctors in urban locations.

In addition to conveying information via language and numerical data, video is indispensable for facilitating remote examination and consultation. Accurate communication of visual information requires both high definition and sophisticated reproduction of color information.

Toppan has expertise accumulated over more than 30 years in handling high-definition digital data for printing, which is combined with advanced control technologies and reliability that can withstand long-term use. Toppan aims to contribute to enhancing the quality of remote medical care and enabling healthy lives by facilitating the exchange of accurate visual information.

Concept for Application



Toppan aims to combine high-definition video technology with a color management system for reproducing color data with a high degree of accuracy to enhance the quality of communication between doctors through 5G networks and other means for high-speed, large-volume transmission.

Causes of disparities in communication and assessment when there is a significant difference between input and output

<p>Imaging device</p> <p>Different imaging methods and subjective automated image processing</p> <p>Extraneous correction</p>	<p>Display device</p> <p>Differences in display characteristics of each device</p> <p>Not adjusted</p>	<p>Light source</p> <p>Different color components depending on light source</p> <p>Not appropriate</p>	<p>High definition (information volume)</p> <p>Ultra-high-definition digital data for printing</p> <p>Not clear</p>
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Comprehensive control ≡ color management system

Concept display in the Toppan booth at CEATEC 2019 Society 5.0 Town



Related press release (in Japanese)
https://www.toppan.co.jp/news/2019/10/copy_of_newsrelease191011_1.html



The Ongoing Pursuit of Accuracy in the Digital Field

Takashi Suzuki

Senior General Manager
Advanced Visualization Technology Development
Social Innovation Subdivision
Information & Communication Division



Evolution from Visualization to Accurate Communication

The work of a printing company can be said to be the processing of information for visualization. The core of printing technologies is to put what the customer is envisaging into a visual format and give it its finished form using photographs, text, design, and a range of other technologies. Digital evolution of the expression technologies we have built up over the years is a major theme for us now. Our basic approach is to develop new services centered on advanced visualization technologies and apply them effectively to help shape Society 5.0, which will be sustainable and smart. The key to this will be going beyond visualization to achieve accurate communication of information. For example, in the creation of digital archives of cultural heritage, we work to faithfully reproduce lost portions based on research of large numbers of documents so that such heritage can be passed down to future generations. The social application of these initiatives involves creating and providing mechanisms for systematically enabling the accurate communication of information, and I believe that this will lead to social innovation.

Core Technology of Accurate Color Reproduction

Toppan has worked for many years on developing the real-time rendering engines that are vital to our virtual reality (VR) business so that they reproduce colors and textures accurately. There are other engines available that can produce extraordinary images and beautiful color expression, but we felt that we needed to develop our own engines because it is very difficult to reproduce textures that change depending on the material, such as the soft look of fabric or complex depth of reflection seen on paint on a car.



The International Space Station reproduced by a rendering engine as part of VR content for the Fukuoka City Science Museum.

With digital communication via networks, there are issues such as deterioration due to the compression of large volumes of data and different colors being displayed by different devices. This means that color management technology that conveys the right color under various conditions will surely become more and more important. For example, as part of measures in response to the COVID-19 pandemic, the number of hospitals offering online services starting from the initial consultation has increased. When doctors interact with patients via screens, if the color of the person's face is not displayed accurately or color is automatically adjusted by the camera or image processing engine, it becomes difficult to provide an accurate diagnosis. We need to be uncompromising in our pursuit of precision to ensure that medical examinations online can be performed with the same level of accuracy as those conducted face to face.

The Potential Offered by Second-generation Digital Signage

Conventional digital signage has been a substitute for signboards, with the same advertising sometimes being shown on multiple displays. If we think of this as the first generation, second-generation digital signage could be said to be space design that prompts human action. We are conducting research based on exploring the idea that if we manage information that appeals not just to sight but to all five senses in spaces with displays, it might be possible to influence people's emotions. In June this year we launched a space design solution called Your Space™. We believe that this solution can contribute to working style reforms at companies by centrally managing and controlling video, sound, aroma, and lighting to enhance people's concentration. Toppan opened NIPPON GALLERY TABIDO MARUNOUCHI in Tokyo to contribute to efforts to make Japan into a tourism-oriented nation and revitalize its regions. The facility features simulated natural lighting in the ceiling and Natural Window displays in the walls. The space has been designed in various ways to showcase the charms of Japan. This includes a reconstruction of the garden of a traditional Japanese tea house and a high-intensity, high-definition LED wall that enables life-size displays of scenery. The gallery and its design have been a hit with visitors.

Better Living Enabled by Digital Technologies

We have also launched "beyond 5G" initiatives that look to the future. We are conducting a range of pilot projects for the application of 5G technologies in society, but a limit is being seen even in the potential of 5G when it comes to expanding stimuli that appeal to the five senses. We are therefore conducting research into Multi-access Edge Computing (MEC), which processes data at a network location closer to final users.

In the post-COVID-19-pandemic world, there will be heightened demand for contactless, remote communication. Toppan will be researching and developing an array of services based on IoA Virtual Teleportation, which transcends space and time to enable an experience in which users feel as if they are at the location itself. In transcending space and time, we are also engaging in efforts to record and explore human behavior. For example, in the field of archaeological surveys, we are contributing to research activities with new digital techniques, providing technologies for accurate 3D visualization of historical sites and ruins above and below ground. We also continue to collaborate with universities and research institutions in Japan and overseas to research Maya civilization ruins in Honduras and Guatemala and the Ayutthaya and Sukhothai historical sites in Thailand.

From here on, we will see a variety of business activities being conducted in cyberspace. I take pride in the fact that with our history of using printing to consistently disseminate real-world information, we are perfectly positioned to contribute to shaping a smart society in which cyberspace and the physical world are seamlessly linked. We will continue to take on new challenges targeting a world in which people use digital technologies instinctively and intuitively as part of a better way of living.

Addressing Climate Change

Climate Change Risk and the TCFD

Climate change affects international society, the economy, and the environment. It is becoming more serious as every year passes and has become a major issue for businesses. Since establishing the Toppan Printing Declaration on the Global Environment in 1992, Toppan has driven efforts addressing climate change and other environmental issues, looking to the future and seeking to help shape a sustainable society through its business activities.

In May 2019, Toppan announced its support for the recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) and commenced evaluation of the impact that

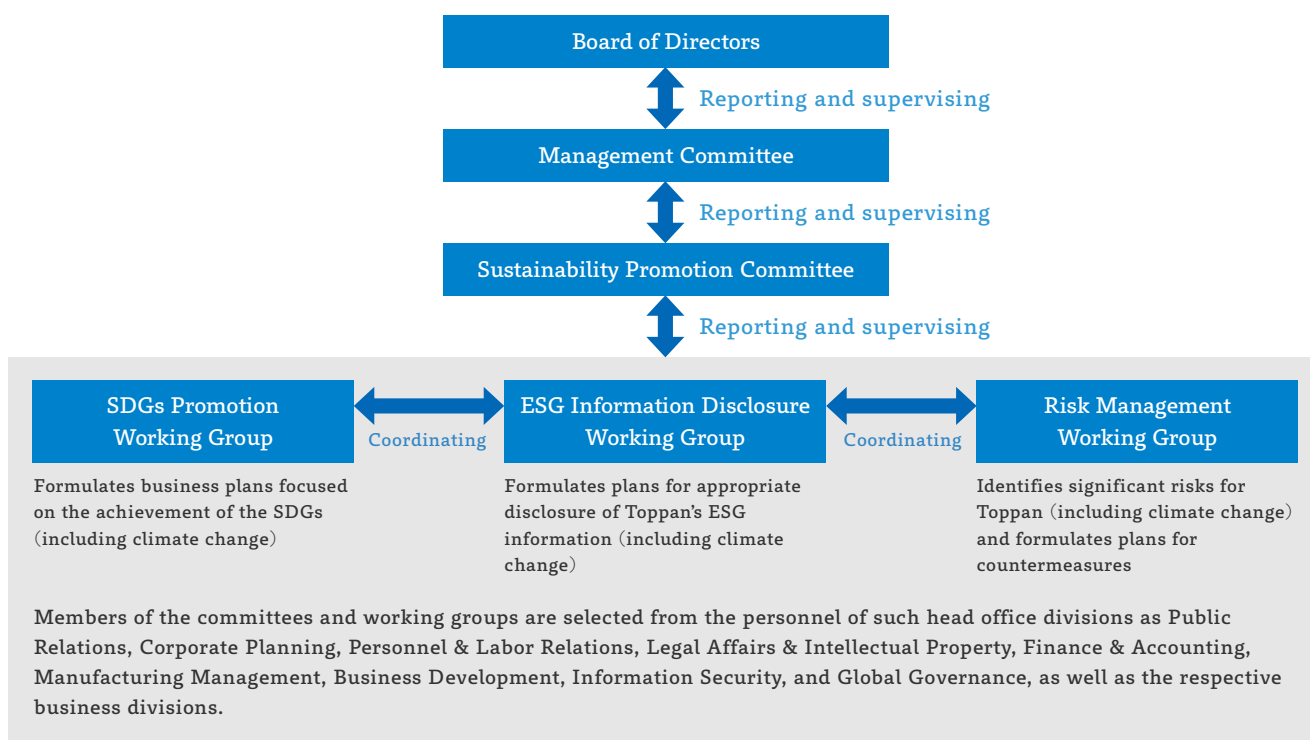
climate change has on the Company. From here on, Toppan will disclose information from the four perspectives of governance, strategy, risk management, and metrics and targets in line with the TCFD framework. The Company will also continue to consider and implement its response to business risks and opportunities and disclose information as appropriate.

Toppan Group Declaration on the Global Environment (revised 2009)
https://www.toppan.com/assets/pdf/sustainability/The_Toppan_Group_Declaration_on_the_Global_Environment.pdf

Information Disclosure Based on the Four Thematic Areas of the TCFD Recommendations

Thematic Area	Status of Initiatives	Related Information
Governance	Toppan recognizes risks and opportunities related to climate change (“climate-related issues”) as important matters for management and works to establish a system for supervision by the Board of Directors. The Board of Directors delegates the handling of climate-related issues to the Sustainability Promotion Committee (“the Committee”), which is chaired by the President & Representative Director. The Committee establishes multiple working groups and coordinates evaluation of climate-related issues and countermeasures to them. The Board of Directors will receive a report from the Committee in each fiscal quarter on the evaluation of climate-related issues, their status, and target management, and make comprehensive decisions on such matters as the formulation of management strategy with consideration for climate-related issues.	Corporate Governance Structure https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=26
Strategy	Toppan undertakes a business catering to customers in a wide range of sectors on a global scale. The Company recognizes that the impact of climate change should be considered in terms of a broad scope in relation to timeframe as well as differences between business sectors and the characteristics of each region. Toppan believes that failure to respond appropriately to both short-term and medium-to-long-term impacts can not only cause loss of opportunity but may also present a risk to business continuity. Short-term impacts include recent changes in the market requiring low-carbon operations and impact on the supply chain caused by serious disasters. Medium-to-long-term factors include rising costs due to increases in carbon taxes, a shift to non-petroleum-based materials, and an acceleration of the growth of on-demand services. However, Toppan also believes that responding appropriately to such risks can generate business opportunities, and that it is important to allocate investment and resources and take other related measures in a timely and appropriate manner. In addition to its traditional business model, Toppan is currently driving T-DX (Toppan Digital Transformation), which supports the shift to new business models in a digitalized society. The Company published the TOPPAN SDGs STATEMENT in November 2019 to set out its basic approach to providing solutions to social issues. Under the theme of Environmentally Friendly & Sustainable Production as part of Companywide Materiality, Groupwide targets for the reduction of greenhouse gas emissions have been set by the Company and approved by the Science Based Targets initiative. Based on these benchmark targets, Toppan is advancing low-carbon business activities. Meanwhile, as part of Business Materiality, under the theme of Sustainable Global Environment, the Company is targeting the creation of new value based on sharing with customers its medium-to-long-term vision for such initiatives as leveraging T-DX to develop supply chains for smart distribution. Toppan aims to be a creator of social value by working towards solutions to climate change and other social issues in collaboration with stakeholders.	TOPPAN SDGs STATEMENT https://www.toppan.com/assets/pdf/sustainability/toppan_sdgs_statement.pdf
Risk management	Toppan recognizes climate change as a vital issue for management and positions the process of identifying and assessing climate-related risks as an important matter to be addressed by the Sustainability Promotion Committee chaired by the President & Representative Director. The Committee has established a Risk Management Working Group (the “Working Group”). The Working Group appoints head office divisions to be responsible for related risks and coordinates the identification and assessment of risks, the formulation of countermeasures, and the monitoring of progress. A system is in place to ensure appropriate supervision by directors, whereby the activities of the Committee are presented to the Management Committee and subsequently reported to the Board of Directors. Material financial impacts considered when identifying and assessing climate-related risks are defined as investment and impact on sales due to fluctuations in demand for the current business that arise due to transition risks, expenditure such as the purchase of emission credits or renewable energy, and costs required for the mitigation of physical risks or measures to adapt to them.	Corporate Governance Structure https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=26
Metrics and targets	The medium-and-long-term greenhouse gas emission reduction targets for 2030 (approved by the SBTi) are set at a 30% reduction in Scope 1 [*] and Scope 2 [*] emissions compared to the fiscal 2017 level and a 20% reduction in Scope 3 [*] emissions compared to the fiscal 2017 level. Toppan will disclose information on the status of progress towards these target figures going forward. [*] Scope 1: Direct emissions from industrial processes or fuels consumed at the Toppan Group. Scope 2: Indirect emissions associated with the consumption of electricity, heating, or cooling purchased or acquired by the Group. Scope 3: Indirect emissions not included in scope 2, associated with business operations throughout the entire value chain of the Toppan Group.	Medium-and-long-term Greenhouse Gas Emission Reduction Targets for Fiscal 2030 https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=95

■ Sustainability Promotion Structure Including Climate Change



■ Risks and Opportunities

In response to the worsening of climate change in recent years, countries and businesses throughout the world are targeting a transition to a sustainable society by working to reduce CO₂ emission volumes and those of other greenhouse gases.

However, even with these efforts, it is difficult to predict the future accurately, and there are also concerns regarding the emergence of a society exposed to the impact of drastic changes in climate. Toppan recognizes the impact that climate change can have on its operations as a serious issue and has started to analyze and consider countermeasures to such impacts in terms of both transition risks associated with a shift to a low-carbon society and physical risks brought about by drastic climate change.

The *TOPPAN SDGs STATEMENT* published in November 2019 sets out a commitment to strengthen initiatives addressing environmental issues in the two categories under which material issues are classified. Issues under Companywide Materiality are those to be addressed through the overall corporate activities of the Company, while those under Business Materiality are to be addressed through specific business activities. Toppan does not see climate change simply as a risk to be avoided, but as a chance to create new social value. The Company will continue to strive to create new businesses by responding to the ever-changing climate change situation, and reevaluating and comprehensively exploring business opportunities by employing such methods as scenario analysis.

Item	Potential Impact on Business Activity	Products and Services
Transition risks	<ul style="list-style-type: none"> • Cost increases due to tightening of energy-saving legislation and other regulations • Cost increases due to carbon taxation and cap and trade programs • Increases in raw material and energy costs • Production system conversion due to changes in materials, increased investment 	<ul style="list-style-type: none"> • Decrease in demand for paper media and petroleum-based plastic products • Changes in materials
Transition opportunities	<ul style="list-style-type: none"> • Selling of emission credits generated • Cost decreases due to low-energy production 	<ul style="list-style-type: none"> • Expansion of digital business for information media • Expansion of business for plastic-free and easy to recycle materials • Expansion of orders taken for systems supporting energy saving • Changes in materials
Physical risks	<ul style="list-style-type: none"> • Damage to operational sites caused by large-scale disasters • Procurement problems caused by supply chain disruption • Cost increases due to pulp and paper supply shortages caused by deforestation • Insufficient air conditioning capacity and increase in energy costs due to rise in ambient temperature 	<ul style="list-style-type: none"> • Product quality deterioration under high temperature conditions
Physical opportunities	<ul style="list-style-type: none"> • Expansion of digital business due to shift from paper • Increase in business opportunities related to advancement of smart factories (labor-saving, unmanned) and disaster prevention 	<ul style="list-style-type: none"> • Expansion of digital business for information media • Expansion of energy-related business • Expansion of business related to medical care

Efforts to Prevent the Spread of COVID-19

The Toppan Group offers its heartfelt sympathy to all those who have been affected by the novel coronavirus infection (COVID-19) and its prayers for everyone's swift recovery.

Toppan has taken a range of measures to prevent the spread of infection both inside and outside the Company and to contribute to

society through products and services that leverage the Company's resources while putting the highest priority on ensuring the safety of the employees of the Group and companies with which Toppan does business.

Details of Efforts

Preventing Infection Among Employees (as of end of August 2020)

Working arrangements

- Wherever possible in accordance with the nature of their work, employees have been working remotely or from home.
- Communications infrastructure required to enable remote working has been enhanced, and operations and systems have been reviewed to advance paperless processes and address tasks previously handled physically.

■ Training for New Recruits Held Online

In order to prevent the spread of COVID-19 both inside and outside the company and ensure the safety of employees, the form of training for new graduate recruits joining the Company in fiscal 2020 was reviewed and the training was held completely online, with employees participating from their homes. The training program made use of technology and incorporated measures taking advantage of the benefits of the online format, such as the management of physical and mental condition to improve performance. Activities were also conducted to strengthen communication between the new recruits.



Related press release (in Japanese)
https://www.toppan.co.jp/news/2020/03/newsrelease200316_3.html

Measures taken for business activities include the following:

- Minimizing the number of attendees in internal meetings and those with outside parties and shortening the time taken for meetings.
- Restricting non-essential and non-urgent business travel and visits that require long travel times and switching to online meetings.
- Regular meetings usually held in a single location with large numbers of participants held instead in multiple locations using online conferencing facilities.
- Avoiding overseas business travel in compliance with relevant guidance, such as the travel advice and warning on infectious diseases provided by the Ministry of Foreign Affairs of Japan.

Other measures include the following:

- Encouraging visiting guests and business partners to wear masks and wash their hands.
- Asking employees to take their temperature before coming into work and requiring them to stay at home if they have symptoms such as a fever or cough.
- Requiring employees to report to the company and remain at home if someone close to them has become infected or has been in close contact with someone who is infected.

Contributing through Products and Services

■ Todokusuri β — Prescription Medication Delivery Service Based on Special Measures Related to COVID-19

Okapi Pharmacy System Co., Ltd., a wholly-owned subsidiary of Toppan Printing, has launched the beta version of a prescription medicine delivery service called Todokusuri. The service enables patients to consult pharmacists and receive prescription medicines without leaving their homes and is based on a communication from the Japanese Ministry of Health, Labour and Welfare regarding the handling of medical consultations and prescriptions by phone or information communication device due to increases in the number of people infected with COVID-19.

Related press release
<https://www.toppan.com/en/news/2020/08/newsrelease200807e.html>

■ Solutions to Help Prevent the Spread of Infection at Events

Toppan is supporting events that offer safety and peace of mind to both organizers and attendees through such services as detection of mask wearing, fevers, and crowded areas using AI-enabled camera systems and dissemination of information on cases of infection using the LINE social media platform.

Related press release (in Japanese)
<https://www.toppan.co.jp/news/2020/07/newsrelease200717.html>

■ Online Facility Tour Solution

In consideration of the need for social distancing, Toppan has launched a new online facility tour service that allows users and people conducting tours to communicate in real time without visiting the location itself.



Related press release

<https://www.toppan.com/en/news/2020/06/newsrelease200611e.html>

■ Provision of E-learning Materials for Business Training and Support for Employee Mental Health

“ACTiON Campus™: Positive Mental Health Based on Adler Psychology” is an e-learning course aimed at supporting the mental health of employees. It supports the health and productivity management efforts of businesses by promoting self-care strategies that can help manage stress and address the stress risk employees face due to changes in working conditions and the growth of remote working related to measures to prevent the spread of COVID-19.

Related press release (in Japanese)

<https://www.toppan.co.jp/news/2020/06/newsrelease200609.html>

Donating Cleanroom Clothing

In response to an appeal from the Keidanren (Japan Business Federation) to provide cleanroom clothing to medical facilities where there were shortages, items used at the Niigata, Mie, and Kochi plants of Toppan Electronics Products have been donated.



Corporate Governance

Basic Approach

Corporate governance focused on the management of sustainability activities provides an integral foundation for Toppan's approach to fulfilling corporate social responsibilities as a group of companies dedicated to furthering sustainable growth hand-in-hand with the development of society at large.

Toppan has formulated a Basic Policy on Corporate Governance to further strengthen its corporate governance based on a full understanding of the spirit and aims of the Corporate Governance Code established by the Tokyo Stock Exchange.

In fiscal 2019 the Toppan Group reviewed the internal reporting system, revoked a set of defensive countermeasures against takeover bids, and introduced a restricted stock compensation system with limitations on stock transfers for a certain period.

Toppan revised the Basic Policy on Corporate Governance in March 2020 to reflect these changes and to align its governance structure with efforts made in promoting diversity in the workplace and addressing issues under the SDGs.

Toppan and its Group companies work together to implement consolidated management under the Related Company Administration Regulations prescribed for the advancement of fair management within the Group. Through this approach, the Toppan Group implements governance aimed at maximizing the value of the entire Group.

Basic Policy on Corporate Governance of Toppan Printing Co., Ltd.
<https://www.toppan.com/en/ir/management/governance-policy.html>

Promotion Framework

Toppan's governance structure employs an Audit & Supervisory Board.

As an entity entrusted by shareholders, the Board of Directors strives to achieve sustainable growth and a medium- to long-term increase in the corporate value of the Group while overseeing important managerial decision-making and the execution of duties by each director.

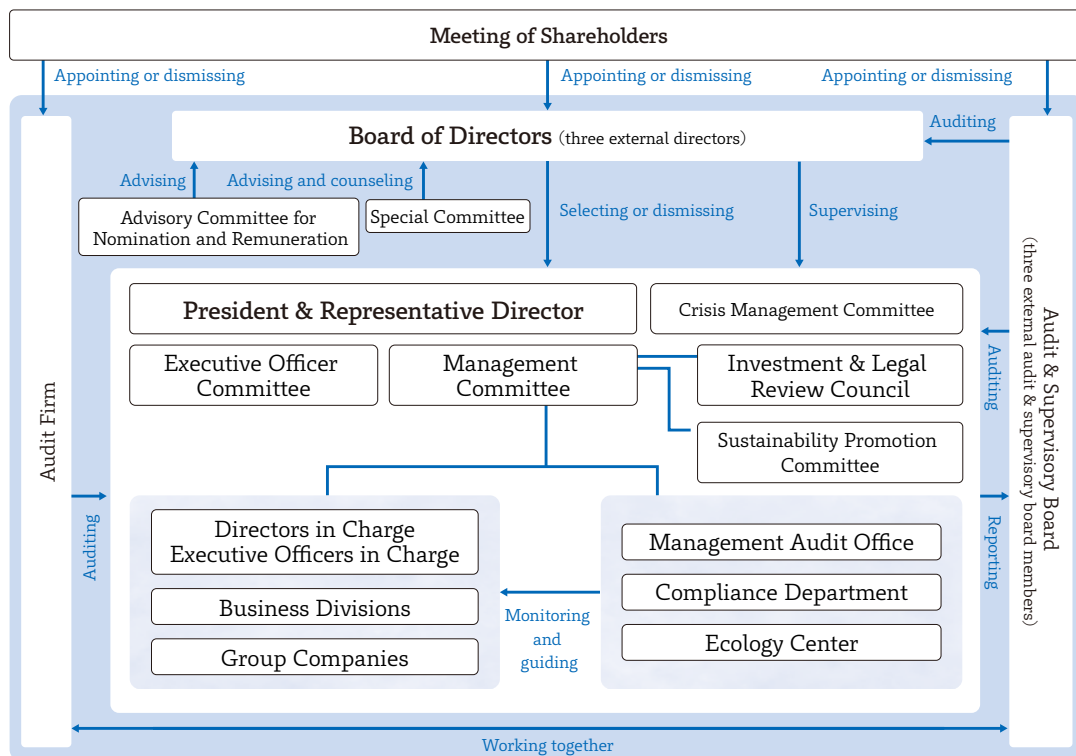
An Audit & Supervisory Board composed of a majority of

independent external members audits the execution of duties by directors from a position independent of management.

An Advisory Committee for Nomination and Remuneration has also been set up to enhance the objectivity and transparency of personnel affairs and remuneration of directors.

Toppan has adopted an executive officer system to clarify the authority and responsibilities of those in charge of business execution.

■ Corporate Governance Structure (as of July 21, 2020)



■ Directors, Board of Directors, and Various Meetings

Toppan's Board of Directors is composed of 13 Company directors, along with three external directors who are independent officers (as of July 21, 2020). Board meetings are held monthly and whenever a pressing matter requires action or deliberation. Especially important matters are deliberated beforehand by the Management Committee, a body made up of directors nominated by the President & Representative Director. The goal is to lay weight on managerial efficiency in business decision-making. Toppan has also adopted an executive officer system to clarify the authority and responsibilities of those in charge of business execution and enable prompt responses to changes in business circumstances. An Advisory Committee for Nomination and Remuneration for directors has also been in place since fiscal 2017. The Company partially revised its executive officer system in May 2018.

■ Strengthening Audit Functions

The Management Audit Office is a body established independently from the business divisions of the Company. Working from legal and rational viewpoints, the office conducts fair and objective audits on the administrative and operational systems of management activities and the practical status of the Company's operations. The office provides feedback to the relevant departments on issues identified, proposes measures for improvement, and reports the audit results to the President & Representative Director, directors in charge of relevant departments, and audit & supervisory board members.

The Compliance Department in the Legal Affairs & Intellectual Property Division spearheads the Company's initiatives to ensure the strict observance of laws and regulations and to firmly establish ethical business practices. The department is responsible for ensuring that employees are fully informed of the Conduct Guidelines and comply with applicable laws and regulations.

■ Audit & Supervisory Board, Board Members, and Audit Firm

As of July 21, 2020, five persons are appointed as audit & supervisory board members at Toppan, including three external members who are independent officers. In addition to their own board meetings, the board members attend meetings of the Board of Directors, meetings of the Management Committee, and other important meetings on risk management. The board members systematically manage the implementation of audits of operational sites and Group companies in close cooperation with the audit firm and internal audit-related departments of the Company. By these means, they audit and advise the Company from a preventive perspective to ensure the legality of the operations of the directors and departments and smooth and appropriate corporate management in line with company policies and regulations. They also regularly convene a meeting of audit & supervisory boards from related companies to improve the effectiveness of the audits by board members across the Group. Toppan has had KPMG AZSA LLC verify the propriety of the Company's accounts through audits in order to enhance the reliability and transparency of the Company's financial information.

The department also reports to the Audit & Supervisory Board on improper acts such as collusion, illicit trading, and bribery, along with other forms of corruption, misconduct, and legal violations.

Toppan addresses these compliance issues through the Toppan Group Helpline, an internal reporting system that any officer or employee (including dispatched staff and part-time workers) of a Group company (excluding listed corporations) can contact whenever a legal violation or other improper act comes to light.

The Information Security Division audits information security management within the Toppan Group as an organization responsible for the control of information security. The Ecology Center in the Manufacturing Management Division, meanwhile, oversees environmental activities across the Group, conducts internal audits at operational sites, and monitors the progress of their improvements.

Main Activities and Relevant Information

List of Directors and Audit & Supervisory Board Members (as of July 21, 2020)

Directors: 16 (14 men, 2 women)

Audit & supervisory board members: 5 (4 men, 1 woman)

Name	Current Position	Independence	First year*	Tenure in years*	Attendance at Board of Directors meetings (Fiscal 2019)	Number of Company shares held (thousands)
Shingo Kaneko	Chairman & Representative Director		2003	17	18/18	106
Hideharu Maro	President & Representative Director		2009	11	18/18	54
Shinichi Ohkubo	Executive Vice President & Representative Director		2005	15	18/18	91
Yukio Maeda	Director & Executive Vice President		2016	4	18/18	66
Makoto Arai	Director & Senior Managing Executive Officer		2008	12	18/18	63
Sumio Ezaki	Director & Senior Managing Executive Officer		2011	9	18/18	36
Tetsuro Ueki	Director & Senior Managing Executive Officer		2015	5	18/18	16
Yasuhiko Yamano	Director & Managing Executive Officer		2011	9	18/18	35
Mitsuhiro Nakao	Director & Managing Executive Officer		2017	3	18/18	26
Yuichiro Kotani	Director & Managing Executive Officer		2019	1	13/14	23
Kazunori Sakai	Director & Managing Executive Officer		2019	1	14/14	18
Masanori Saito	Director & Managing Executive Officer		2019	1	14/14	16
Takashi Kurobe	Director & Executive Officer		2018	2	18/18	9
Yoshinobu Noma	Director (external)	✓	2010	10	17/18	34
Ryoko Toyama	Director (external)	✓	2016	4	15/18	-
Mieko Nakabayashi	Director (external)	✓	2020	-	-	-
Jitsumei Takamiyagi	Senior Audit & Supervisory Board Member		2014	6	18/18	85
Itaru Kubozono	Audit & Supervisory Board Member		2019	1	14/14	5
Hiroyuki Shigematsu	Audit & Supervisory Board Member (external)	✓	2014	6	18/18	-
Keiko Kakiuchi	Audit & Supervisory Board Member (external)	✓	2016	4	18/18	-
Haruo Kasama	Audit & Supervisory Board Member (external)	✓	2018	2	18/18	-

*As a director or an audit & supervisory board member

Average tenure in years	5.59
Percentage of female executives	14.28%
Average attendance rate	98.53%

Conducting Management Audits

The Management Audit Office carried out 23 operation audits in fiscal 2019 and conducted maintenance and operational evaluations of internal controls over financial reporting for all business divisions and main subsidiaries.

The audit results are regularly reported to the representative directors, directors in charge of the relevant organizations, and the audit & supervisory board members.

Remuneration to Directors and Audit & Supervisory Board Members

The total annual remuneration to directors and total annual remuneration to audit & supervisory board members were 942 million yen and 111 million yen, respectively, in fiscal 2019. Please see the section covering corporate governance in the securities report for details on the method used to determine remunerations and remuneration-related information.

Securities report (in Japanese)

https://ssl4.eir-parts.net/doc/7911/yocho_pdf/S100J99K/00.pdf

Formulating the Operating Guidelines for Overseas Subsidiaries

Toppan Printing strives to further strengthen its governance structure in order to ensure effective management within the Group. An ideal corporate governance system, as Toppan sees it, has a structure and support systems to immediately address business challenges related to governance, compliance, and risk management. While respecting their autonomy, Toppan requires Group companies to strictly observe the management philosophy and operating policies of the Company.

Looking ahead to more globalized operations, Toppan formulated

a set of Operating Guidelines for Overseas Subsidiaries in 2019 to instill this approach in overseas Group subsidiaries.

Toppan will seek to achieve ideal corporate governance within the Group by helping Group companies shape their own organizations and cultures. This approach will enable the Group companies to maintain their autonomy and implement effective control based on operating foundations and governance structures that conform to the guidelines.

Risk Management

Basic Approach

The Toppan Group views the accurate detection and appropriate management of impending risks as a corporate social responsibility.

In keeping with this view, the Group has identified and taken steps to mitigate quality-related incidents, natural disasters, and other types of risk requiring action to limit the possibility of

adverse impact on business operations. When a risk actually arises, Toppan immediately collects necessary information and takes comprehensive and strategic countermeasures under the Group's risk management structure to minimize losses, ensure business continuity, and maintain the trust of society.

Promotion Framework

■ Division-specific Risk Management Structure

In accordance with the Rules on Risk Management, the Toppan Group has set up a risk management structure under which the responsibilities for risk management are allotted to specific divisions in the head office based on the types of risk involved. The

directors in charge of each relevant division are responsible for taking measures to prevent, avoid, and correct each risk. When a significant risk requiring action arises somewhere in the Group, the responsible director reports it to the Board of Directors.

■ Risks to Be Managed and the Relevant Head Office Divisions in Charge

Type	Risks to Be Managed	Divisions in Charge
Product-related incidents or product liability	Quality-related incidents	Manufacturing Management Div.
Accidents or disasters related to company operations	Accidents or disasters related to fires, explosions, etc.	Manufacturing Management Div.
	Illegal activities related to the storage of solvents, dangerous chemicals, etc.	Manufacturing Management Div.
	Occupational accidents, traffic accidents, or other accidents involving employees	Personnel & Labor Relations Div.
	Incidents related to notes or accounts receivable	Finance & Accounting Div.
	Legal problems with orders received	Legal Affairs & Intellectual Property Div.
	Leakage of personal information or confidential information	Information Security Div.
	Interruption of business operations by cyber-attacks	Information Security Div.
	Accidents related to main computer systems	Digital Innovation Div.
Environmental problems	<ul style="list-style-type: none"> Violations of environmental laws or regulations; environmental impact levels exceeding applicable regulatory standards Illegal disposal of industrial waste 	Manufacturing Management Div.
Climate change or water risks	<p>Transition risks</p> <ul style="list-style-type: none"> Greenhouse gas (GHG) emission pricing, strengthened obligations for emission reporting, or higher incidence of climate-related lawsuits Risks related to the transition to a low-carbon economy or replacement of existing products by low-carbon alternatives Changes in customer behavior or increases in material costs Widespread public disapproval of the industry or changes in the attitudes of customers or society <p>Physical risks</p> <ul style="list-style-type: none"> Escalation of typhoons, hurricanes, floods, or other natural disasters caused by extreme weather Shifts in global climate patterns such as rising sea levels or increasing average temperatures 	Manufacturing Management Div.
Natural disasters	Material losses or personal accidents due to earthquakes, wind or water damage, lightning strikes, etc.	Personnel & Labor Relations Div.
	Spreading of new strains of influenza	Personnel & Labor Relations Div.
Related to the Companies Act of Japan	Shareholder derivative lawsuits or hostile takeovers	Legal Affairs & Intellectual Property Div.
Improper practices in disclosing information in financial reporting	False reporting or improper statements	Finance & Accounting Div.
Legal violations or misconduct	Violations of the Subcontract Law of Japan or illegal transactions with business partners	Manufacturing Management Div.
	Improper conduct related to accounting, taxes, or payments (fictitious orders, etc.)	Finance & Accounting Div.
	Harassment, discrimination, violations of the Labor Standards Act of Japan, etc.	Personnel & Labor Relations Div.
	Misappropriation, etc.	Personnel & Labor Relations Div.
	Collusion, insider trading, violations of the Subcontract Law of Japan, illicit import or export transactions, or bribery	Legal Affairs & Intellectual Property Div.
Infringements of intellectual property rights	Infringements of patents, trademarks, or copyrights	Legal Affairs & Intellectual Property Div.
Relationships with antisocial organizations	Unreasonable demands from antisocial organizations or transactions conducted between subcontractors or suppliers and antisocial organizations	Legal Affairs & Intellectual Property Div.
Defamation, slander, or other criminal damages	Acts of violence against the Company (threats, kidnapping, theft, etc.)	Personnel & Labor Relations Div.
Risks in overseas business activities	<ul style="list-style-type: none"> Product-related incidents, harassment, dismissals, environmental problems, fires, natural disasters, etc. Damage to human or physical assets of customers or the Company caused by international conflicts, terrorism, etc. 	Corporate Planning Div. Personnel & Labor Relations Div.

More details on directors overseeing divisions in charge of risks
<https://www.toppan.com/en/about-us/officer.html>

(revised on April 1, 2019)

■ Risk Management Liaison Meeting

All of the personnel in charge of risk management in the head office divisions assemble on a regular basis to share information at the Risk Management Liaison Meeting. When a risk actually arises, the responsible persons from relevant head office divisions convene an extraordinary meeting to take necessary management actions and develop preventive measures.

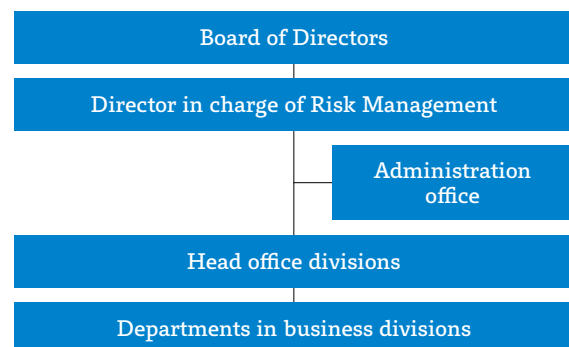
■ Risk Management

The Toppan Group manages individual risks specific to organizations such as business divisions, subsidiaries, and Group companies.

Specifically, the Group performs annual risk surveys to determine all types of risk that require action. The frequency and severity of possible risks are assessed, and countermeasures are formulated based on the assessment results. Midway through the fiscal year, the Group monitors the progress of mitigation measures designed at the beginning of the year. As the administration office, the Compliance Department in the Legal Affairs & Intellectual Property Division takes the time every year to identify serious types of risk that could exert significant adverse impact on management. The responsible head office divisions spearhead efforts to plan countermeasures and take comprehensive measures required for the management of the risks determined to be serious. The Director in charge of Risk Management regularly reports the outcomes of the measures taken to the Board of Directors.

The Toppan Group identified the following 15 types of serious risk in fiscal 2019.

■ Risk Management Structure



- | | | |
|---|--|--|
| 1. Fires or occupational accidents | 6. Leakage of personal information or confidential information | 11. Damage to human or physical assets caused by natural disasters |
| 2. Risks involved in Group control | 7. Interruption of business operations by cyber-attacks | 12. Investment loss |
| 3. Risks involved in overseas business activities | 8. Quality-related incidents | 13. Infringements of intellectual property rights |
| 4. Non-performing inventory assets or long-term inventories | 9. Soil or groundwater pollution | 14. Legal violations |
| 5. Incidents related to notes or accounts receivable | 10. Problems related to labor affairs (including long working hours) | 15. Bribery or corruption |

BCP/BCM

Basic Approach

Toppan provides products and services necessary for everyday living. Client companies rely on products and services from the Toppan Group in wide-ranging industries, from services related to cashless payments and smart cards in the information & communication field to sundry packages for food and medicinal products in the packaging field and various components for electronic devices in the electronics field. A wide-scale disaster could potentially interrupt the supply of essential Toppan products and services, causing considerable impact on customer companies

and consumers. Toppan has therefore formulated a Basic Plan for Countermeasures against Disasters to ensure the safety of Group employees and minimize damage to the corporation when a disaster strikes. The basic plan is subject to regular reviews.

Toppan carries out business continuity management (BCM) activities in order to maintain a steady supply of products and services to customer companies, and thereby fulfill the Group's corporate social responsibility as a proponent of a sustainable society.

Promotion Framework

■ Promotion System

The BCP Promotion Office established in the head office Legal Affairs & Intellectual Property Division oversees the development of business continuity planning (BCP) in the Group. Persons in charge of BCP have been deployed at head office divisions and business divisions to implement BCP activities throughout Japan. The office coordinates with persons in charge of BCP to promote the Group's various BCP initiatives.

The Toppan Group takes the following measures to address potential disaster risks:

- Regularly reviews action procedures to prepare for a wide-scale disaster and arranges disaster-simulation drills to check the effectiveness of the procedures;
- Organizes comprehensive disaster-preparedness drills, employee fire response training, and drills to check the safety of employees and their families;
- Stockpiles water, food, and other emergency supplies to support community members and commuters who will have no means to return to their homes;
- Holds liaison meetings at the Company (quarterly) and at related companies (semiannual);
- Prepares for the startup and operation of emergency task forces; and
- Establishes an alternate structure in the Kansai area to prepare for the disaster scenario of an earthquake striking directly beneath the Tokyo metropolitan area.

In the event of a disaster, Toppan will immediately set up emergency task forces at the head office in Tokyo and at the operational sites in the region affected by the disaster. The task forces will then take actions in line with the Basic Plan for Countermeasures against Disasters.

