

Special Report 1: The Aims of Toppan's Human Rights Policy

Overview of the Toppan Group Human Rights Policy

A policy devised to promote respect for human rights across the Toppan Group

The fundamental tenet for the Toppan Group's business is "respect for human beings." This is expressed in the Corporate Philosophy of *TOPPAN VISION 21*, which sets out the values to be upheld by everyone working in the Group.

We will ensure Groupwide awareness of the policy through training, conduct due diligence to understand, prevent, and mitigate violations associated with business, and begin full risk assessment in fiscal 2022.

Toppan Group Human Rights Policy

Our Approach to Human Rights

This policy is based on *TOPPAN VISION 21* and the Toppan Group Conduct Guidelines. It sets out our commitment to address human rights issues in order to fulfill our responsibility to all stakeholders. To achieve this, we support and respect international human rights norms, including the International Bill of Human Rights, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and treaties pertaining to labor rights, such as those related to wages and working hours. Toppan is a signatory to the United Nations Global Compact and supports its Ten Principles as well as the Guiding Principles on Business and Human Rights. Our practices are based on these principles.

* The following are stipulated under the basic approach.

- Scope of Application
- Compliance with Applicable Laws and Regulations
- Responsibility to Respect Human Rights
- Human Rights Due Diligence
- Stakeholder Engagement
- Remedy
- Education and Training
- Management Responsibility for Human Rights
- Information Disclosure

Approach to Individual Issues

- Child Labor, Forced Labor, and Human Trafficking
- Discrimination and Harassment
- Diversity & Inclusion
- Right to Collective Bargaining and Freedom of Association
- Occupational Safety and Health
- Right to Privacy

Timeline of Initiatives Related to Human Rights

- 1991 "Respect for human beings" stipulated in management policy
- 2000 *TOPPAN VISION 21* established and respect for human rights included in Conduct Guidelines
- 2003 Toppan Group Helpline established
- 2006 Toppan joins United Nations Global Compact
- 2015 Diversity & Inclusion Promotion Team formed
- Health Management Declaration established
- 2019 Diversity & Inclusion Promotion Office launched
- 2020 Agreement on prevention of harassment concluded
- 2021 Toppan Group Human Rights Policy established

For details of the Toppan Group Human Rights Policy
<https://www.toppan.com/en/about-us/our-corporate-approach/human-rights-policy.html> >

Message

Shinichi Ohkubo

Executive Vice President &
Representative Director



We have now formulated and published our human rights policy. We have always made "respect for human beings" the cornerstone of our activities and valued employees as "human assets." These concepts are firmly entrenched in *TOPPAN VISION 21*.

The new policy is strongly related to the vision of the Medium Term Plan published in May 2021. We aim to be a leading provider of solutions to social issues worldwide through digital and sustainable transformation. Priorities are transforming our portfolio, strengthening management foundations, and expanding ESG initiatives. Human rights are closely linked to all of these. It is vital to consider them across global supply chains. Human rights are also integral to ESG practices and human asset management, which are critical for strengthening management foundations.

Our policy is based on the UN Guiding Principles on Business and Human Rights, a global standard. To make the vision in our Medium Term Plan a reality, we will consistently put the policy into practice across the Group.



Atsuko Miwa
Co-Chair
SDGs Japan



Hideo Okumura
Executive Officer
Personnel & Labor Relations Division
Toppan Inc.

Talking to a Civil Group about Toppan's Human Rights Policy

Continuously enhancing awareness and sensitivity regarding human rights to advance sustainability management

It is essential to give validity to the Toppan Group Human Rights Policy by engaging in dialogue with stakeholders. We need to ensure initiatives are meaningful and look at the approach required to drive sustainability management globally. Hideo Okumura, Executive Officer heading Toppan's Personnel & Labor Relations Division, spoke to Atsuko Miwa, a Co-Chair of SDGs Japan.

Okumura First, I'd like to ask for your thoughts on the Toppan Group Human Rights Policy.

