

Biodiversity

Basic Approach

Approach

The TOPPAN Group positions the conservation of biodiversity as a critical challenge for management. As a guide to drive conservation initiatives, we established a Basic Policy on Biodiversity in April 2010. A set of Paper Procurement Guidelines for the Sustainable Use of Forest Resources was also established in September 2011 to avoid or minimize the impacts on biodiversity during raw material procurement operations. For intensified biodiversity efforts, we undertake community activities to conserve local environments through preventative and adaptive approaches that take long-term perspectives. These activities focus on cooperation with community members and various other stakeholders with links to biodiversity. We believe that biodiversity conservation and the sustainable use of biodiverse resources help to enhance environmental security and decarbonize society.

Required Actions

Policy

Actions required for biodiversity conservation throughout the Group are as shown above right.

Required Actions

1. Sustainable raw material procurement
 - 1) Sustainable paper procurement
 - 2) Thorough paper recycling
 - 3) Green purchasing
2. Consideration of land-use
 - 1) Use of site green space
 - 2) Conservation and restoration of site neighborhoods
3. Pro-biodiversity products and services

Activities

Activity results, performance data

Sustainable Raw Material Procurement

- 1) Sustainable paper procurement

The TOPPAN Group Sustainable Procurement Guidelines (version 3) set out requirements and recommendations for forest conservation. The guidelines state the following: “When using resources derived from forests, oceans, or living organisms, etc., Business Partners should avoid the use of resources that have been illegally extracted, cultivated, or traded. Business Partners are also expected to take resource conservation into consideration when using raw materials, including from the perspective of controlling deforestation and forest degradation.” We survey the legality of lumber as a

raw material for paper production, as a means of promoting the sustainable use of forest resources (see page 71).

- 2) Thorough paper recycling

We believe that maximum paper resource circulation discourages the new use of forest resources. Paper materials that have not been processed into products are thoroughly recycled.

Cartocans (our paper-based beverage containers) used within Group sites are collected and processed into toilet paper for use in our offices and plants.
- 3) Green purchasing

We have been engaging in green purchasing for paper products based on our in-house standards for stationery and office goods. Various measures are applied to avoid the purchase of virgin wood-pulp products, such as the preferential purchasing of paper products composed of higher ratios of recycled pulp.

ECO-GREEN (Cartocan-recycled toilet paper) Purchasing

	No. of Cases
Fiscal 2022	2,400

Note: ECO-GREEN is a toilet paper composed of about 50% used Cartocan (paper-based beverage container) paper.

Green Purchasing of Stationery and Office Goods

	Level of Fulfillment
Fiscal 2022	74.5%

Consideration of Land-use

1) Use of site green space

Our land-use practices support biodiversity in green spaces across the Group sites. To bolster biodiversity efforts, we have received third-party certification from the Association for Business Innovation in harmony with Nature and Community (ABINC)* for two sites (as of March 31, 2023) and applied land-use self-assessments using the ABINC's Land Use Score Card. The TOPPAN Technical Research Institute (an ABINC-certified site in Saitama Prefecture) has reproduced a living space for plants native to the Edo River waterfronts and banks in the Kanto Plain. This nature space has been created in the water-cycle biotope within the site premises, with help from the Ecosystem Conservation Society-Saitama.

In April 2022 Toppan Inc. became a qualified member of the 30by30 Alliance for Biodiversity, a multi-stakeholder platform formed by several Japanese organizations backed by the Ministry of the Environment (MOE). In fiscal 2022 the MOE designated the biotope as an "appropriate" OECM** area where biodiversity is conserved. In September 2023 the MOE upgraded the designation from "appropriate" to "certified" under its trial OECM-certification scheme.

Group personnel also take steps to preserve native species and rare plants within their premises. They conserve green spaces for habitats for assorted creatures through green initiatives, such as nest boxes for birds and greenbelts to grow host plants for butterfly larvae.

*A certification program for evaluating and accrediting biodiversity-friendly initiatives to be planned and managed in line with the principles stated in the Guidelines for Sustainable Business Site Management® using the Land Use Score Card. The guidelines and score card were established by the Japan Business Initiative for Biodiversity (JBIB).

**OECMs: Other effective area-based conservation measures

2) Conservation and restoration of site neighborhoods

TOPPAN employees and families take part in biodiversity

conservation activities organized by environmental NPOs and local governments. Many of the activities focus on the cleanup of rivers and natural surroundings in site neighborhoods. With the cancellation of conventional group-style activities during the COVID-19 lockdowns in fiscal 2022, Group sites across Japan invited nature experts to lead online "creature consultation" events where kids could experience and learn about nature and diversity.

We have also been cooperating with a project to plant flowers along the Arakawa River flowing through the Kanto Plain, with support from the Kanto Regional Development Bureau of the Ministry of Land, Infrastructure and Transport of Japan. In July 2022 Sakado Plant members in Saitama Prefecture began setting planters to preserve agrimony and motherwort, native species grown in the Arakawa basin. Motherwort seeds were collected in July 2023. Seedlings of the two species will be planted in their original habitat, the Mitsumata-numa Biotope extending from Kawajima town to Ageo and Kawagoe cities.