■ Promotion Mechanism

Everybody must remain calm and take prompt action in the event of a disaster. A critical step for Toppan is to make every employee aware of his or her role.

The BCP Promotion Office has created a website specialized in disaster preparedness and is now delivering necessary information to all Group employees. The office has also helped the persons in charge of business continuity planning (BCP) to acquire relevant qualifications.

Toppan also arranges various training sessions on business continuity management (BCM) tailored to individual operational sites across Japan. The sessions are designed to enhance the competencies that Group employees will require for the handling of emergency situations in their fields.

The Group also strengthens the business continuity competencies of business partners by holding workshops led by external experts (practice and group discussion sessions) and by sending questionnaire surveys to individual material suppliers and subcontractors involved in production.

Toppan assesses the Group's BCM activities through self-checks with questionnaires. The results for each business division are reported to senior managers for management reviews and activity upgrades.

For operations requiring strict BCM, Toppan has acquired ISO 22301 certification and continues to improve BCM activities through ongoing plan-do-check-act (PDCA) cycles.

Main Activities and Relevant Information

More than 100 BCM Drills at 52 Sites and Departments across Japan

The head office and operational sites in the Toppan Group across Japan organize regular comprehensive disaster-preparedness drills to repeatedly rehearse the actions to be taken during actual disasters: the initial damage assessment and safety verification, the evacuation procedures, the employees' journeys back home from their workplaces on foot, and the distribution of stockpiled supplies.

Toppan has also organized division-wide simulation drills for task force operations designed within the Group to enable the prompt startup and operation of an emergency task force in the event of a disaster. In the simulation drills, Group employees form an actual task force equipped with information-sharing tools, an emergency IP wireless communication system, and other tools developed in-house.

The Toppan Group is aware of the special importance of drills in facilitating business continuity management (BCM) activities. When employees conduct the simulation drills, they gain a

deepened understanding of their roles. The Group will continue to organize BCM activities. By rehearsing regular anti-disaster measures and repeatedly reviewing issues identified in the drills, employees will be able to reinforce the skills required for the handling of the emergency conditions likely to prevail in the event of a wide-scale disaster.



Simulation drill for task force operations (Mikkabi Plant)



Drills for on-site building inspections (Shiga Plant)

BCP Workshops for Business Partners

The damage incurred during and after the 2011 Tohoku earthquake and tsunami has alerted the Toppan Group to the importance of the supply chain in business continuity planning (BCP).

Toppan invites an expert every year to lecture on effective BCP at workshops for business partners to reinforce their awareness of the importance of having solid BCP in place. Participants learn in detail about the training carried out at Toppan and the information-sharing tools the Group prepares for deployment in emergency situations. They also exchange views in a workshop program to identify BCP challenges that business partners are likely to face.

The participants have spoken highly of the training overall. One was pleased to have gained "a stronger awareness of the importance of information-sharing and good teamwork with Toppan in the event of an emergency." Another "found the session to be very productive" and "gleaned important hints on approaches for addressing BCP issues through discussion with other participants who were tackling similar challenges."

With the advent of the COVID-19 pandemic, a round of workshops scheduled for late February of 2020 had to be cancelled to protect participants and limit the spread of the virus. Toppan has so far managed to minimize the impact of the pandemic on the supply chain, chiefly by sharing information promptly and taking necessary countermeasures in league with business partners.

Toppan will be holding workshops for ever-growing numbers of business partners to support the efforts they are making hand-in-hand with the Group to live up to the trust of customer companies.



Workshop at the head office

ISO 22301 Certification for Security-related Business Operations

After the Tohoku earthquake and tsunami struck in 2011, damage to production equipment and problems in material procurement forced many companies to suspend their businesses. The Toppan Group began to formulate business continuity planning (BCP) immediately after the earthquake and has since implemented ongoing BCP activities across the Group through plan-do-check-act (PDCA) cycles. To cement the trust of client companies, Toppan acquired ISO 22301 certification in February 2018 for the various security-related businesses handled by the Group (e.g., card issuing operations, direct-mail creation, operations related

to securities production, and back-office operations). ISO 22301 is an internationally recognized standard on business continuity management systems.

Business continuity risks have been increasing in recent years with such developments as the COVID-19 pandemic and repeated floods caused by major typhoons and hurricanes. Toppan will continue addressing today's emerging and growing risks while extending the scope of the Group's ISO 22301 certification to include other operations based on assessments of client demands and market trends.

Human Rights

Basic Approach

The Toppan Group regards human rights as a paramount principle in its business activities and sustainability initiatives.

The Group operates business under the foundational concept of respect for the individual. To ensure this foundational concept, Toppan calls for respect for basic human rights as one of the

behavioral norms set under the Conduct Guidelines for Toppan personnel. The guideline stipulations include respecting people's personalities and individuality, prohibiting discrimination and harassment, and prohibiting child labor and forced labor.

■ Supporting the Principles of Human Rights Manifested in the United Nations Global Compact

Toppan has been participating in the United Nations Global Compact and therefore supporting its two principles of human rights since 2006. The Group also espouses the United Nations

Guiding Principles of Business and Human Rights and implements the human rights due diligence process and other initiatives for human rights.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
Principle 4: the elimination of all forms of forced and compulsory labour;
Principle 5: the effective abolition of child labour; and
Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;
Principle 8: undertake initiatives to promote greater environmental responsibility; and
Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



■ Labor-Management Initiatives for Human Rights

Toppan's labor union and management undertake various measures for labor-related human rights based on a fundamental policy stated in a collective labor agreement.

The Toppan Printing Labour Union and Toppan's management have concluded the collective labor agreement in order to ensure stable labor-management relations, maintain and improve working conditions, and secure the corporate concord. This agreement sets forth a fundamental policy between labor and management, the rules governing union activities and labor-management negotiations, and employment conditions such as wages and working hours.

The Toppan Printing Labour Union is run by members from Toppan and seven Group companies. The union and the management have concluded an agreement to impose a uniform set of liability-related clauses (rules governing union activities and labor-management negotiations) on all eight companies represented.

The Toppan Group has also been taking measures to avoid human rights violations in the form of negative impact on the lives of people living near its operational sites. For example, the Group promotes environmental conservation initiatives based on The Toppan Group Declaration on the Global Environment and the Basic Policy on Biodiversity.

Fundamental Policy under the Collective Labor Agreement

As a fundamental policy between labor and management, Article 1 of the collective labor agreement, the General Principles, stipulates that the Company and union shall contribute to society through business operations and collectively work for the benefit of the Company and long-term stability of the livelihood of employees. Labor and management both uphold this policy as a common goal. Article 2 of the agreement clearly states that the union has all the rights established by law, specifying that the Company shall respect the union's rights to organize and collectively bargain and act.

More details on Toppan's environmental conservation initiatives
<https://www.toppan.com/en/sustainability/environment/>

Conduct Guidelines
<https://www.toppan.com/en/about-us/philosophy/conduct-guidelines.html>

Ten Principles of the United Nations Global Compact
<https://www.unglobalcompact.org/what-is-gc/mission/principles>

United Nations Global Compact
<https://www.unglobalcompact.org/>

The Toppan Group Declaration on the Global Environment
https://www.toppan.com/assets/pdf/sustainability/The_Toppan_Group_Declaration_on_the_Global_Environment.pdf

Basic Policy on Biodiversity
<https://www.toppan.com/assets/en/sustainability/pdf/biodiversity.pdf>

Promotion Framework

The Personnel & Labor Relations Division, Legal Affairs & Intellectual Property Division, Manufacturing Management

Division, and other head office divisions collaborate to implement various measures for human rights.

■ Training on the Conduct Guidelines

Respect for basic human rights is positioned as Basic Principle 1 of Chapter 1 of the Conduct Guidelines, the standards of behavior for Toppan personnel. Conduct Guidelines Promotion Leaders continue to disseminate this principle at their workplaces. The Toppan Group educates employees on human rights through first-year training, e-learning-based programs, and other training sessions.

■ Promoting Sustainable Procurement

The Toppan Group asks business partners to comply with the Procurement Standards Concerning Human Rights, Labor, the Environment, and Anti-Corruption under the Toppan Group CSR Procurement Guidelines. Business partners continue to work with the Group to undertake initiatives to promote respect for human rights.

Toppan Group CSR Procurement Guidelines (second edition)
https://www.toppan.com/assets/en/pdf/about-us/sustainability/2014/proc2014_en01.pdf

More details on Toppan's CSR procurement
<https://www.toppan.com/en/sustainability/procurement.html>

■ Operating Hotlines

Toppan operates a Toppan Group Helpline through which Group officers and employees can report human rights issues or violations. Toppan also runs a helpdesk in the head office Personnel & Labor Relations Division to deal with power harassment, sexual harassment, and any other forms of harassment.

The Toppan Group has also set up a Supplier Hotline, a portal for receiving reports from business partners on human rights issues or violations committed by the Group's procurement departments.

Toppan Group Helpline
<https://www.toppan.com/en/sustainability/fair-practices.html#link>

Supplier Hotline
<https://www.toppan.com/en/about-us/our-corporate-approach/supplier-hotline.html>

■ Promoting Diversity and Inclusion Initiatives

Toppan is committed to Group-wide innovation that will evolve its capacity to create social value. The Group positions diversity and inclusion (D&I) initiatives as an important management strategy to drive change.

Toppan values its employees as precious "human assets" and understands how deeply it depends on them. Under the foundational concept of respect for the individual, the Group has been undertaking various measures to promote positive working conditions.

Toppan strives to develop D&I initiatives that harness differences among its diverse human assets as drivers of innovation. The Group will continue to promote diversity by encouraging employees to acknowledge and respect each other's personal qualities and values so as to better utilize and enhance their diverse abilities.

In order to cultivate a D&I mindset within the workforce, Toppan facilitates ongoing dialogue and nurtures heightened awareness and sensibilities that ensure mutual respect. The Group is consistently creating psychologically safe workplaces where every person can speak and act without inhibition or restraint.

Diversity & Inclusion
https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=44

■ Self-determination on the Career Path / In-house Staff Recruitment

Toppan provides every employee with equal opportunity for skill improvement through an in-house staff recruitment system and the Challenging Job System, a self-directed program to encourage employees to set out their career development plans. The Company expects these systems to nourish a problem-solving, can-do mindset throughout the widening arenas in which the Toppan workforce operates.

■ Providing an Open Environment for Recruitment

Toppan hires persons regardless of gender, nationality, and age and offers employment opportunities to persons of varying levels of physical and mental ability. By publicizing its working styles in company orientation sessions and on the corporate website and other media, Toppan reaches out to diverse people such as new graduates from universities and high schools, experienced personnel in the middle of their careers, and persons with disabilities.

Information on Personnel

https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=43

■ Employment of Persons with Disabilities

Toppan promotes the hiring of persons with disabilities in collaboration with a special subsidiary, Tokyo Metropolitan Government (T.M.G.) Prepress Toppan Co., Ltd. Toppan and T.M.G. Prepress Toppan support the ongoing hiring and employment of persons with disabilities by devising work procedures and routines that empower them to perform wide-ranging jobs.

Toppan strives to surpass the legally prescribed quota for the employment of persons with disabilities in Japan.

Employment of Persons with Disabilities

https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=49

Employee Work and Health & Safety

Basic Approach

Toppan values its employees as precious “human assets” and understands how deeply it depends on them. The Company is convinced that human assets perform to their full potential when they are vigorous, earnest, and driven.

To support motivated, vigorous, and earnest work, Toppan promotes positive working conditions and healthcare and safety measures in cooperation with the labor union and Toppan Group Health Insurance Union (“the health insurance union”).

For employee health and safety in particular, the Group has undertaken various measures based on the Health Management Declaration (established in 2015; revised in 2019) and the Basic Policy on Health, Safety & Fire Safety (updated in April 2020, from the Basic Policy on Health and Safety formulated in 2010). The Health Management Declaration clarifies future health management policies for maintaining and enhancing the health of Group employees. From a viewpoint of “health and productivity management*,” this declaration visualizes and reorganizes health promotion measures and action plans previously organized by the Group and the health insurance union separately. The declaration

pursues dual aims. The first is to promote enhanced health for employees and their families through various approaches, such as activities to support work-life balance. The second is to contribute to society through health-related businesses that support health promotion activities undertaken in communities.

The Basic Policy on Health, Safety & Fire Safety, meanwhile, enunciates a “safety first” principle as a top priority for the entire Toppan workforce, including both regular and contract employees, towards the complete elimination of occupational accidents. The Group is maintaining its efforts to eliminate occupational accidents in fiscal 2020.

*The term “health and productivity management®” is a registered trademark of the Workshop for the Management of Health on Company and Employee.

Health Management Declaration (in Japanese)
<https://www.toppan.co.jp/about-us/our-corporate-approach/health-manage-declaration.html>

Basic Policy on Health, Safety & Fire Safety (in Japanese)
<https://www.toppan.co.jp/about-us/our-corporate-approach/safety-policy.html>

Promotion Framework

The Personnel & Labor Relations Division in the head office coordinates with general affairs departments in business divisions across the Company to implement various measures on labor matters in consultation with the labor union. The division also

spearheads the development of employee health and safety initiatives in cooperation with the labor union, the health insurance union, and general affairs departments in business divisions across the Company.

■ Labor-Management Partnership

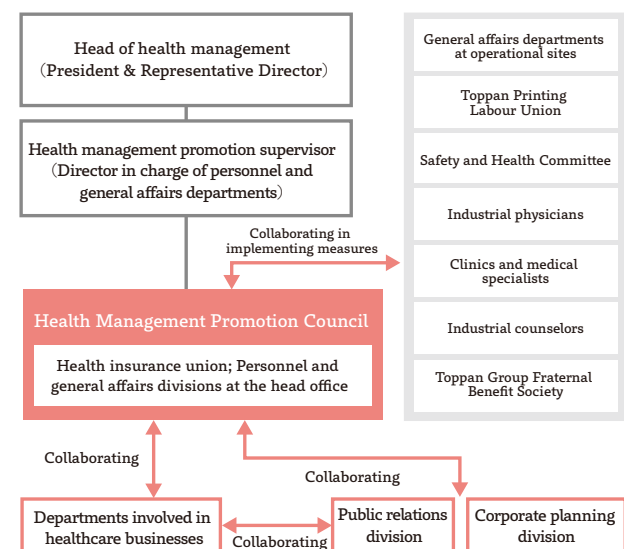
Toppan's labor union and management respect each other's positions as partners with shared ideals. They have been working together on various issues on an equal footing. Business councils are convened as Company-wide and operational-site-based forums to discuss wide ranging managerial issues. Several special committees are also convened to deliberate pertinent issues of the day. Standing committees meet to discuss issues such as working hour reductions, wages, and health and safety. Individual labor-management committees meet when necessary to discuss specially designated subjects such as the creation of a working environment amenable to enhanced job satisfaction.

Toppan has adopted a union shop system. In principle, all non-managerial employees belong to the labor union as members.

■ Committing to Health Management

The Toppan Group has formulated a structure for promoting “health and productivity management*” by establishing a Health Management Promotion Council overseen by the President & Representative Director as the head of health management. Representatives from the Group and the health insurance union meet to engage in constructive discussions on healthcare initiatives. Various measures have been implemented, verified, and improved by the council. A healthcare-guidance brochure for Group employees illustrates the diverse outputs from the council.

■ Structure for Health Management Promotion



*The term “health and productivity management®” is a registered trademark of the Workshop for the Management of Health on Company and Employee.

■ Supporting Work-Life Balance

At the ongoing business councils and labor-management committees to support work-life balance, Toppan's labor representatives and management exchange opinions and deliberate measures to further shorten overtime working-hours and comply with the revised Labor Standards Act of Japan. They have also been analyzing actual overtime practices, reviewing the use of recently adopted working systems, and examining the introduction of new systems. Their deliberations in fiscal 2018 led to the introduction of Smart Work, a flexible system to enhance labor productivity and shorten working hours by giving employees comprehensive control over the scheduling of their work shifts month by month.

Labor and management at each operational site also discuss approaches to creating more accommodating workplace environments that encourage employees to take leave. The measures they have devised and implemented are tailored to the actual working conditions at their sites.

The target paid leave set by the Company is at least 10 days per year per employee.

■ Occupational Health and Safety

Safety masters, safety personnel, employees in charge of engineering and safety, and other safety experts have been deployed to Group sites across Japan to strengthen safety promotion systems. In accordance with the Basic Policy on Health, Safety & Fire Safety, Toppan organizes safety education of various types for the workforce of the entire Group, including both regular and contract employees. This includes thorough training for forepersons and risk assessments to upgrade the intrinsic safety of machines and equipment.

Anzen Dojo safety training facilities outfitted to simulate and alert employees to workplace dangers were set up at two overseas Group sites in fiscal 2017, one in China and another in Thailand. *Dojo* facilities in Japan have been operated for several years at the Kawaguchi Plant in Saitama Prefecture, Takino Plant in Hyogo

■ Announcing a Common Employer's Action Plan

Toppan Printing Co., Ltd. has published a common employer's action plan based on the Act on Advancement of Measures to Support Raising Next-Generation Children of Japan.

This act specifies respective responsibilities of central and local governments, employers, and citizens of Japan in their efforts to create healthy environments for the upbringing of children who are to lead coming generations. The act stipulates that, as of its enactment on April 1, 2005, these four parties are expected to intensively and systematically engage in childrearing initiatives.

The common employer's action plan, meanwhile, aims to develop a working environment that supports balanced work and family life for employees with young children. Employers are expected to design a plan primarily to arrange varied working conditions for diverse employees, including those not raising children.

More details on the Common Employer's Action Plan (fifth term; in Japanese) based on the Japanese Act on Advancement of Measures to Support Raising Next-Generation Children
https://www.toppan.co.jp/assets/pdf/sustainability/toppan20200630_actionplans5.pdf

Prefecture, and Fukuoka Plant in Fukuoka Prefecture. New *dojo* facilities will be opened at the Gunma Central Plant in Gunma Prefecture and Shiga Plant in Shiga Prefecture in fiscal 2020.

Companies and organizations outside of the Toppan Group are also welcome to train at the *dojos* at the Kawaguchi, Takino, and Fukuoka Plants.

A new virtual reality (VR) simulator to train employees and guests in workplace dangers has recently been installed in the *dojos*. The *dojos* are also equipped with mechanical simulators to familiarize trainees with the dangers of dust explosions and exposure to hazardous chemicals.

More details on *Anzen Dojo* initiatives (in Japanese)
<https://www.toppan.co.jp/about-us/our-corporate-approach/safety-policy/anzendojo.html>



■ Measures for Mental Healthcare

Toppan undertakes the following measures to prevent mental health problems at the workplace.

- A stress check system to help individuals better identify the stresses affecting them
- E-learning-based programs focused on self-care techniques to cope with stress (a total of 19,736 employees took part in fiscal 2019)
- An Art Salon workshop to refresh minds and bodies through the act of artistic creation
- Rank-based training and handbooks to train managers and supervisors on the use of techniques for the care of people in their teams
- Counseling services where employees can receive advice from in-house counselors in a comfortable, pressure-free setting
- Advisory agreements concluded with mental healthcare specialists
- An additional employment regulation defining rehabilitation programs that support employees returning from mental healthcare leave by helping them to return to work more seamlessly

Toppan recognizes that the most effective strategy to administer fundamental prevention measures for mental health problems is to enable employees to improve their physical and mental conditions by having the means and wherewithal to better understand themselves, communicate skillfully, and adopt positive lifestyle habits. The Company has been organizing mental healthcare programs such as workshops arranged in cooperation with workplaces.

■ Overview of Mental Healthcare Activities

	Self-care	Line Care (by managers and supervisors)	Care Using Resources within the Workplace	Care Using Resources outside the Workplace
Fundamental prevention <small>Creation of job satisfaction</small>	<ul style="list-style-type: none"> ● Assertion ● Career development ● Good physical and mental condition 	<ul style="list-style-type: none"> ● Dialogue skills ● Target management ● Operational reform and improvement 	<ul style="list-style-type: none"> ● Participation in in-house seminars 	<ul style="list-style-type: none"> ● Participation in external seminars
Primary prevention <small>Prevention</small>	<ul style="list-style-type: none"> ● Self-development 	<ul style="list-style-type: none"> ● Attendance management ● Improvement of workplaces 	<ul style="list-style-type: none"> ● Participation in rank-based training programs ● Activities by the Safety and Health Committee 	<ul style="list-style-type: none"> ● Participation in external seminars
	Stress check system	Test administration and understanding of current conditions	Improvement of workplaces	Interviews and guidance
Secondary prevention <small>Early detection and early response</small>	<ul style="list-style-type: none"> ● Early counseling and consultation 	<ul style="list-style-type: none"> ● Recommendation for early consultation 	<ul style="list-style-type: none"> ● Consultation with industrial physicians and public health nurses 	<ul style="list-style-type: none"> ● Hospitals and EAPs*
Tertiary prevention <small>Steps to limit severity and prevent recurrence</small>	<ul style="list-style-type: none"> ● Ongoing treatment 	<ul style="list-style-type: none"> ● Return-to-work program ● Personnel reassignment 	<ul style="list-style-type: none"> ● Periodic interviews by industrial physicians 	<ul style="list-style-type: none"> ● Treatment by a specialist physician

*Employee assistance programs (EAPs): The EAPs shown above are counseling and training programs run by an external specialist body under contract with the Company and the Toppan Group Health Insurance Union.

Main Activities and Relevant Information

Recognized as a Health & Productivity Management Organization for Four Years Running

Toppan Printing Co., Ltd. was certified as an enterprise of excellence in the 2020 Health and Productivity Management* "White 500" (large enterprise category) under a program jointly conducted by the Japanese Ministry of Economy, Trade and Industry (METI) and members of Japanese health insurance organizations. In each of the four years since the program was launched in 2017, Toppan has been recognized as an organization that has achieved excellent results in advancing health and productivity management.

Toppan Printing was also listed in the 2018 Health & Productivity Stock Selection under another program operated by METI and the Tokyo Stock Exchange (TSE) to select TSE-listed enterprises that are strategically engaged in healthcare initiatives for employees and

*The term "health and productivity management" is a registered trademark of the Workshop for the Management of Health on Company and Employee.

their families from a management perspective on a one-company-per-industry basis in Japan.

Toppan will continue to work in collaboration with the Group's on-site clinics, industrial physicians, labor union, and other healthcare-related entities to develop working environments amenable to enhanced job satisfaction and promote health-conscious activities for employees and their families. Toppan's healthcare solutions will also contribute to the maintenance and enhancement of public health.



2020 "White 500" (left, in Japanese); 2018 Health & Productivity Stock Selection (right, in Japanese)

Toppan Sports Festival 2017

The Toppan Sports Festival 2017 was held in the Saitama Super Arena on October 1, 2017. This labor-management event was planned, organized, and run by mostly younger employees of the Group. Some 4,300 employees and family members came to take part in various games and events.

To enhance job satisfaction at the workplace, the Toppan

Group organizes site-based labor-management events designed to strengthen bonds between colleagues. Toppan also holds a Group-wide sporting event every two years to facilitate communication, build a sense of unity, and heighten an understanding of the Group among employee families.



Annual Paid Leave Used

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Average paid leave used (days)	8.6	9.6	10.3	10.3	11.1
Average ratio*	45.1%	50.8%	55.1%	54.9%	60.6%


*Average ratio = average paid leave used / average paid leave granted

Main Leave Systems and Family Benefits

■ Main Leave Systems and Family Benefits / Measures to Support Work-Life Balance and Foster the Next Generation

Stock Leave	If annual paid leave is left unused for two years after it is granted, up to 50 days of the leave can be accumulated as stock leave. Employees are eligible to use their stock leave for reasons such as medical treatment for themselves or their spouses, healthcare or nursing care for their families, fertility treatment, recovery-work in the aftermath of unexpected disasters, or the closure of their children's schools or the like because of infectious diseases, natural disasters, or other calamities.
Childcare Leave	Both mothers and fathers are eligible for fulltime childcare leave taken consecutively until their child reaches the age of two years. The first five days of childcare leave can be taken as paid leave. From the sixth day, employees on leave receive 10% of their regular salaries from the Company (until their child reaches the age of two years) and subsidies of 30,000 yen a month from the Toppan Group Fraternal Benefit Society. They can also work for shorter hours (maximum reduction of two hours per day) or select a flextime or irregular working schedule from the date of their return to the job until their child completes the fourth year of elementary school. The Company subsidizes certain childcare costs and provides childcare-related information through a consultation office.
Rehiring of Employees who Leave the Company to Raise Children	Rehiring is guaranteed for an employee who resigns to deliver and raise a child, provided that the employee has worked for Toppan for more than three consecutive years up to the date of resignation. A resigned employee who meets this condition will remain eligible for rehiring until May 1 of the year when the child enters elementary school.
Nursing Care Leave	Employees are entitled to take leave for nursing care. For every family member requiring care, an employee is entitled to one year of consecutive or aggregated leave and up to three years of other work-hour adjustments such as staggered working hours or two-hour working day reductions. The Toppan Group Fraternal Benefit Society pays a 30,000-yen subsidy per month as assistance during the leave. Toppan offers nursing care-related information and contracts consultants outside the Company to provide advice.
Leave for Child Healthcare	Employees can take up to 10 days of leave a year, regardless of the number of children they are raising. (Entitlement for half-day allotments, as necessary; Five of the 10 days can be taken as paid leave, either as full days or in one-hour allotments, as necessary.)
Volunteer Leave	Employees can take volunteer leave to engage in socially beneficial activities for up to one year. Employees on volunteer leave receive an allowance.
Staggered Work-hours	An employee can adjust daily working hours upward or downward by one hour to avoid rush-hour commutes during pregnancy and by two hours for childcare (until his or her child completes the fourth year of elementary school).
Dependent Family Allowance	For employees with children, the Company pays a monthly allowance of 20,000 yen for each child. This allowance is discontinued on the first April 1 to arrive after the child's 20th birthday. (No limit for the number of children is applied.)
Partial Subsidization of Babysitter Expenses	The Toppan Group Fraternal Benefit Society subsidizes 50% of babysitter expenses (up to 5,000 yen per day) for up to 90 days a year.
Advice on Finding Kindergartens and Daycare	Specialists provide knowledge and skill to help parent employees find kindergartens and daycare for their children, along with practical advice to help them return to work from childcare leave more seamlessly.
Other	The Toppan Group Health Insurance Union covers standard medical costs for childbirth. The union also gives out a complimentary childrearing magazine and runs a consultation office for employees with questions about the health of the body and mind.

Employees Taking Maternity or Childcare Leave

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Employees taking maternity leave	85	105	111	79	93
Employees taking childcare leave*	295 (160)	300 (173)	334 (160)	363 (197)	342 (155) 

*The number of male employees who took childcare leave is shown in parentheses.

Seminars for Good Balance between Work and Care at Home

Toppan sites in Tokyo have been holding seminars to help employees maintain a good balance between work and care at home since fiscal 2016. Outside experts from a nursing-care consultation service contracted by Toppan are invited to lead seminar courses. After the guest lecturers present general knowledge on nursing care and tips for achieving good work-care balance, personnel from Toppan inform participants of the Company's intranet sites and support systems for employees whose families may have nursing care needs (e.g., nursing care leave and the reduced working hour system for nursing care). The seminars were held at operational sites in the Kansai area in fiscal 2018 and in the

Chubu and Kyushu areas in fiscal 2019. As more seminars are organized over a wider geographic area in the future, Toppan will continue striving to ensure working environments where employees can fully concentrate on work without having to worry about care responsibilities for family members at home.



Company-wide Mental Stress Checks

Toppan began providing Company-wide mental health checkups well before stress checks in organizations were required by Japanese legislation. Toppan has implemented a web-based checking system across the Company since fiscal 2017. The employees receiving the checkups and the personnel administering them can look up the results as soon as the checkups are completed. Toppan is therefore able to provide the needed care to any employee found to be experiencing unduly high stress.

In fiscal 2018 Toppan began using the New Brief Job Stress Questionnaire (80 questions) issued by the Ministry of Health, Labour and Welfare of Japan. This survey sheet, together with the accumulated assessment results of Toppan's own surveys on mental health and condition, will enable the Group to plan specific

safeguards to protect employees from mental illnesses.

For cross-organizational analyses of check results, meanwhile, managerial staff are informed of detailed organization-specific trends in mental wellbeing. Managerial staff push further efforts towards improved working environments, mainly in the workplaces found to be subject to higher mental-health risks.

Mental stress checks provide valuable data on the health status of Toppan at both the organizational level and among its individual employees. Toppan continues to use these data to steadily work towards the creation of workplaces free of mental illnesses.



Expanding Anzen Dojo Overseas

Two new *Anzen Dojo* safety-training facilities were recently opened at Toppan Group sites outside of Japan: one at Siam Toppan Packaging Co., Ltd. in Thailand in October 2017; another at Toppan Leefung Packaging & Printing (Dongguan) Co., Ltd. in China in January 2018.

These overseas facilities leverage the Group's expertise on safety education cultivated at similar *dojos* in Japan. Both facilities are equipped with safety-related displays and hazard simulators optimally selected for the working conditions at their sites. Toppan fosters on-site safety masters in overseas Group companies and regularly holds safety sessions for frontline operators according to the same operational scheme applied in Japan. *Anzen dojo* tours with hazard simulators were conducted to ensure awareness of potential hazards at four Group sites in the U.S. in May 2019 and at operational sites of Giantplus Technology Co., Ltd. six months later, in November.

Dojo tours will be organized at Group sites in Indonesia and

Thailand in fiscal 2020.

A total of approximately 3,500 Group employees and visitors around the world took safety training at *dojo* facilities in fiscal 2019. On a cumulative basis, training has been provided to more than 35,000 people at the facilities since they opened.



TOPPAN NEWSROOM: Toppan Printing Opens *Anzen Dojo* Safety Training Facilities Overseas
<https://www.toppan.com/en/news/2018/03/newsrelease180308.html>

Occupational Health and Safety

In fiscal 2019 the Toppan Group continued undertaking safety activities towards the complete elimination of occupational accidents. There have been no occupational accidents leading to

the death of an employee or contract worker in the Toppan Group in the last three years.

	2015	2016	2017	2018	2019
Deaths from occupational accidents	0	0	0	0	0
Frequency rate ^{*1}	0.05	0.000	0.000	0.048	0.144
Severity rate ^{*2}	0.001	0.000	0.000	0.001	0.003

*1 Number of occupational accidents requiring employee leave, per million cumulative actual working hours (reflects the frequency of occupational accidents)

*2 Number of workdays lost as a consequence of occupational accidents, per thousand cumulative actual working hours (reflects the severity of occupational accidents)

Safety Meetings

The Personnel & Labor Relations Division (Health, Safety & Fire Safety Promotion Department) coordinates with the Manufacturing Management Division to convene safety meetings at Group sites across Japan. The members gather to assess and deliberate the ongoing safety measures applied to machines and equipment and the activities undertaken to mitigate health and safety risks.

Safety meetings were held at 26 operational sites in fiscal 2018 and 35 sites in fiscal 2019. In fiscal 2020, Toppan plans to hold safety meetings at 20 sites based on a consolidated meeting plan. Toppan will enhance the effectiveness of safety promotion activities using the corporate website and other means.

Main Activities and Relevant Information

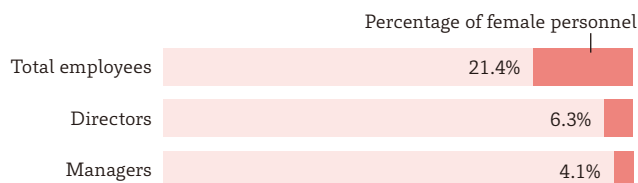
Information on Personnel

■ Number of Personnel (as of March 31) 

		Directors	Management Class	Supervisors	Total Employees	Average Tenure	Average Age	Sum Total Employees	Part-time Workers	Dispatched Staff
Fiscal 2015	Male	26	1,989	1,843	7,576	15.4	42.9	8,993	562	203
	Female	0	59	192	1,417	9.8	34.2			
Fiscal 2016	Male	18	2,158	1,932	7,930	15.1	43.4	9,551	502	237
	Female	1	71	224	1,621	9.3	34.3			
Fiscal 2017	Male	19	2,201	1,914	7,964	15.2	43.6	9,699	451	246
	Female	1	79	266	1,735	9.3	34.6			
Fiscal 2018	Male	18	2,282	1,891	7,974	15.4	44.0	9,993	233	249
	Female	1	89	319	2,019	9.0	35.5			
Fiscal 2019*	Male	15	2,366	1,908	8,123	15.1	44.5	10,330	183	375
	Female	1	101	378	2,207	8.9	35.8			

*In the tally for fiscal 2018 and after: the total number of employees includes the number of part-time workers who have shifted to indefinite-term employment.

*The average tenure for fiscal 2019: 19.9 years for male employees and 10.9 years for female employees, based on tallying periods of less than one year in month units, with the pre-retirement tenures of re-employed employees added.

■ Fiscal 2019 Rank-based Percentages of Female Personnel (%) ■ Reasons for Leaving*¹

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Personal reasons	184 (39)	206 (54)	217 (62)	305 (92)	347 (91) ²
Retirement	94 (0)	85 (1)	120 (1)	132 (8)	185 (5)
Requested by the company	0 (0)	0 (0)	0 (0)	0 (0)	0 (0)
Other	92 (3)	83 (3)	108 (20)	93 (3)	96 (6)
Total	370 (42)	374 (58)	445 (83)	530 (103)	628 (102)
Turnover rate	4.0%	3.8%	4.5%	5.2%	5.9%

*1 The number of female employees who left the Company is shown in parentheses.

*2 Three female and 42 male employees took advantage of Toppan's support system for employees who leave the Company to pursue new careers.

■ Retention Rates for Recruits (Percentage of fiscal 2017 hires still working at Toppan)

	Male	Female
Hired on April 1, 2017	222	133
Still with Toppan as of April 1, 2020	190	119
Retention rates	86%	90%
Average for male and female employees	87%	
Percentage who leave the Company before working three years	13.0%	

■ Average Annual Salary

	Fiscal 2015	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019
Average annual salary	6,697,391 yen	6,956,597 yen	6,910,163 yen	6,644,621 yen	6,811,464 yen

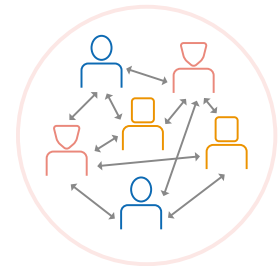
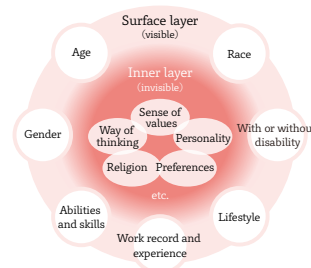
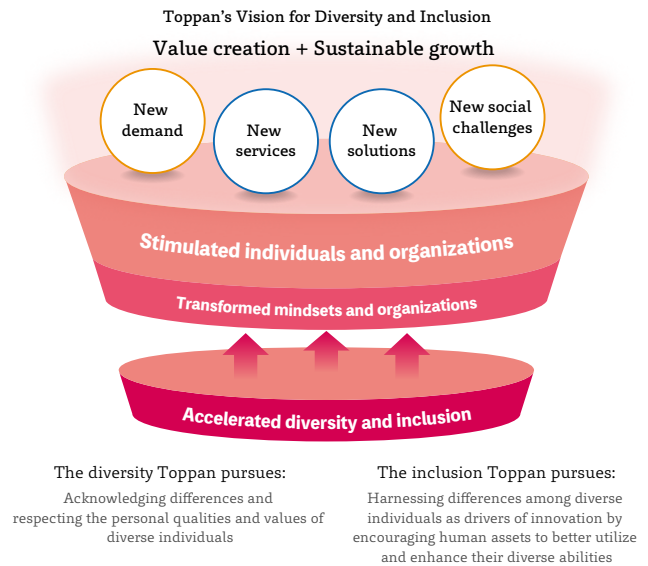
Diversity & Inclusion

Basic Approach

The Toppan Group positions diversity and inclusion (D&I) initiatives as an important management strategy to further advance its progress as a corporation that creates social value.

Toppan values its employees as precious “human assets” and understands how deeply it depends on them. Under the foundational concept of respect for the individual, the Group has been undertaking various measures to promote positive working conditions. Toppan will continue to adhere to D&I principles that harness differences among its diverse human assets as drivers of innovation. The Group will promote diversity by encouraging employees to acknowledge and respect each other’s personal qualities and values so as to better utilize and enhance their diverse abilities.

In order to cultivate a D&I mindset within the workforce, Toppan will facilitate ongoing dialogue and nurture heightened awareness and sensibilities that ensure mutual respect. The Group is consistently creating psychologically safe workplaces where every person can speak and act without inhibition or restraint.

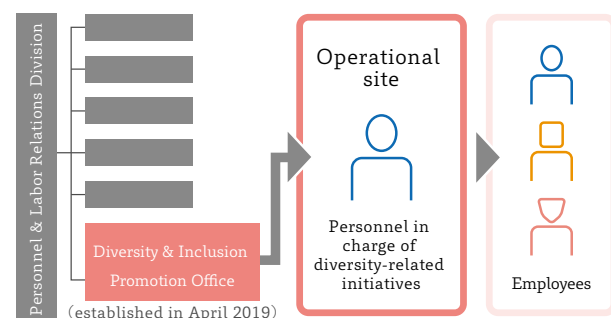


Promotion Framework

■ Diversity & Inclusion Promotion Office

Toppan values its employees as precious “human assets” and understands how deeply it depends on them. Under the foundational concept of respect for the individual, the Company has been undertaking various measures to promote positive working conditions. Toppan established a Diversity & Inclusion Promotion Office in April 2019 based on a management strategy to evolve and accelerate site-based diversity initiatives into Company-wide endeavors.

The Diversity & Inclusion Promotion Office is responsible for formulating the overall diversity plan and developing specific measures. The promotion office appoints personnel to take the initiative in implementing actual diversity programs attuned to the operational sites they serve. These personnel provide consultations for site members and share and address issues that have been identified with the promotion office in order to ensure heightened diversity awareness throughout the Company.



■ Supporting Employees with Children

Toppan has striven to create a working environment in which employees can achieve better work-life balance. The Company creates such a working environment by providing systems for childcare and nursing care leave, reduced working hours, higher family allowances for dependents, and various other benefits for employees.

To support employees with children, the period during which employees with childcare responsibilities remain eligible for reduced working hours and other preferential working schedules was extended to the end of a child's fourth year of elementary school (surpassing the age-three requirement imposed under Japanese

law), in fiscal 2016. Employees also became eligible to take days off for child healthcare in one-hour allotments in fiscal 2019.

Toppan has also been running the "Hagukumi (nurturing) Program" since fiscal 2012. This program supports the wellbeing of employee parents by providing therapeutic activities for parents on childcare leave, activities to share the know-how necessary for maintaining good balance between working and raising children, and activities to give employees in various positions opportunities to learn about and consider the importance of work-family balance. The Hagukumi Program received the Minister of State for Gender Equality Award at the Kids Design Award 2016 in Japan.

■ Main Systems for Supporting Employees with Children

Before childbirth	<ul style="list-style-type: none"> ● Rehiring system for employees who leave the Company to deliver and bring up children ● Time-off due to morning sickness (nausea and vomiting of pregnancy) ● Leave for hospital visit ● Leave for medical checkup ● Staggered working hours
After childbirth	<ul style="list-style-type: none"> ● Childcare leave ● Monetary gift on childbirth ● Childcare leave allowance ● Childcare leave grant
During childrearing	<ul style="list-style-type: none"> ● Preferential childcare measures (e.g., reduced and staggered working hours; flextime or irregular working schedule in one-month allotments) ● Day-off for child healthcare ● Day-off for childcare ● Dependent family allowance ● Subsidy for babysitter and home-caregiver expenses
Other	<ul style="list-style-type: none"> ● Stock leave (employees are eligible to use their stock leave [accumulated unused annual-paid-leave] for child healthcare and fertility treatment)

■ Hagukumi (nurturing) Program



■ Supporting Employees with Nursing Care Responsibilities

Toppan's labor union and management employ systems to help employees maintain good balance between work and care at home. These systems create an environment where employees can concentrate on work without worrying about care for family members at home. After reviewing the results of employee questionnaires on nursing care, Toppan relaxed the eligibility requirements for nursing-care-related systems, designed ways to enable employees to more flexibly adjust their working hours for care, enhanced financial support during nursing care leave, and provided more information on work-care balance. Along with system enhancements in these four areas, the Company allows

care-giving employees to commute to and from work by Shinkansen bullet train in certain cases. Employees have also been able to take leave for nursing care in one-hour allotments, just as they can with the child healthcare day-off, since fiscal 2019.