Miwa It is a well-conceived policy that fully considers a range of relevant issues. I am particularly encouraged by the fact that responsibility to protect human rights covers the entire value chain and by the clear inclusion of remedy for issues arising.

Remedy is an important pillar of the UN Guiding Principles on Business and Human Rights. To protect human rights, it is

vital to not just express respect for them, but to explicitly state access to remedy. Unfortunately, few companies in Japan have been able to do that. What was the background to Toppan taking this global perspective?

Okumura "Respect for human beings" is fundamental to all our activities. In a way, respect for human rights is part of our DNA. However, having that in our DNA alone is not enough. Following publication of the *TOPPAN SDGs STATEMENT* in



Atsuko Miwa
Co-Chair
Japan Civil Society Network on
SDGs (SDGs Japan)

2019, discussion surrounding human rights intensified. We thought about whether we were doing enough and the extent to which we could make commitments. We took a fresh look, not wanting to take human rights for granted. The new policy expresses our approach based on the expectations of international society.

Miwa There is great value in what you have done by taking a fresh look at human rights and refusing to take them for granted. In Japan there is a tendency to think of human rights issues as being about discrimination. It is definitely one of the most serious violations, but understanding will be limited if thinking is confined to discrimination alone.

Okumura I also feel there is a tendency towards a narrow view of human rights. Even if you believe you are addressing the issue properly, you have to ask yourself if you are fulfilling responsibilities when held up to global standards. I want to be proactive in engaging with external parties to get an objective understanding of the expectations of global society and where we are in relation to them.

Miwa It is important to refresh your awareness through dialogue.

Okumura The next step is to ensure that the human rights policy is instilled across the Group, identify risks, and define specific action. What are the key points for human rights due diligence?

Miwa Working to identify human rights risks, creating systems and frameworks, and simply applying them mechanically may not be successful. Systems are often created but not used properly. This applies to many companies. For example, if someone encounters potential harassment, the key factors influencing whether they report it via a helpline or not are their awareness and the effectiveness of the system. If everyone fully understands human rights, they can pull out yellow and red cards for violations when they or someone else could be affected. To prevent violations by raising the awareness of employees, you have to listen to what people are actually dealing with and conduct relevant training.

Okumura Toppan conducts a wide range of training, in particular with respect to LGBTQ issues and other aspects of diversity. We want to enhance programs to ensure people take ownership of the issues. I hope to foster a culture in which we intuitively protect each other's human rights. One in which people understand human rights properly and we see an end to the kind of microaggressions where an offhand comment can be

hurtful. Even when such incidents occur, someone should be able to step in and deal with it. As we raise awareness, what kind of approach or mindset is expected outside the Company?

Miwa When you expand globally, you can be subject to allegations regarding human rights from local communities and companies. When that happens, constructive dialogue is important. You must not end dialogue by saying you can only respond so far because frameworks like the UN Guiding Principles on Business and Human Rights are not legally binding. As a company with a human rights policy from a global perspective, I hope you can identify pragmatic and effective remedies through dialogue.

Okumura The way in which you respond to each individual case has a significant bearing on how things develop thereafter.

Miwa Sometimes things that don't seem directly related to human rights are in fact strongly linked to them. For example, the structure of industry is changing drastically to drive decarbonization, but this means some industries will fall into decline and people will lose jobs. "Just transition" is an important concept for advancing change in a way that safeguards human rights. I hope Toppan takes a comprehensive approach without drawing lines between human rights, the environment, and economy.

Okumura Toppan began in the printing business and is now diversified, but the desire to "communicate information" is always at our core. I'm sure that won't change as the means to communicate expand from paper to digital media and possibly to completely new forms in 20 or 30 years' time. With the establishment of the Toppan Group Human Rights Policy, I want to ensure that everyone is reminded that respect for human rights is the foundation for our business and to create



value that contributes to society going forward.

Miwa If employees' actions are based on an understanding of the links between human rights and society, it can bring tremendous value. I look forward to seeing Toppan's policy being implemented across the Group and to the Company publishing information on specific activities and outcomes.