The Satte and Kashiwa Plants (Toppan Decor Products Inc.) in Saitama and Chiba Prefectures began protecting ginseng, a native plant grown around the Edo River. Personnel from the two plants collected ginseng plants from the riverbanks at the request of the Ecosystem Conservation Society-Saitama, to salvage their lineage in advance of an embankment project along the river terrace. The plants will be replanted from fiscal 2027, once the construction is complete and the lawns are cured.



Motherwort growing at the Sakado Plant



Agrimony seedlings



Collecting plants in the Edo River terrace

Ginseng plant



Receiving seedlings at the Kashiwa Plant



Curing ginseng plants

Pro-biodiversity Products and Services

We promote the sound nurturing of forests and strive to develop products and services that alleviate the overuse of forest resources.

1) Nurturing sound forests—Forest-thinning paper product

The paper-based Cartocan beverage container exemplifies our ongoing product development efforts to make preferential use of paper made partially from lumber harvested from forest-thinning operations performed to encourage a sounder forest cycle.



2) Alleviating overuse—Recycled composite décor materials

Toppan Material Wood is a composite wood substitute that can be molded for use in various types of décor. It is produced by mixing waste plastics of no value with powdered waste wood from factories and construction sites.



Associated Data

Activity results, performance data

Forest Management Certification

FSC® and PEFC Certification (as of May 19, 2023)

FSC: Forest Stewardship Council

PEFC: Programme for the Endorsement of Forest Certification Schemes

Operational Site (Division or Group Company)	Country	FSC	PEFC
Information & Communication Division (Toppan Inc.)	Japan	✓	
Environmental Design Subdivision (Living & Industry Division, Toppan Inc.)	Japan	✓	
Toppan Cosmo, Inc.	Japan	✓	
Satte Plant (Toppan Decor Products Inc.)	Japan	✓	
Chubu Site (Environmental Design Subdivision, Living & Industry Division, Toppan Inc.)	Japan	✓	
Nishinihon Site (Environmental Design Subdivision, Living & Industry Division, Toppan Inc.)	Japan	✓	
Takamatsu Office (Environmental Design Subdivision, Living & Industry Division, Toppan Inc.)	Japan	✓	
TOPPAN Edge Inc.	Japan	✓	✓
Takiyama Plant (Toppan Forms Central Products Co., Ltd.)	Japan	✓	
Fussa Plant (Toppan Forms Central Products Co., Ltd.)	Japan	✓	
Niigata Plant (Toppan Forms Central Products Co., Ltd.)	Japan	✓	
Takino Plant (Toppan Communication Products Co., Ltd.)	Japan	✓	
Nagoya Center (Toppan Forms Tokai Co., Ltd.)	Japan	✓	
Fukuroi Plant (Toppan Forms Tokai Co., Ltd.)	Japan	✓	
Osaka Sakurai Plant (Toppan Forms Kansai Co., Ltd.)	Japan	✓	
Hiroshima Plant (Toppan Forms Kansai Co., Ltd.)	Japan	✓	
Kyushu Plant (Toppan Forms Nishinihon Co., Ltd.)	Japan	✓	
Toppan Infomedia Co., Ltd.	Japan	✓	
Living & Industry Division (Toppan Inc.)	Japan	✓	✓
Kansai Living & Industry Subdivision (Nishinihon Division, Toppan Inc.)	Japan	✓	
Chubu Division (Toppan Inc.)	Japan	✓	
Mito Plant (Toppan Prospring Co., Ltd.)	Japan	✓	
Higashinihon Subdivision (Higashinihon Division, Toppan Inc.)	Japan	✓	
Hokkaido Subdivision (Higashinihon Division, Toppan Inc.)	Japan	✓	
Kyushu Subdivision (Nishinihon Division, Toppan Inc.)	Japan	✓	
Chugoku & Shikoku Subdivision (Nishinihon Division, Toppan Inc.)	Japan	✓	
Tosho Printing Co., Ltd.	Japan	✓	✓
Livretch Co., Ltd.	Japan	✓	

Operational Site (Group Company)	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	✓	
IP Decor Spain, S.A.U.	Spain	✓	✓
Barcelona Office (Toppan Europe GmbH)	Spain	✓	
London Office (Toppan Europe GmbH)	UK	✓	
Toppan Leefung Packaging & Printing (Dongguan) Co., Ltd.	PRC	✓	✓
Toppan Leefung Advertising (Shanghai) Co., Ltd.	PRC	✓	
Toppan Leefung Printing Limited	PRC	✓	✓
Toppan Leefung Changcheng Printing (Beijing) Co., Ltd.	PRC	✓	
Toppan Win Label Printing (Dongguan) Co., Ltd.	PRC	✓	
Toppan Win Label Company Limited	Hong Kong	✓	
Toppan Excel (Dongguan) Packaging & Printing Company Limited	PRC	✓	
Toppan Excel (Hong Kong) Company Limited	Hong Kong	✓	
Toppan Yau Yue Paper Products Limited	Hong Kong	✓	
Toppan Forms (Hong Kong) Ltd.	PRC	✓	
Toppan Merrill Limited	Hong Kong	✓	
TOPPAN Merrill LLC (New Jersey)	USA	✓	
INTERPRINT Decor (Malaysia) Sdn. Bhd.	Malaysia	✓	
Toppan Security Printing Pte. Ltd.	Singapore	✓	
Siam Toppan Packaging Co., Ltd.	Thailand	✓	
InterFlex Group	UK	✓	
Toppan (Shanghai) Management Co., Ltd.	PRC	✓	