Toppan will continue to enrich employee support measures by providing information on good work-care balance through the intranet, holding NPO seminars on nursing care, and conducting various other activities to alleviate concerns and raise awareness on the issues faced by employees who shoulder responsibilities as care providers for their families.

■ Four Approaches in Employee Support Systems for Good Work-Care Balance

Eligibility requirements for nursing-care-related systems	<p>When an employee family member is in need of care or support that meets one of the following conditions:</p> <ul style="list-style-type: none"> ● "In need of long-term care" as specified in the Child and Family Care Leave Act of Japan ● "In need of long-term care" as specified in the Long-term Care Insurance System of Japan ● "In need of support" as specified in the Long-term Care Insurance System of Japan
Ways to more flexibly adjust working hours for care	<ul style="list-style-type: none"> ● Nursing care leave ● Reduced working hours for nursing care (reduced working hours, flexible work schedules, reduced number of prescribed working days per week) <ul style="list-style-type: none"> *Nursing care leave and reduced working hours for nursing care can be taken in installments. *Employees are allowed to switch between the two systems. ● Leave for nursing care (entitlement for one-hour-based allotments, as necessary) ● Commuting by Shinkansen bullet train for family care reasons
Financial support during nursing care leave	<ul style="list-style-type: none"> ● Allowance for nursing care leave (40% of the employee's average wage) ● Entitlement for paid leave for nursing care
Provision of information on work-care balance	<ul style="list-style-type: none"> ● Launch of an intranet site to provide information on work-care balance <ul style="list-style-type: none"> This site provides employees with general knowledge about work-care balance and information on support systems available at the Company, public nursing-care-related systems, and so on. ● Launch of a nursing-care consultation desk run by outside experts <ul style="list-style-type: none"> The Company commissions an external professional body to offer unlimited, free-of-charge nursing-care consultation to employees. Employees can also use fee-based agency services such as watch-over visits or administrative services handled on their behalf by dedicated staff at care facilities and hospitals.

■ Employing Persons with Disabilities

Toppan creates job positions and workplace environments that enable employees to work together in ways best suited to their various physical and mental abilities.

Employees with disabilities handle wide-ranging jobs at the special subsidiary Tokyo Metropolitan Government (T.M.G.) Prepress Toppan Co., Ltd. and other Group sites across Japan. Employee athletes also participate in international para-sports competitions.

Special Report 1: Diversity and Inclusion at Toppan
https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=12

More details on the employee athlete program (in Japanese)
<https://www.toppan.co.jp/player/>

■ Initiatives for LGBT Inclusion

Toppan has implemented various initiatives to enhance awareness of lesbian, gay, bisexual, and transgender (LGBT) persons for achieving an inclusive working environment comfortable for everyone. Toppan has held LGBT seminars since 2018 to further promote a sound understanding of LGBT-related matters and diversity and inclusion. Spouse-related systems for Toppan employees were also partially revised on July 1, 2020. Certain systems are now applicable to same-sex partners and common-law marriage to support diverse employee lifestyles.

Main Activities and Relevant Information

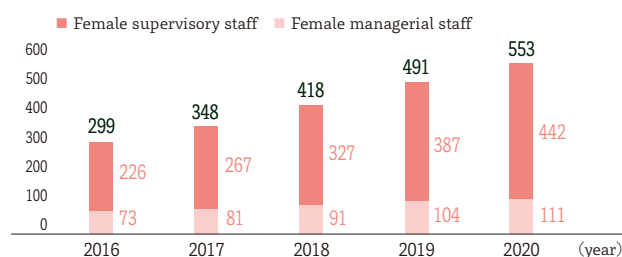
Promoting Positive Action

Toppan promotes positive action to bring out the full potential of individual employees and assign them to more diverse positions regardless of gender. Women play important roles in wider arenas and the Company strives to ensure equal treatment in promotion to managerial positions. As of April 2020, Toppan has appointed 111 female employees to managerial positions and 442 female employees to supervisory positions. With these appointments, Toppan has attained a 10.9% ratio of women among managerial and supervisory staff.



More details on the Common Employer's Action Plan (first term; in Japanese) based on the Japanese Act on Promotion of Women's Participation and Advancement in the Workplace https://www.toppan.co.jp/assets/pdf/sustainability/women_act_plan.pdf

*Toppan has set the following as a positive-action target: double the number of female managerial and supervisory staff by fiscal 2020, compared to the number as of March 31, 2015.

■ Number of Female Managerial and Supervisory Staff (as of April)



■ Number of Recruits

			Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
Regular recruitment of new graduates from universities and graduate schools	Sales, administration, etc.	Male	98	105	102	115	109
		Female	73	65	86	100	98
	Technical	Male	102	115	86	108	109
		Female	35	36	45	55	54
Regular recruitment of new graduates from high schools and colleges of technology	Male	3	1	6	4	5	
	Female	33	33	30	29	29	
Total number of regular recruits (percentage of women) 			344 (41.0%)	355 (37.7%)	355 (45.4%)	411 (44.8%)	404 (44.8%)
Mid-career recruitment of experienced personnel 	Male	56	55	46	51	—	
	Female	20	22	13	17	—	

■ The Nadeshiko Brands

Toppan Printing Co., Ltd. was included in the Fiscal 2019 Nadeshiko Brands, an index of companies selected by the Japanese Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE).

The Nadeshiko Brand initiative aims to spur investment in companies and accelerate their diversity initiatives by introducing promising TSE-listed companies with outstanding performance in gender equality metrics to investors who seek enhanced corporate value over the medium- to long-term. METI and TSE have been announcing companies with excellent records of female participation and advancement in the workplace since fiscal 2012.



■ Diversity Training

■ In-house Diversity Training for Employees in Various Positions

Program	Description
Self-improvement for female employees	<ul style="list-style-type: none"> ● To encourage female employees to consider taking managerial positions by addressing any challenges or concerns. Trainees engage in dialogue with female managers to learn about their work and experiences and recognize the rewards of working in management. The program is designed to cultivate both the mindset and perspective required of a manager.
Career design and communication skills for younger employees	<ul style="list-style-type: none"> ● To clarify individual core values in order to choose the best options from among the diverse lifestyles and working styles available. ● To clarify optimal approaches to work by rediscovering one's own definition of work and why work is significant.
Work-efficiency enhancement for female employees with children	<ul style="list-style-type: none"> ● To learn practical techniques for balancing work and childrearing. ● To maximize small pockets of time and improve individual working styles. ● To enhance cooperation with others.
Diversity management	<ul style="list-style-type: none"> ● To understand the meaning of diversity and its significance in business management. ● To recognize unconscious biases and visualize individual workplace situations. ● To acquire coaching skills that can be easily used at the workplace.
Raising awareness about unconscious biases	<ul style="list-style-type: none"> ● To recognize unconscious biases and acquire skills to alleviate them. Alleviating unconscious biases can improve psychological safety at the workplace and stimulate the whole organization.
Management communication skills to develop the abilities of diverse employees	<ul style="list-style-type: none"> ● To acquire basic skills in offering praise and constructive criticism to team members. ● To understand the importance of diversity for business growth.

v



Self-improvement training for female employees



Employing Persons with Disabilities

■ Employment of Persons with Disabilities

	Fiscal 2016	Fiscal 2017	Fiscal 2018	Fiscal 2019	Fiscal 2020
Employees	250	253	274	312	325
Percentage of total workforce*	2.07%	2.06%	2.25%	2.29%	2.31%

*The percentage is calculated based on the total number of regular employees (as of June 1) as a denominator. The total number was presented in the Disabled Persons Employment Report in accordance with Article 8 of the Japanese Law for Employment Promotion, etc. of the Disabled.

Open Seminar on LGBT Inclusion

Toppan invited Kayo Fujiwara, a diversity and inclusion consultant, to lecture at an open seminar on gender and sexual diversity and LGBT-related matters. The seminar took place at Toppan's head office site in Akihabara, Tokyo on February 7, 2020.

This seminar was one of various Toppan initiatives to promote diversity and inclusion (D&I) in the workplace to achieve an inclusive working environment where diverse employees recognize their differences and respect each other's qualities and values. D&I initiatives have been implemented across the Group under the foundational concept of respect for, and reliance on, the individual. From the standpoints of gender and sexuality, seminar participants learned about dimensions of human diversity they may have previously known little about or misunderstood, along with specific actions and measures they can take to fully appreciate human diversity.

"Sexual orientation" and "gender identity" are different things. A person's sexuality sometimes falls outside of, or in between, the categories of "lesbian," "gay," "bisexual," and "transgender." Combinations of biological gender, psychological gender, and sexual orientation are manifold and represent a broad spectrum. After learning the basics of LGBT, participants took part in group work to examine if they had unconscious tendencies to take heterosexual love for granted or to assume that biological and psychological

gender are aligned. They also reviewed any subtle discriminatory behaviors or remarks they might have engaged in.

In total, 171 Group employees attended the seminar, both in person and remotely from operational sites across Japan. After finishing the seminar, many participants remarked that it was informative (e.g., "I now have an extensive understanding of LGBT"; "I learned what to do and say when someone comes out"). Others pointed out a strong need for regular LGBT seminars, widely disseminated Group policies on LGBT-related matters, and measures to raise awareness.



Open seminar on LGBT inclusion



Lecturer Kayo Fujiwara (center)

Human Asset Development

Basic Approach

Labor shortages are anticipated throughout various industries in Japan. Toppan is convinced that maximizing the performance of the workforce as an asset of society will help solve social issues.

Mindful of how deeply it depends on its employees, Toppan fosters individuals with ambition and integrity who will go on to become

the driving force towards the realization of *TOPPAN VISION 21*. Toppan would like to contribute to society as a corporation blessed with human assets with excellent communication skills and heightened awareness and sensibilities.

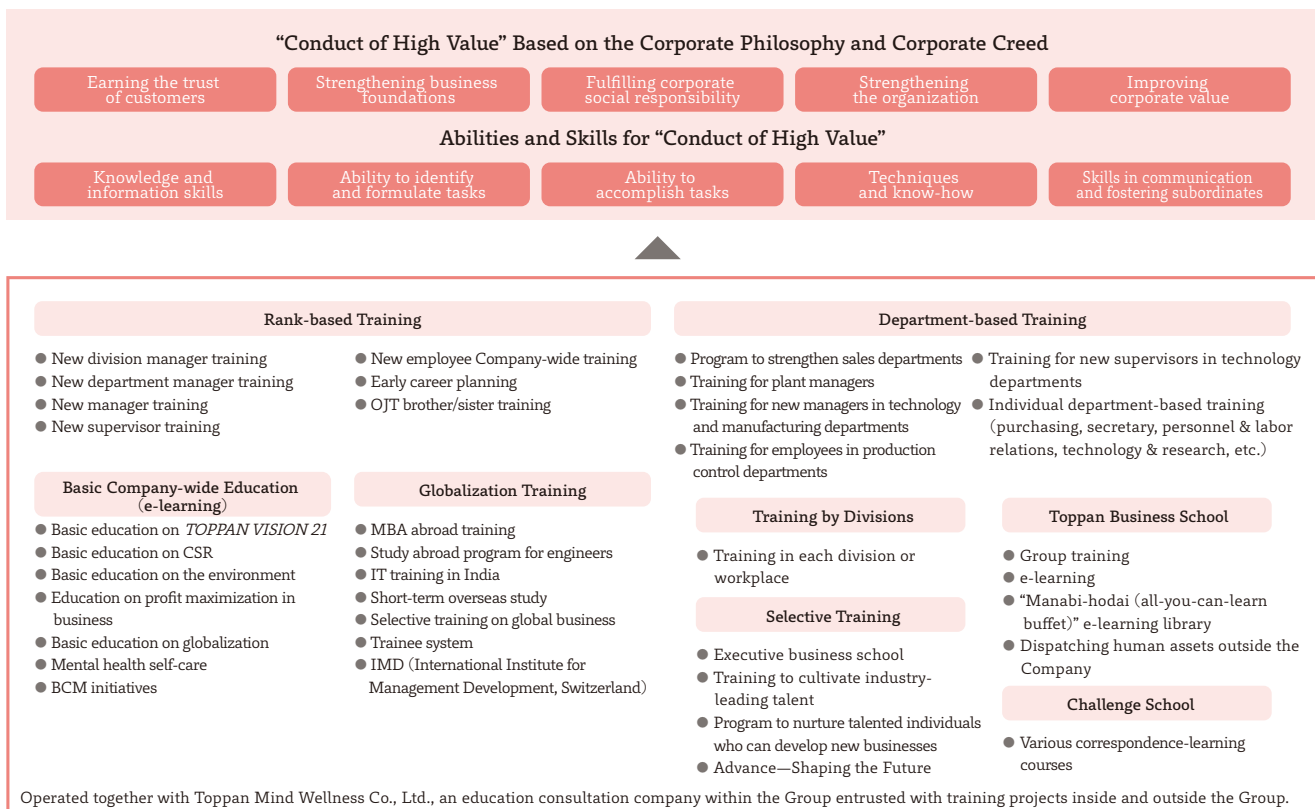
Promotion Framework

■ Toppan University

The Human Resource Development Center in the head office Personnel & Labor Relations Division coordinates with persons in charge of human asset development at departments throughout the Company to institute training programs. These programs to develop and nurture human assets are organized systematically around

Toppan University, a simple platform that strives to foster leaders while supporting the skill improvement and career enhancement of employees through basic and special programs, a leadership program, and a personal empowerment program.

■ Systematic Human Asset Development Programs



■ Human Resource Development Centers

Toppan has established training centers in Kawaguchi, Saitama Prefecture and Yugawara, Kanagawa Prefecture to nurture human assets. These centers are venues for various training sessions and interaction between Toppan personnel.

In April of 2017 Toppan launched the Human Resource Development Laboratory as a research base to develop innovative personnel training programs that apply brain research, neuroscience, analysis of physical condition, and various technologies. The Human Resource Development Laboratory will be used as a platform to design and implement programs that foster human assets with excellent communication skills and heightened sensibilities. The Company plans to cultivate innovative mindsets among the individuals working at Toppan and to encourage them to leverage and enhance their potential and abilities.

The Company also operates a training management system that provides training tools and information on various learning courses. Employees can review records of their own training while taking e-learning courses online. Toppan has surveyed every employee

with a questionnaire on the Company's human asset development programs to reflect the results in future development plans.



Human Resource Development Laboratory

■ Fostering Human Assets Active in the Global Business Arena

Toppan has been hiring non-Japanese individuals and frequently arranging personnel exchanges between overseas Group companies to adapt to a more globalized business environment.

Several of the Company's personnel training programs are designed to foster human assets who can thrive in a global business arena. Examples include a trainee system to provide employees with practical training in day-to-day business activities at overseas subsidiaries, a selective training course on globalization to support candidates for overseas assignments, and a program to send employees to courses at international business schools. Every year Toppan dispatches several young employees to work as Japan Overseas Cooperation Volunteers for the Japan International

Cooperation Agency (JICA). These volunteers take part in JICA projects to help solve global development agendas while developing themselves as individuals.



Cooperation with overseas subsidiaries (human resources [HR] meeting)



Practical training at an overseas subsidiary (trainee system)

Organizational Governance	Human rights	Labor Practices Human Asset Development	Fair operating practices	Consumer issues	Community involvement and development	The environment
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Main Activities and Relevant Information

Data on Toppan's Human Asset* Development Programs in Fiscal 2019

Program	Outline	Number of Employee Participants (cumulative)
Toppan Business School	A series of programs to provide self-development training with group and e-learning-based courses. A wide range of training is available, from courses to learn basic knowledge and skills in business to advanced courses to enhance specialist skills.	3,841
Challenge School	A program to provide self-development training with correspondence-learning courses to acquire knowledge and skills.	3,434
E-learning-based Group-wide basic education	E-learning-based programs to give every Group employee the opportunity to learn requisite business knowledge.	104,502
Selective training on global business	A program to equip employees with fundamental qualities for global business such as linguistic aptitude, cross-cultural competency, and consensus building.	28
Trainee system	A system to deploy young employees to overseas affiliates for one year of language immersion and practical training in day-to-day business activities, primarily to enhance their linguistic aptitude and cross-cultural competency.	7
JICA Japan Overseas Cooperation Volunteers	A program to dispatch Toppan employees to emerging and developing countries via the trainee system to work as Japan Overseas Cooperation Volunteers for the Japan International Cooperation Agency (JICA).	3
Short-term open programs at IMD	A program to send employees involved in international business to short-term open courses at the International Institute for Management Development (IMD; one of the world's top-ranked business schools) in Lausanne, Switzerland to acquire practical training in leadership, the tenacity required to follow through on projects to completion, and other capabilities required in global business.	1

*Toppan values its employees as precious "human assets."

Fiscal 2019 Human Asset Development Expenditure

	Expenditure on Training, etc. per Employee	Usage Rates of Toppan Training Centers*	
		Kawaguchi	Yugawara
Fiscal 2015	79,251 yen	85.7%	45.1%
Fiscal 2016	70,783 yen	87.0%	45.8%
Fiscal 2017	70,730 yen	87.6%	46.2%
Fiscal 2018	67,383 yen	85.8%	45.5%
Fiscal 2019	64,654 yen	81.1%	42.0%

*Usage rates are calculated by dividing the number of days the training centers are used by the number of days the centers are available (excluding holidays, etc.)

Strict Compliance

Basic Approach

Legal compliance in business operations is an indispensable prerequisite for every corporation to fulfill its responsibilities to society.

Toppan established the Conduct Guidelines as a set of compliance standards in June 2000, the centennial of Toppan Printing Co., Ltd. These guidelines set forth standards for Toppan personnel's behavior based on the Corporate Philosophy and principles of legal compliance.

In November 2010 Toppan completely revised the guidelines

into the Toppan Group Conduct Guidelines, a set of common principles that all Group companies around the world are required to observe for the assurance of strict compliance. These Group-wide guidelines are reviewed every year to adjust to changes in business environments, social conditions, and other circumstances relevant to the Group. Any revision of the guidelines is subject to a resolution by the Board of Directors of Toppan Printing Co., Ltd.

Toppan Group Conduct Guidelines

<https://www.toppan.com/en/about-us/philosophy/conduct-guidelines.html>

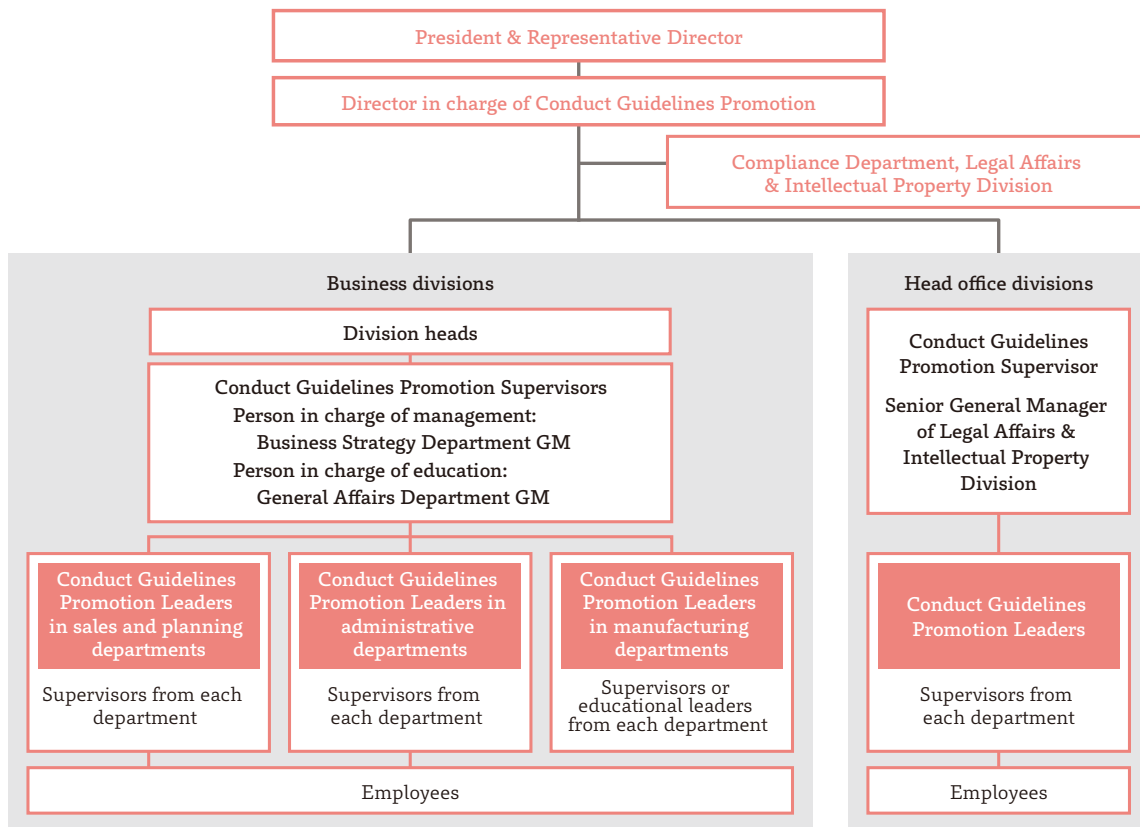
Promotion Framework

■ Compliance Promotion Structure

Toppan believes that the strict observance of the Conduct Guidelines directly links to legal compliance. The Group has been operating a Conduct Guidelines Promotion Leader system to ensure full observance of the guidelines in daily operations. The Conduct

Guidelines Promotion Leaders at workplaces initiate guideline compliance activities under the Director in charge of Conduct Guidelines Promotion.

■ Structure to Promote the Conduct Guidelines



■ Compliance Training

Toppan organizes group training for Conduct Guidelines Promotion Leaders (“Leaders”) every year. The Group devises ways to enhance the effectiveness of training sessions through activities such as group discussions using case methods describing actual incidents.

Toppan gives every Group employee in Japan a *Conduct Guidelines Casebook*, a Q&A style casebook describing situations that can arise in daily work. The casebook is used in various guideline promotion activities. The Leaders, for example, use it to disseminate the guidelines at their workplaces. The Group also posts regular Conduct Guideline Notifications on themes relevant to the guidelines in order to heighten employee awareness and call attention to compliance-related issues. Toppan has been holding seminars, producing posters, and implementing other compliance promotion activities to ensure strict compliance among Group employees.

■ Training for Compliance with Transaction-related Laws and Regulations

To enforce compliance with major transaction-related laws and regulations in Japan, the Toppan Group has been comprehensively preventing improper import and export transactions and ensuring compliance with the Subcontract Law. Toppan conducts regular training and audits on compliance with the subcontract law for the departments and Group companies engaging in subcontracting transactions. The Group also continues to hold training sessions and carry out audits focused on export controls under the Foreign Exchange and Foreign Trade Act.

Toppan fully informs every business partner of the Toppan Group CSR Procurement Guidelines as principles to be observed in transaction with the Group, regardless of the level of risks. The guidelines are issued to all suppliers, including subcontractors and intermediaries, to familiarize them with the terms of legal compliance, fair business activities, anti-corruption measures, and other CSR-related issues. Toppan holds seminars to train suppliers on the guidelines and conducts questionnaires to monitor the status of their observance.

Sustainable Procurement

https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=57

■ Anti-Corruption Initiatives

Toppan conforms to the anti-corruption principle set out by the United Nations Global Compact. The Conduct Guidelines, a code to be observed by all Toppan employees, include wide-ranging policies on corruption prevention, such as the prohibition of collusion, illicit transactions, and other corrupt practices. Every Group employee is kept fully informed of the guidelines through regular activities led by Conduct Guidelines Promotion Leaders who have received relevant training. The *Conduct Guidelines Casebook* distributed to all Group employees enhances awareness of anti-corruption issues through various case studies of corrupt practices. Messages from the President & Representative Director to the entire workforce also address the issues of strict compliance and the prevention of corruption.

In terms of bribery prevention, in fiscal 2016 the Group formulated an anti-corruption framework led by the Director in charge of Legal Affairs as the chief anti-bribery manager. A set of anti-bribery rules was also established in the same year to ensure strict anti-bribery practices. Toppan distributed an FAQ on bribery in fiscal 2018.

For more intensive anti-bribery control in line with the anti-bribery rules and guidelines (established in fiscal 2016 and fiscal 2017; partially reviewed in fiscal 2018), Toppan has tightened the Group’s internal procedures for applying for authorization to offer entertainment or gifts to public officials and the like. Employees across the Group were interviewed by personnel in charge of legal affairs in fiscal 2019 to verify the application procedures at their divisions. No cases of inappropriate entertainment or gifts were identified.

■ Training to Prevent Infringements of Intellectual Property

Protection and management of intellectual property is a crucial issue for Toppan, a group of companies operating in the three fields of Information & Communication, Living & Industry, and Electronics. The Group devotes strict attention to measures to prevent the infringement of copyrights, trademarks, and other intellectual property rights of other parties while obtaining patents for its own technologies and business models.

Apart from in-house special training, Toppan holds regular training sessions for employees of the Toppan Group and its business partners. Participants in these sessions acquire basic legal knowledge on intellectual property rights by reviewing case histories in design work and other operations involving intellectual property issues within the Group.

Internal Reporting System

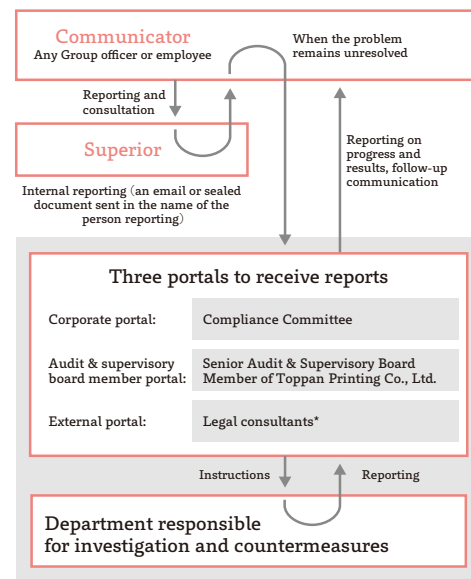
When a person at Toppan discovers a legal violation or improper conduct somewhere in the Group, he or she is to report it to his/her superior for deliberation as a basic rule. If his/her superior fails to resolve the problem, the person is encouraged to call the Toppan Group Helpline, the Group's internal reporting system. The helpline is open for use by all officers and employees (including dispatched staff and part-time workers) at Group companies (excluding listed corporations). This system allows the Group to ensure strict compliance with the Toppan Group Conduct Guidelines by promptly identifying and properly dealing with legal violations and improper acts.

In November 2019 the Toppan Group revised the rules on internal reporting by adding a clause stipulating the establishment of three portals to receive reports: a "corporate portal" and "audit & supervisory board member portal" operated in-house, and an "external portal" operated by legal consultants. The three portals were opened for use on April 1, 2020.

Compliance in fiscal 2019

Toppan was not involved in any serious incidents or violations of laws or regulations in the course of business in fiscal 2019.

Toppan Group Helpline



(as of April 1, 2020)

*The Compliance Committee discusses and formulates measures, etc. to handle issues reported to the external portal.

Main Activities and Relevant Information

Conduct Guidelines Promotion Leader System

Six hundred and eighty-eight Conduct Guidelines Promotion Leaders (the “Leaders”) were deployed across the Group in fiscal 2019, including 87 women (12.6% of the Leaders). A cumulative total of 10,420 employees have worked as Leaders since the system was launched in fiscal 2004.

Toppan held 70 training sessions across Japan for 855 Leaders

from Toppan and Group companies in fiscal 2019.

The Compliance Department in the Legal Affairs & Intellectual Property Division sent out 12 Conduct Guideline Notifications on topics relevant to the Conduct Guidelines in fiscal 2019 to ensure strict compliance at the workplace under the Leaders.

	Number of Newly Deployed Leaders	Number of Female Leaders Deployed (Percentage)	Cumulative Total Number of Leaders
Fiscal 2017	733	95 (13.0%)	9,055
Fiscal 2018	677	86 (12.7%)	9,732
Fiscal 2019	688	87 (12.6%)	10,420

Anti-Corruption Initiatives

As indicated in the list of serious risks, Toppan identifies “bribery or corruption” as a risk that could have a particularly significant impact on management and takes appropriate measures to address such risk. Based on the anti-bribery rules and guidelines established in March 2017, the Group works to ensure that employees observe the designated internal procedures to be followed when applying for authorization to offer entertainment or gifts to public officials or the like. In April 2018 Toppan reviewed the guidelines based on current circumstances and issued an FAQ describing specific cases of bribery to provide employees with the information they need to

strictly avoid such acts. When an overseas business or public sector project is deemed to have a comparatively high level of corruption-related risks, Toppan addresses specific risks of corruption by inviting relevant individuals to training sessions on the prevention of collusion, cartels, and bribery.

In fiscal 2019 a cumulative total of 154 employees who were engaged in sales, planning, and other operations for public projects in Tokyo attended training sessions on the prevention of collusion and bribery (two sessions held). Similar sessions will be organized at Group sites across Japan.

Compliance with Transaction-related Laws and Regulations

Toppan regularly organizes transaction-related training and monitors and audits how business transactions are being handled. Both activities are key to preventing improper import and export transactions and ensuring compliance with the Subcontract Law of Japan.

In fiscal 2019, a total of 479 employees were trained on

compliance with the subcontract law and 8,994 employees took an e-learning course on export controls under the Foreign Exchange and Foreign Trade Act of Japan. The Group also audited compliance with the subcontract law in 42 departments and the observance of export controls in 36 departments.

Number of Internal Reports

The Toppan Group Helpline was used in seven cases in fiscal 2019. Every case was properly handled and followed up with necessary countermeasures to prevent recurrence.

Reviewing the Toppan Group Conduct Guidelines

The Legal Affairs & Intellectual Property Division reviews the Toppan Group Conduct Guidelines every year.

In its review of fiscal 2019, the division concluded that the guidelines were appropriate and required no revision.

Toppan plans to revise the guidelines in fiscal 2020 in order to adjust to changes in business environments, social conditions, and other circumstances relevant to the Group.

Sustainable Procurement

Basic Approach

Sustainability initiatives can be completed only when implemented throughout the entire supply chain. The Toppan Group cooperates and collaborates with business partners to promote sustainable procurement focused on corporate social responsibility (CSR) procurement and biodiversity conservation.

The Toppan Group CSR Procurement Guidelines are a set of principles the Group observes to engage in CSR procurement. These guidelines consist of the Basic Procurement Policy, a conceptual framework to be closely observed by every Toppan employee involved in procurement operations, and the CSR Procurement Standards, a set of requirements to be satisfied by every business partner. The CSR Procurement Standards are composed of the Basic Procurement Standards and the Procurement Standards Concerning Human Rights, Labor, the Environment, and Anti-

Corruption. The concept of CSR procurement is applied not just to raw material suppliers, but to subcontractors, intermediaries, and all other suppliers on the supply chain.

To better conserve biodiversity, Toppan has formulated a Basic Policy on Biodiversity. The Group's procurement departments take a proactive approach to the sustainable use of raw materials in order to avoid or minimize the impacts on biodiversity.

Toppan Group CSR Procurement Guidelines (second edition)
https://www.toppan.com/assets/en/pdf/about-us/sustainability/2014/proc2014_en01.pdf

Basic Policy on Biodiversity
<https://www.toppan.com/assets/en/sustainability/pdf/biodiversity.pdf>

Promotion Framework

The Toppan Group CSR Procurement Guidelines issued in 2007 and the Basic Policy on Biodiversity issued in 2010 set out the sustainability principles every Group employee observes. Personnel at the Purchasing Center in the head office Manufacturing

Management Division and other procurement departments across the Group continue to oversee sustainable procurement in close cooperation with business partners.

■ Group Policies and Management Metrics on Sustainable Procurement

Group Policy	Policy (detail)	Risk Evaluation	Risks Identified by the Evaluation	KPI* Benchmark or Management Metric or Standard	Business Partners Covered
Toppan Group CSR Procurement Guidelines	Basic Procurement Policy	In-house risk assessment	<ul style="list-style-type: none"> Compliance violations (abuse of bargaining position, misappropriation); acts contrary to accepted social ethics 	KPI benchmark: Monitoring on compliance in procurement departments and the assessment of monitoring results	Key business partners
	CSR Procurement Standards		<ul style="list-style-type: none"> Extent to which the CSR Procurement Standards are applied throughout the supply chain 	KPI benchmark: Percentage of basic sale and purchase agreements (stipulating the observance of the Toppan Group CSR Procurement Standards) concluded Management metric: Evaluation of paper and material suppliers (ISO 9001)	Major business partners All business partners
			<ul style="list-style-type: none"> Admixture of hazardous substances into raw materials 	Management standards: Toppan Group Standards for the Management of Chemical Components of Raw Materials	All business partners
			<ul style="list-style-type: none"> Supply disruption of materials, components, or equipment due to earthquakes, wind or water damage, the spread of new strains of influenza, or other natural disasters 	Management metric: Enhancement of business continuity competencies (the effectiveness of the business continuity planning [BCP]) of business partners in the event of a wide-scale disaster	Key business partners
Basic Policy on Biodiversity	Proactive approach to the sustainable use of raw materials to avoid or minimize the impacts on biodiversity		<ul style="list-style-type: none"> Risks in relation to the sustainable use of paper, a material with potentially significant impact on biodiversity Negative impact on biodiversity caused by illegal logging 	KPI benchmark: Verification of the legality of lumber to promote the sustainable use of forest resources as a paper material Management standards: Paper Procurement Guidelines for the Sustainable Use of Forest Resources	All paper manufacturers in the supply chain All paper manufacturers in the supply chain
		<ul style="list-style-type: none"> Supply stoppage of lumber due to the depletion of forest resources Supply stoppage of printing paper and interruption of printing operations 			

*Key performance indicator

■ Applying CSR Procurement Standards throughout the Supply Chain

Procurement departments in the Toppan Group continue to conduct the following measures to tighten the application of the CSR Procurement Standards by entities throughout the entire supply chain:

- Check the efforts of business partners to safeguard business continuity in the event of a wide-scale disaster;
- Brief business partners on the Toppan Group CSR Procurement Guidelines;
- Conclude sale and purchase agreements (stipulating the observance of the Toppan Group CSR Procurement Guidelines) with business partners; and
- Check the efforts of business partners to act ethically with regard to human rights, labor, the environment, and anti-corruption.

The Toppan Group has also formulated Standards for the Management of Chemical Components of Raw Materials in order to control chemical components throughout the entire supply chain.

Toppan Group Standards for the Management of Chemical Components of Raw Materials (ver. 4.5.1, in Japanese)
https://www.toppan.co.jp/assets/pdf/about-us/sustainability/2019/proc2019_11.pdf

■ Promoting the Conservation of Biodiversity

The Toppan Group promotes sustainable procurement based on the Basic Policy on Biodiversity. Regarding the procurement of raw materials, a set of paper procurement guidelines has been formulated to promote the sustainable use of paper, a material with potentially significant impact on biodiversity.

As for the sustainable use of forest resources, the Group has cooperated with paper manufacturers in the supply chain to ensure that the lumber they use for paper production is legally obtained.

Toppan Group Paper Procurement Guidelines for the Sustainable Use of Forest Resources (second edition, in Japanese)
https://www.toppan.co.jp/assets/pdf/about-us/sustainability/2014/proc2014_06.pdf

■ Basic Procurement Policy (to ensure compliance in procurement departments)

CSR procurement should be built upon trust between businesses.

Toppan has set up a Supplier Hotline on the corporate website as a portal for receiving reports from business partners involved in the Group's procurement operations. The hotline is open for use by all suppliers of the Group.

Toppan also monitors whether the Group's procurement departments operate properly in accordance with the Basic Procurement Policy in their transactions with the suppliers.

Supplier Hotline
<https://www.toppan.com/en/about-us/our-corporate-approach/supplier-hotline.html>

Main Activities and Relevant Information

Confirming the Impact of COVID-19 on Business Partners

The novel coronavirus infection (COVID-19) has continued to spread globally from the beginning of 2020, raising concerns about the impact on supply chains throughout the world. Toppan has checked whether COVID-19 has had serious impact on the manufacturers that supply raw materials to the Group, and has

looked into how raw material suppliers are combating the virus. As of May 2020, a survey of the Group's top 50 suppliers in terms of value (in fiscal 2019) and another 135 suppliers of key products has revealed no significant impact on the Group's raw material procurement.

Briefing Suppliers on CSR Procurement Guidelines and Concluding Agreements

As of March 31, 2020, Toppan has briefed 2,108 suppliers on the Toppan Group CSR Procurement Guidelines. The Group has been promoting CSR procurement throughout the entire supply chain by asking suppliers to conclude basic sale and purchase agreements stipulating the observance of the guidelines. As of fiscal 2019, Toppan has concluded the agreements with 81% of the business partners that sell the Group goods and services worth more than 10 million yen a year. Toppan's goal is to conclude agreements with all business partners that meet this criterion of value of sales to the Group by no later than fiscal 2025.

Turning to the environment, the Toppan Group promotes CSR procurement in line with specific standards such as the Standards for the Management of Chemical Components of Raw Materials and the Paper Procurement Guidelines for the Sustainable Use of Forest Resources.

■ Briefing Sessions on CSR Procurement Guidelines

	Fiscal 2017	Fiscal 2018	Fiscal 2019
Number of business partners briefed	25	4	4
Cumulative total of business partners	2,100	2,104	2,108

■ Percentage of Basic Sale and Purchase Agreements with CSR Procurement Provisions Concluded (with business partners supplying goods and services worth more than 10 million yen a year)

	Fiscal 2017	Fiscal 2018	Fiscal 2019
Cumulative percentage of agreements (out of the business partners targeted)	72%	76%	81%

Monitoring Compliance in Procurement Departments

Toppan regularly asks business partners to fill out questionnaires on their transactions with the Group. With the questionnaire results, Toppan monitors whether the Group's procurement departments operate properly in accordance with the Basic Procurement Policy.

In fiscal 2019 Toppan used the responses from 10 business partners to improve compliance in the Group's procurement operations.

■ Monitoring Results

	Fiscal 2017	Fiscal 2018	Fiscal 2019
Number of business partners that filled out the questionnaire	13	8	10
Cumulative total number of business partners monitored	116	124	134

Verifying the Legality of Lumber as a Paper Material

The Toppan Group formulated a Basic Policy on Biodiversity and posted it on the Toppan website^{*1} in May 2010.

The basic policy stipulates that "we will take a proactive approach to sustainable use by avoiding or minimizing the impact on biodiversity" during raw material procurement operations. For paper procurement, for example, the Group surveys the legality of lumber as a paper material as a means of promoting the sustainable use of forest resources.

Toppan monitors paper manufacturers to verify that the lumber used for the production of their paper (representing more than 90% of the Group's printing paper purchases by monetary value) is obtained through legal channels. In a survey of 25 sites of 16 business partners around the world in fiscal 2019, Toppan confirmed that all of the lumber procured from them was obtained legally. In yen terms, these 25 partner sites supplied 92.4% of the paper used by Toppan in fiscal 2019.