Okumura This has been thought-provoking and reemphasized the importance and extent of human rights. We will continue to engage with a wide range of stakeholders and consistently work to enhance our awareness and sensitivity on human rights. Thank you very much.



Facilitator

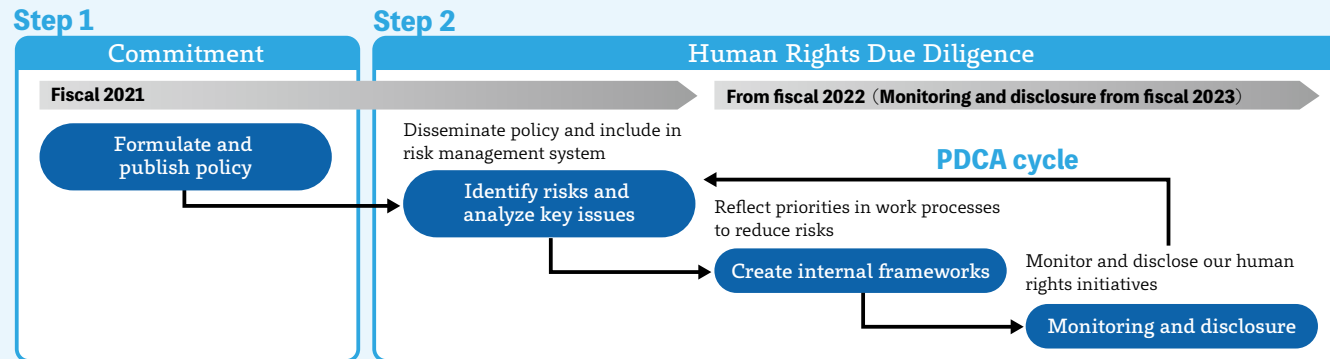
Hidenori Imazu

General Manager
SDGs Project
Experience Design Department
Marketing Subdivision
Information & Communication
Division

Project Initiatives and Challenges to Address

The Toppan Group Human Rights Policy was established in October 2021. Related initiatives will be advanced across the Group worldwide.

Plan for the Toppan Group Human Rights Policy



Activities in Fiscal 2021

- Jun 2021 Launched Toppan's Human Rights Working Group
- Jul 2021 Joined Global Compact Network Japan Working Group on Human Rights Due Diligence
- Aug 2021 Drafted Toppan Group Human Rights Policy
- Sep 2021 Human rights policy and risks discussed by Toppan's officers
- Oct 2021 Established Toppan Group Human Rights Policy
- Identified Toppan Group's main human rights risks
- Nov 2021 Informed leaders of related companies of the policy
- Established Toppan Group Sustainable Procurement Guidelines
- Jan-Mar 2022 Established framework for assessing, rectifying, and monitoring risks
- Mar 2022 Conducted human rights training for all employees of Toppan Inc. (To be expanded to Group companies globally in fiscal 2022)

Future Initiatives

We have identified our five main risks as forced labor/human trafficking, discrimination, inhumane treatment, right to privacy, and human rights governance across the Group.

We will conduct training at Toppan companies throughout the world to ensure that the human rights policy is understood. We also plan to implement the PDCA cycle for human rights due diligence in fiscal 2022. Specifically, we will assess risks for Toppan's companies and stakeholders, conduct training and other activities to mitigate and remedy risks identified, and disclose information as appropriate.

Interview

Taking ownership to change mindsets and behavior



Yui Nakamura
Supervisor
Personnel Department
Personnel & Labor Relations Division

Interest in business and human rights is intensifying as companies globalize. Toppan and other Japanese companies have addressed issues such as harassment and occupational safety and health, but we need to go beyond conventional thinking and recognize our responsibility across supply chains, consumers, and communities. It is vital that we renew our awareness and encourage employees and business partners to take ownership of human rights issues, prompting change in how people think and act. In addition to training, we plan to fulfill our responsibility to respect human rights by conducting due diligence at roughly 200 Toppan companies globally and implementing corrective and preventative measures accordingly.