■ Results of Surveys to Verify the Legality of Lumber as a Paper Material (Paper providers representing over 90% of purchase expenditures within the Group)

	Fiscal 2017	Fiscal 2018	Fiscal 2019
Number of business partners surveyed	18	18	16 ^{*2}
Purchase price basis	92.3%	90.6%	92.4%
Percentage of lumber sources verified as legal	100%	100%	100%

*1 <https://www.toppan.com/assets/en/sustainability/pdf/biodiversity.pdf>

*2 Paper suppliers subject to a higher risk of noncompliance over the most recent three-year period

Participating in the Green Purchasing Network

The Green Purchasing Network (GPN) of Japan was established in 1996 as a loose-knit network of businesses, civilian organizations, government agencies, and other entities proactively engaged in green purchasing practices. GPN is convinced that green purchasing plays a critical role in the formation of a market for eco-products on a scale sufficient to facilitate eco-product development. GPN believes that green purchasing will contribute significantly to the realization of a sustainable society.

As a GPN member, Toppan provides printing services based on the GPN Ordering Guidelines for Printing Services.



Green Purchasing Network

<https://www.gpn.jp/english/index.html>

Briefing on the Principles of the Tokyo 2020 Sustainable Sourcing Code

In May 2019, business partners producing premium goods and sales promotion tools for the Tokyo 2020 Olympic and Paralympic Games attended a briefing session held by the Toppan Group on the Tokyo 2020 Fundamental Principles for the Sustainable Sourcing Code (3rd edition). After explaining the content of the sourcing code, Toppan asked all of the business partners in attendance (including raw material suppliers, subcontractors, and intermediaries) to comply with the code and continuously observe the Toppan Group CSR Procurement Guidelines.

Toppan also handed out a questionnaire survey at the briefing to confirm what steps the business partners were taking to comply with CSR procurement focused on sustainability.

Dates: May 17 and 23, 2019

Venue: Toppan Koishikawa Building, Tokyo

Number of participating companies: 65



Initiatives for Products and Services

Basic Approach

Quality assurance for products at the Toppan Group is a concern for every department, not only the departments directly responsible for production. Departments involved in marketing, R&D, planning, design, sales, and shipment all contribute to quality. This is why Toppan describes quality assurance as a total activity (“total quality assurance”) and strives to improve product quality and manage product safety throughout the Group. For the maintenance and improvement of product quality, the Group has established a Basic Stance on Product Safety Management and a set of Basic Guidelines on Product Safety Management to securely manage the safety of the products Toppan manufactures.

The global environment is another crucial social issue requiring Toppan’s committed efforts. To propel sustainable consumption, Toppan markets environmentally friendly products and services and visualizes CO₂ emissions associated with the products and services the Group provides. Toppan and Group companies endeavor to contribute to the realization of sustainable consumption under The Toppan Group Declaration on the Global Environment.

The Toppan Group also realizes the social value of universal design (UD). Since its launch of a pioneering UD packaging consulting service in 1999, Toppan has been consistently designing and producing attractive, easy-to-use UD packaging and communication tools for as many people as possible in every Business Field of the Group.

The Toppan Declaration on Universal Design and Toppan’s Seven Principles on Universal Design (both established in 2010) define UD as a guiding philosophy for developing products and services

that “help realize a society with a high appreciation of diversity.” By embracing UD approaches, Toppan assigns greater weight to dialogue with diverse people and the concerns of people with different physical abilities and perceptions while considering usage scenarios and design parameters such as understandability and usability.

Basic Stance on Product Safety Management

We promote product safety management throughout the Group by securing safety and improving the quality of our products based on the Basic Principles of Conduct Guidelines and the principles of corporate social responsibility as a protector of user* safety and health.

*User: Includes both customer companies and end-user consumers.

Basic Stance on Product Safety Management / Basic Guidelines on Product Safety Management

<https://www.toppan.com/en/about-us/our-corporate-approach/product-safety.html>

The Toppan Group Declaration on the Global Environment

https://www.toppan.com/assets/pdf/sustainability/The_Toppa_Group_Declaration_on_the_Global_Environment.pdf

Toppan Declaration on Universal Design / Toppan’s Seven Principles on Universal Design

<https://www.toppan.com/en/sustainability/ud.html>

Promotion Framework

The Quality Assurance Center in the head office Manufacturing Management Division holds a Japan-wide conference of quality assurance departments every three months. Conference participants clarify various challenges related to safety management and quality assurance for products and monitor the progress of key initiatives to mitigate quality loss and further improve product quality. Every Group site consistently enhances the quality management system it has formulated under ISO 9001 to bolster product safety management. The Quality Assurance Center organizes seminars on ISO 9001 and training sessions for internal auditors every year. These training sessions aim to constantly improve the effectiveness of the quality management systems underpinning total quality

assurance across the Group.

Toppan has arranged rank-based curriculums and Group-wide e-learning programs to heighten employee awareness and facilitate a deeper understanding of Toppan’s environmentally friendly products, carbon-offsetting initiatives, and carbon footprint of products (CFP) services. The Ecology Center in the Manufacturing Management Division at the Toppan head office compiles and discloses information on registered environmentally friendly products.

ISO 9001 Accreditation and Certification (in Japanese)

<https://www.toppan.co.jp/about-us/our-corporate-approach/iso/iso9001.html>

■ Assuring Product Quality

The quality assurance department in each business division handles customer complaints and claims regarding Toppan's products. When a serious product-related incident occurs, Toppan sets up an emergency taskforce in line with the Group's rules on risk management to rapidly and properly handle the issue, giving the top priority to user safety. The Group has also established rules on corrective actions for claims from customers in accordance with ISO 9001. Based on these rules, the quality assurance departments determine fundamental causes, take optimal countermeasures, and prevent recurrence through the standardization of corrective actions.

The Quality Assurance Center compiles monthly data on customer claims and cases of product quality loss from business divisions and assesses the progress of improvement activities. For serious product-related incidents, the center examines the validity of recurrence-prevention measures and the status of efforts to sustain these measures. The Toppan Group has also adopted a certified approval system for food packaging requiring exacting quality assurance for safety and sanitation to ensure that the operational sites of Toppan and partner companies can manufacture containers and packages only after undergoing audits with checklists in conformance with the Quality Assurance Guidelines for Food Packaging.

■ CFP and Carbon-offsetting Services

The Ecology Center offers training sessions on the Toppan Group's carbon footprint of products (CFP) and carbon-offsetting initiatives focused on printed materials and events, in order to support the efforts of employees in the marketing and sales promotion departments to promote CFP and carbon-offsetting services.

Main Activities and Relevant Information

Initiatives for Product Safety

Toppan has established a Basic Stance on Product Safety Management and a set of Basic Guidelines on Product Safety Management to secure the safety management of the products the Group manufactures.

All Group sites work to continuously improve the effectiveness of quality management systems (QMS) they have formulated under

ISO 9001 to bolster product safety management. Every division holds training seminars for internal auditors to equip them with the skills and knowledge they need to detect QMS flaws at their sites. A total of 175 employees were trained in fiscal 2018 and another 193 employees were trained in fiscal 2019.

Certified Approval System for the Production of Food Packaging

Food packaging requires exacting quality assurance for safety and sanitation. The Toppan Group has adopted a certified approval system to ensure that the operational sites of Toppan and partner companies can manufacture containers and packages only after

undergoing audits with checklists in conformance with the Quality Assurance Guidelines for Food Packaging. Toppan carried out accreditation audits for packaging operations at 11 operational sites inside and outside the Group in fiscal 2019.

■ Audits for the Food Filling/Packing Businesses

Audit Points

- Agreements with client companies
- Quality assurance systems
- Management of equipment and inspection devices
- Management of safety and sanitation
- Steps to prevent the admixture of different products
- Steps to safeguard against insect infestations
- Steps to prevent the admixture of foreign substances
- Steps to prevent the outflow of defective products
- Steps to prevent contamination
- Traceability
- Food defense
- Education and training
- Maintenance of systems and frameworks for product safety and quality

Operational Sites Audited

Primary food filling/packing businesses

5 sites run by manufacturing subsidiaries

6 sites run by production business partners

CFP Quantifications and Carbon-offset Certification for Printed Materials and Events

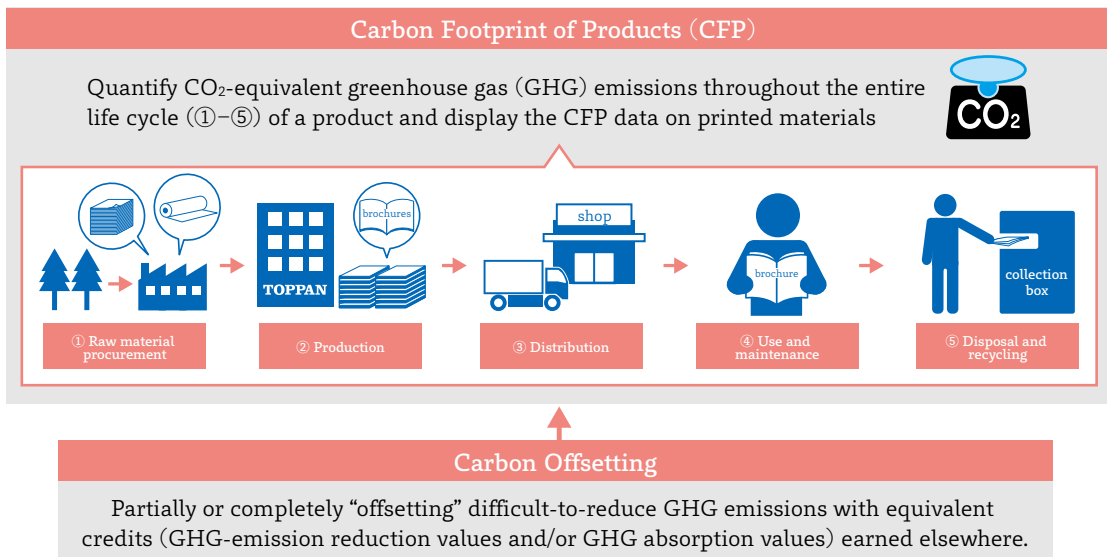
The Toppan Group has been visualizing CO₂ emissions associated with printed materials and events through carbon footprint of products (CFP) and carbon offsetting initiatives. The Group's one-stop service for client companies covers every step from CFP quantification to carbon-offset certification for printed materials and events. This procedure has also been applied to the Group's own products and events. In fiscal 2019 the Group conducted CFP quantifications for a total of 28 products, services, and events.

In self-initiated activities, CO₂-equivalent greenhouse gas (GHG) emissions associated with printed materials issued by Toppan are offset by a J-VER credit generated by a subsidiary and a credit linked to the SDGs (a credit originating from power generation using Forest Stewardship Council [FSC®]-certified wood refuse in the Amazon basin, Brazil) provided by the Gold Standard Foundation under the United Nations Clean Development

Mechanism (CDM). The carbon-offsetting mechanism using the Gold Standard CDM allows Toppan to address relevant global development agendas such as climate security and stable power supply.

The Group has also offset the CO₂-equivalent GHG emissions associated with in-house educational events focused on biodiversity and the various meetings Toppan holds on environmental issues in Japan, such as the National Eco-protection Meeting and the Toppan Group Environmental Meetings. Toppan has used the carbon-offsetting initiatives for these events and meetings to support the recovery of Kumamoto from the earthquake disaster of 2016 by applying a J-VER credit, a credit originating from GHG (CO₂) absorption using lumber from thinning operations in forests owned by Kumamoto Prefecture.

■ Framework for CFP and Carbon Offsetting



■ CFP information on the printed Japanese version of the *Toppan Integrated Report 2019*

https://www.cfp-japan.jp/common/pdf_permission/001740/CR-BS05-19007.pdf



Toppan Integrated Report 2019
(back cover of the printed Japanese version)

Universal Design

Basic Approach

The Toppan Group realizes the social value of universal design (UD). Since pioneering a UD packaging consulting service in 1999, Toppan has been consistently designing and producing attractive, easy-to-use UD packaging and communication tools for as many people as possible in every business field of the Group.

The Toppan Declaration on Universal Design and Toppan's Seven Principles on Universal Design (both established in 2010) define

UD as a guiding philosophy for developing products and services that "help realize a society with a high appreciation of diversity." By embracing UD approaches, Toppan assigns greater weight to dialogue with diverse people and the consideration of different physical abilities and perceptions, usage scenarios, and design parameters ("comfortable," etc.).

トッパンのユニバーサルデザイン



Toppan Declaration on Universal Design

The starting point of our Universal Design is the provision of dedicated products and services realized through compassionate consideration of users.

By engaging in repeated dialogues with people from all walks of life and consistently incorporating the ideas of each person, we will create dedicated products that are comfortable, easier-to-use, and environment- and human-friendly.

As a corporation extensively involved in human life, we will help realize a society with a high appreciation of diversity through approaches to Universal Design.

Established in April 2010

Action Policy

Universal design (UD) is one of the core concepts underpinning the businesses of the Toppan Group. In keeping with the Corporate Philosophy, the Group persistently embraces UD challenges to help realize a society with a high appreciation of diversity.

Corporate
Philosophy

Toppan Declaration
on Universal Design

Toppan's Seven
Principles on
Universal Design

Guidelines for
Universal Design

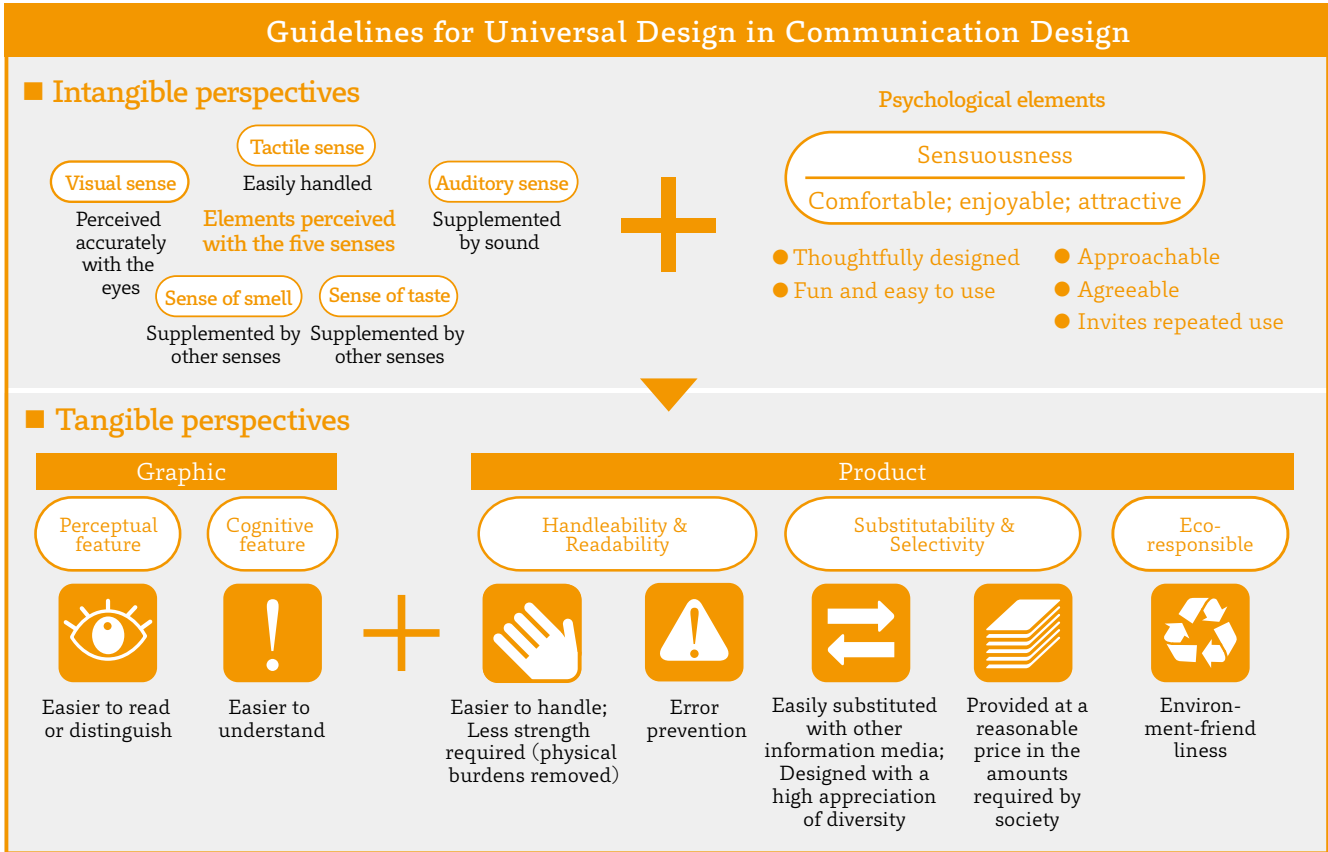
Toppan's Seven Principles on Universal Design

1. Design products and services that are more responsive to people with different physical abilities and perceptions.
2. Facilitate communication using multiple channels for communication, including visual, aural, and tactile channels.
3. Make products easier to use by making them easier to understand.
4. Make products that are easier to move, easier to approach, and require less strength (remove the physical burdens).
5. Design products that are safe to use procedurally, functionally, structurally, materially, and environmentally.
6. Provide products at a reasonable price and in the amounts required by society.
7. Engage in design that appeals to the senses with consideration for comfort, enjoyment, and beauty.

Established in 2001
Revised in April 2010

■ Toppan's Guidelines for Universal Design

The Toppan Group has been developing products and services based on its Guidelines for Universal Design in communication design and packaging.



Toppan Bunkiyutai®

Fonts that Please the Eyes and Resonate in the Heart

Toppan Bunkiyutai®—a gentle typeface available in Mincho, Gothic, and headline styles—ushers in the future of print and display fonts. The words spelled out in this light, fluid, handwritten-like typeface are easy on the eyes and resonate in the heart.

そとやさき
そとやさき
そとやさき



Multilingual Digital Assistant BotFriends® Vision

Barrier-free Signage for Interfacing with AI

A multilingual AI signage system. The BotFriends® Vision digital assistant provides users with audio, text, and image guidance to help them find information optimally matched to their queries.

BotFriends® displays an on-screen animated character to interface with customers or visitors in need of information or assistance. This animated character can deliver both AI responses and the human responses of a service representative working behind the scenes.

Designed in consideration of people in wheelchairs, BotFriends® Vision offers helpful guidance at both public and commercial facilities.

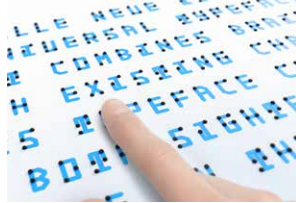


Braille Neue

Communication Fonts for an Inclusive Society



A universal font readable both by the fingers (braille) and with the eyes. Braille Neue helps create a society where the visually impaired and the sighted can communicate across the perceptual divide by reading and exchanging the same text.



VoiceBiz®

Speech Translation App for Multilingual Communication



An intuitive, easy-to-use, voice-based translation service supporting 30 languages. Users can register proper names and fixed phrases. The VoiceBiz® application has a reverse translation function to help users check whether the delivered translation expresses what they want to say. Helpful for serving customers at counters and in stores and for providing business support for workers from other countries.



Guidelines for Universal Design in Packaging

Intangible perspectives

Visual sense

Perceived accurately with the eyes

Tactile sense

Perceived by touch

Auditory sense

Reaffirmed by hearing

Elements perceived with the five senses

Sense of smell

Supplemented by other senses

Sense of taste

Supplemented by other senses



Psychological elements

Is understandable

Accommodates impairments in attention or memory

Is worry-free

Facilitates access to information

Accommodates changes in mood or temperament

Offers improved comfort and enjoyment

other

Tangible perspectives



Easier to distinguish



Easier to hold



Easier to open



Easier to read; Easier to understand



Easier to unpack



Usability



Easier to reseal



Easier to discard; Resource saving



Injury prevention

Two-way Bottle for Food Products

Compact, Easy-to-use Bottle Shape



A compact, easy-to-hold bottle for foods that come in powder form. The convenient cap makes it easy to pour out powdery foods evenly, in just the amounts needed.



Packaging for Kampo Medicine Formulations

Packaging to Avoid Medication Mix-ups



The clear, easy-to-use design prevents mix-ups between the hundreds of Kampo formulations prescribed. Patients and healthcare professionals can quickly tell one product from another from the numbers and colors displayed. This packaging prevents misidentification, reduces workloads, and enhances the safety and security of Kampo medications.



Swallow-proofing Blister Pack for Coin Cell Batteries

A Package that Prevents Accidental Swallowing by Children



This package is very difficult for children to open by hand, and thus prevents the accidental swallowing of the coin cell batteries inside. The battery pops out easily when the package is cut with scissors and pressed from both sides.



Pouch for Refilling Shampoo and Conditioner

Easy-to-hold, Easy-to-pour Packaging



A stand-up pouch for refills. With a centrally positioned spout separate from the fill opening, PALM POUCH® is easy to hold and pours content easily into the refillable container. The stable spout position assures fast, smooth refills down to the last drop.



■ Toppan's Support for Universal Design

Toppan uses the Group's expertise in design production and research to provide universal design (UD) support services for client companies. Toppan assesses and analyzes clients' printed

materials, websites, packaging, and spatial designs from UD perspectives, identifies areas to address, and suggests design improvements.

DentatsuClinic® Counseling on Information Tools

Tackling "Hard-to-Understand" Design in Information Tools

Toppan's "DentatsuClinic®" solutions ("*dentatsu*" means "communication" in Japanese) assess the information tools that client companies provide to their customers and suggest ways to make the tools more effective and easier to read and understand.

In 2009 Toppan launched "Editorial Universal Design (E-UD)," an original method to support clients in their efforts to create more effective information tools for diverse people. This method has now been updated into DentatsuClinic®, a service that makes use of the Group's accumulated UD expertise. With uniquely developed examinations to identify the points that make an information tool "hard-to-understand," DentatsuClinic® solutions provide a holistic review of information tools spanning from the look & feel and language to the page composition and organization of the medium used. These solutions are effective in improving usability for busy people, earning trust and empathy from a broad swath of people, making reasonable accommodations to ensure that information is accessible to persons under diverse conditions, and averting inflows of negative reactions.

Diversity and Inclusion Support

UD Communication for Diversity and Inclusion

What can Toppan do to create a society "leaving no one behind," as pledged in the SDGs? In 2016 Toppan set up a UD Communication Laboratory, a special section tasked with augmenting the social value of the knowledge and knowhow the Group has cultivated in universal design (UD) and communication design over many years. The laboratory has been developing UD communication services to support client companies.

UD perspectives in an organization's communication strategies are essential to facilitate diversity in the workplace, enhance corporate value, and respond to a diverse consumer base. The Toppan Group will continue to support client companies in their efforts to address the challenges they face in four areas: "inclusion awareness," "UD education," "diversity management PR," and "promotion geared to diversified needs."

UD Solutions for Packaging

Improving Usability by Analyzing the Challenges Consumers Face

The Toppan Group has been focusing on universal design (UD) in packaging since the 1990s. The Group develops and improves UD packaging for products manufactured by Toppan and customer companies by applying and providing one-stop UD solutions to detect unresolved challenges and carrying design concepts forward through the stages of verification and production.

Toppan takes a scientific approach to determining the challenges consumers face in using products. The challenges identified are codified into the Group's Guidelines for Universal Design in Packaging. Toppan relies on these guidelines to provide customers with UD packaging solutions that value usability perspectives and consider the psychological impacts of designs and how designs are perceived with the five senses. Toppan's UD packaging solutions offer a plugged-in style of UD that satisfies requirements for user friendliness (e.g., injury prevention and ease of use for children and the elderly), time-efficiency in housework, environmental friendliness, and other prominent needs in society.

Eye-tracking Study

Eye-tracking Analysis of Product Visibility and Usability

The Toppan Group has adopted a quantitative, scientific approach to the analysis of product visibility and usability using an eye camera. An eye-tracking study checks whether the right messages are conveyed to consumers from shopping sites or communication tools such as product packages, in-store fixtures, and sales promotion goods. The study also explores whether purchased products communicate information to users plainly.

Toppan asked consumers to purchase and use actual products in one of several venues: a real store, a mock store, a website, or a space simulating where a customer would typically use the product. Researchers interview consumers after product-use tests to accurately identify issues in detail and advise client companies on how to improve the visibility and usability of their products.



Consumer Protection

Basic Approach

Toppan has reinforced safeguards to prevent leaks and outflows of personal information in the diverse processes in which it is handled within the Group by restricting the handling of personal information to tightly secured areas that satisfy rigorous criteria for qualification audits. The Group has also worked for thorough security control in operation design and quality assurance with safe, secure systems and processes designed to manage personal information.

Toppan has also declared that “each of us at the Toppan Group carries out Group-wide information security management” in its basic policy on information security. Under the basic policy, Toppan has continuously upgraded the Group’s systemized rules formulated based on ISO/IEC 27001 (a stringent, globally recognized standard on information security management) in compliance with Japanese Industrial Standards (JIS) Q 15001 (standard for accrediting PrivacyMark Systems for personal information protection management).

Toppan Group Basic Policy on Information Security
<https://www.toppan.com/en/about-us/our-corporate-approach/security-information.html>

Personal Information Protection Policy
<https://www.toppan.com/en/privacy.html>

Toppan Group Basic Policy on Information Security

As a group of companies operating in the information communication industry, each of us at the Toppan Group carries out Group-wide information security management in the recognition that the management of information necessary for business is a significant managerial challenge for us as a means to reciprocate our customers’ trust and promote the ongoing growth of the Toppan Group.

1. We manage information necessary for our business appropriately in observance of our in-house rules, the law, and the principles of social order.
2. We collect information for appropriate purposes using appropriate methods.
3. We safely manage the information entrusted to us by customers in order to reciprocate our customers’ trust.
4. We are deeply aware of the risks to the information assets we handle, such as illegal access, loss, damage, falsification/manipulation, and leakage of information, and take necessary and reasonable safety measures against these risks. We deal with and rectify any problems that occur promptly and in an appropriate manner.
5. We establish, operate, maintain, and continuously improve information security management systems.

Established on April 1, 2001
 Revised on June 27, 2019

Hideharu Maro
 President & Representative Director
 Toppan Printing Co., Ltd.

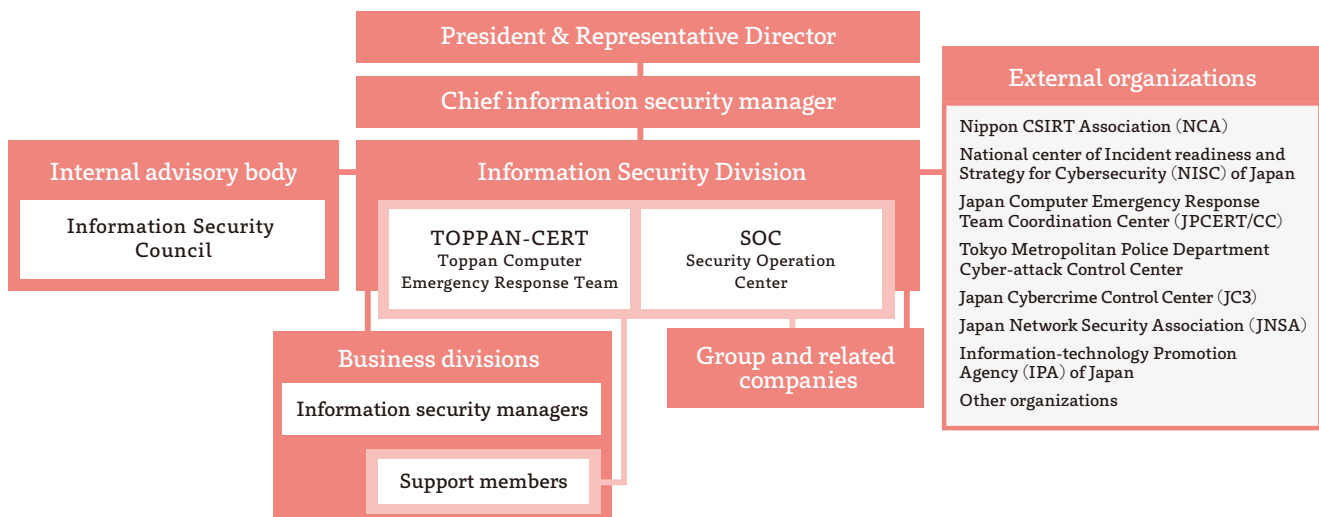
Promotion Framework

Organizational Structure for Information Security Management

Companies today face wide-ranging information security risks, from careless mistakes and fraudulent acts committed in-house to cyber-attacks and hidden threats in new business fields.

The head office and every business division at Toppan work to strengthen cooperation with relevant departments throughout the

Group. Toppan seeks to maintain the Group’s governance structure through cooperation that goes beyond existing organizational boundaries.



■ Reviewing Rules and Regulations to Enhance Information Management Systems

The Toppan Group's rules and regulations on information management have been established based on the ISO/IEC 27001 standards for information security management systems (ISMS) and comply with the JIS Q 15000 standards for personal information protection management systems (PMS). To sustain its ISMS and PMS, Toppan needs to ensure robust corporate governance over the entire Group, including overseas sites, and to respond to emerging requirements in such areas as cyber security, data utilization, the IoT, and globalization.

Toppan therefore formulated a scheme to extensively review the Group's existing rules and regulations in fiscal 2019. Updates based on this scheme will be effected in fiscal 2020.

■ Tightly Secured Areas Designated for the Handling of Personal Information

Operations involving the use of confidential materials in the Toppan Group are conducted exclusively within a closed network environment in physically isolated, tightly secured workplaces where the comings and goings of employees through entrances and exits are monitored to minimize the risk of fraudulent acts and other forms of misconduct inside of the Group, and unauthorized accesses from outside of the Group. Strictly controlled operations include the handling of personal information (e.g., individual identification numbers under Japan's Social Security and Tax Number System) and the production and handling of security printing products with monetary value.

The Group has been constantly and regularly monitoring and auditing these operations to respond to customer requests for strengthened procedures to prevent information leaks.

Toppan found no instances of unauthorized information removal in fiscal 2019, putting it on track to achieving the Group's medium-term goal of zero unauthorized information-removal incidents through to the end of fiscal 2025.

■ Organizing Cyber-attack Reporting Drills

Toppan has introduced reporting drills as a defense against cyber-attacks, in addition to regular drills on the handling of virus-infected emails, to keep the Group on the alert for cyber security.

Toppan requested every Group employee using the Group's email system to add a shortcut icon for reporting suspicious emails on their PCs and smartphones. One hundred percent of email-system users added the icon after receiving emails instructing and reminding them to do so.

These cyber drills were implemented in Toppan Printing Co., Ltd. and 12 Group entities to ensure that Group employees will more readily notice and report incidents of business email compromise (BEC) as soon as they occur.

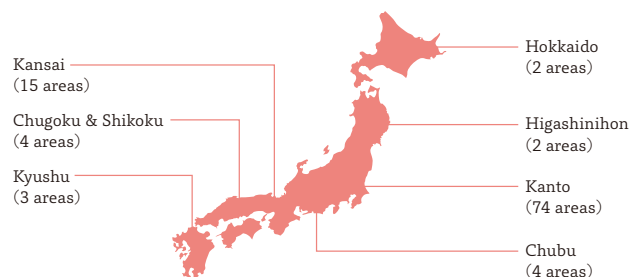
Toppan found no instances of information leakage due to cyber-attacks in fiscal 2019. The Group's medium-term goal is to maintain zero leakage incidents through to the end of fiscal 2025.

■ Complying with International Laws and Regulations on Personal Information Protection

To address globalized business operations, Toppan specifies Group-wide standards on personal information protection in accordance with the core principles of the General Data Protection Regulation (GDPR) issued by the EU. Toppan seeks to handle personal information in conformance with the applicable legislation of every country where Group sites operate.

The People's Republic of China, in particular, has established a Cyber Security Law (commonly referred to as the China Internet Security Law) that requires entities doing business in China to comply with various complex rules, including multifarious clauses on the handling of personal information. Toppan is closely checking the compliance status of Group subsidiaries in China, identifying issues to address, and setting priorities, with plans to make improvements by the end of fiscal 2021.

■ Tightly Secured Areas Where Personal Information Is Handled (as of March 31, 2020)



■ Preparing for the Tokyo 2020 Games

The Olympic and Paralympic Games, large-scale sporting festivals, are easy targets for organized criminals.

Toppan Printing, a Tokyo 2020 Official Partner, gathers information to upgrade its safeguards against organized crime and takes part in anti-cyber-attack simulation drills organized by the National center of Incident readiness and Strategy for Cybersecurity (NISC) of Japan.

■ Group-wide Warnings on BEC

A surge of fraudulent emails posing as ordinary business emails has been causing extensive damage throughout the world. Toppan took action to combat business email compromise (BEC) incidents in fiscal 2019 by disseminating information on actual BEC cases and reminders to Group companies, including related domestic companies and overseas subsidiaries.

Main Activities and Relevant Information

Information Security Training

■ Intensified Training and Self-assessment

In fiscal 2019 Toppan continued to hold regular face-to-face training sessions to improve employee awareness and ethical foundations with regard to information security. For those who could not attend face-to-face sessions, the Group provided e-learning-based programs or other virtual learning courses to convey a fuller understanding of security management.

To maintain alertness on information security, Toppan has reworked the Group's existing information security survey into a self-assessment to enhance awareness on individual behaviors. When employees come to recognize that they misunderstand a

security practice or perform it imperfectly, they are encouraged to acquire sufficient knowledge on the issue and take necessary action to steadily improve their own vigilance.



Workplace precautions presented in a regular training course (in Japanese)



Self-assessment report on information security (in Japanese)

■ Starting up Armoris to Develop Cyber Security Specialists

The Toppan Group founded Armoris Co., Ltd., a company specialized in providing client companies and public-sector organizations with programs to nurture cyber security specialists and services geared to improving the security levels of their organizations. Armoris launched "DOJO," a practical personnel training program, in January 2020.

Armoris developed DOJO with the help of experienced cyber security specialists from not only Japan, but also the Republic of Estonia and the North Atlantic Treaty Organization (NATO), two entities that have taken the initiative to secure the world from cyber-attacks. DOJO offers training programs tailored to individual skills and an environment suited to long-term, continual training.

Armoris will be using DOJO to further enhance the security capabilities of individuals and organizations throughout Japan, including the Toppan Group.

■ Organizing Drills to Respond to Serious Incidents

In fiscal 2019 the Toppan Group began conducting drills to rehearse the actions to take in response to serious incidents caused primarily by cyber-attacks. When a major incident occurs, an organization needs to address the incident immediately and appropriately and make important business decisions. Toppan has therefore formulated a set of guidelines for actions to address serious incidents and has implemented tabletop drills for coordination between relevant teams from the head office and business divisions.



Overview of Armoris's DOJO service in Japanese



Serious incident drill

■ Sharing Information on Cyber Security Preparedness

In fiscal 2019 Toppan started quarterly cyber-security information-sharing sessions for Group personnel involved in information security. Toppan aims to heighten the understanding of cyber security preparedness within and outside of the Group.

Advanced Security Management

The Toppan Group seeks to ensure and upgrade security levels in the handling of personal information through regular internal audits and day-to-day operational checks based on operational rules prescribed for the tightly secured areas within the Group.

Two key components of Toppan's security management regime are internal audits to inspect operational management and monitoring to detect fraudulent operations.

Operational management inspection through internal audits:
Dedicated auditors regularly inspect the installation, management, and operation of tightly secured areas designated for the handling of personal information. Managers assess and certify inspection results to maintain and further enhance operational management levels across the Toppan Group.

Detection of fraudulent operations:

Toppan basically prohibits Group employees from connecting any external memory media to the PCs used within the tightly secured areas. The Group's monitoring center carries out operational log analysis using log management systems. Whenever a potentially fraudulent log is detected, the center immediately notifies the relevant management personnel for verification.

■ Safety management measures for tightly secured areas



Surveillance camera



Access control

Third-party Certification

Toppan Printing Co., Ltd. and its Group companies have acquired ISO/IEC 27001 certification for information security management systems (ISMS), PrivacyMark accreditations under Japanese Industrial Standards (JIS) Q 15001:2017 for their personal information protection management systems (PMS), and other third-party certifications.

■ PrivacyMark Accreditations (JIS Q 15001:2017)

Toppan Printing Co., Ltd.	10190891
Toppan Communication Products Co., Ltd.	24000216
Toppan Graphic Communications Co., Ltd.	10190298
Toppan Editorial Communications Co., Ltd.	24000308
Toppan Logistics Co., Ltd.	10450006
Toppan Travel Service Corp.	10450093
Toppan Forms Co., Ltd.	10190934
Toppan Forms Central Products Co., Ltd.	24000366
Toppan Forms Tokai Co., Ltd.	24000204
Toppan Forms Kansai Co., Ltd.	24000101
Toppan Forms Nishinohon Co., Ltd.	18860028
Toppan Forms Operation Co., Ltd.	10820089
Toppan Forms Logistics and Services Co., Ltd.	10450002
Toppan Forms (Hokkaido) Co., Ltd.	10190307
TOSCO Corp.	11820447
J-SCube Inc.	10860018
Tosho Printing Co., Ltd.	24000032
Tokyo Shoseki Co., Ltd.	10190966
Livrettech Co., Ltd.	10190035
Tokyo Logistics Co., Ltd.	10860071
EduFront Learning Research Co., Ltd.	10861827
Froebel-Kan Co., Ltd.	24000369
BookLive Co., Ltd.	28000007
Tokyo Metropolitan Government (T.M.G.) Prepress Toppan Co., Ltd.	24000419
ONE COMPATH Co., Ltd.	24000445
Toppan Cosmo, Inc.	24000449

■ ISMS Certification (ISO/IEC 27001) for Information Security Management Systems

Information & Communication Division (Toppan Printing Co., Ltd.); Data Direction Center (Digital Innovation Division, Toppan Printing Co., Ltd.); Toppan Communication Products Co., Ltd.; Toppan Graphic Communications Co., Ltd.	IC06J0151
Toppan Group Kansai Business Center (Toppan Forms Co., Ltd.)	JQA-IM0137
Toppan INFOMEDIA Co., Ltd.	RB-IS14004
Asaka Plant and Shiga Plant (Toppan Printing Co., Ltd.); Semiconductor photomask operations (Asaka Plant and Shiga Plant, Toppan Electronics Products Co., Ltd.); Toppan Technical Design Center Co., Ltd.	IS 530416
ONE COMPATH Co., Ltd.	IS 533218
Kyushu, Chugoku & Shikoku Team and ISMS Promotion Committee (Information Security Management, Nishinohon Division, Toppan Printing Co., Ltd.)	I308
Kansai Production Department (Toppan Graphic Communications Co., Ltd.)	IC13J0361
Higashinohon Division (Toppan Printing Co., Ltd.)	IS 606897
Takino Manufacturing Department (Takino Plant, Toppan Communication Products Co., Ltd.); Technology (Kansai Information & Communication Subdivision, Toppan Printing Co., Ltd.)	IC14J0376
Secure BPO Team (Chubu Division, Toppan Printing Co., Ltd.); Chubu Production Department (Toppan Graphic Communications Co., Ltd.); Nagoya Plant (Toppan Communication Products Co., Ltd.)	IC17J0444
One undisclosed entity	

Complying with Laws, Regulations, Standards, and their Amendments

The Toppan Group complies with the amended Act on the Protection of Personal Information of Japan, the revised Japanese Industrial Standards (JIS) standard for accrediting PrivacyMark

systems, the recently enforced EU General Data Protection Regulation, and other information-protection legislation around the world.

■ Complying with the Amended Japanese Act on the Protection of Personal Information

The Toppan Group complies with the amended Act on the Protection of Personal Information enforced in May 2018 in Japan, in line with a set of guidelines issued by the Personal Information Protection Commission of Japan. Toppan has revised the Group's personal information protection bylaws based on the amended act and strived to prescribe the revised bylaws throughout the Group. The key revisions to the bylaws are additional rules on the verification of appropriateness when obtaining personal information, procedures for providing information to third parties, and the handling of "anonymously processed information*." Agreements on outsourcing operations have also been reviewed.

*Personal information that has been processed to ensure that it cannot be used to identify a specific individual or otherwise restored to its original form, as defined by the Act on the Protection of Personal Information of Japan.

■ Complying with the Revised JIS Q 15001:2017

In 2017 the Japanese Standards Association (JSA) revised JIS Q 15001:2017, a standard for accrediting a business operator or other entity with an appropriate system for the protection of personal information. The Toppan Group has joined an inter-business project to compile a handbook on the revised standard in order to spread the relevant information throughout the printing industry in Japan. Toppan has also directed Group companies to formulate a personal information protection system to meet the requirements for PrivacyMark accreditation under the revised standard.

■ Complying with the EU's GDPR

The Toppan Group complies with the recently enforced General Data Protection Regulation (GDPR), a piece of EU legislation that imposes strict punitive actions, in line with the policies prescribed by the Personal Information Protection Commission of Japan. Based on the GDPR, Toppan has revised its bylaws, improved its existing data protection structure, and provided training to Group employees. Toppan is also concluding standard contractual clauses (SCC) with its overseas Group affiliates for the transfer of personal data outside of the European Economic Area (EEA).

■ Complying with PCI DSS for Credit Card Information Management

The Toppan Group follows the principle of "not storing cardholder data" for credit card issuance operations. The Group works to comply with the Payment Card Industry Card Production (PCI CP) and the Payment Card Industry Data Security Standard (PCI DSS), a standard applied to the production of credit cards and a standard applied to the datacenters that store and manage card data, respectively.

On Alert for Cyber Incidents

The critical factors to achieving cyber security are prompt detection of cyber incidents and immediate response. The Toppan Group carried out a series of cyber drills in fiscal 2019, in addition to ongoing drills to rehearse the reporting of suspicious emails.

■ Suspicious Email Reporting Drill (in June)

Toppan conducts suspicious email reporting drills for Group directors and employees. In June 2019, the drills were expanded to include dispatched staff and subcontractors, as well. To prepare for this reporting drill, the Group requested all users of Toppan email addresses (about 21,000 users in total) to add a shortcut link or icon that could be quickly clicked on their standing screens to report suspicious emails.

■ Suspicious Email Reporting Drill (in December)

To respond to an increase in business email compromise (BEC) incidents, the Toppan Group held a drill to rehearse the reporting of suspicious emails, in December 2019. About 31,400 employees from Toppan and Group companies took part. The drill led to a steep improvement in the percentage of suspicious email reports submitted within one hour from email receipt.

■ Serious Cyber Incident Drills (in December)

Toppan has prepared documentation outlining the procedures and actions to handle serious cyber incidents. In December 2019 the Group organized read-through drills, along with tabletop drills to walk employees through simulated scenarios.

■ EDR for Detecting Suspicious Behaviors in PCs

The Toppan Group has prioritized a plan to install an endpoint detection and response (EDR) application in the Windows tablet PCs taken out of the office. The Group also plans to install this security solution software on other types of device from here on.

Screenshot of the suspicious-email report form on the Toppan portal site (in Japanese)

不審メールの通報先

不審メール・ウイルス感染の通報フォーム

標榜迷惑メール・詐欺メール・ウイルスメールなどの発着時およびウイルス感染（疑い）の通報フォーム

※必須

不審なメールの受信や、ウイルス感染の可能性がある場合は、こちらのフォームから通報をお願いします。

【不審なメールの例】

- ・標榜迷惑メール
- ・詐欺・フィッシングメール
- ・ウイルスファイル添付メール

など

【ウイルス感染の可能性の例】

- ・不審なメールの添付リンクをクリックしてしまった
- ・メールを開いた後PCの異変が起きた
- ・ファイルの拡張子が変更されて暗号化された

など

Community Involvement and Development

Basic Approach

The Toppan Group engages in diverse social contribution activities focused primarily on the environment, education, and culture with a view to addressing local issues and supporting the sustainable development of communities. Basic Principle 9 of the Group's Conduct Guidelines emphasizes the value of "Building trust from society through social contribution activities and appropriate

disclosure of information." Every Group site organizes various social initiatives in full recognition of the importance of engaging in community contribution activities as a community member.

Conduct Guidelines

<https://www.toppan.com/en/about-us/philosophy/conduct-guidelines.html>

Main Activities

The Environment: Conservation and Nurturing of Community Environments

Beautification and Cleanup around Operational Sites

Employee engagement

Employees at Group sites across Japan regularly beautify and clean up the communities around them.

In Kitakatsushika, Saitama Prefecture, for example, the employees of the Toppan Technical Research Institute venture out into the community to carry out a monthly "Cleanup Operation." Every employee from the research institute helps to remove litter from the streets and public spaces of neighboring communities at least once a year.

Toppan sites also cooperate with community members, NPOs, NGOs, and other organizations to create better environments through various community activities to beautify and clean up local environments such as riversides and parks.



Biodiversity-learning Events

Employee engagement

The Ecology Center in the head office Manufacturing Management Division collaborates mainly with community groups and environmental NPOs to organize events where people can learn about biodiversity.

Toppan employees and their families took part in various Group biodiversity activities in fiscal 2019, such as nature workshops at

the Tama Zoological Park in Hino City, Tokyo and the Kurome River near Hamasaki-kurome Bridge in Asaka City, Saitama Prefecture.

These and other events encourage employees, their families, and other stakeholders to consider biodiversity and take steps to conserve it in their communities.

Activities in Fiscal 2019

- “Observing wildlife and finding the names of creatures at Kurome River!”

Date: July 21, 2019

Place: Kurome River near Hamasaki-kurome Bridge (Asaka, Saitama)

Participants: 39 employees and family members

Collaborator: Saitama Ecosystem Conservation Society



- “Visiting a verdant village forest and making a kaleidoscope at Tama Zoological Park”

Date: November 4, 2019

Place: Tama Zoological Park (Hino, Tokyo)

Participants: 24 employees and family members

Collaborator: Environmental NPO “SHU”

*Toppan also held a health-promotion program using “aruku,” a walking app operated by ONE COMPATH Co., Ltd., a Toppan Group company.



Participating in the UMIGOMI Zero WEEK Campaign

Employee engagement

Toppan participated in “UMIGOMI (marine debris) Zero WEEK,” a Japan-wide cleanup campaign organized as one of several activities conducted under “Change for the Blue,” a joint project operated by the Ministry of the Environment of Japan and The Nippon Foundation (via its “Umi-to-Nippon [Ocean and Japan] Project”). Toppan endorses this joint project’s aim of reducing environmental pollution caused by the rapidly growing problem of marine debris.

Some 700 Group employees took part in the UMIGOMI Zero WEEK cleanup campaign at 23 locations around operational sites and plants, from June 5 to 7, 2019.



Education: Initiatives Sustained by Toppan Resources

Printing School

Employee engagement

Toppan Group sites in Bunkyo and Itabashi, Tokyo work together with local elementary schools to run the Printing School, a workshop where students create guidebooks with reports on appealing points of area shopping districts. Younger employees from Toppan lecture on efficient methods to gather and edit the information to be reported in the guidebooks. Once the guidebooks are completed, the students hand them out in and around the

shopping streets of Bunkyo and Itabashi.

Twenty-four Toppan employees and 90 elementary school students took part in the Printing School workshops in fiscal 2019 (a cumulative total of about 170 Toppan employees and 520 elementary school students have taken part since the workshop was launched in fiscal 2013).

Activities in Fiscal 2019

- Printing School at Shimura 2nd Primary School (Itabashi, Tokyo)

Dates: October 8 - December 1, 2019 (7 workshops)

Participants: 24 Toppan employees, 90 elementary school students



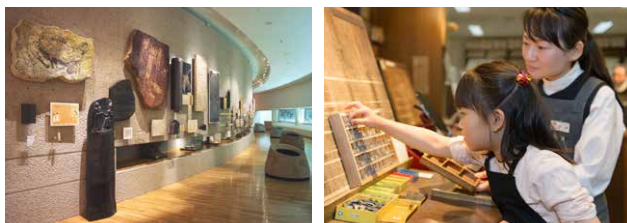
Printing School project for learning and growing together (in Japanese)
<https://wao-koishikawa.com/project.php?pid=9>

Culture: Sports Promotion and Support for the Arts and Culture

Printing Museum, Tokyo

The Printing Museum, Tokyo was established in 2000 to mark the 100th anniversary of the founding of Toppan Printing Co., Ltd. In the years since, the museum has collected and researched materials related to printing culture, held exhibitions and events focused on printing, and organized a host of educational activities (such as the letterpress printing workshops at the "Printing House.")

To promote printing culture, for example, instructors at the Printing House introduce neighborhood elementary school students to the craft of letterpress printing. Members of the public are also invited to take part in printing workshops hosted by the Printing Museum at libraries and museums across Japan.



Printing Museum, Tokyo
<https://www.printing-museum.org/en/>

Activities in Fiscal 2019

- Exhibitions and events at the multipurpose P&P Gallery
 - Graphic Trial 2019 "Exciting"
 - Modern Japan Package 2019
 - World Book Design 2018-19

Related site:

<https://www.printing-museum.org/en/exhibition/pp/>

- Lectures, workshops, etc.

- "Letterpress Printing Workshop for Adults 2019"
- Spring HATO BUS^{*1} tour
- Materials lent to the Setagaya Art Museum to show at an exhibition in Setagaya, Tokyo ("An Editor's Utopia—JIRO ONO: William Morris, Shobunsha, Takayama Architecture Seminar School")
- Instructors dispatched to the Meiji University Liberty Academy to lecture at a cultural course for continuing education in Chiyoda, Tokyo
- Materials lent to the Yokohama Museum of Art to show at an exhibition in Yokohama, Kanagawa ("Following the Path of Commodore Perry's Arrival through Images")
- Lecture at an academic conference on *sumi* (Indian ink) held in Cheongju City, Korea
- Printing workshop at the Bunkyo Muse Festa in Bunkyo, Tokyo
- Printing workshop on the METI^{*2} Kids Day in the Kasumigaseki administrative district in Tokyo

*1 A leading bus tour operating in Tokyo

*2 Ministry of Economy, Trade and Industry of Japan

Related site:

<https://www.printing-museum.org/en/bottega/>

Toppan Hall

Toppan Hall is a symphonic concert hall that opened concurrently with the Printing Museum, Tokyo in 2000 to commemorate the 100th anniversary of the founding of Toppan Printing Co., Ltd. The hall organizes and holds various recitals as a venue for musical performances of high distinction.

The regular Lunchtime Concerts, for example, support talented young musicians. Toppan Hall promotes the arts and culture through these musical performances under the Group's corporate



TOPPAN HALL

Toppan Hall
<https://www.toppanhall.com/en/>

philosophy of “contributing to fulfilling lifestyles as a mainstay of information and culture.”

The Suntory Foundation for the Arts bestowed the Toppan Hall with the 47th Suntory Music Award in 2016 for its seminal programs as an outstanding contributor to the development of musical culture in Japan. Recitals organized by Toppan Hall itself received especially high praise.

Activities in Fiscal 2019

- 2018/2019 season performances
(from September 2018 to August 2019):
<https://www.toppanhall.com/en/concert/lineup/lineup1819.html>
- 2019/2020 season performances
(from September 2019 to August 2020):
<https://www.toppanhall.com/en/concert/lineup/lineup1920.html>

Toppan Charity Concerts

Toppan has continued to hold its annual *Toppan Charity Concert* series since 2008 as a social engagement activity that supports global community initiatives to raise literacy rates in developing countries.

Ticket revenue from the concerts has been donated to the Asia-Pacific Cultural Centre for UNESCO (ACCU) to fund the SMILE Asia Project for the support of literacy education for Cambodian



11th *Toppan Charity Concert*



Women learning literacy skills under the SMILE Asia Project in Cambodia

TOPPAN CHARITY CONCERT

Toppan Charity Concerts
<https://www.toppan.com/en/sustainability/charityconcert/index.html>

women, especially mothers who are raising young children or have children on the way.

Toppan has donated a cumulative total of 25,186,660 yen as of fiscal 2019 and aims to reach a total of 35 million yen by fiscal 2025.

Activities in Fiscal 2019

- 12th *Toppan Charity Concert*
Dates: May 29 and June 6, 2019
Venue: Toppan Hall
Artists: Yasuji Ohagi (guitar) and Kazuma Miura (bandoneon) on May 29
Maki Mori (soprano) with Shigeto Yamagishi (piano) on June 6
Donations: 1,508,677 yen

SMILE ASIA Project in Cambodia: Engagement with Stakeholders

In February 2020 Toppan made a field trip to Cambodia to check up on the progress of the SMILE ASIA Project, an initiative to support literacy education for Cambodian women using proceeds from the *Toppan Charity Concert* series. Educational facilities throughout Cambodia, and the lives of many of the country's educators, were destroyed in the 1970s by the Cambodian Civil War, the Vietnam War, and the Pol Pot regime (Khmer Rouge). Women were deprived of education for decades as a result, leading to a widespread literacy problem. Many local women to this day forego school education in order to raise their children and support their families. These women remain illiterate, which poses an ongoing social challenge for the country.

The field trip team from Toppan sat in on literacy classes, visited the homes of former learners, and interviewed current and former

students to learn more about the literacy education programs and the benefits of acquiring literacy. The team also met with various stakeholders (such as NGO members, village district officers, and staff from district education departments) who support the local management of the project and discussed the efforts underway, the challenges facing the project, and other related issues.



Toppan Charity Concerts (literacy education)

https://www.toppan.com/en/sustainability/charityconcert/index.html#literacy_education

Graphic Trial

The Toppan Group promotes printing culture and supports the graphic design industry through Graphic Trial, an exhibition that explores relationships between graphic design and the art of printing in search of new forms of expression. Artists at the forefront of graphic design experiment with different offset-printing techniques every year to create posters for the exhibition. Graphic Trial is held at the multipurpose P&P Gallery in the Printing Museum, Tokyo.



Activities in Fiscal 2019

● Graphic Trial 2019 “Exciting”—Exploring the Possibilities of Graphic Design through Offset Printing

Dates: April 13 - July 15, 2019

Artists: Kaoru Kasai (art director at SUN-AD Co., Ltd.), Theseus Chan (art director at WORK Pte. Ltd.), Yui Takada (graphic designer at Allright Inc.), Satoru Yamamoto (art director at Toppan Printing Co., Ltd.)

Related site:

<https://www.printing-museum.org/en/exhibition/pp/190413/>

Graphic Trial (in Japanese)

<https://www.toppan.co.jp/biz/gainfo/gt/>

Cosponsoring the Central Contest for Book Report Drawings

Toppan Printing Co., Ltd. continues to work with the Japan School Library Association and The Mainichi Newspapers Co., Ltd. as a cosponsor of the Central Contest for Book Report Drawings, an annual contest that cultivates the reading and creative skills of children by encouraging them to express their impressions of books by drawing.

In addition to providing ongoing support to the contest, Toppan produces and distributes a calendar featuring prize-winning works to schools and other educational facilities across Japan. The prize-winning students also receive replicas of famous Japanese-style paintings produced using Toppan technologies.

Activities in Fiscal 2019

● 31st Central Contest for Book Report Drawings

Areas: 38 prefectures around Japan (excluding Yamaguchi Prefecture and the eight prefectures of the Kyushu region)

Pictures: 665,068 entries from 5,832 schools

Related site (in Japanese):

<http://www.dokusyokansoubun.jp/kansouga/prize30.html>



Prize-winning works from the 31st contest (Mainichi Shimbun newspaper on February 28, 2020)



Calendar featuring prize-winning works

Kanosei Art Project Exhibition

Toppan has been playing an active role in supporting and promoting borderless art. Since fiscal 2018, Toppan has been collaborating with an NPO called Support Center DREAM on the Kanosei Art Project (“*kanosei*” means “potential” in Japanese), a series of artistic activities structured to encourage human resource development in companies and the greater independence of persons with illnesses and disabilities.

Artworks created by borderless artists affiliated with the Support Center DREAM were exhibited at two venues for the Kanosei Art Project Exhibition in fiscal 2019. The first was held in the Toppan Koishikawa Building in Tokyo. The second was a special exhibition held at Choraku-ji Temple in Kyoto in cooperation with the Yoi-Otera Research Institute (“*yoi-otera*” means “good temples” in Japanese).

In recognition of the project, in fiscal 2019, the Tokyo Metropolitan Government designated Toppan Printing Co., Ltd. as an outstanding “*kokoro-no* (mental) barrier-free” supporter working to promote mental barrier-free mindsets across society.



Activities in Fiscal 2019

- **Kanosei Art Project Exhibition 2019**

Dates: March 25 to April 25, 2019

Venue: Lobby (1F), Toppan Koishikawa Building, Tokyo



Toppan Koishikawa Building in Tokyo

- **Kanosei Art Project Exhibition in Choraku-ji 2019**

Dates: November 15 to December 8, 2019

Venue: Shoin (study room), Choraku-ji Temple, Kyoto



Choraku-ji Temple in Kyoto

Popularizing Para-Sports

Employee engagement

Toppan promotes para-sports as a partner of the Tokyo 2020 Paralympic Games and the Japanese Para-Sports Association (JPSA). The Company introduced an employee athlete program* in 2014 to hire and support people specializing in sports, including para-sports athletes.

Toppan also operates a para-sports information website called *SPORTRAIT*. Toppan promoted para-sports in fiscal 2019 by holding hands-on para-sports events for local communities and Group employees.

*Employee athlete program: Established in 2014 as a mechanism for promoting sports and supporting employee athletes who participate in international tournaments and competitions. Toppan currently employs six athletes (including two para-sports athletes).

Related site (in Japanese):

<https://www.toppan.co.jp/player/>



Hands-on wheelchair sports program at the Saitama Sports Festival in Saitama



Toppan's para-sports information website *SPORTRAIT* (in Japanese) <https://sportrait-web.com/>

Activities in Fiscal 2019

- **Hands-on para-sports events for local communities and Group employees**

Venues: Hokkaido, Saitama, Tokyo, Aichi, Hiroshima, and Fukuoka Prefectures

Sports: Wheelchair sports, boccia, etc.

- **Para Relay Race held in cooperation with Japan Para Athletics (JPA)**

Venues: 8 schools in the Tokyo metropolitan region

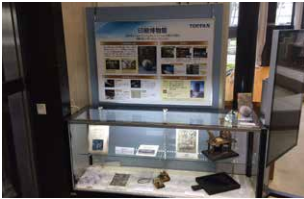
Sport: Para relay race (combining track & field events of the Olympic and Paralympic Games)

Community-involvement Exhibition at a Local Library

Employee engagement

As a member of the community, the Toppan Group values communication with local residents.

The Takashimadaira Library is located in Itabashi, a Tokyo neighborhood where several Toppan plants and offices are based. With the library's permission, Toppan holds an annual exhibition to show Itabashi neighbors how the Group is supporting the community through a book culture campaign, support programs for the physically and mentally disabled, and other social engagement activities.



Letterpress printing exhibit from the Printing Museum, Tokyo



Kanosei Art Project exhibit

Fiscal 2019 Exhibition

Dates: September 3-29, 2019

Venue: Itabashi Municipal Takashimadaira Library 1F, Tokyo (glass case at the main entrance; glass case at the south entrance; community information corner)

Visitors (*daily average during the period): 1,510

Exhibits:

- Letterpress printing from the Printing Museum, Tokyo
- "Kanosei Art Project" to promote the independence of persons with illnesses and disabilities
- Support for the participation and advancement of people with disabilities (Tokyo Metropolitan Government [T.M.G.] Prepress Toppan Co., Ltd.)
- "Printing School" workshops

[more](#)

Major Community Contribution Activities at Operational Sites



■ Major Community Contribution Activities at Domestic Sites (fiscal 2019)

Site	Location	Theme	Activity
Akihabara (Head office)	Chiyoda, Tokyo	The environment	• Participation in community cleanup activities (e.g., concerted cleanup campaigns in Chiyoda)
		Culture	• Participation in and cooperation with community festivals and events (e.g., Torigoe festival; summer-evening festival in eastern Akihabara)
		Community	• Participation in anti-disaster and fire-safety campaigns in the community (e.g., fire-prevention activities organized by the Ueno Fire-response Squad) • Participation in fire drill competitions organized by the Kanda Fire Department • Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Blood donation drives
Koishikawa	Bunkyo, Tokyo	Culture	• Lectures at neighboring elementary schools by Takashi Sanada, a Toppan employee athlete who competes in wheelchair tennis • Involvement in activities organized by an association to maintain the Koishikawa Korakuen Garden • Co-sponsorship of and cooperation with community festivals and events
		Community	• Co-sponsorship of radio calisthenics events for children organized by neighborhood associations during summer vacation • Involvement in community safety-promotion activities (e.g., registration as a temporary shelter to protect children from crimes and other dangers) • Cooperation with anti-disaster campaigns in the community (incl. provision of site spaces for evacuation drills; opening of the site parking area in stormy weather) • Opening of site facilities and premises to neighborhood association members, etc. • Blood donation drives • Co-sponsorship of radio calisthenics events for children during summer vacation
Shibaura	Minato, Tokyo	Culture	• Co-sponsorship of and cooperation with community festivals and events (e.g., Shibaura festival; Shibaura canal festival)
Honjo	Sumida, Tokyo	The environment	• Employee initiative to practice the Japanese custom of <i>uchimizu</i> (the watering of sidewalks to combat the summer heat) around the site during a month-long <i>uchimizu</i> campaign in Sumida • Cleanup of roads around the site (joined in the UMIGOMI Zero WEEK campaign to tackle marine debris)
		Culture	• Cooperation with community festivals and events (e.g., Ushijima Shrine festival)
		Community	• Cooperation with anti-disaster campaigns in the community (incl. provision of evacuation spaces and water supply) • Blood donation drives
Nakano-shima	Osaka City, Osaka Prefecture	Community	• Blood donation drives
Sugito (Toppan Technical Research Institute)	Kita-katsushika, Saitama Prefecture	The environment	• Community "Cleanup Operations" by employees (monthly)
		Community	• Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Blood donation drives
Sapporo Plant	Sapporo City, Hokkaido Prefecture	Education	• Plant tours for students from neighboring elementary schools
		Community	• Blood donation drives
Chitose Plant	Chitose City, Hokkaido Prefecture	The environment	• Litter removal from the streets and public spaces around the site
Sendai Plant	Sendai City, Miyagi Prefecture	The environment	• Cleanup of areas around the site (joined the UMIGOMI Zero WEEK campaign) • Employee participation in community cleanup activities (e.g., Nanakita river cleanup campaign)
		Education	• Practical training sessions for students from nursing schools
		Community	• Participation in disaster response training sessions organized by the Izumi Fire Department • Blood donation drives
Niigata Plant	Shibata City, Niigata Prefecture	The environment	• Beautification and cleanup activities led by employees around the site (monthly)
		Education	• Practical training at the plant for students from neighboring high schools
		Community	• Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Participation in and cooperation with safety promotion activities in the community • Opening of the site gym • Blood donation drives • Social gatherings with local governments

Organizational Governance	Human rights	Labor practices	Fair operating practices	Consumer issues	Community Involvement and Development	The environment
					Community Involvement and Development	

Site	Location	Theme	Activity
Mito Plant	Mito City, Ibaraki Prefecture	The environment	<ul style="list-style-type: none"> Employee participation in community cleanup activities (at the Sakura river, Yokoyama Taikan Memorial Park, and Hitachiyama Memorial Park in Mito city) Beautification and cleanup activities led by employees around the site (two or more times a month)
		Culture	<ul style="list-style-type: none"> Co-sponsorship of community festivals and events
		Education	<ul style="list-style-type: none"> Plant tours and support for students from neighboring elementary schools Practical training sessions for students at special schools in the community
		Community	<ul style="list-style-type: none"> Blood donation drives
Gunma Central Plant	Ora, Gunma Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site
		Culture	<ul style="list-style-type: none"> Cooperative support and site-facility provision for community festivals and events
		Education	<ul style="list-style-type: none"> Provision of learning opportunities on printing and packaging in cooperation with neighboring elementary schools (incl. a workshop to produce original printed materials) Cooperation with and co-sponsorship of a puzzle-solving hunt (kids move from one company booth to another to collect the pieces of a puzzle) hosted by a local youth organization Plant tours for students from neighboring elementary schools Plant tours for the members of social welfare councils in the community
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Support for a vehicle wrap advertising project using nursery school and kindergarten buses in the community Co-sponsorship of charity bazaars organized by local elementary schools Cooperation with anti-disaster campaigns in the community (incl. provision of evacuation spaces) Co-sponsorship of local social welfare councils Blood donation drives Donation to the Japanese Red Cross Society
Fukaya Plant	Fukaya City, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (monthly)
		Education	<ul style="list-style-type: none"> Practical training sessions for students on public health at companies Working experience sessions
		Culture	<ul style="list-style-type: none"> Co-sponsorship of sports events in the community (e.g., Fukaya City Half Marathon)
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Blood donation drives
Satte Plant	Satte City, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (weekly)
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Cooperation with anti-disaster campaigns in the community (e.g., provision of evacuation spaces) Blood donation drives
Ranzan Plant	Hiki, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (incl. participation in the UMIGOMI Zero WEEK campaign) Participation in community cleanup activities (e.g., a campaign organized by an association of companies in the Ranzan Hanamidai industrial complex)
		Culture	<ul style="list-style-type: none"> Participation in, cooperation with, and co-sponsorship of community festivals and events
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Participation in training sessions on indoor hydrant operation organized by the Hiki Wide Area Fire Department Blood donation drives
Sakado Plant	Sakado City, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Community "Cleanup Operations" by employees (monthly)
		Culture	<ul style="list-style-type: none"> Co-sponsorship of community festivals, events, etc. (e.g., Sakado "Yosakoi" festival)
		Community	<ul style="list-style-type: none"> Participation in traffic safety campaigns in the community Welcoming of community members, etc. to in-house events (e.g., beer festivals) Co-sponsorship of community festivals and events Opening of the site tennis courts to the community Blood donation drives
Asaka Plant Asaka Securities Printing Plant	Niiza City, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (weekly) Biodiversity conservation at the biotope on the site Provision of environmental lectures and learning opportunities for teachers in Saitama prefecture and students from neighboring elementary schools (incl. biotope tours) Meeting with community members to report environmental initiatives
		Education	<ul style="list-style-type: none"> Plant tours for students from neighboring elementary schools
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Participation in training sessions on indoor hydrant operation organized by the Southwest Regional Fire Department in Saitama prefecture Opening of the site gym to the community Blood donation drives
Kawaguchi Plant	Kawaguchi City, Saitama Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (monthly) Meeting with community members to report environmental initiatives
		Culture	<ul style="list-style-type: none"> Participation in and co-sponsorship of community festivals and events
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Participation in fire-fighting drills organized by the Kawaguchi Fire Department Participation in sports and other events in the community
Kashiwa Plant	Kashiwa City, Chiba Prefecture	The environment	<ul style="list-style-type: none"> Beautification and cleanup activities led by employees around the site (monthly)
		Culture	<ul style="list-style-type: none"> Cooperation with and co-sponsorship of community festivals and events (e.g., Kashiwa festival)
		Education	<ul style="list-style-type: none"> Plant tours and practical training sessions for students from neighboring elementary and junior high schools
		Community	<ul style="list-style-type: none"> Welcoming of community members, etc. to in-house events (e.g., beer festivals) Participation in fire-response competitions organized by a fire-protection association in Kashiwa city Blood donation drives

Organizational Governance	Human rights	Labor practices	Fair operating practices	Consumer issues	Community Involvement and Development	The environment
					Community Involvement and Development	

Site	Location	Theme	Activity
Sodegaura Plant	Sodegaura City, Chiba Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site • Donation of used cardboard for events at neighboring elementary schools
		Education	<ul style="list-style-type: none"> • Plant tours for students from neighboring elementary schools
		Community	<ul style="list-style-type: none"> • Provision of water to neighboring communities during utility outages caused by rainstorms and typhoons
Itabashi Plant	Itabashi, Tokyo	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site (monthly) • Participation in environmental trade fairs in Itabashi (e.g., trade fair at the Eco-polis Center)
		Culture	<ul style="list-style-type: none"> • Participation in and cooperation with community festivals and events
		Education	<ul style="list-style-type: none"> • Printing School workshops held in cooperation with neighboring elementary schools
		Community	<ul style="list-style-type: none"> • Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Participation in anti-disaster and fire-safety activities in the community (e.g., disaster prevention drills; fire-prevention activities organized by the Shimura Fire-response Squad) • Participation in and support for anti-disaster and fire-prevention activities held by neighboring elementary schools • Traffic safety patrols (cooperation with a traffic-safety association in Shimura, Itabashi) • Blood donation drives
Hino Plant	Hino City, Tokyo	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site (weekly) • Participation in the UMIGOMI Zero WEEK campaign
		Community	<ul style="list-style-type: none"> • Participation in and cooperation with traffic safety campaigns in the community • Blood donation drives
Sagamihara Plant	Sagamihara City, Kanagawa Prefecture	The environment	<ul style="list-style-type: none"> • Involvement in environmental conservation activities in the community (organized by a society focused on environmental improvement in Sagami-hama)
		Culture	<ul style="list-style-type: none"> • Cooperation with community festivals and events (e.g., Mitake Shrine summer festival)
		Education	<ul style="list-style-type: none"> • Plant tours for students from neighboring elementary schools
		Community	<ul style="list-style-type: none"> • Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Participation in safety-promotion and anti-disaster activities in the community • Opening of the gym and green area at the site • Blood donation drives
Mikkabi Plant	Hamamatsu City, Shizuoka Prefecture	Education	<ul style="list-style-type: none"> • Plant tours and practical training sessions for students from neighboring high schools
		Culture	<ul style="list-style-type: none"> • Cooperation with and co-sponsorship of community festivals and events (incl. Mikkabi fireworks display)
Nagoya Plant	Nagoya City, Aichi Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site • Employee participation in the Fujimae Tidal Flat Cleanup Campaign held in the community
		Culture	<ul style="list-style-type: none"> • Support for and co-sponsorship of community festivals and events
		Education	<ul style="list-style-type: none"> • Organization of extracurricular study programs at neighboring elementary schools
		Community	<ul style="list-style-type: none"> • Co-sponsorship of traffic safety campaigns organized by the Aichi Prefectural Nishi-ward Police Station in Nagoya City • Participation in and cooperation with traffic safety campaigns in the community • Participation in and cooperation with fire-safety activities and anti-disaster drills in the community
Matsusaka Plant	Matsusaka City, Mie Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site
Mie Plant (Kameyama)	Kameyama City, Mie Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site • Participation in the UMIGOMI Zero WEEK campaign
		Community	<ul style="list-style-type: none"> • Participation in and cooperation with traffic safety campaigns in the community • Blood donation drives
Mie Plant (Hisai)	Tsu City, Mie Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site • Participation in the UMIGOMI Zero WEEK campaign
		Community	<ul style="list-style-type: none"> • Participation in and cooperation with traffic safety campaigns in the community • Blood donation drives
Ebie Plant	Osaka City, Osaka Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site (monthly)
		Culture	<ul style="list-style-type: none"> • Co-sponsorship of community festivals and events (incl. Namba Yasaka Shrine summer festival; Fukushima-ward festival)
		Education	<ul style="list-style-type: none"> • Plant tours of newspaper production facilities mainly for students from local elementary and junior high schools
		Community	<ul style="list-style-type: none"> • Involvement in safety promotion activities in the community (incl. registration as a temporary shelter to protect children from crimes and other dangers) • Cooperation with anti-disaster campaigns in the community (incl. emergency stockpile storage; registration of a tsunami evacuation facility) • Blood donation drives
Oyodo Plant	Osaka City, Osaka Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site (monthly) • Donation through the ecoCAP campaign sponsored by the Japan Committee "Vaccines for the World's Children" (JCV)
		Education	<ul style="list-style-type: none"> • Work experience programs
		Community	<ul style="list-style-type: none"> • Blood donation drives
Shiga Plant	Higashi-omi City, Shiga Prefecture	The environment	<ul style="list-style-type: none"> • Beautification and cleanup activities led by employees around the site (monthly) • Aluminum can collection to donate to the Higashi-omi-shi Child Future Dream Fund
		Education	<ul style="list-style-type: none"> • Practical training sessions for students from neighboring junior high schools
		Community	<ul style="list-style-type: none"> • Welcoming of community members, etc. to in-house events (e.g., beer festivals) • Participation in and cooperation with traffic safety campaigns in the community • Blood donation drives

Organizational Governance	Human rights	Labor practices	Fair operating practices	Consumer issues	Community Involvement and Development Community Involvement and Development	The environment
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Site	Location	Theme	Activity
Takino Plant Takino Securities Printing Plant	Kato City, Hyogo Prefecture	The environment	• Beautification and cleanup activities led by employees around the site (monthly)
		Culture	• Cooperation with and co-sponsorship of community festivals and events (e.g., seasonal flower festivals; the <i>ayu</i> [sweet fish] festival)
		Education	• Plant tours for students from neighboring high schools
		Community	• Blood donation drives
Fukusaki Plant	Kanzaki, Hyogo Prefecture	The environment	• Beautification and cleanup activities led by employees around the site (monthly)
		Culture	• Co-sponsorship of community festivals and events • Donation to and cooperation with sports and other events in the community (e.g., the Hyogo Ichikawa Marathon in Ichikawa town; a nature trail walking event in Fukusaki town)
		Education	• Employment orientation sessions for students from neighboring high schools
		Community	• Blood donation drives
Kansai Bottling Co., Ltd.	Kobe City, Hyogo Prefecture	The environment	• Beautification and cleanup activities led by employees around the site
		Culture	• Co-sponsorship of community festivals and events
Fukuyama Plant	Fukuyama City, Hiroshima Prefecture	The environment	• Beautification and cleanup activities led by employees around the site
		Culture	• Co-sponsorship of community festivals and events (e.g., Fukuyama summer festival)
Kochi Plant	Nankoku City, Kochi Prefecture	The environment	• Employee participation in community activities to clean up, beautify, and conserve local rivers (e.g., grass burning on Kokubu river banks)
		Education	• Plant tours for community members and local government officials • Plant tours for students from elementary schools, junior and senior high schools, and universities in Kochi prefecture; classes and lectures held at their schools
		Community	• Blood donation drives
Fukuoka Plant	Koga City, Fukuoka Prefecture	The environment	• Beautification and cleanup activities led by employees around the site (monthly)
		Education	• Plant tours for neighboring community members
		Community	• Participation in and voluntary support for disaster-prevention drill competitions in the community • Blood donation drives
Saga Plant	Kanzaki, Saga Prefecture	The environment	• Beautification and cleanup activities led by employees around the site (monthly) • Cleanup activities to prepare for the Yoshinogari Furusato Fire Festival
		Culture	• Cleanup activities to prepare for the Yoshinogari Furusato Fire Festival
		Education	• Work experience programs for students from neighboring junior high schools
		Community	• Opening of site facilities to the community
Kumamoto Plant Tamana Plant	Tamana City, Kumamoto Prefecture	The environment	• “Cleanup Operations” (beautification and cleanup activities) led by employees around the site
		Culture	• Co-sponsorship of community festivals and events (e.g., Tamana summer-fireworks display)
		Education	• Work experience programs for students from neighboring junior and senior high schools
		Community	• Participation in health and safety councils in the community • Blood donation drives

Kansai area

The environment 15 cases
 Culture 8 cases
 Education 8 cases
 Community 19 cases

Chubu area

The environment 3 cases
 Culture 2 cases
 Education 4 cases
 Community 8 cases

Hokkaido & Tohoku areas

The environment 3 cases
 Education 2 cases
 Community 3 cases

Chugoku & Shikoku areas

The environment 2 cases
 Culture 3 cases
 Education 3 cases
 Community 3 cases



Lecture for students at a neighboring high school (Kochi Plant)

Kanto area

The environment 33 cases Education 19 cases
 Culture 23 cases Community 70 cases



Practical training session for students on public health at companies (Fukaya Plant)



In-house event that children and other members from the community are encouraged to join (Satte Plant)



Training session on indoor hydrant operation organized by the Hiki Wide Area Fire Department (Ranzan Plant)

Kyushu & Okinawa areas

The environment 9 cases
 Culture 4 cases
 Education 5 cases
 Community 8 cases



Beautification and cleanup activity by employees around the site (Kumamoto Plant)



Blood donation drive (Kumamoto Plant)



Beautification and cleanup activity by employees around the site (Kawaguchi Plant)



Plant tour and practical training session for students from a neighboring school (Kashiwa Plant)

Major Community Contribution Activities at Overseas Sites (fiscal 2019)

Siam Toppan Packaging Co., Ltd. (Thailand)

Used Goods Market Run by People with Disabilities

Community

Provided site spaces as venues for a used goods market run by people with disabilities.



Fight for the Mangrove Forests

The Environment

Dispatched employees to plant 100 mangrove trees in a mangrove forest in Samut Songkhram province.



Children's Day Donation

Community

Donated stationery and other items to children on Children's Day, the second Saturday of January.



PT. Indonesia Toppan Printing (Indonesia)

Donation for Orphans

Community

Donated to an orphanage in Tibitung, Bekasi province.



Donation to the Community

Community

Made donations to the community to repair an aqueduct.



PT. Plasindo Lestari (Indonesia)

Ambulance Donated to the Community

Community

Donated one ambulance to the community to help locals travel to hospitals and health facilities.



Fundamental Approach to the Environment

Basic Approach

With the growing awareness of environmental conservation throughout the world in the 1990s, the scope of environmental issues to be tackled by businesses grew significantly. Toppan reorganized its previous structure for environmental conservation by establishing the Ecology Center in 1991 and formulating its Declaration on the Global Environment, a basic philosophy for environmental conservation activities, in 1992. Toppan has promoted environmental initiatives based on the declaration ever since.

The Toppan Group targets the creation of a sustainable society where all forms of life in the global ecosystem can coexist into the future. In April 2009, the Group revised the Declaration on the Global Environment into The Toppan Group Declaration on the Global Environment, a new basic philosophy for environmental activities applied to the entire Group. The revised declaration reflects Toppan's more assertive approach to the conservation of the global environment.

The Toppan Group Declaration on the Global Environment
https://www.toppan.com/assets/pdf/sustainability/The_Toppan_Group_Declaration_on_the_Global_Environment.pdf

The Toppan Group Declaration on the Global Environment

As responsible members of international society, we who work within the Toppan Group strive to realize a sustainable society through forward looking corporate activities with consideration for the conservation of the global environment.

Basic Principles

1. We observe all laws, regulations and in-company rules relating to the environment.
2. For the future of the Earth, we strive for the effective utilization of limited resources and the reduction of all types of environmental burden.
3. With foresight, we promote the development and widespread use of products that show consideration for the environment, and contribute to the environmental activities of customers.
4. We engage in communication related to the environment with a wide range of peoples both inside and outside the company, and strive for mutual understanding.
5. We also take a proactive approach to environmental conservation in corporate activities in international society.

Formulated in April 1992
Revised in April 2009

Promotion Framework

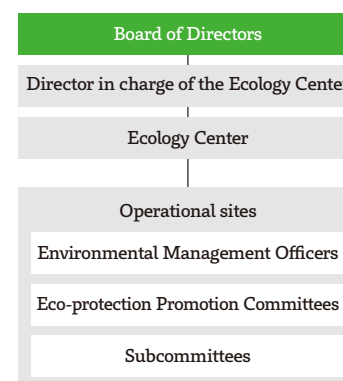
■ Promotion Structure

The Board of Directors is the highest-level body responsible for the Toppan Group's environmental management. The board appoints a director to head the Ecology Center, an organization that oversees Toppan's environmental conservation initiatives by supervising, evaluating, and verifying environmental activities undertaken throughout the Group and reporting results to the Board of Directors.

The Toppan Group has established an environmental conservation framework in which the heads of every division, Group company, and operational site are positioned as the personnel chiefly responsible for environmental efforts. These heads appoint Environmental Management Officers to steer the actual implementation of conservation activities carried out at their sites and collaborate to propel environmental initiatives throughout the divisions.

To accelerate the initiatives, these officers have set up Eco-protection Promotion Committees, bodies composed of persons relevant to the environment across the departments. The committees promote environmental conservation activities at Group sites and manage progress. For advanced environmental measures, the committees have convened multiple subcommittees to formulate necessary responses to specific environmental issues. Energy Subcommittees, for example, pursue energy-saving efforts to help mitigate global warming.

■ Environmental Management Organization



■ Environmental Management Systems

The Toppan Group has established environmental management systems (EMSs) based on ISO 14001.

A PDCA cycle of planning, support and operation, performance evaluation, and improvement serves as a core part of the ISO 14001-based EMSs to ensure ongoing improvement.

Group sites maintain their EMSs through management system audits by ISO 14001 registrars, internal audits (of legal compliance) by the Ecology Center, and other internal environmental audits at individual sites.

The Ecology Center aggregates evaluations of environmental performance as the organization responsible for overseeing the Toppan Group's environmental conservation activities. The evaluation results are assured by an audit firm (independent assurance provider) and reported to the Board of Directors. The center discloses the verified performance data via the Toppan corporate website and other communication channels.

For environmental targets, in particular, the Ecology Center

decides a set of site-specific, single-year targets based on the Group-wide targets and develops current-year measures with authorization from the Board of Directors. These site-specific targets are treated as key performance indicators for managing the progress of environmental conservation activities carried out at individual sites. The Ecology Center also manages the monitoring of soil and groundwater pollution, ascertains the results, and discloses the details.

More details on ISO 14001 environmental management system certification (in Japanese)

<https://www.toppan.co.jp/about-us/our-corporate-approach/iso/iso14001.html>

Independent Assurance Report

https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=130

Monitoring Soil and Groundwater Pollution

https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=119

■ Management Cycle under ISO 14001:2015



■ Environmental Education

The Toppan Group implements various measures to improve the environmental literacy of employees based on social trends related to the environment, priority topics for year-by-year environmental activities, and other environment-related issues.

Toppan has been holding sessions for rank-based training, optional training, and internal auditor training. The rank-based training includes both group sessions and Company-wide e-learning programs. The Group also organizes regular training on Eco-creativity Activities for employees in sales departments.

■ Environmental Communication

The Toppan Group develops Environmental Communication Activities to share environmental conservation awareness with stakeholders through integration into the communities, along with environmental education for Group employees and non-Toppan individuals. Toppan has been organizing a host of environmental communication activities such as industry-government-academia-civil society projects, the disclosure of environmental performance data on the Toppan website, the publication of *Site Eco Reports* for surrounding communities and local governments, neighborhood meetings to report on the Group's environmental efforts, and participation in eco-exhibitions and environmental consortiums.

■ Medium-and-long-term Environmental Targets of the Toppan Group

As the highest-level body responsible for environmental management in the Toppan Group, the Board of Directors appoints a director to head the Ecology Center, an organization responsible for overseeing the Group's environmental conservation initiatives. The appointed director supervises the center's work to establish a set of medium-and-long-term environmental targets. Toppan has set fiscal 2030 targets for greenhouse gas (GHG) emission reduction for the entire Group, including domestic and overseas sites, in order to meet the goal of the 2015 Paris Agreement: to keep the global temperature

rise this century to no more than 2°C above the pre-industrial level. Toppan's GHG-emission reduction targets have been approved by the Science Based Targets initiative (SBTi), a partnership between the CDP, UN Global Compact, World Resources Institute (WRI), and World Wildlife Fund (WWF).

Medium-and-long-term Environmental Targets of the Toppan Group
https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=98

■ Medium-and-long-term Greenhouse Gas Emission Reduction Targets for Fiscal 2030 (for All Group Sites)

Scope 1 (Direct emissions from industrial processes or fuels consumed at the Toppan Group)	Scope 3 (Indirect emissions not included in Scope 2, associated with business operations throughout the entire value chain of the Toppan Group)
+ Scope 2 (Indirect emissions associated with the consumption of electricity, heating, or cooling purchased or acquired by the Group)	
● Reduce by 30% compared to the fiscal 2017 level	● Reduce by 20% compared to the fiscal 2017 level



■ Medium-term Environmental Targets for Domestic Sites

As a participant of the voluntary action plans and other initiatives developed by the KEIDANREN (Japan Business Federation) and Japan Federation of Printing Industries (JFPI), the Toppan Group has established medium-term environmental targets for three management indicators at domestic sites for fiscal 2020: a CO₂ emission target for the mitigation of global warming, a final landfill waste disposal target for building a recycling-oriented society,

and an atmospheric VOC emission target for the conservation of the atmospheric environment. These indicators are calculated for Toppan Printing Co., Ltd. and its manufacturing subsidiaries in Japan.

Medium-term Environmental Targets for Domestic Sites
https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=99

■ Medium-term Environmental Targets for Fiscal 2020 (for Domestic Sites)

① Mitigation of global warming	② Action for building a recycling-oriented society	③ Conservation of the atmospheric environment
● Reduce CO ₂ emissions by 30% compared to the fiscal 2008 level (751 kt-CO ₂ → 530 kt-CO ₂ : reduce by 221 kt-CO ₂)	● Reduce final landfill waste disposal by 95% compared to the fiscal 2008 level (1,584 t → 80 t: reduce by 1,504 t)	● Reduce VOC emissions into the atmosphere by 70% compared to the fiscal 2008 level (7,326 t → 2,198 t: reduce by 5,128 t)

■ Managing Climate Change Risks

Under the supervision of the director in charge of climate change risks, the head office Manufacturing Management Division clarifies physical risks and formulates measures to manage them, while the Ecology Center in the Manufacturing Management Division ascertains and analyzes a global picture of transition risks and relevant international legislation. Whenever necessary, specified physical or transition risks are reported to the Director in Charge of Risk Management and the Board of Directors.

■ Assessing Environmental Impact

Toppan applies the “Life-cycle Impact assessment Method based on Endpoint modeling (LIME)” to assess the degree to which the Group’s initiatives for achieving environmental targets have reduced its total environmental impact. This life cycle assessment allows the Group to consolidate INPUT and OUTPUT data on the environmental burden associated with business activities into a single index of environmental impact. The LIME provides Toppan with a quantitative view of how environmental impact is changing from the base year.

Quantifying Environmental Impact based on LIME
https://www.toppan.com/assets/en/pdf/sustainability/2020/csr2020_detail-en.pdf#page=100

Main Activities and Relevant Information

ISO 14001 Certification (57 systems at 101 sites, as of March 31, 2020)

■ ISO 14001 Certification Obtained at Toppan Printing Co., Ltd. and Domestic Manufacturing Subsidiaries (subject to the medium-term environmental targets)


Operational Site (Division or Manufacturing Subsidiary)	Registrar	Registration Date
Electronics Division	JQA	July 1998
Environmental Design Subdivision [Kashiwa Plant and Satte Plant of Toppan Decor Products Inc.] (Living & Industry Division)	GCC	March 2000
Tokyo-based sites (Information & Communication Manufacturing Subdivision)	SAI GLOBAL	February 2002
Fukusaki Plant [including Fukusaki Plant of Toppan Plastic Co., Ltd.] (Toppan Packaging Products Co., Ltd.)	JQA	July 2002
Takino Site	JQA	October 2002
Azusawa Site, Atago Site, Kawaguchi Site, Sagamihara Site, Numazu Site (Toppan Logistics Co., Ltd.)	GCC	October 2002
Gunma Central Plant (Toppan Packaging Products Co., Ltd.)	JQA	July 2003
Mito Plant (Toppan Proprint Co., Ltd.)	GCC	January 2004
Fukuyama Plant (Toppan Communication Products Co., Ltd.)	GCC	October 2004
Higashinohon Subdivision	GCC	March 2005
Toppan Technical Research Institute	JQA	May 2005
Sapporo Plant, Chitose Plant (Hokkaido Subdivision)	GCC	June 2005
Satte Plant (Toppan Plastic Co., Ltd.)	SAI GLOBAL	December 2006
Ranzan Plant, Kyushu Plant (Toppan Packaging Service Co., Ltd.)	JQA	February 2007
Sagamihara Plant (Toppan Packaging Products Co., Ltd.)	SAI GLOBAL	March 2007
Kyushu Subdivision (Nishinohon Division of Toppan Printing Co., Ltd.)	GCC	October 2008
Head office, Kansai branch (Toppan Techno Co., Ltd.)	SAI GLOBAL	March 2009
Sodegaura Beverage Plant (Toppan Packaging Service Co., Ltd.)	SAI GLOBAL	April 2009
Fukaya Plant (Toppan Packaging Products Co., Ltd.)	GCC	March 2010
Chubu Division	JQA	December 2010
Kochi Plant (Toppan Electronics Products Co., Ltd.)	BUREAU VERITAS	February 2008

■ ISO 14001 Certification Obtained at Domestic Subsidiaries

Operational Site (Group Company)	Registrar	Registration Date
Total Media Development Institute Co., Ltd.	JSA	March 2001
Head office, Saitama Plant (Livretch Co., Ltd.)	JCQA	July 2001
Fukushima Plant [including Takino Plant, Sagamihara Plant] (Toppan Infomedia Co., Ltd.)	JUSE	November 2001
Central Research Center (Toppan Forms Co., Ltd.)	JQA	March 2004
Toppan Forms Tokai Co., Ltd.	JQA	August 2004
Toppan Forms Kansai Co., Ltd.	JQA	April 2007
Toppan Forms Nishinohon Co., Ltd.	JQA	January 2005
Toppan Forms Central Products Co., Ltd.	JQA	September 2011
Hino Plant (Toppan Media Printech Tokyo Co., Ltd.)	JSA	November 2005
Zama Plant (Toppan Media Printech Tokyo Co., Ltd.)	JACO	September 2009
Tosho Printing Co., Ltd.	Intertek	May 2003
Gunma Plant (Tamapoly Co., Ltd.)	JQA	February 2011
Sanda Plant (Tamapoly Co., Ltd.)	JQA	January 2012
Tochigi Plant (Tamapoly Co., Ltd.)	JQA	August 2017

■ ISO 14001 Certification Obtained at Overseas Subsidiaries

Group Company	Registrar	Registration Date
Toppan Photomasks, Inc. Round Rock Site	LRQA	November 2001
Toppan Photomasks France S.A.S.	LRQA	October 2000
Toppan Chunghwa Electronics Co., Ltd.	SGS	October 2003
Toppan SMIC Electronics (Shanghai) Co., Ltd.	SGS	February 2007
Toppan Leefung Printing (Shanghai) Co., Ltd.	CCCI	April 2007
Toppan Leefung Packaging (Shanghai) Co., Ltd.	NQA	July 2008
Toppan Leefung Changcheng Printing (Beijing) Co., Ltd.	ZDHY	November 2009
Toppan Excel Printing (Guangzhou) Co., Ltd.	CNAS	May 2009
Toppan Yau Yue Paper Products (Dongguan) Co., Ltd.	Intertek	May 2016
Toppan Yau Yue Packaging (Dongguan) Co., Ltd.		
Shenzhen Giantplus Optoelectronics Display Co., Ltd.	TUV	May 2007
Toppan Win Label Company Limited	CQC	November 2012
Toppan Leefung Printing Limited	CNAS	March 2009
Toppan Leefung Packaging & Printing (Dongguan) Co., Ltd.		
PT. Indonesia Toppan Printing	LRQA	November 2004
Toppan Photomasks Korea Ltd.	LRQA	February 2005
Toppan Photomasks Co., Ltd., Shanghai		
Ortustech (Malaysia) Sdn. Bhd.	BUREAU VERITAS	September 2014
Toppan Security Printing Pte. Ltd.	TUV	August 2010
Giantplus Technology Co., Ltd. Bade Plant (T 1)	SGS	January 2008
Giantplus Technology Co., Ltd. Bade Plant (T 2)	SGS	May 2018
Giantplus Technology Co., Ltd. Headquarters	SGS	January 2005
Giantplus Technology Co., Ltd. Hsinchu Plant	SGS	March 2013
Kunshan Giantplus Optoelectronics Display Technology Co., Ltd.	SGS	June 2012
Siam Toppan Packaging Co., Ltd.	MASCI	April 2002

Every indicator assured by an independent assurance provider is marked with an assurance stamp .

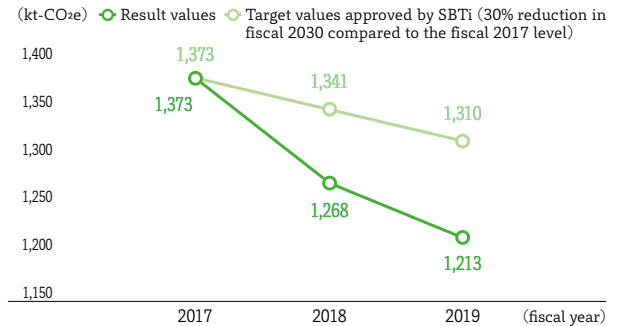
Medium-and-long-term Environmental Targets of the Toppan Group

The Toppan Group has been undertaking environmental conservation activities to ensure that the entire Group attains the

target values set for fiscal 2030. The values from fiscal 2017 are set as baselines.

■ Scope 1 and 2 Greenhouse Gas Emissions

The Toppan Group achieved its single-year Scope 1 and 2 greenhouse gas (GHG)-emission reduction targets approved by the Science Based Targets initiative (SBTi), in fiscal 2018 and fiscal 2019.



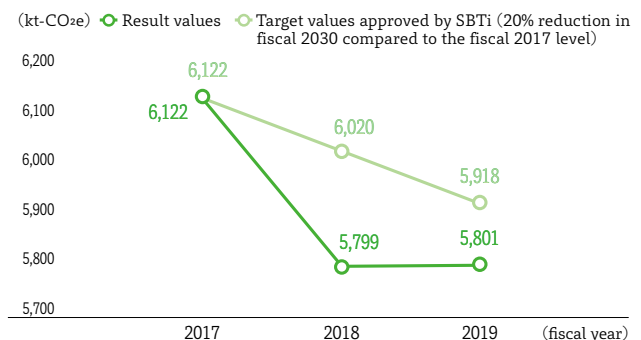
*For Scope 1 and 2, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the basic emission factor according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from Business Activities of Specified Dischargers (the latest amendment on April 30, 2015) issued by the Ministry of the Environment (MOE) of Japan. Meanwhile, GHG emissions associated with electricity consumption at overseas sites are calculated using country-specific conversion factors published by the International Energy Agency (IEA).

GHG emissions associated with fuel consumption, excluding electricity consumption, are calculated globally by the MOE method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from Business Activities of Specified Dischargers (the latest amendment on April 30, 2015).


Non-energy-derived GHG emissions from production processes are calculated by another method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses (2003) issued by the MOE.

■ Scope 3 Greenhouse Gas Emissions

The Toppan Group achieved its single-year Scope 3 GHG-emission reduction targets approved by the SBTi, in fiscal 2018 and fiscal 2019.



*Methods for calculating the Scope 3 GHG emissions are presented on page 110.

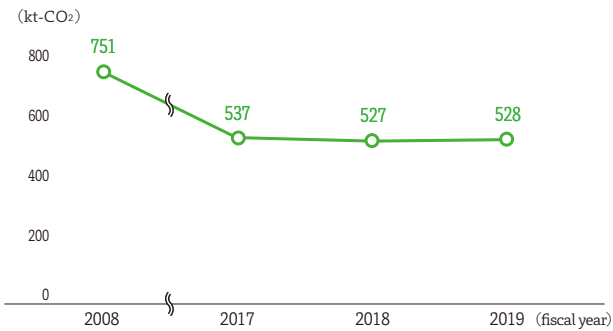
*Every indicator assured by an independent assurance provider is marked with an assurance stamp .

Medium-term Environmental Targets for Domestic Sites

The Toppan Group has been undertaking environmental conservation activities to ensure that Toppan Printing Co., Ltd. and its main domestic Group manufacturing subsidiaries attain

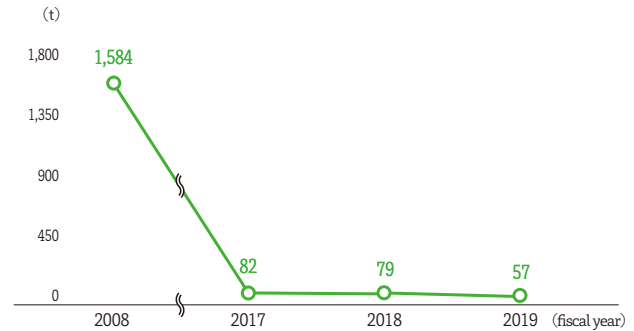
the target values for fiscal 2020. Values from fiscal 2008 are set as baseline values.

CO₂ Emissions

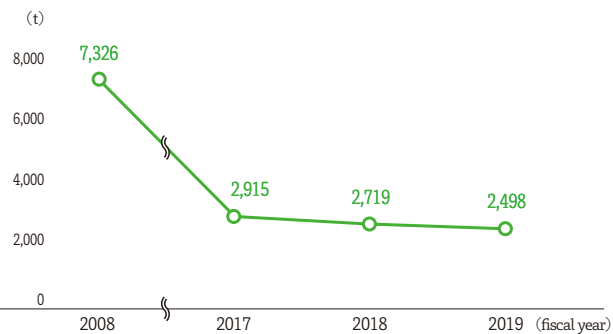


*CO₂ emissions associated with electricity consumption are calculated uniformly as 0.378 t-CO₂/MWh to confirm the degree of improvement achieved. CO₂ emissions in fiscal 2019 totaled 588 kt-CO₂ when calculated using the basic emission factor according to the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from Business Activities of Specified Dischargers (the latest amendment on April 30, 2015) issued by the Ministry of the Environment of Japan.

Final Landfill Waste Disposal



VOC Emissions into the Atmosphere



Single-year Environmental Targets

Values, Results, and Evaluation of Environmental Targets for Fiscal 2019 and Environmental Target Values for Fiscal 2020

Environmental Targets	Management Indicators	Fiscal 2019				Environmental Target Values for Fiscal 2020
		Target Values	Results	Achievement Rates	Evaluation	
1. Mitigation of global warming Reduce CO ₂ emissions	CO ₂ emissions	535 kt-CO ₂	528 kt-CO ₂	101.3%	A	530 kt-CO ₂
2. Action for building a recycling-oriented society Reduce final landfill waste disposal	Final landfill waste disposal	78 t	57 t	127.5%	S	72 t
3. Conservation of the atmospheric environment Reduce VOC emissions into the atmosphere	VOC emissions into the atmosphere	2,700 t	2,498 t	107.5%	S	2,198 t

Evaluation criteria

S: Results achieved far surpass the targets (achievement rate [%] \geq 105)

A: Targets achieved (100 \leq achievement rate [%] < 105)

B: Activities fully carried out, but targets unachieved (70 \leq achievement rate [%] < 100)

C: Activities insufficient (achievement rate [%] < 70)

Achievement rate: $200 - (\text{values actually achieved} / \text{target values}) \times 100$ [%]

Quantifying Environmental Impact based on LIME

The Toppan Group applies the “Life-cycle Impact assessment Method based on Endpoint modeling (LIME)” to quantify its total environmental impact. The base year value is set as 100.

In addition to using LIME 2, a method developed for assessments limited to Japan, Toppan began assessing environmental impact throughout all Group sites (including overseas sites) using the updated LIME 3 in fiscal 2019. LIME 3 assesses environmental impact related to climate change, intercontinental particulate matter (PM 2.5) and other air pollutants, water consumption, underground mineral resource consumption, and forest resource consumption all across the globe.

When using LIME 2, Toppan sets the value from fiscal 2006 as a baseline of 100. For LIME 3, the base year is adjusted to fiscal 2017 in line with the base year for the Group's medium-and-long-term environmental targets. In fiscal 2019 Toppan attained a 46% reduction from the fiscal 2006 baseline set for LIME 2, and a 1% reduction from the fiscal 2017 baseline set for LIME 3.

Norihiro Itsubo

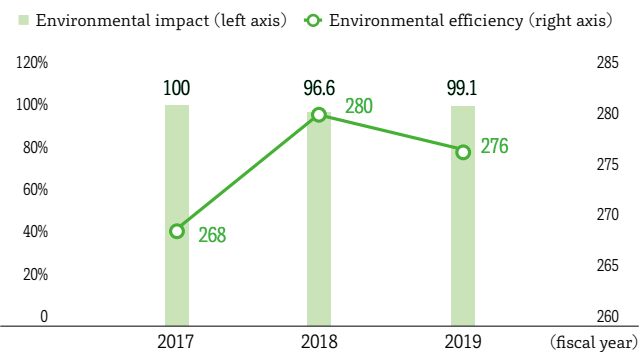
Professor of the Faculty of Environment; Head of the Research Center for Environmental Impact Assessment of the Advanced Research Laboratories at Tokyo City University



Environmental impact assessment requires precise worldwide analyses, as well as analyses conducted from a comprehensive perspective encompassing issues such as climate change, deforestation, and chemical substance management. Toppan Printing has assessed its environmental impact with leading-edge methods applied from both granular and broader perspectives. Given that environmental impact varies from country to country, the optimal designs for products and approaches to reducing environmental impact will also vary. Toppan's sustainability management focused on global environmental impact is garnering attention around the world.

LIME 3 assessment across Group sites worldwide:

■ Global Environmental Impact and Environmental Efficiency

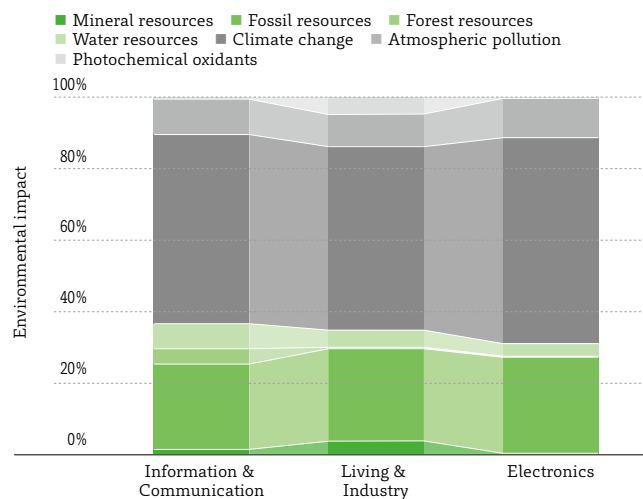


*1 The value in fiscal 2017 = 100 (baseline); recalculated with non-production sites excluded

*2 Environmental efficiency = net sales / environmental impact

The environmental impact of the Toppan Group has been reduced from the fiscal 2017 (base year) level, primarily through energy-saving and other eco initiatives that help reduce energy consumption, as well as high-efficiency production and material recycling methods that help reduce resource consumption. The environmental impact for fiscal 2019, however, increased from fiscal 2018, because operational sites newly acquired through M&A increased the level of energy consumed. As a result, the fiscal 2019 value was only slightly reduced compared to the base year.

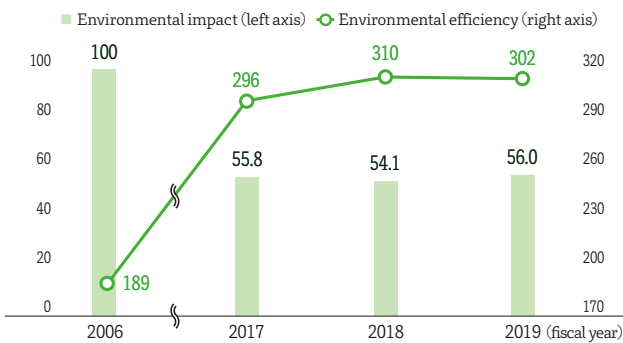
■ Types of Global Environmental Impact by Business Field



*Toppan's environmental impact cannot be expressed in uniform terms or units, as the materials and product types handled by the Group differ among the business fields. Toppan therefore assesses the environmental impact associated with key items for each business field.

Ref: LIME 2 assessment of domestic sites:

■ Environmental Impact and Environmental Efficiency in Japan

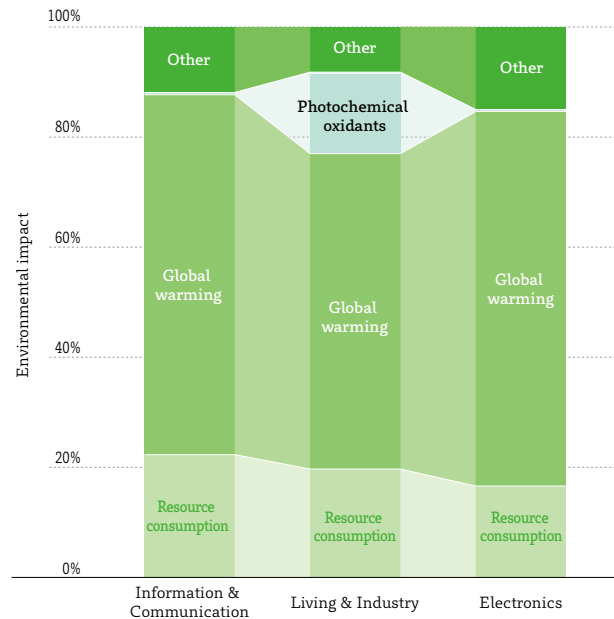


*1 The value in fiscal 2006 = 100 (baseline); recalculated with non-production sites excluded


*2 Environmental efficiency = net sales / environmental impact
The Toppan Group has implemented the following measures in Japan since fiscal 2006 (base year).

- Installed solvent treatment equipment and other systems and processes that have together helped reduce VOC emissions into the atmosphere by approximately 73%
- Practiced high-efficiency production, material recycling, and other processes that have together contributed to the reduction of total resource consumption by approximately 71%
- Replaced existing equipment with energy-saving, high-efficiency alternatives and conducted other energy-saving initiatives that have contributed to the reduction of total energy consumption by approximately 29%

■ Types of Domestic Environmental Impact by Business Field



*Toppan's environmental impact cannot be expressed in uniform terms or units, as the materials and product types handled by the Group differ among the business fields. Toppan therefore assesses the environmental impact associated with key items for each business field and reflects the assessment results in the Group's medium-term targets for domestic sites.

*Every indicator assured by an independent assurance provider is marked with an assurance stamp .

Environmental Performance Data

■ Major Types of Environmental Burden (Total burden; covering Group companies around the world)

Category		Chief Component	Environmental Burden (Total)	
INPUT	Material (t)	Total input	1,792,536	
		Paper	1,339,369	
		Ink, solvent	92,146	
		Plastic	316,088	
		Glass	8,231	
		Other	36,703	
	Energy (TJ) ¹	Total consumption	21,180	
		Fuel	4,314	
		Electricity, steam	16,867	
	Water (1,000 m ³)	Total consumption	13,259	
		Industrial water	803	
		Municipal water	4,974	
		Groundwater	7,457	
		Rainwater used	25	
		Use of water circulated on premises	4,301	
	Chemical substances (t) ²	Handling of chemical substances designated under the PRTR law	4,648	
	OUTPUT	Atmosphere	CO ₂ emission (t-CO ₂) ³	1,017,426
			Fuel-derived (t-CO ₂)	247,032
			Electricity-, steam-derived (t-CO ₂)	770,394
Release of chemical substances designated under the PRTR law (t) ²			114	
VOC emission into the atmosphere (t) ^{2, 4}			3,772	
Water and soil environments		Total effluent discharge (1,000 m ³)	10,421	
		Into public water system (1,000 m ³)	7,624	
		Into sewage system (1,000 m ³)	2,797	
		BOD (kg)	52,928	
		COD (kg)	71,549	
		Nitrogen discharge (kg)	22,813	
		Phosphorous discharge (kg)	10,031	
		Release of chemical substances designated under the PRTR law (t) ²	2	
Waste (t)		Total discharge ⁵	328,968	
		Recycled	323,211	
	Final landfill disposal	4,161		

*1 Energy consumption associated with fuel consumption is calculated using the conversion factor specified in the year 2000 amendment of the Act on the Rational Use of Energy of Japan.

The primary energy input associated with electricity consumption is calculated uniformly as 0.00983 GJ/kWh.

*2 The PRTR data only covers domestic sites (including Group sites not subject to the environmental targets).

*3 CO₂ emissions are calculated by the method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses (2003) issued by the Ministry of the Environment (MOE) of Japan.

CO₂ emissions associated with electricity consumption are calculated uniformly as 0.378 t-CO₂/MWh.

CO₂ emissions associated with electricity consumption at overseas Group sites, however, are calculated based on the latest conversion factors published by the International Energy Agency (IEA).

Fuel-derived CO₂ emissions include emissions derived from combustibles burned in incinerators.

*4 Emissions into the atmosphere are calculated based on the standards established by the Japan Federation of Printing Industries (JFPI) and the VOC emission inventory issued by the MOE.

*5 The total discharge of waste includes industrial waste of no value and waste materials of value sold or transferred as resources (both generated in association with business activities).

*Every indicator assured by an independent assurance provider is marked with an assurance stamp .

■ Major Types of Environmental Burden (subject to the environmental targets in Japan)

Category		Chief Component	Environmental Burden (subject to the environmental targets in Japan)
INPUT	Material (t)	Total input	1,002,217
		Paper	727,993
		Ink, solvent	55,463
		Plastic	186,930
		Glass	6,651
		Other	25,179
	Energy (TJ) ^{*1}	Total consumption	12,218
		Fuel	3,140
		Electricity, steam	9,078
	Water (1,000 m ³)	Total consumption	6,903
		Industrial water	777
		Municipal water	1,254
		Groundwater	4,861
		Rainwater used	11
		Use of water circulated on premises	3,964
Chemical substances (t)	Handling of chemical substances designated under the PRTR law	4,523	
OUTPUT	Atmosphere	CO ₂ emission (t-CO ₂) ^{*2}	528,282
		Fuel-derived (t-CO ₂)	179,026
		Electricity-, steam-derived (t-CO ₂)	349,256
		Release of chemical substances designated under the PRTR law (t)	112
		VOC emission into the atmosphere (t) ^{*3}	2,498
	Water and soil environments	Total effluent discharge (1,000 m ³)	5,497
		Into public water system (1,000 m ³)	4,268
		Into sewage system (1,000 m ³) ^{*4}	1,230
		BOD (kg)	8,873
		COD (kg)	7,352
		Nitrogen discharge (kg)	9,765
		Phosphorous discharge (kg)	561
		Release of chemical substances designated under the PRTR law (t)	2
	Waste (t)	Total discharge ^{*5}	200,748
		Recycled	200,200
Final landfill disposal		57	

*1 Energy consumption associated with fuel consumption is calculated using the conversion factor specified in the year 2000 amendment of the Act on the Rational Use of Energy of Japan.

The primary energy input associated with electricity consumption is calculated uniformly as 0.00983 GJ/kWh.

*2 CO₂ emissions are calculated by the method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses (2003) issued by the Ministry of the Environment of Japan.

CO₂ emissions associated with electricity consumption are calculated uniformly as 0.378 t-CO₂/MWh.

Fuel-derived CO₂ emissions include emissions derived from combustibles burned in incinerators.

*3 Emissions into the atmosphere are calculated based on the standards established by the Japan Federation of Printing Industries (JFPI) and the VOC emission inventory issued by the MOE of Japan.

*4 Includes 8,586 m³ of spring water from the premises of the Akihabara Sales Building.

*5 The total discharge of waste includes industrial waste of no value and waste materials of value sold or transferred as resources (both generated in association with business activities).

Environmentally Friendly Products (87 products as of March 2020)

Business Field	Product	Standard Categories	Business Field	Product	Standard Categories
Information & Communication	Ecothrough card	Suitability for disposal	Living & Industry	Cylindrical paper-composite container for refill	Use of sustainable resources
	Bulky Waste Processing Sticker	Resource saving (reduced use of materials)		High-resistance Flexible Pouch	Resource-saving efforts, improvement in transport efficiency
	Eco Pack (life-size POP display)	Resource saving (reduced use of materials)		BIOAXX (label)	Use of sustainable resources
	Paper Desk Calendar	Use of recycled materials		Aluminum-free Lid Material	Use of sustainable resources
	Ecology Calendar	Use of recycled materials		Multi-layer Blow Tube	Resource-saving efforts
	Non-vinyl Chloride Lenticular Lens	Suitability for disposal		Steam-release Packaging	Reduced environmental burden during use
	Eco Pack Multipanel	Reusability		Air Hold Pouch	Resource-saving efforts
	Eco Floor Sticker	Suitability for disposal		BIOAXX (flexible packaging material)	Use of sustainable resources, resource saving, environmentally friendly disposal, visualization of environmental burden
	Eco Pack End Panel	Resource saving		Square-bottomed Gazette Pouch	Improvement in transport efficiency, resource saving, environmentally friendly disposal
	Eco Pack Stand (round type)	Resource saving		Flexible packaging material using recycled materials	Use of recycled materials, procurement of materials with lower environmental burden, reduced energy consumption in production, environmentally friendly disposal, visualization of environmental burden
	Disk Tottokun Series	Resource saving, prolonged product life, recyclability, suitability for disposal		Printed Decorative Paper (Coated Paper)	Reduced use of chemical substances, reduced use of hazardous substances
	Ultra-thin DM (brochures, etc.)	Resource saving, reduced energy consumption in production, recyclability		Printed Decorative Paper (Coated Paper FSC-certified)	Use of sustainable resources, reduced use of chemical substances, reduced use of hazardous substances
	Eco Pack Multipanel Mini	Reusability, prolonged product life, recyclability, easy separation and disassembly		Printed Decor Paper for HPL/LPL (Saturated Grade Paper)	Reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances
	Multicube POP	Reusability, prolonged product life, recyclability, easy separation and disassembly		Printed Decor Paper for HPL/LPL (Saturated Grade Paper FSC-certified)	Use of sustainable resources, reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances
	Green Bankbook	Recyclability, suitability for disposal		Transfer paper for padded floors	Reduced use of chemical substances, reduced release of chemical substances
KAMICARD®	Biodegradability, use of safe materials, resource saving, recyclability	Lower-VOC wallpaper (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, reduced release of chemical substances		
KAMI-RFID CARD	Recyclability, use of safe materials, resource saving, easy separation and disassembly	SnapFit	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, extension of product life		
Printed materials with environmental logos	Reduced use of chemical substances, reduced use of hazardous substances, use of recycled materials, use of sustainable resources, use of recyclable energy, carbon offsetting, labeling with environmental logos	101 Coordination Floor REPREA eco (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, extension of product life, labeling with environmental logos		
Electronics	Flip chip ball grid array [FC-BGA] substrate (halogen free)	Suitability for disposal	Sosogi Jozu	Resource saving, improvement in transport efficiency, environmentally friendly disposal	
	Color filter (resin black matrix [BM])	Use of safe materials, energy saving, reduced release of chemical substances, suitability for disposal	Preform for PET bottles	Improvement in transport efficiency, visualization of environmental burden	
	Palladium pre-plated leadframe	Use of safe materials, reduced release of chemical substances, suitability for disposal	FORMANO	Reduced use of chemical substances, reduced use of hazardous substances, environmentally friendly disposal, reduced release of chemical substances, extension of product life	
Flip chip ball grid array [FC-BGA] substrate (lead free)	Use of safe materials, reduced release of chemical substances, suitability for disposal	FORTINA	Reduced use of chemical substances, reduced use of hazardous substances, environmentally friendly disposal, reduced release of chemical substances, extension of product life		
Living & Industry	Toppan Ecowall	Reduced release of chemical substances, use of safe materials, suitability for disposal	TOPPAN MATERIAL WOOD (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, use of recycled materials, environmentally friendly disposal, reduced release of chemical substances, extension of product life	
	TOPPAN ECO SHEET	Reduced release of chemical substances, extension of product life	Smart Deli Bag	Reduced environmental burden during use	
	GL BARRIER (Exceptional*)	Use of sustainable resources, resource-saving efforts	Plastic UV ink container	Use of recycled materials, use of sustainable resources, improvement in transport efficiency, recycling	
	Stand-up pouch	Resource-saving efforts	Forest-certified-paper packaging	Use of sustainable resources, labeling with environmental logos	
	Bottled Pouch	Resource-saving efforts	Biodegradable plastic products	Use of biodegradable materials	
	Plastic container made from recycled materials	Use of recycled materials	Cardboard with shrink wrap packaging	Resource saving, reduced energy consumption in production, improvement in transport efficiency, recycling	
	IT Paper Can	Use of sustainable resources	Emergency magnesium air battery	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, extension of product life, reduced environmental burden during use, recycling, environmentally friendly disposal	
	Ecotainer	Recycling, improvement in transport efficiency	FINE FEEL (101 Materium)	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, extension of product life, environmentally friendly disposal	
	TL-PAK	Recycling, improvement in transport efficiency	EP-PAK Fold & Tear/Easy Removal Cap (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, use of sustainable resources, improvement in transport efficiency, recycling, environmentally friendly disposal, labeling with environmental logos	
	EP-PAK (EP-GL)	Improvement in transport efficiency, recycling	BIOAXX flexible packaging material (Eco Mark certified) (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, resource saving, use of sustainable resources, environmentally friendly disposal, visualization of environmental burden, labeling with environmental logos	
	EP-PAK (Al)	Improvement in transport efficiency	Flexible packaging material using recycled materials (Eco Mark certified) (Exceptional*)	Reduced use of chemical substances, reduced use of hazardous substances, use of recycled materials, resource saving, reduced energy consumption in production, environmentally friendly disposal, visualization of environmental burden, labeling with environmental logos	
	Stand-up Laminated Tube	Resource-saving efforts			
	Recyclen Cap	Recycling			
	AP Carton	Improvement in transport efficiency			
	Micro Flute	Resource-saving efforts, recycling			
	TP-Tray	Recycling, use of sustainable resources			
	Corrugated Board Cushioning Material	Recycling			
	AD-Case	Resource-saving efforts			
	Cartocan (Exceptional*)	Use of sustainable resources, recycling, visualization of environmental burden			
	GL-C Bottle	Resource-saving efforts			
	Jar Plus	Resource-saving efforts, recycling			
	GL FILM Lined Paper Cup	Use of sustainable resources			
	Double-wall Barrier Paper Cup	Resource-saving efforts			
	Fluorine-free oil-repellent paper	Recycling			
	In-mold Barrier Cup	Extension of product life, improvement in transport efficiency			
	Easy Peel-off Thermo-label	Recycling			
	Eco Band	Reusability			
	Paper carton with tamper-evident closure	Resource-saving efforts			
	Clear UV-blocking Film	Use of sustainable resources			
	BIOAXX (molding product)	Use of sustainable resources			
EL-Case	Resource-saving efforts, recycling				
Paper cup made from pulp from forest-thinning operations	Use of sustainable resources				

*Exceptional environmentally friendly product

Results of Environmental Education

Training	Number of Trainees
New employee training: General environmental education	421
E-learning-based program on Toppan's sustainability initiatives	14,729
Toppan Challenge School (13 courses)	68
Internal environmental auditor training program	142

Numbers of Internal Environmental Audits and Issues in Need of Improvement

Domestic sites audited	57 sites
Issues in need of improvement identified at domestic sites	68 issues
Domestic sites reviewed	3 sites

Environmental Accounting: Capital Investment for Environmental Conservation

(million yen)

Item	Major Content	Fiscal 2019	Increase/Decrease from Fiscal 2018	Average for the Last Five Years
1	Investment in equipment to prevent pollution	2,257 (1,558)	755 (1,344)	1,426 (511)
2	Investment in equipment to conserve the global environment	1,156	68	1,058
3	Investment in equipment to circulate resources	278 (0)	196 (-1)	158 (18)
4	Investment in equipment to carry out environmental management activities	4	-8	17
Total		3,694	1,011	2,660

Environmental Accounting: Environmental Conservation Benefit

Item	Major Content	Increase/Decrease from Fiscal 2018	Fiscal 2019
Energy	Total energy consumption (TJ)	304	21,180
Water	Water consumption (1,000 m ³)	-663	13,259
Atmosphere	CO ₂ emission (kt-CO ₂)	46	1,017
	Emission of dioxins (mg-TEQ)	-1	2
Water and soil environments	Total effluent discharge (1,000 m ³)	-89	10,705
	BOD (t)	8	53
	COD (t)	-13	72
Waste	Total discharge (kt)	-6	329

Green Procurement and Green Purchasing

■ JFPI Green Procurement Standards for Paper and Level of Fulfillment

Green Principle	Level 1	Level 2	Fiscal 2019 Result*
1. Using recycled paper or paper made with fewer forest resources (excluding covers for brochures)	Paper composed of at least 60% recycled pulp plus forest-certified pulp for the remaining portion, or with an overall rating of more than 80 points	Paper composed of at least 20% recycled pulp or forest-certified paper, tree-free paper, paper made with pulp from forest-thinning operations, or tissue paper	6.9%
2. Reducing component properties obstructive to waste paper recycling	Non-usage of printing materials with waste paper recyclability rankings of B, C, or D	Non-usage of printing materials with waste paper recyclability rankings of C or D	
3. Procuring from manufacturers proactively engaged in paper recycling	Procurement from manufacturers who proactively use waste paper as a raw material for recycled paper		

Note: Result under the Green Standards for Offset Printing Services (April 1, 2017 amendment) of the Japan Federation of Printing Industries (JFPI)

*Level 1 or 2 paper used (kg) / offset paper purchased (kg)

■ JFPI Green Procurement Standards for Ink and Level of Fulfillment

Green Principle	Level 1	Level 2	Fiscal 2019 Result*
1. Avoiding the use of substances harmful to the human body	Conformance with the NL regulations of the Japan Printing Ink Makers Association		96.5%
2. Considering chemical substances designated under the PRTR law of Japan	Non-usage of substances designated under the PRTR law	Identification of substances designated under the PRTR law (via SDSs)	
3. Controlling VOC emissions (for offset ink, excluding heat-set ink for web press)	Non-VOC ink or UV ink	Vegetable oil ink, soybean oil ink, or "ig" ink (labeling with Ink Green Mark)	
4. Using sustainable resources (for heat-set ink for web press)	Vegetable oil ink, soybean oil ink, or "ig" ink (labeling with Ink Green Mark)		
5. Reducing component properties obstructive to waste paper recycling	Non-usage of printing materials with waste paper recyclability rankings of B, C, or D	Non-usage of printing materials with waste paper recyclability rankings of C or D	

Note: Result under the JFPI Green Standards for Offset Printing Services (April 1, 2017 amendment)

*Level 1 or 2 ink used (kg) / offset ink purchased (kg)

■ In-house Green Purchasing Standards and Levels of Fulfillment

Product	Standard	Fiscal 2019 Result
Copy machines and printers	Configured to automatically revert to low-power mode or off mode	90.0%
PCs	Configured to automatically revert to low-power mode or off mode and to maintain low energy consumption when in low-power mode	100.0%
Stationery and office goods	Products listed in eco-friendly product catalogues of manufacturers	72.5%

Environment-related Businesses

Toppan expanded the Group's definition of environmental business in fiscal 2019. Specifically, Toppan added digital transformation projects, environmental services, and other enterprises that will potentially contribute to reductions in the Group's environmental impact as "environment-related businesses."

The total sales of these environment-related businesses—including, most notably, sales of environmentally friendly products

satisfying in-house criteria of the Group—were 714.9 billion yen in fiscal 2019.

From fiscal 2020 Toppan will be reviewing the scope of its environment-related businesses to include the total sales of businesses that contribute to the achievement of the environmental targets under the 17 SDGs.

Mitigation of Global Warming

Basic Approach

The Toppan Group has formulated the following basic policies for mitigating global warming.

Toppan positions global warming mitigation as an important element of management. The Group focuses on energy management and the rational use of energy in implementing activities towards

climate security.

The Group will continue to adopt renewable energy sources on a preferential basis and assertively encourage the broad use of renewables into the future.

Topic

Adopting Renewable Energy Sources

In January 2020, Toppan made further headway in the Group's shift to renewables by introducing solar-power generation equipment at the Sakado Plant in Saitama Prefecture, Japan. The electrical energy generated by the equipment is consumed on the site premises, reducing CO₂ emissions from plant operations.

Toppan used subsidies from the Ministry of the Environment (MOE) of Japan to install this power generation equipment. The subsidies were granted through the Japan Environment Association under the MOE's fiscal 2019 indirect aid program to incentivize business investment in equipment for CO₂ emission control and other climate security initiatives (as a project to facilitate the self-sustaining adoption of renewables for power and heat).



Activities

■ Mitigating Global Warming

The Toppan Group has been reducing total emissions of carbon dioxide (CO₂) and other greenhouse gases (GHGs) to help mitigate global warming. To reduce Scope 1 GHG emissions (direct emissions from industrial processes or fuels consumed at the Group), Toppan is systematically replacing long-used utility facilities with high-efficiency alternatives. The Group is also installing systems to abate high-global-warming-potential (GWP) gases emitted from semiconductor production processes and replacing the high-GWP gases used in those processes with lower-GWP alternatives.

Toppan also reduces Scope 2 GHG emissions (indirect emissions associated with the consumption of electricity, heating, or cooling purchased or acquired by the Group) by operating a nationwide demand-monitoring system to control peak power demand across Japan, redressing power demand-and-supply imbalances, and reducing the nonessential use of power by suspending the operation of equipment during vacations.

Toppan Logistics Co., Ltd., the logistics specialist for the

Group, is working with shippers from Toppan Group companies to optimize transportation conditions and further improve transportation efficiency. Together they endeavor to reduce the energy consumption per unit of transport volume by company vehicles and the total volume of CO₂ emissions from transport.

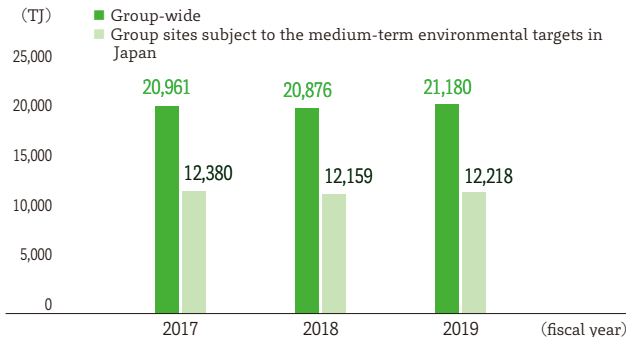
As a member of the Japan Federation of Printing Industries (JFPI), Toppan has driven industry-wide efforts to spawn global warming mitigation measures, primarily through its involvement in JFPI activities to address climate change and promote low carbonization. Under the leadership of Toshiro Kinoshita from Toppan Printing's Ecology Center, the JFPI's Working Group for Voluntary Action Plans on the Environment (under the Environmental Management Task Force of the Global Environment Committee) pursues industry-wide global warming mitigation initiatives by devising voluntary action plans for reducing VOC emissions and implementing various other measures towards the realization of a low-carbon, circular economy.

Main Activities and Relevant Information

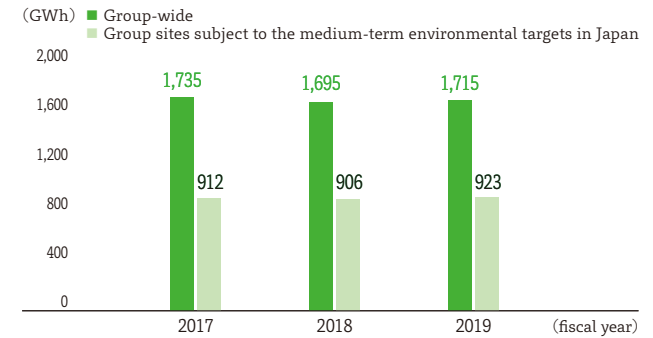
Energy Consumption

The Toppan Group evaluates and discloses energy consumption across the entire Group (including consumption at overseas Group subsidiaries).

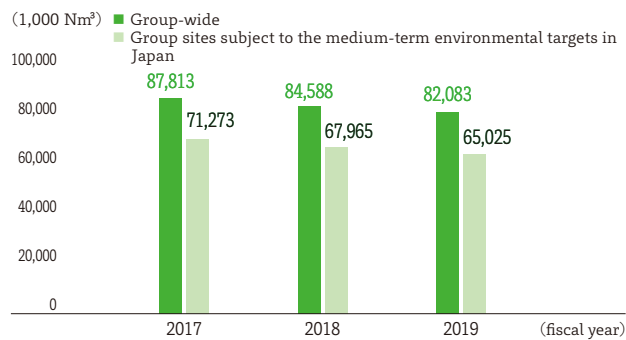
■ Energy Consumption



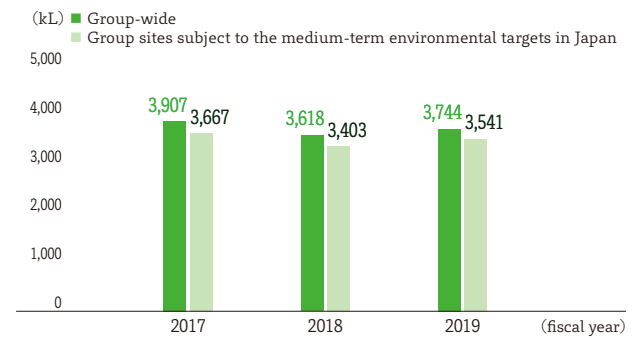
■ Electricity Consumption



■ Natural Gas Consumption



■ Kerosene Consumption



■ Fuel Efficiency of Vehicles Owned by Toppan Logistics



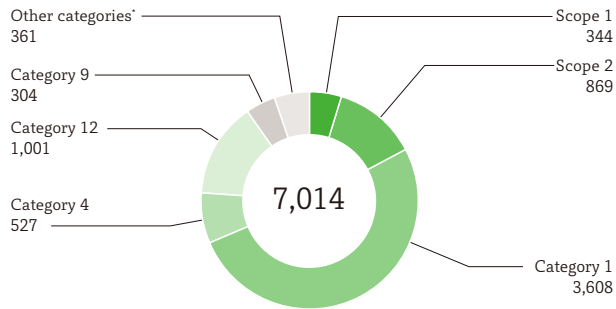
*Every indicator assured by an independent assurance provider is marked with an assurance stamp

Scope 1, 2, 3 Greenhouse Gas Emissions

Based on the fiscal 2019 results, Toppan calculated its Group-wide Scope 3 greenhouse gas (GHG) emissions (indirect emissions not included in Scope 2, associated with business operations throughout the entire value chain of the Group) to identify the categories of corporate activity that represented larger sources of GHG emissions and to establish priority targets in the Group's GHG-emission reduction strategy.

This calculation showed that four categories related to raw material consumption collectively accounted for the largest share of the Group's GHG emissions: category 1 (manufacturing of products purchased by Toppan), categories 4 and 9 (transportation and distribution of products purchased and sold by Toppan), category 12 (end-of-life treatment of products sold by Toppan).

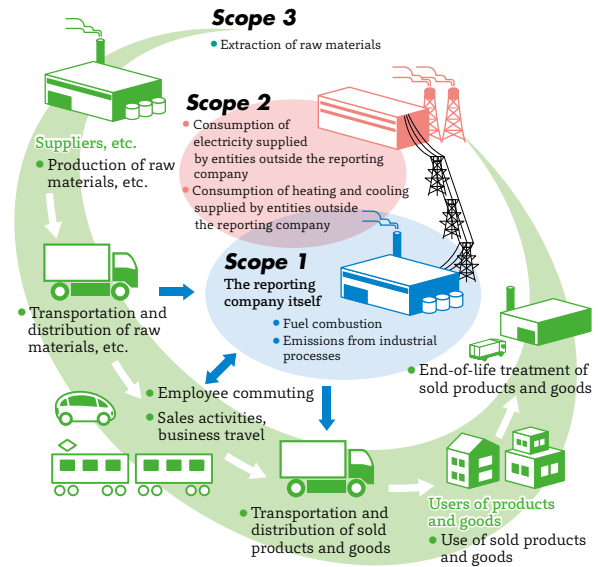
Scope 1, 2, 3 Greenhouse Gas Emissions (kt-CO₂e)



*Others:

Category 2	220
Category 3	104
Category 5	1
Category 6	11
Category 7	23
Category 8	1

Calculating Scope 3 Emissions



■ Details of the Scope 1, 2, and 3 Categories

Emissions Types	
Direct emissions (Scope 1)	Direct emissions from industrial processes or fuels consumed at the reporting company
Indirect emissions (Scope 2)	Indirect emissions associated with the consumption of electricity, heating, or cooling purchased or acquired by the reporting company

- For Scope 1 and 2 emissions, greenhouse gas (GHG) emissions associated with electricity consumption at domestic sites are calculated using the basic emission factor from the method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from Business Activities of Specified Dischargers (the latest amendment on April 30, 2015) issued by the Ministry of the Environment (MOE) of Japan. GHG emissions associated with electricity consumption at overseas sites are calculated using country-specific conversion factors published by the International Energy Agency (IEA).
- GHG emissions associated with fuel consumption, excluding electricity consumption, are calculated globally by the MOE method specified in the Ministerial Ordinance Concerning the Calculation of Greenhouse Gas Emissions from Business Activities of Specified Dischargers (the latest amendment on April 30, 2015).
- Non-energy-derived GHG emissions from production processes are calculated by another method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses (2003) issued by the MOE.

Indirect Emissions Not Included in Scope 2 (Scope 3)			Calculation Methods	
			Activity Quantity	Basic Unit from
Category 1	Purchased goods and services	Emissions associated with activities up to the point of the production of raw materials, components, goods, sales-related materials, or the like purchased or acquired by the reporting company	Materials purchased or acquired (by weight)	CFP-DB ²
Category 2	Capital goods	Emissions that occur during the construction or production of capital goods purchased or acquired by the reporting company	Capital investments by business field	MOE-DB ¹
Category 3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Emissions associated with the procurement of fuels supplied by entities outside the reporting company or fuels necessary for the generation, etc. of electricity, heating, cooling, etc. consumed by the reporting company	1. Electricity and steam consumption 2. Fuel consumption	1. MOE-DB ¹ 2. CFP-DB ²
Category 4	Upstream transportation and distribution	Emissions associated with logistics up to the point of the arrival of incoming raw materials, components, goods, sales-related materials, or the like purchased or acquired by the reporting company; transportation and distribution of products sold by the reporting company	1. Freight ton-kilometers as a designated shipper classified under the Energy Saving Act of Japan 2. Estimated freight ton-kilometers of procurement logistics	1. Energy Saving Act of Japan 2. CFP-DB ²
Category 5	Waste generated in operations	Emissions associated with the transportation and treatment of waste generated at the reporting company	Waste discharge by type	MOE-DB ¹
Category 6	Business travel	Emissions associated with business travel by employees	Business travel expenses by transport mode	MOE-DB ¹
Category 7	Employee commuting	Emissions associated with the commuting of employees between their homes and worksites	Commuter fares or petrol costs	MOE-DB ¹
Category 8	Upstream leased assets	Emissions associated with the operation of assets leased by the reporting company (lessee), excluding Scope 1 and Scope 2 emissions	Electricity and gas consumed at tenant premises	Emission factors by business
Category 9	Downstream transportation and distribution	Emissions associated with the transportation, storage, loading, or retailing of sold products after delivery to customers	Estimated freight ton-kilometers by product	CFP-DB ²
Category 10	Processing of sold products	Emissions associated with the processing of sold intermediate products by downstream companies	Excluded from calculation because there are no scenarios or units that apply universally to Toppan's diversified products	
Category 11	Use of sold products	Emissions associated with the end use of sold products by users (consumers, downstream companies)	Not applicable	
Category 12	End-of-life treatment of sold products	Emissions associated with the transportation and treatment of sold products at the end of their life by users (consumers, downstream companies)	Waste disposal by product (estimated)	CFP-DB ²
Category 13	Downstream leased assets	Emissions associated with the operation of assets owned by the reporting company (lessor)	Not applicable	
Category 14	Franchises	Emissions from franchise members	Not applicable	
Category 15	Investments	Emissions related to the operation of investments	Excluded from calculation	

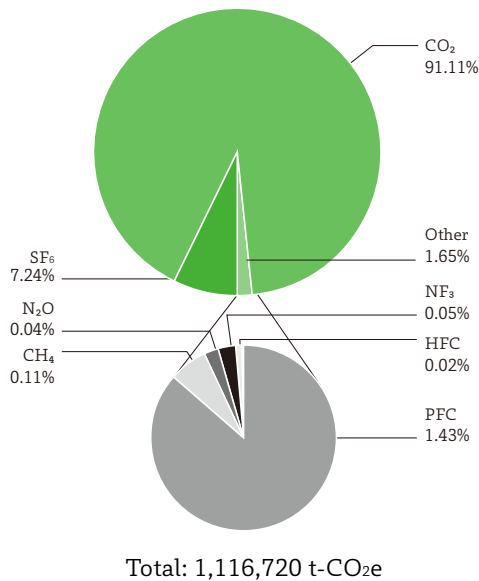
Notes

- Toppan calculates the Group's Scope 3 GHG emissions for categories 1-9 and 12.
- The calculation boundary covers Group-wide GHG emissions associated with Toppan Printing Co., Ltd. and Group entities consolidated for accounting purposes.
- For "freight ton-kilometers as a designated shipper classified under the Energy Saving Act of Japan" in category 4, "business travel" in category 6, and "employee commuting" in category 7, Toppan has estimated total values across the calculation boundary in terms of the proportion of production volume or employee numbers based on the values counted for organizations whose activities are quantifiable.
- *1 MOE-DB: Emission unit database for calculating the greenhouse gas emissions, etc. of organizations throughout the entire supply chain (ver. 2.5) issued by the Ministry of the Environment of Japan
- *2 CFP-DB: Standard database (ver. 1.01) of the Japan Environmental Management Association for Industry (JEMAI) Carbon Footprint of Products (CFP) Communication Program

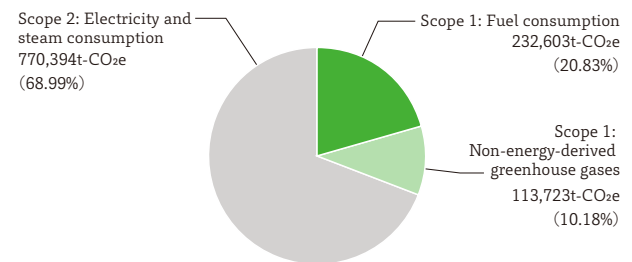
*Every indicator assured by an independent assurance provider is marked with an assurance stamp

Greenhouse Gas Emissions

■ Percentages of Greenhouse Gas Emissions by Type (in tons of CO₂ equivalent)



■ Percentages of Greenhouse Gas Emissions by Source (in tons of CO₂ equivalent)



Notes

- Calculated by the method specified in the Guidelines for Calculating Greenhouse Gas Emissions from Businesses (2003) issued by the Ministry of the Environment of Japan.
- Fiscal 2019 greenhouse gas (GHG) emissions from domestic sites (subject to and not subject to the medium-term environmental targets) and overseas sites (including Group company sites) are based on calculations of energy-derived CO₂ emissions and non-energy-derived GHG emissions (namely, CO₂, CH₄, N₂O, HFC, PFC, SF₆, and NF₃ emissions associated with dry etching, dry ice consumed, waste burned in incinerators, combusted refuse-derived fuel, and fuel consumed in cogeneration systems). GHG emissions accounting for 0.01% or more of total emissions from these sites in CO₂-equivalent values are included.

■ Calculated Level of Fluorocarbon Leakage

Fiscal Year	Domestic Sites (subject to the medium-term environmental targets)	Domestic Sites (not subject to the medium-term environmental targets)	Overseas Sites
2019	1,902 t-CO ₂ e	398 t-CO ₂ e	1,830 t-CO ₂ e

Notes

- The values shown for domestic sites (subject to and not subject to the medium-term environmental targets) are calculated in conformance with the Act on Rational Use and Proper Management of Fluorocarbons enforced in April 2015 in Japan.
- The value shown for overseas sites (including Group company sites) is calculated by a method corresponding to the Japanese Act on Rational Use and Proper Management of Fluorocarbons.

Building of a Recycling-oriented Society

Basic Approach

The Toppan Group has formulated the following basic policies to contribute to the building of a recycling-oriented society, an endeavor the Group positions as an important element of management. The Group processes industrial waste and waste materials in line with the following priorities.

1) First priority is given to reductions of the discharge of industrial waste and waste materials generated in association with business activities.

- 2) Second priority is given to the reuse or recycling of industrial waste and waste materials discharged in spite of the reduction efforts.
- 3) Third priority is given to the application of appropriate treatment methods to industrial waste and waste materials not reused or recycled.

This order of priority may not apply when another order of priority is deemed to be more effective for reducing environmental burden.

Activities

■ Building a Recycling-oriented Society

In a drive to use limited resources more effectively, the Toppan Group works to reduce the discharge of waste, increase the recycling rate, and apply appropriate waste treatment methods based on The Toppan Group Declaration on the Global Environment.

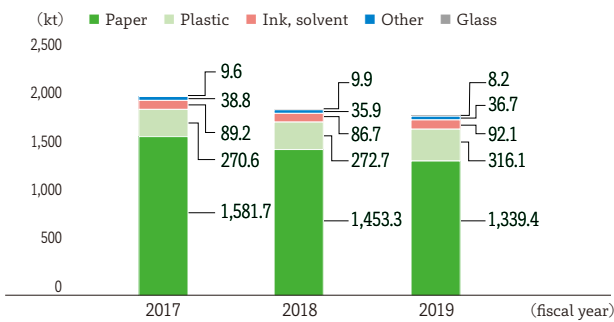
Waste paper derived from operational sites primarily in the Information & Communication and Living & Industry fields makes up the largest portion (about 70%) of the total waste discharged at Group sites. This is followed by waste plastics from plants in the Living & Industry field and waste acid from the Electronics

field. The Group has striven to increase the material recycling rate by processing waste paper into recycled paper, separating waste plastics and processing composite plastics into pellets, and recycling by other methods. Waste acid, meanwhile, has been treated in-house to lower volumes for disposal. In the Group's approaches to water, a limited resource, Toppan is committed to reducing the level of water consumed and to controlling the quality of effluents discharged into water systems. The Group will continue reducing total waste discharge and promoting material recycling.

Main Activities and Relevant Information

Material Input

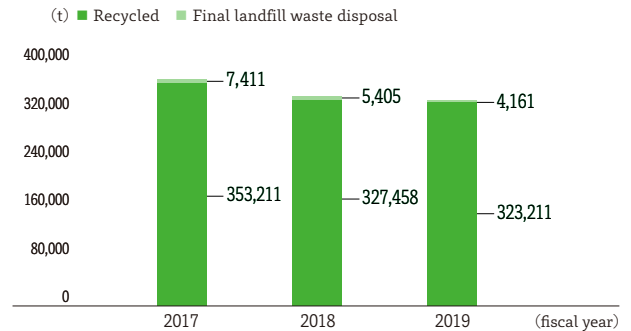
The Toppan Group evaluates and discloses Group-wide material input, including input at overseas Group subsidiaries.



*The data for fiscal 2018 and earlier are adjusted based on revised calculation methods.

Waste Discharge and Recycling

The Toppan Group evaluates and discloses Group-wide waste discharge and recycling, including discharge and recycling at overseas Group subsidiaries.

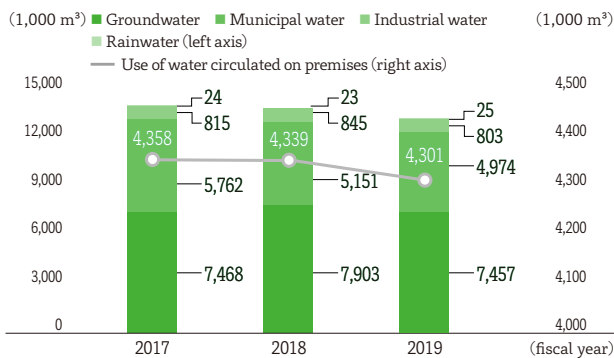


*The data for fiscal 2018 and earlier are adjusted based on revised calculation methods.

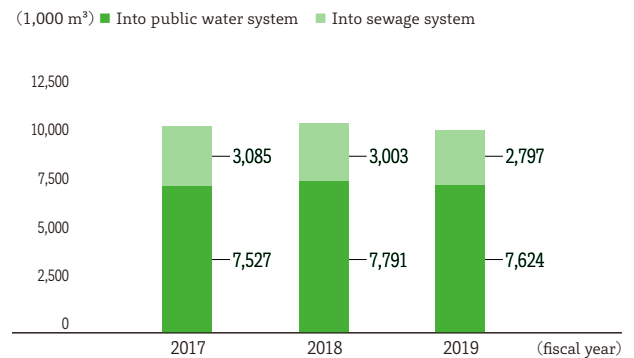
Water Consumption

The Toppan Group evaluates and discloses Group-wide water consumption, including consumption at overseas Group subsidiaries.

Water Consumption



Effluent Discharge



Zero-emission Efforts

- 52 sites approved in June 2019
- The Toppan Group approves operational sites as zero-emission sites based on a three-level grading system according to their recycling rates.
- Group sites satisfying any of the following criteria were approved as zero-emission sites in June 2019: S-rank site, recycling rate of 99.5% or over; A+-rank site, recycling rate of 99% or over and less than 99.5%; and A-rank site, recycling rate of 98% or over and less than 99%.

■ Zero-emission Sites (TZERO-19) (52 sites approved in June 2019)

Operational Site (Division or Group Company)	Total Waste Generation in Fiscal 2018 (t)	Waste Recycled in Fiscal 2018 (t)	Recycling Rate in Fiscal 2018 (%)	Rank
Sapporo Plant (Hokkaido Subdivision)	2,651	2,651	100.0	S
Sendai Plant (Higashinohon Division)	4,923	4,917	99.8	S
Itabashi Site	4,889	4,865	99.4	A+
Asaka Plant [Commercial Printing, Publications Printing] (Toppan Communication Products Co., Ltd.)	1,534	1,532	99.9	S
Asaka Securities Printing Plant (Toppan Communication Products Co., Ltd.)	4,042	4,042		
Kawaguchi Plant (Toppan Communication Products Co., Ltd.)	30,875	30,875	100.0	S
Sakado Plant (Toppan Communication Products Co., Ltd.)	21,643	21,643	100.0	S
Ranzan Plant (Toppan Communication Products Co., Ltd.)	740.4	740.4	100.0	S
Nagoya Plant (Chubu Division)	5,940	5,929	99.8	S
Takino Plant (Toppan Communication Products Co., Ltd.)	9,771	9,675	99.0	A+
Takino Securities Printing Plant (Toppan Communication Products Co., Ltd.)	1,019	1,014	99.5	S
Fukuoka Plant (Toppan Communication Products Co., Ltd.)	5,480	5,480	100.0	S
Fukuyama Plant (Toppan Communication Products Co., Ltd.)	2,621	2,606	99.4	A+
Chitose Plant (Toppan Packaging Products Co., Ltd.)	3,339	3,285	98.3	A
Gunma Central Plant (Toppan Packaging Products Co., Ltd.)	11,518	11,498	99.8	S
Sagamihara Plant (Toppan Packaging Products Co., Ltd.)	16,864	16,864	100.0	S
Matsusaka Plant (Toppan Packaging Products Co., Ltd.)	2,969	2,942	99.0	A+
Takino Plant [liquids] (Toppan Packaging Products Co., Ltd.)	4,618	4,618	100.0	S
Takino Plant [folding cartons] (Toppan Packaging Products Co., Ltd.)	6,718	6,718		
Fukusaki Plant (Toppan Plastic Co., Ltd.)	616.5	616.5	100.0	S
Fukuoka Plant (Toppan Packaging Products Co., Ltd.)	6,202	6,177	99.5	S
Miyata Plant (Toppan Packaging Service Co., Ltd.)	526.6	526.6	100.0	S
Mikkabi Plant (Toppan Packaging Products Co., Ltd.)	3,106	3,106	100.0	S
Tamana Plant (Toppan Packaging Products Co., Ltd.)	4,841	4,841	100.0	S
Satte Plant (Toppan Plastic Co., Ltd.)	810.4	795.3	98.1	A
Saga Plant (Toppan Plastic Co., Ltd.)	213.1	213.1	100.0	S
Ranzan Plant (Toppan Packaging Service Co., Ltd.)	624.8	624.8	100.0	S
Sodegaura Beverage Plant (Toppan Packaging Service Co., Ltd.)	1,710	1,710	100.0	S
Amagi Plant (Toppan Packaging Service Co., Ltd.)	298.4	298.4	100.0	S
Mito Plant (Toppan Prosprint Co., Ltd.)	4,989	4,988	99.9	S
Kansai Bottling Co., Ltd.	77.22	76.72	99.3	A+
Harima Plant (Toppan Plastic Co., Ltd.)	787.2	787.2	100.0	S
Satte Plant (Toppan Packaging Products Co., Ltd.)	453.1	453.1	100.0	S
Fukaya Plant (Toppan Packaging Products Co., Ltd.)	1,766	1,759	99.6	S
Kashiwa Plant (Toppan Decor Products Inc.)	375.6	369.1	98.2	A
Satte Plant (Toppan Decor Products Inc.)	6,932	6,932	100.0	S
Asaka Plant (Toppan Electronics Products Co., Ltd.)	64.40	64.40	100.0	S
Shiga Plant (Toppan Electronics Products Co., Ltd.)	83.71	83.45	99.6	S
Shiga Plant (Toppan TOMOEGAWA Optical Films Co., Ltd.)	608.7	606.6		
Mie Plant [Kameyama] (Toppan Electronics Products Co., Ltd.)	2,508	2,508	100.0	S
Mie Plant [Hisai] (Toppan Electronics Products Co., Ltd.)	3,089	3,089	100.0	S
Niigata Plant (Toppan Electronics Products Co., Ltd.)	5,829	5,829	100.0	S
Kumamoto Plant (Toppan Electronics Products Co., Ltd.)	5,706	5,706	100.0	S
Hino Office (Ortus Subdivision)	0.700	0.700	100.0	S
Kochi Plant (Toppan Electronics Products Co., Ltd.)	1,241	1,228	98.8	A
Toppan Technical Research Institute (Toppan Printing Co., Ltd.)	377.8	370.9	98.1	A
Sagamihara Plant (Toppan Infomedia Co., Ltd.)	354.2	354.2	99.9	S
Takino Plant (Toppan Infomedia Co., Ltd.)	467.1	467.1	100.0	S
Fukushima Plant (Toppan Infomedia Co., Ltd.)	1,680	1,679	99.9	S
Gunma Plant (Tamapoly Co., Ltd.)	2,900	2,852	98.3	A
Sanda Plant (Tamapoly Co., Ltd.)	2,850	2,849	99.9	S
Tochigi Plant (Tamapoly Co., Ltd.)	2,194	2,194	100.0	S
Saitama Plant (Livrectech Co., Ltd.)	6,401	6,346	99.1	A+
Hino Plant (Toppan Media Printech Tokyo Co., Ltd.)	528.3	528.3	100.0	S
Zama Plant (Toppan Media Printech Tokyo Co., Ltd.)	217.6	217.4	99.9	S

Notes

- The Toppan Group approves operational sites as zero-emission sites based on a three-level grading system according to their recycling rates.
- S-rank site, recycling rate of 99.5% or over; A+-rank site, recycling rate of 99% or over and less than 99.5%; A-rank site, recycling rate of 98% or over and less than 99%.
- Group sites satisfying any of the above criteria were approved as zero-emission sites in June 2019.

Control of Chemical Substances

Basic Approach

The Toppan Group has formulated the following basic policies on chemical substance control.

Toppan refrains from the use of hazardous chemical substances as a basic rule. The Group may, however, resort to the use of hazardous substances when their use is legally permitted and no alternate technologies are available. Even when these latter conditions apply, the Group appropriately controls the substances

and endeavors to reduce their usage and replace them with substitutes.

Toppan monitors every chemical substance used within the Group's business operations. The Toppan Group seeks to eliminate obstacles to environmental conservation in advance by being proactive in constantly improving substance control methods as a business operator.

Activities

■ Controlling Chemical Substances

The Toppan Group strives to reduce the use of chemical substances in order to mitigate the impact of these substances on the environment. The Group has been continuously reducing the use of chemical substances designated under the Pollutant Release and Transfer Register (PRTR) law of Japan and introducing safer substitutes by setting priorities in terms of both the type and range of application. Group production sites have also been appropriately controlling chemical substances based on established management procedures.

The Toppan Group has formulated a set of Standards for the Management of Chemical Components of Raw Materials governing the substances and materials the Group purchases. Based on Japanese and international laws and regulations on chemical


substances, these standards list substances that are banned or restricted with regard to use as raw materials. Toppan regularly reviews the list to assure chemical control and asks every supplier to control the chemical substances listed.

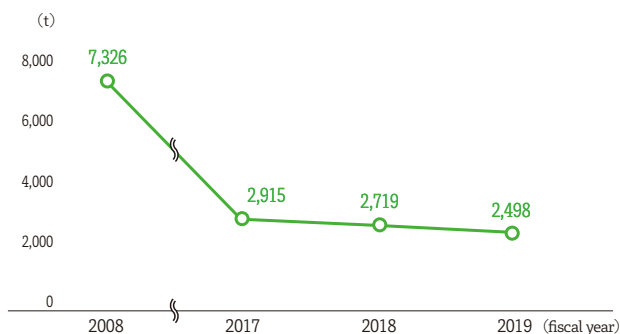
For reduced VOC emissions into the atmosphere, the Group applies adequate treatment before discharge to ensure that the emission volumes and concentrations are controlled at appropriate levels. Increasing efforts are also made to reduce the use of VOCs.

Toppan Group Standards for the Management of Chemical Components of Raw Materials (ver. 4.5.1, in Japanese)
https://www.toppan.co.jp/assets/pdf/about-us/sustainability/2019/proc2019_11.pdf

Main Activities and Relevant Information

VOC Emissions into the Atmosphere

■ VOC Emissions into the Atmosphere
(subject to the medium-term environmental targets in Japan) 



PRTR Data

■ Chemical Substances Designated under the PRTR law of Japan
(subject to the medium-term environmental targets in Japan)

(Unit: kg/year)

PRTR No.	Chemical Substance	Handled	Released			Total Transferred	
			1. Atmosphere	2. Water	3. Soil		
20	2-aminoethanol	45,269	1,049	0	1,049	0	16,226
44	Indium and its compounds	1,529	0	0	0	0	2
53	Ethylbenzene	16,169	2,438	2,438	0	0	387
59	Ethylenediamine	1,456	0	0	0	0	1,456
71	Ferric chloride	2,081,663	0	0	0	0	1,972,384
76	Epsilon-caprolactam	2,472	0	0	0	0	309
80	Xylene	52,329	2,649	2,649	0	0	392
87	Chromium and chromium (III) compounds	20,881	10	0	10	0	13,399
88	Chromium (VI) compounds	12,387	0	0	0	0	759
151	1,3-dioxolane	22,389	224	224	0	0	5,395
213	N,N-dimethylacetamide	2,424	70	70	0	0	388
243	Dioxins	841	2	2	0	0	839
245	Thiourea	1,747	2	0	2	0	1,745
272	Copper salts (water-soluble, except complex salts)	298,556	96	0	96	0	109,731
296	1,2,4-trimethylbenzene	98,706	4,876	4,876	0	0	13,318
297	1,3,5-trimethylbenzene	12,360	519	519	0	0	3,094
300	Toluene	1,720,076	101,268	101,268	0	0	110,823
308	Nickel	34,724	0	0	0	0	0
309	Nickel compounds	11,125	5	0	5	0	8,925
374	Hydrogen fluoride and its water-soluble salts	15,690	371	10	362	0	13,811
401	1,2,4-benzenetricarboxylic 1,2-anhydride	1,674	0	0	0	0	134
411	Formaldehyde	6,639	129	129	0	0	867
412	Manganese and its compounds	4,874	121	0	121	0	1,927
438	Methylnaphthalene	15,736	79	79	0	0	0
448	Methylenebis (4,1-phenylene) diisocyanate	42,059	0	0	0	0	0
	Total	4,522,934	113,906	112,262	1,644	0	2,275,473

Notes

• Period covered: April 1, 2019–March 31, 2020

• Operational sites covered: Sites that handle more than 1.0 ton of Class I designated chemical substances per year (or specified Class I designated chemical substances in excess of 0.5 tons per year)

• The total transfer is the sum of transfers into waste and sewage systems.

Pollution Control

Basic Approach

The Toppan Group has formulated the following basic policies on pollution control.

Toppan positions pollution control as an important element of management. The Group places utmost priority on environmental conservation activities in its efforts to prevent pollution. In the event that Toppan causes environmental pollution of any form, the Group will immediately publish the incident, disclose information,

and work relentlessly to address the case while taking necessary actions to reliably prevent recurrences. Toppan will also implement recurrence-prevention measures for similar operations throughout the Group. Proactive environmental conservation activities will enable Toppan to detect any signs of pollution and swiftly correct the problem at its source.

Activities

■ Preventing Pollution

The Eco-protection Promotion Committee at each Group site in Japan sets in-house control standards that are more stringent than the applicable regulatory standards. The Toppan Group works to reduce environmental burden and prevent pollution by complying with these in-house standards.

To prevent atmospheric pollution, the Group controls boilers and other plant facilities responsible for air pollutants by managing operations under appropriate combustion conditions. The Group enhances the efficiency of effluent-gas treatment in plant facilities subject to requirements under the Air Pollution Control Act by reusing recovered solvents and controlling combustion facilities appropriately.

To prevent water pollution, the Group has installed wastewater

treatment facilities designed to correspond to specific water consumption and pollutant conditions at individual sites. Wastewater recycling systems have also been installed at Electronics plants that discharge effluents in significant amounts. By recovering and reusing wastewater via these systems, the plants have been working to reduce the levels of water consumption and effluent discharge.

The Toppan Group also checks plant facilities subject to the Water Pollution Control Law in compliance with the regulatory standards for structures. The Group will monitor every facility, including those not subject to the law, to prevent groundwater pollution caused by the leakage of chemicals and other liquids. Any equipment or components with undue wear will be replaced.

■ Education

Toppan arranges three types of training programs on pollution control: general education for every employee at individual Group sites; specific operational training for every employee engaged in operations that cause or could potentially cause significant impact on the environment; and emergency drills to prevent the spread of damage in the event of a potential emergency.

■ Handling Inquiries and Complaints

The Toppan Group receives environmental inquiries and complaints via “Inquiries,” a contact window for persons seeking information on corporate activities, on the Toppan corporate website. The Ecology Center receives reports on these inquiries and complaints from the Public Relations Division and responds to them as the organization overseeing environmental conservation activities across the Group.

For inquiries on Toppan's activities:

<https://www.toppan.com/en/contact-us/privacy-corporate.html>

Main Activities and Relevant Information

Monitoring Soil and Groundwater Pollution

■ Purification of Soil and Groundwater Pollution

Operational Site	Detail	Current Progress
Itabashi Plant (Itabashi, Tokyo)	Groundwater pollution by hexavalent chromium and toluene	Continuously monitored
Niigata Plant (Shibata, Niigata)	Soil pollution by fluorine and fluorine compounds	Continuously monitored

■ Soil Pollution Remediation for Redevelopment in Conformance with Applicable Laws, Regulations, and Ordinances

The Soil Contamination Countermeasures Act of Japan requires remediation work or other countermeasures in the event that a soil investigation detects soil contamination at a site during construction or demolition work of a certain scale (including soil contamination by natural sources in the environment). Site reconstruction projects

are occasionally subject to these legal demands. The Toppan Group has therefore conducted soil investigations in accordance with the act and taken necessary countermeasures when soil contamination has been detected at a Group site.

Operational Site	Chemical Substances Subject to Remediation	Remediation Measures	Current Progress
Former Gunma Plant (Oizumi, Ora, Gunma)	Hexavalent chromium compounds, lead and its compounds, selenium and its compounds	Excavation and removal; purification of groundwater	Remediation completed (Groundwater monitored continuously up to November 2019.)

Preventing Pollution / Approach to Environmental Compliance

■ Preventing Pollution

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■ Approach to Environmental Compliance

Toppan has used the Group's in-house environmental database for operational sites across Japan to identify any risk of exceeding the limits stipulated under laws, ordinances, agreements, and other applicable regulations. Preventive measures against unduly high risks have been taken to ensure that none of the regulatory limits are breached.

Despite these steps, one production site recorded one case of excessive odor, one site recorded one case of excessive noise, one site recorded two cases of excessive water contaminant (BOD), and one site recorded one case of excessive water contaminant (SS), relative to standards set under laws, ordinances, agreements, and other applicable regulations, in fiscal 2019. The Toppan Group has taken immediate corrective measures for each of the five cases above, including steps to inspect plant facilities and revise the methods for facility control. Since implementing these corrective measures, the Group has standardized newly adopted control procedures and taken other actions to reliably prevent recurrences. Meanwhile, Toppan has identified no problems with the levels of

water consumption and effluent discharge.

As a preventive action against environmental pollution, the Group also reviews drills for coping with potential emergencies and accidents during production operations whenever necessary.

A community nearby one Toppan plant filed a noise complaint in fiscal 2019. The Group has identified the plant facilities responsible for the noise and taken measures to mitigate the inconvenience to community members.

Toppan will continue enhancing the quality of environmental management through earnest dialogue with residents in surrounding communities.

Fiscal 2019	Excessive Levels Relative to Applicable Legal Standards	Complaints
Cases	5 (3 cases involving water contaminant [BOD, 2; SS, 1]; 1 case involving odor; 1 case involving noise)	1 (1 case involving noise)

Biodiversity

Basic Approach

The Toppan Group has formulated the following basic policies on biodiversity conservation and the sustainable use of biodiverse resources.

Toppan positions the conservation of biodiversity as an important element of management. The Group takes an assertive approach to the sustainable use of resources by avoiding or minimizing the impacts on biodiversity during raw material procurement operations. The Group also proactively undertakes social

contribution activities to conserve biodiversity with preventative and adaptive methods formulated from long-term perspectives. These biodiversity initiatives focus on cooperation with community members and various other stakeholders with links to biodiversity. The Group recognizes that biodiversity conservation and the sustainable use of biodiverse resources help mitigate global warming and enhance environmental security.

Activities

■ Promoting the Conservation of Biodiversity

The Toppan Group established a Basic Policy on Biodiversity in April 2010 to pursue biodiversity conservation. A set of Paper Procurement Guidelines for the Sustainable Use of Forest Resources was also formulated in September 2011 to step up specific conservation measures.

Concrete initiatives have been carried out through two approaches: biodiversity conservation at Group sites and conservation outside the sites. In the former initiatives, Toppan employees and their families promote biodiversity conservation within site premises in cooperation with external environmental experts. In the latter, employees and family members take part

in conservation activities organized in site neighborhoods by environmental NPOs and local governments.

The Toppan Group works with a number of stakeholders, including employees, to conserve biodiversity at operational sites across Japan.

Basic Policy on Biodiversity

<https://www.toppan.com/assets/en/sustainability/pdf/biodiversity.pdf>

Toppan Group Paper Procurement Guidelines for the Sustainable Use of Forest Resources (second edition) (in Japanese)

https://www.toppan.co.jp/assets/pdf/about-us/sustainability/2014/proc2014_06.pdf



Tree-planting activities on the site with help from neighboring elementary school students (Gunma Central Plant, Toppan Packaging Products Co., Ltd.)



Observation of living creatures in the site biotope (Fukaya Plant, Toppan Packaging Products Co., Ltd.)



Participation in a project to nurture a watershed-protection forest organized for Sapporo citizens by the Hokkaido Regional Forest Office (Hokkaido Subdivision)



Rice planting and harvest in a groundwater recharge project organized by an environment conservation council in Kumamoto Prefecture (Kumamoto Plant, Toppan Electronics Products Co., Ltd.)

Main Activities and Relevant Information

Approaches to Forest Management Certification

■ FSC® and PEFC Certification (as of June 19, 2020)

FSC: Forest Stewardship Council

PEFC: Programme for the Endorsement of Forest Certification Schemes

Operational Site	Country or Region	FSC	PEFC
Information & Communication Division (Toppan Printing Co., Ltd.)	Japan	✓	
Environmental Design Subdivision (Living & Industry Division, Toppan Printing Co., Ltd.)	Japan	✓	
Toppan Cosmo, Inc.	Japan	✓	
Satte Plant (Toppan Decor Products Inc.)	Japan	✓	
Chubu Site (Environmental Design Subdivision, Living & Industry Division, Toppan Printing Co., Ltd.)	Japan	✓	
Nishinohon Site (Environmental Design Subdivision, Living & Industry Division, Toppan Printing Co., Ltd.)	Japan	✓	
Hiroshima Office (Environmental Design Subdivision, Living & Industry Division, Toppan Printing Co., Ltd.)	Japan	✓	
Takamatsu Office (Environmental Design Subdivision, Living & Industry Division, Toppan Printing Co., Ltd.)	Japan	✓	
Toppan Forms Co., Ltd.	Japan	✓	✓
Takiyama Plant (Toppan Forms Central Products Co., Ltd.)	Japan	✓	
Fussa Plant (Toppan Forms Central Products Co., Ltd.)	Japan	✓	
Nagoya Plant (Toppan Forms Tokai Co., Ltd.)	Japan	✓	
Osaka Sakurai Plant (Toppan Forms Kansai Co., Ltd.)	Japan	✓	
Kyushu Plant (Toppan Forms Nishinohon Co., Ltd.)	Japan	✓	
Toppan Infomedia Co., Ltd.	Japan	✓	
Living & Industry Division (Toppan Printing Co., Ltd.)	Japan	✓	✓
Kansai Living & Industry Subdivision (Nishinohon Division, Toppan Printing Co., Ltd.)	Japan	✓	
Chubu Division (Toppan Printing Co., Ltd.)	Japan	✓	
Mito Plant (Toppan Prosprint Co., Ltd.)	Japan	✓	
Higashinohon Subdivision (Higashinohon Division, Toppan Printing Co., Ltd.)	Japan	✓	
Hokkaido Subdivision (Higashinohon Division, Toppan Printing Co., Ltd.)	Japan	✓	
Kyushu Subdivision (Nishinohon Division, Toppan Printing Co., Ltd.)	Japan	✓	
Chugoku & Shikoku Subdivision (Nishinohon Division, Toppan Printing Co., Ltd.)	Japan	✓	
Tosho Printing Co., Ltd.	Japan	✓	✓

Operational Site	Country or Region	FSC	PEFC
Pennsylvania Plant (Toppan Interamerica Inc.)	USA	✓	
Toppan Interamerica Inc.	USA	✓	
INTERPRINT, Inc.	USA	✓	
INTERPRINT do Brasil Indústria de Papéis Decorativos Ltda.	Brazil	✓	
Toppan Europe GmbH	Germany	✓	
INTERPRINT GmbH	Germany	✓	
INTERPRINT Polska Sp. z o.o.	Poland	✓	
OOO INTERPRINT RUS	Russia	✓	
OOO INTERPRINT Samara	Russia	✓	
Decotec Printing S.A.	Spain	✓	✓
Barcelona Office (Toppan Europe GmbH)	Spain	✓	
London Office (Toppan Europe GmbH)	UK	✓	
Toppan Leefung Changcheng Printing (Beijing) Co., Ltd.	PRC	✓	
Toppan Leefung Packaging & Printing (Dongguan) Co., Ltd.	PRC	✓	✓
Toppan Leefung Printing (Shanghai) Co., Ltd.	PRC	✓	
Toppan Win Label Printing (Dongguan) Co., Ltd.	PRC	✓	
Toppan Leefung Advertising (Shanghai) Co., Ltd.	PRC	✓	
Toppan Excel (Hong Kong) Company Limited	Hong Kong	✓	
Yuen Long Production Plant (Toppan Forms [Hong Kong] Ltd.)	Hong Kong	✓	
Toppan Win Label Company Limited	Hong Kong	✓	
Toppan Yau Yue Paper Products Limited	Hong Kong	✓	
Toppan Leefung Printing Limited	Hong Kong	✓	✓
Toppan Forms (Hong Kong) Ltd.	Hong Kong	✓	
Toppan Merrill IFN Limited	Hong Kong	✓	
Toppan Merrill Limited	Hong Kong	✓	
INTERPRINT Decor (Malaysia) Sdn. Bhd.	Malaysia	✓	
Toppan Security Printing Pte. Ltd.	Singapore	✓	
Siam Toppan Packaging Co., Ltd.	Thailand	✓	

ECO-GREEN Purchasing

Fiscal Year	2015	2016	2017	2018	2019
Number of Cases	2,811	2,949	3,046	2,942	3,151

Note: ECO-GREEN is a toilet paper composed of about 50% used Cartocan paper.

Recognition (as of July 2020)

Inclusion in ESG Investing Indexes

Dow Jones Sustainability Indices (DJSI)

Toppan Printing Co., Ltd. has been included in the Dow Jones Sustainability Indices (DJSI) World Index for three years in a row and was newly added to the DJSI Asia Pacific Index in 2019.



S&P/JPX Carbon Efficient Index

The S&P Dow Jones and Tokyo Stock Exchange jointly recognize Japanese companies with a sound record of disclosing environment-related information and achieving a high level of carbon efficiency (low carbon emissions per unit of sales).



MSCI ESG Leaders Indexes

Environmental, social, and governance (ESG) investment indexes established by MSCI Inc. of the U.S.



Ethibel EXCELLENCE Investment Register

Forum Ethibel (a Belgian non-profit organization) registers companies that demonstrate outstanding ESG performance.



MSCI Japan Empowering Women Index (WIN)

An ESG investment index composed mainly of companies recognized for their excellence in gender diversity in the workplace based on various ESG metrics, including the percentages of women among new hires and management.



ECPI INDICES

ECPI (an investment management advisory firm based in Luxembourg and Milan [Italy]) recognizes companies around the world whose sustainability activities meet the criteria set by ECPI.



FTSE4Good Index Series

A series of ESG investment indices established by FTSE Russell of the U.K.



Sompo Sustainability Index

Established by Sompo Asset Management Co., Ltd. of Japan as an ESG investment index composed of around 300 companies with records of outstanding performance in ESG metrics.



FTSE Blossom Japan Index

An ESG investment index composed of Japanese companies that demonstrate outstanding environmental, social, and governance practices.



EcoVadis

A France-based ratings platform that assesses corporate social responsibility (CSR) and sustainability in supply chains based on the four themes of the environment, labor and human rights, ethics, and sustainable procurement.

Toppan Printing Co., Ltd. received an EcoVadis Silver medal, a recognition granted to companies ranking in the top quarter of the entities assessed.

CDP

The Carbon Disclosure Project (a not-for-profit charity) recognizes companies that demonstrate outstanding performance and information disclosure on the environmental front.

Toppan Printing Co., Ltd. has earned a B ranking from the CDP for its action on climate change.



Awards and Recognition for ESG

The Fiscal 2019 Nadeshiko Brands

An index of companies selected by the Japanese Ministry of Economy, Trade and Industry (METI) and the Tokyo Stock Exchange (TSE) aiming to spur investment in companies and accelerate their diversity initiatives. Investors who seek enhanced corporate value over the medium- to long-term can use the index to find promising TSE-listed companies with outstanding performance in gender equality metrics. METI and TSE have been announcing companies with excellent records of female participation and advancement in the workplace since fiscal 2012.

Toppan Printing Co., Ltd. is one of 46 companies to be included in the index in fiscal 2019, out of a total of approximately 3,600 listed companies.



TMG Recognition as an Outstanding “Mental Barrier-free” Supporter

A person with a “mental barrier-free” mindset thinks and takes steadfast action to realize a society and environment in which all people, including the elderly, people with disabilities, and parents with young children, are able to participate equally. The Tokyo Metropolitan Government (TMG) carries out a program to build social momentum for mental barrier-free access by registering and announcing the names of companies that raise awareness on the mental barrier-free mindset as “*kokoro-no* (mental barrier-free) supporters.

In fiscal 2019 Toppan Printing Co., Ltd. was recognized as an outstanding supporter that promotes mental barrier-free approaches.



Health & Productivity Management Organization “White 500”

The Japanese Ministry of Economy, Trade and Industry (METI) has established a Certified Health & Productivity Management Organization Recognition Program. Under this program, METI recognizes excellent enterprises and other organizations that advance health and productivity management by assessing organizations for their engagement in initiatives to address healthcare-related issues in communities and promote the health-promotion activities recommended by the Nippon Kenko Kaigi (Japan Health Conference).

Toppan Printing Co., Ltd. has been certified as a member of the “White 500,” a select group of health & productivity management organizations in the large enterprise category, for four years running since the launch of the program in 2017.



SAM Sustainability Awards

RobecoSAM, a Switzerland-based investment specialist focused on ESG investing, publishes The Sustainability Yearbook (SAM Sustainability Awards) to announce global companies with outstanding sustainability performance ratings based on its economic, environmental, and social assessment criteria.

Toppan Printing Co., Ltd. has received the Bronze Class distinction (awarded to companies that meet both of two criteria: a top 10% ranking and a performance rating of 54 or above) in the Commercial Services & Supplies sector for two years in a row.



Group Business Outline

Corporate Profile

Corporate name

Toppan Printing Co., Ltd.

Head office

1, Kanda Izumi-cho, Chiyoda-ku,
Tokyo 101-0024, Japan
Phone: +81-3-3835-5111

Established

1900

President & Representative Director

Hideharu Maro

Number of employees

52,599 (consolidated)
10,330 (nonconsolidated)
(as of the end of March 2020)

Capital (nonconsolidated)

104.9 billion yen

Group Profile

The Toppan Group (“the Group”) comprises Toppan Printing Co., Ltd. (“the Company”) and 226 related companies (194 subsidiaries and 32 associates) engaged in manifold businesses in three fields: Information & Communication, Living & Industry, and Electronics.

Detailed information on related companies can be found on Toppan’s website (<https://www.toppan.com/en/about-us/group.html>).

Business Fields



Information & Communication

Providing solutions to enhance the value of information and deliver it effectively to customers who require smooth communication.



Living & Industry

Providing a wide range of products and services globally to create living environments that offer comfort and peace of mind.



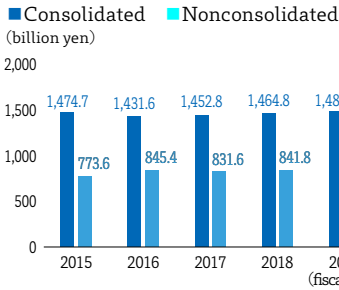
Electronics

Providing products related to displays and semiconductors developed based on core microfabrication technologies.

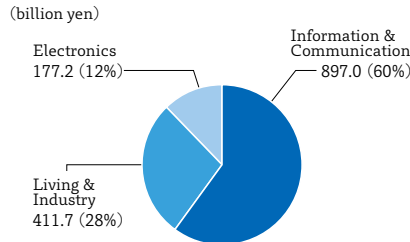
DATA

■ Net Sales

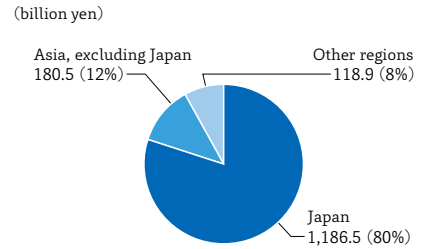
1,486.0 billion yen



■ Net Sales by Business Field

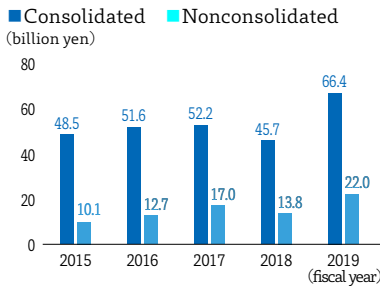


■ Net Sales by Region



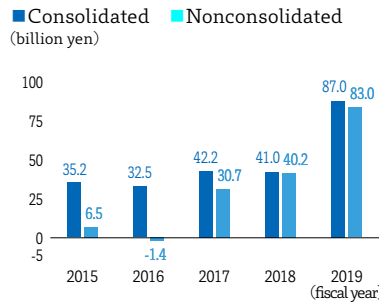
■ Operating Income

66.4 billion yen



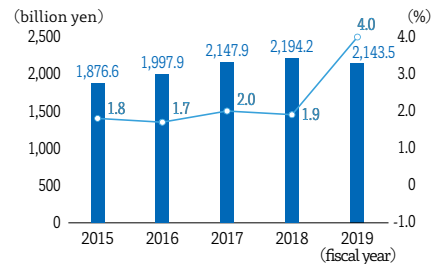
■ Net Income

87.0 billion yen



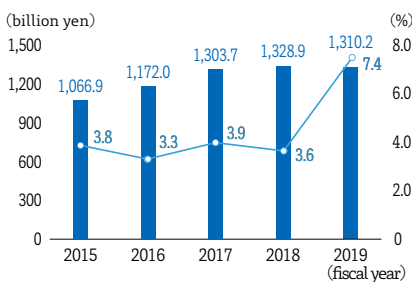
■ Total Assets & Return on Assets (ROA)

2,143.5 billion yen/4.0%



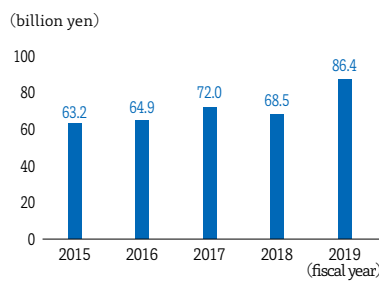
■ Net Assets & Return on Equity (ROE)

1,310.2 billion yen/7.4%



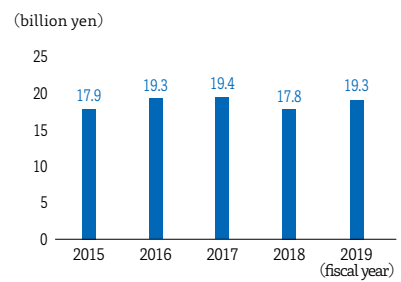
■ Capital Expenditure

86.4 billion yen



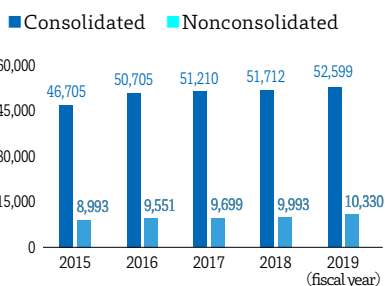
■ R&D Expenses

19.3 billion yen

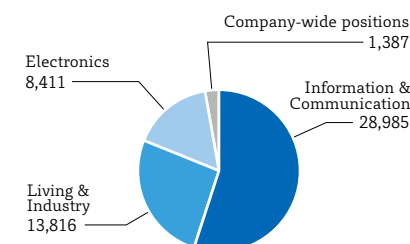


■ Number of Employees

52,599



■ Number of Employees by Business Field (consolidated)




List of Indicators Assured by an Independent Assurance Provider

The following sustainability performance indicators in this report (*Sustainability Report 2020 PDF*) are assured by KPMG AZSA Sustainability Co., Ltd., an independent assurance provider.

Performance Indicators Assured by an Independent Assurance Provider and Scope of the Performance Data

- ① Toppan Printing Co., Ltd. (“the Company”)
 - ② 13 domestic subsidiaries under the control of the Company or the Company’s business divisions and subsidiaries with production facilities (subject to the Company’s medium-term environmental targets)
 - ③ 20 domestic Group companies (not subject to the Company’s medium-term environmental targets in Japan)
 - ④ 25 overseas subsidiaries of the Company
 - ⑤ 8 overseas Group subsidiaries
- 67 companies and subsidiaries in total**

Every indicator assured by an independent assurance provider on the preceding pages is marked with an assurance stamp .

Page	Category		Data	Indicator Assured by an Independent Assurance Provider	Companies	Scope	
P. 10	Progress in Addressing Issues of Companywide Materiality	Elimination of Gender Disparities	Proportion of eligible male employees taking childcare leave	○	1	①	
			10-year retention rate by gender	○	1	①	
P. 40	Employee Work and Health & Safety	Employees Taking Maternity or Childcare Leave	Employees taking childcare leave	○	1	①	
P. 41		Occupational Health and Safety	Deaths from occupational accidents; frequency rate; severity rate	○	1	①	
P. 42		Information on Personnel	Number of Personnel	○	1	①	
			Rank-based Percentages of Female Personnel	○	1	①	
P. 46	Diversity & Inclusion	Promoting Positive Action	Number of Female Managerial and Supervisory Staff	○	1	①	
		Number of Recruits	Total number of regular recruits (percentage of women); mid-career recruitment of experienced personnel by gender	○	1	①	
P. 96	Fundamental Approach to the Environment	The Environment	ISO 14001 environmental management system certification	–	67	①-⑤	
P. 97			Medium-and-long-term Environmental Targets of the Toppan Group	Scope 1 and 2; Scope 3	○	177	*1
P. 98			Medium-term Environmental Targets for Domestic Sites	CO ₂ Emissions	○	14	①, ②
				Final Landfill Waste Disposal	○	14	①, ②
				VOC Emissions into the Atmosphere	○	14	①, ②
			Single-year Environmental Targets	Values, Results, and Evaluation of Environmental Targets (CO ₂ ; waste; VOC)	○	14	①, ②
P. 99			Quantifying Environmental Impact based on LIME	Global Environmental Impact and Environmental Efficiency; Environmental Impact and Environmental Efficiency in Japan	–	67	①-⑤
				Types of Global Environmental Impact by Business Field; Types of Domestic Environmental Impact by Business Field	–	67	①-⑤
P. 101			Environmental Performance Data	Major Types of Environmental Burden (Total burden; covering Group companies around the world)	○	67	①-⑤
P. 102			Environmental Performance Data	Major Types of Environmental Burden (subject to the environmental targets in Japan)	○	14	①, ②
P. 103			Environmentally Friendly Products		–	14	①, ②
P. 104				Results of Environmental Education	–	14	①, ②
				Numbers of Internal Environmental Audits and Issues in Need of Improvement	–	14	①-③
P. 105			Environmental Accounting	Capital Investment for Environmental Conservation	–	65	①-⑤
				Environmental Conservation Benefit	–	67	①-⑤
P. 106			Green Procurement and Green Purchasing	JFPI Green Procurement Standards for Paper and Level of Fulfillment	–	10 suppliers	–
				JFPI Green Procurement Standards for Ink and Level of Fulfillment	–	4 suppliers	–
	In-house Green Purchasing Standards and Levels of Fulfillment	–		14	①, ②		
	Environment-related Businesses	Total sales of environment-related businesses	–	68	①-⑤+1		
P. 108	Energy Consumption	Group-wide energy consumption, including consumption associated with Group subsidiaries around the world	○	67	①-⑤		
		Energy consumption subject to the environmental targets in Japan	○	14	①, ②		
		Fuel Efficiency of Vehicles Owned by Toppan Logistics	–	1	Toppan Logistics Co., Ltd.		
P. 109	Mitigation of Global Warming	Scope 1, 2, 3 Greenhouse Gas Emissions	Scope 1, 2, 3 Greenhouse Gas Emissions	○	177	*1	
P. 111	Greenhouse Gas Emissions	Percentages of Greenhouse Gas Emissions by Type (in tons of CO ₂ equivalent)	○	67	①-⑤		
		Percentages of Greenhouse Gas Emissions by Source (in tons of CO ₂ equivalent)	○	67	①-⑤		
		Calculated Level of Fluorocarbon Leakage	–	67	①-⑤		
P. 113	Building of a Recycling-oriented Society	Material Input	○	67	①-⑤		
		Water Consumption (Water Consumption; Effluent Discharge)	○	67	①-⑤		
		Waste Discharge and Recycling	○	67	①-⑤		
P. 114	Zero-emission Efforts	Zero-emission Sites	–	34	①-③		
P. 116	Control of Chemical Substances	VOC Emissions into the Atmosphere	○	14	①, ②		
		PRTR Data	–	14	①, ②		
P. 118	Pollution Control	Monitoring Soil and Groundwater Pollution	–	18	①-③		
		Preventing Pollution; Approach to Environmental Compliance	–	18	①-③		
P. 121	Biodiversity	Approaches to Forest Management Certification	FSC® and PEFC Certification	–	74	①-⑤+7	
P. 123			ECO-GREEN Purchasing	–	14	①, ②	

*Total values may not exactly match the sum totals of individual values, as decimals are rounded up or down.


*1 All Group entities consolidated for accounting purposes, excluding overseas manufacturing subsidiaries that were consolidated in fiscal 2019 (from April 2019 to March 2020).

Independent Assurance Report



Independent Assurance Report

To the President and Representative Director of Toppan Printing Co., Ltd.

We were engaged by Toppan Printing Co., Ltd. (the “Company”) to undertake a limited assurance engagement of the environmental and social performance indicators marked with  (the “Indicators”) for the period from April 1, 2019 to March 31, 2020 included in its Sustainability Report 2020 (the “Report”) for the fiscal year ended March 31, 2020, and the completeness of the material sustainability information in the Report.

The Company’s Responsibility

The Company is responsible for the preparation of the Indicators in accordance with its own reporting criteria (the “Company’s reporting criteria”), as described in the Report, and for including the material sustainability information as defined in the ‘Sustainability Reporting Assurance and Registration Criteria’ of the Japanese Association of Assurance Organizations for Sustainability Information (“J-SUS”) in the Report.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Indicators based on the procedures we have performed. We conducted our engagement in accordance with the ‘International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information’ and the ‘ISAE 3410, Assurance Engagements on Greenhouse Gas Statements’ issued by the International Auditing and Assurance Standards Board, as well as the ‘Practical Guidelines for the Assurance of Sustainability Information’ published by J-SUS. The limited assurance engagement consisted of making inquiries, primarily of persons responsible for the preparation of information presented in the Report, and applying analytical and other procedures, and the procedures performed vary in nature from, and are less in extent than for, a reasonable assurance engagement. The level of assurance provided is thus not as high as that provided by a reasonable assurance engagement.

Our assurance procedures included:

- Interviewing the Company’s responsible personnel to obtain an understanding of its policy for preparing the Report and reviewing the Company’s reporting criteria.
- Inquiring about the design of the systems and methods used to collect and process the Indicators.
- Performing analytical procedures on the Indicators.
- Examining, on a test basis, evidence supporting the generation, aggregation and reporting of the Indicators in conformity with the Company’s reporting criteria, and recalculating the Indicators.
- Making inquiries and reviewing materials including documented evidence of the Mie Plant (Kameyama) of Toppan Electronics Products Co., Ltd. selected on the basis of a risk analysis, as alternative procedures to a site visit.
- Assessing whether or not all the material sustainability information as defined by J-SUS is included in the Report.
- Evaluating the overall presentation of the Indicators.

Conclusion

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the Indicators in the Report are not prepared, in all material respects, in accordance with the Company’s reporting criteria as described in the Report, and all the material sustainability information as defined by J-SUS is not included in the Report.

Our Independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In accordance with International Standard on Quality Control 1, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG AZSA Sustainability Co., Ltd.

KPMG AZSA Sustainability Co., Ltd.

Tokyo, Japan

November 9, 2020



Toppan is authorized to attach the mark on the left as a testament to the reliability of the sustainability information presented in this *Sustainability Report 2020*. Any report bearing this mark meets the Sustainability Reporting Assurance and Registration Criteria established by The Japanese Association of Assurance Organizations for Sustainability Information.

Global Reporting Initiative Content Index

The *Sustainability Report 2020* has been prepared by referring to the Global Reporting Initiative (GRI) Standards.

GRI 102: General Disclosures		
102-1	Name of the organization	P. 126: Group Business Outline Back cover
102-2	Activities, brands, products, and services	P. 03: Toppan's Sustainability Initiatives P. 126: Group Business Outline
102-3	Location of headquarters	P. 126: Group Business Outline Back cover
102-4	Location of operations	–
102-5	Ownership and legal form	P. 126: Group Business Outline
102-6	Markets served	P. 03: Toppan's Sustainability Initiatives P. 126: Group Business Outline
102-7	Scale of the organization	PP. 126-127: Group Business Outline
102-8	Information on employees and other workers	P. 42: Information on Personnel PP. 126-127: Group Business Outline
102-9	Supply chain	P. 56: Sustainable Procurement
102-10	Significant changes to the organization and its supply chain	N/A
102-11	Precautionary Principle or approach	PP. 21-22: Climate Change Risk and the TCFD P. 23: Efforts to Prevent the Spread of COVID-19 PP. 29-30: Risk Management PP. 31-32: BCP/BCM PP. 60-62: Initiatives for Products and Services PP. 71-78: Consumer Protection
102-12	External initiatives	PP. 21-22: Climate Change Risk and the TCFD P. 33: Human Rights P. 94: Medium-and-long-term Environmental Targets of the Toppan Group (approved by the SBTi)
102-13	Membership of associations	P. 107: Mitigation of Global Warming
102-14	Statement from senior decision-maker	P. 02: Executive Message
102-16	Values, principles, standards, and norms of behavior	PP. 03-04: Toppan's Sustainability Initiatives P. 52: Strict Compliance
102-18	Governance structure	PP. 25-28: Corporate Governance
102-40	List of stakeholder groups	P. 05: Stakeholder Engagement
102-41	Collective bargaining agreements	P. 33: Labor-Management Initiatives for Human Rights P. 36: Labor-Management Partnership
102-42	Identifying and selecting stakeholders	–
102-43	Approach to stakeholder engagement	P. 05: Stakeholder Engagement
102-44	Key topics and concerns raised	–
102-45	Entities included in the consolidated financial statements	P. 01: <i>Sustainability Report 2020</i> P. 126: Group Business Outline P. 128: List of Indicators Assured by an Independent Assurance Provider
102-46	Defining report content and topic boundaries	P. 01: <i>Sustainability Report 2020</i> PP. 06-07: Materiality P. 128: List of Indicators Assured by an Independent Assurance Provider
102-47	List of material topics	P. 06: Materiality PP. 08-10: Ideals pursued in Toppan's sustainability initiatives: Fulfilling, Sustainable Living
102-48	Restatements of information	N/A
102-49	Changes in reporting	PP. 06-07: Materiality PP. 08-10: Ideals pursued in Toppan's sustainability initiatives: Fulfilling, Sustainable Living
102-50	Reporting period	P. 01: <i>Sustainability Report 2020</i>
102-51	Date of most recent report	P. 01: <i>Sustainability Report 2020</i>
102-52	Reporting cycle	P. 01: <i>Sustainability Report 2020</i>

GRI 102: General Disclosures		
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102-54	Claims of reporting in accordance with the GRI Standards	P. 01: Approach to Sustainability Information Disclosure
102-55	GRI content index	PP. 130-132: Global Reporting Initiative Content Index
102-56	External assurance	P. 128: List of Indicators Assured by an Independent Assurance Provider P. 129: Independent Assurance Report

GRI 201: Economic Performance		
	Management approach disclosures	–
201-1	Direct economic value generated and distributed	P. 127: Group Business Outline
201-2	Financial implications and other risks and opportunities due to climate change	PP. 21-22: Climate Change Risk and the TCFD
201-3	Defined benefit plan obligations and other retirement plans	–
201-4	Financial assistance received from government	–

GRI 202: Market Presence		
	Management approach disclosures	–
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	–
202-2	Proportion of senior management hired from the local community	–

GRI 203: Indirect Economic Impacts		
	Management approach disclosures	–
203-1	Infrastructure investments and services supported	PP. 17-20: Special Report 2
203-2	Significant indirect economic impacts	PP. 23-24: Efforts to Prevent the Spread of COVID-19

GRI 204: Procurement Practices		
	Management approach disclosures	PP. 56-59: Sustainable Procurement
204-1	Proportion of spending on local suppliers	–

GRI 205: Anti-corruption		
	Management approach disclosures	PP. 25-26: Corporate Governance PP. 29-30: Risk Management PP. 33-34: Human Rights PP. 52-55: Strict Compliance PP. 56-59: Sustainable Procurement
205-1	Operations assessed for risks related to corruption	P. 52: Strict Compliance
205-2	Communication and training about anti-corruption policies and procedures	P. 53, P. 55: Strict Compliance
205-3	Confirmed incidents of corruption and actions taken	–

GRI 206: Anti-competitive Behavior		
	Management approach disclosures	–
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	–

GRI 301: Materials		
	Management approach disclosures	PP. 92-100: Fundamental Approach to the Environment
301-1	Materials used by weight or volume	PP. 101-102: Environmental Performance Data P. 113: Material Input
301-2	Recycled input materials used	–
301-3	Reclaimed products and their packaging materials	–
GRI 302: Energy		
	Management approach disclosures	PP. 92-100: Fundamental Approach to the Environment P. 107: Mitigation of Global Warming
302-1	Energy consumption within the organization	PP. 101-102: Environmental Performance Data P. 108: Energy Consumption
302-2	Energy consumption outside of the organization	PP. 101-102: Environmental Performance Data PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions
302-3	Energy intensity	PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions
302-4	Reduction of energy consumption	P. 108: Energy Consumption
302-5	Reductions in energy requirements of products and services	P. 103: Environmentally Friendly Products
GRI 303: Water and Effluents		
	Management approach disclosures	PP. 29-30: Risk Management PP. 92-100: Fundamental Approach to the Environment P. 117: Pollution Control
303-1	Interactions with water as a shared resource	P. 117: Pollution Control
303-2	Management of water discharge-related impacts	P. 117: Pollution Control
303-3	Water withdrawal	PP. 101-102: Environmental Performance Data P. 113: Water Consumption
303-4	Water discharge	PP. 101-102: Environmental Performance Data P. 113: Water Consumption
303-5	Water consumption	–
GRI 304: Biodiversity		
	Management approach disclosures	PP. 92-100: Fundamental Approach to the Environment P. 120: Biodiversity
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	N/A
304-2	Significant impacts of activities, products, and services on biodiversity	PP. 121-122: Approaches to Forest Management Certification P. 123: ECO-GREEN Purchasing
304-3	Habitats protected or restored	P. 120: Biodiversity
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	N/A
GRI 305: Emissions		
	Management approach disclosures	P. 10: Progress in Addressing Issues of Companywide Materiality PP. 29-30: Risk Management PP. 92-100: Fundamental Approach to the Environment P. 117: Pollution Control
305-1	Direct (Scope 1) GHG emissions	P. 10: Progress in Addressing Issues of Companywide Materiality P. 97: Medium-and-long-term Environmental Targets of the Toppan Group PP. 101-102: Environmental Performance Data PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions
305-2	Energy indirect (Scope 2) GHG emissions	P. 10: Progress in Addressing Issues of Companywide Materiality P. 97: Medium-and-long-term Environmental Targets of the Toppan Group PP. 101-102: Environmental Performance Data PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions

GRI 305: Emissions		
305-3	Other indirect (Scope 3) GHG emissions	P. 10: Progress in Addressing Issues of Companywide Materiality P. 97: Medium-and-long-term Environmental Targets of the Toppan Group PP. 101-102: Environmental Performance Data PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions
305-4	GHG emissions intensity	PP. 109-110: Scope 1, 2, 3 Greenhouse Gas Emissions
305-5	Reduction of GHG emissions	P. 98: Medium-term Environmental Targets for Domestic Sites P. 111: Greenhouse Gas Emissions
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GRI 306: Effluents and Waste		
	Management approach disclosures	P. 10: Progress in Addressing Issues of Companywide Materiality PP. 92-100: Fundamental Approach to the Environment P. 112: Building of a Recycling-oriented Society P. 114: Zero-emission Efforts
306-2	Waste by type and disposal method	P. 10: Progress in Addressing Issues of Companywide Materiality P. 98: Medium-term Environmental Targets for Domestic Sites P. 113: Waste Discharge and Recycling P. 114: Zero-emission Efforts
306-3	Significant spills	P. 118: Monitoring Soil and Groundwater Pollution
306-4	Transport of hazardous waste	P. 116: PRTR Data
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307-1	Non-compliance with environmental laws and regulations	PP. 118-119: Preventing Pollution / Approach to Environmental Compliance
GRI 308: Supplier Environmental Assessment		
	Management approach disclosures	PP. 56-57: Sustainable Procurement
308-1	New suppliers that were screened using environmental criteria	P. 56, P. 58: Sustainable Procurement
308-2	Negative environmental impacts in the supply chain and actions taken	P. 58: Sustainable Procurement

GRI 401: Employment		
	Management approach disclosures	PP. 29-30: Risk Management
401-1	New employee hires and employee turnover	P. 42: Information on Personnel
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	–
401-3	Parental leave	P. 40: Main Leave Systems and Family Benefits P. 44: Diversity & Inclusion
GRI 402: Labor/Management Relations		
	Management approach disclosures	P. 33: Human Rights P. 36: Employee Work and Health & Safety
402-1	Minimum notice periods regarding operational changes	–

GRI 403: Occupational Health and Safety		
	Management approach disclosures	P. 10: Progress in Addressing Issues of Companywide Materiality PP. 29-30: Risk Management PP. 36-38: Employee Work and Health & Safety
403-1	Occupational health and safety management system	P. 37: Employee Work and Health & Safety
403-2	Hazard identification, risk assessment, and incident investigation	P. 23: Efforts to Prevent the Spread of COVID-19
403-3	Occupational health services	P. 23: Efforts to Prevent the Spread of COVID-19 P. 38: Employee Work and Health & Safety
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403-5	Worker training on occupational health and safety	P. 23: Efforts to Prevent the Spread of COVID-19 P. 38: Employee Work and Health & Safety P. 41: Expanding <i>Anzen Dojo</i> Overseas
403-6	Promotion of worker health	P. 10: Progress in Addressing Issues of Companywide Materiality PP. 36-38: Employee Work and Health & Safety P. 41: Company-wide Mental Stress Checks
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P. 23: Efforts to Prevent the Spread of COVID-19
403-8	Workers covered by an occupational health and safety management system	P. 37: Employee Work and Health & Safety
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	Management approach disclosures	PP. 49-50: Human Asset Development
404-1	Average hours of training per year per employee	–
404-2	Programs for upgrading employee skills and transition assistance programs	PP. 49-50: Human Asset Development P. 51: Data on Toppan's Human Asset Development Programs in Fiscal 2019
404-3	Percentage of employees receiving regular performance and career development reviews	–
GRI 405: Diversity and Equal Opportunity		
	Management approach disclosures	P. 10: Progress in Addressing Issues of Companywide Materiality PP. 11-16: Special Report 1 PP. 43-45: Diversity & Inclusion
405-1	Diversity of governance bodies and employees	P. 27: List of Directors and Audit & Supervisory Board Members P. 42: Information on Personnel P. 46: Promoting Positive Action
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406-1	Incidents of discrimination and corrective actions taken	–
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407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	–
GRI 408: Child Labor		
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408-1	Operations and suppliers at significant risk for incidents of child labor	–

GRI 409: Forced or Compulsory Labor		
	Management approach disclosures	P. 33: Human Rights
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	–
GRI 410: Security Practices		
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410-1	Security personnel trained in human rights policies or procedures	–
GRI 411: Rights of Indigenous Peoples		
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412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	–
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	Management approach disclosures	P. 79: Community Involvement and Development
413-1	Operations with local community engagement, impact assessments, and development programs	PP. 79-91: Community Involvement and Development
413-2	Operations with significant actual and potential negative impacts on local communities	–
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	Management approach disclosures	–
415-1	Political contributions	–
GRI 416: Customer Health and Safety		
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416-1	Assessment of the health and safety impacts of product and service categories	PP. 60-62: Initiatives for Products and Services PP. 64-68: Universal Design
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	N/A
GRI 417: Marketing and Labeling		
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418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	N/A
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419-1	Non-compliance with laws and regulations in the social and economic area	P. 54: Strict Compliance

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