

# Employee Health & Safety / Work-Life Balance

## Basic Approach

### Approach

We value our employees as precious “human assets” and understand how deeply we depend on them. We are convinced that human assets perform to their full potential when they are vigorous, earnest, and driven.

Rewarding working conditions and healthcare and safety initiatives to support motivated, vigorous, and earnest work have been jointly promoted by Toppan Inc., the Toppan Printing Labour Union (“the labor union”), and the TOPPAN Group Health Insurance Union (“the health insurance union”).

For employee health and safety in particular, we have undertaken various activities based on the Health Management Declaration (established in 2015; revised in 2019) and the Basic Policy on Safety, Health, and Fire Protection (updated in April 2020 from the Basic Policy on Health and Safety formulated in 2010).

The Health Management Declaration clarifies health management policies for maintaining and enhancing the health of Group employees. From a viewpoint of “health and productivity management<sup>®\*</sup>,” this declaration visualizes and reorganizes health promotion measures and action plans organized by the Group and the health insurance union. Two aims are pursued. The first is to further promote the health of employees and their families through various approaches, such as measures to support work-life balance. The second is to contribute to society through healthcare businesses that support health promotion activities undertaken in communities.

The Basic Policy on Safety, Health, and Fire Protection, meanwhile, enunciates a “safety first” principle as a top priority

for the entire workforce, including both regular and contract employees, towards the complete elimination of occupational accidents. We maintain our efforts to eliminate occupational accidents all year round.

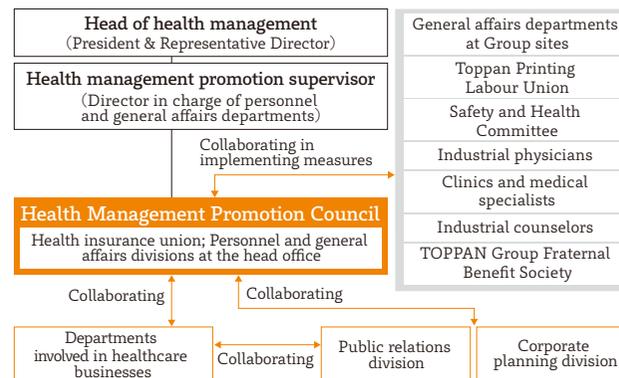
\*The term “health and productivity management<sup>®</sup>” is a registered trademark of the Workshop for the Management of Health on Company and Employee of Japan.

## Promotion Framework

### Promotion framework

The Personnel & Labor Relations Division coordinates with general affairs departments in business divisions across the Group to implement various measures on labor matters in consultation with the labor union. The division also spearheads the development of employee healthcare and safety initiatives in cooperation with the labor union, the health insurance union, and general affairs departments in business divisions throughout the Group.

### Structure for Health Management Promotion



## Labor-Management Partnership at Toppan Inc.

Toppan Inc.'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 cross-divisional 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 safety and health. Individual labor-management committees meet whenever necessary to discuss specially designated subjects, such as the creation of a working environment amenable to enhanced job satisfaction.

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

\*6,975 union members out of Toppan Inc.'s total workforce of 10,899 employees

## Health Management

We have formulated a structure for promoting “health and productivity management<sup>®</sup>” by establishing a Health Management Promotion Council at Toppan Inc. The President & Representative Director oversees the council as the head of health management. Representatives from across Group sites and the health insurance union meet to establish key targets and key performance indicator (KPI) benchmarks for employee healthcare initiatives. The council members discuss, implement, verify, and improve various healthcare measures to achieve the targets and benchmarks.

🌐 More details on the Health Management Declaration (in Japanese) >

<https://www.holdings.toppan.com/ja/about-us/our-corporate-approach/health-manage-declaration.html>

🌐 More details on the Basic Policy on Safety, Health, and Fire Protection (in Japanese) >

<https://www.holdings.toppan.com/ja/about-us/our-corporate-approach/safety-policy.html>

## Occupational Safety and Health

Approach Activity results, performance data

Safety masters, safety personnel, employees in charge of engineering and safety, and other safety experts have been deployed to operational sites across Japan under the safety promotion structure of the Group. We organize comprehensive safety training for all Group employees, both regular and contract hires, in accordance with the Basic Policy on Safety, Health, and Fire Protection. The training takes many forms, from safety programs mainly for forepersons to risk assessment courses to enhance the intrinsic safety of machines and equipment.

### Anzen Dojo

*Anzen Dojo* safety-training facilities outfitted to simulate and alert employees to workplace hazards have been operating at the Kawaguchi Plant in Saitama Prefecture, Takino Plant in Hyogo Prefecture, and Fukuoka Plant in Fukuoka Prefecture for years. More recently, new domestic *dojos* have been established at the Gunma Central Plant in Gunma Prefecture (in fiscal 2020) and the Shiga Plant in Shiga Prefecture (in fiscal 2021). *Dojo* facilities were also set up at two overseas Group sites in fiscal 2017, one in China and another in Thailand. We will continue to refine Groupwide safety promotion activities to prevent occupational accidents, with support from the five *dojos* across

Japan and two *dojos* overseas.

Companies and organizations outside of TOPPAN come to train at the domestic *dojo* facilities. While most train at the Kawaguchi *dojo*, inquiries on the use of *dojos* at the other four plants are also welcome.

The Kawaguchi *dojo* is equipped with a virtual reality (VR) simulator to train employees and guests in the handling of workplace hazards. The *dojo* also uses mechanical simulators to familiarize trainees with the dangers of dust explosions and exposure to hazardous chemicals.

🌐 More details on our *Anzen Dojo* initiatives (in Japanese) >

<https://www.holdings.toppan.com/ja/about-us/our-corporate-approach/safety-policy/anzendojo.html>



### Operating *Anzen Dojos* Overseas

Two *Anzen Dojo* facilities were recently opened at 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 our expertise on safety training 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. We foster onsite safety masters for overseas Group companies and regularly hold safety sessions for frontline operators according to the same operational scheme applied in Japan. *Anzen Dojo* tours with hazard simulators were conducted to ensure employee awareness of potential dangers in the workplace at

four Group sites in the U.S. (May 2019), sites operated by Giantplus Technology Co., Ltd. (November 2019), and several Group sites in Indonesia and Thailand (May 2020).

On a cumulative basis, 38,712 Group employees and visitors from around the world have taken safety training since the *dojo* facilities opened. The number of trainees from companies and organizations outside of the Group has been limited to about 200 per year since fiscal 2020, mainly as a consequence of site closures during the COVID-19 pandemic. Notwithstanding the fiscal 2020 slowdown, a cumulative total of 6,363 visitors from 880 entities have been trained at the *dojo* facilities since they were launched.

We have also been using VR technologies to produce hazard simulation content since 2019. In total, 22,678 Group employees have been trained on simulated workplace hazards in *Anzen Dojo* VR tours organized at 55 operational sites across Japan. The innovations adopted at the *dojos* for remote hazard simulation training during the COVID-19 pandemic have heightened the safety awareness of Group employees overall.



🌐 Press release: Toppan Inc. Produces New *Anzen Dojo* VR™ Content (in Japanese) >

[https://www.holdings.toppan.com/ja/news/2023/05/newsrelease230516\\_1.html](https://www.holdings.toppan.com/ja/news/2023/05/newsrelease230516_1.html)

### Anzen Dojos Opened

#### Domestic Group Sites

- Fiscal 2010 Kawaguchi Plant (Kawaguchi, Saitama)
- Fiscal 2015 Takino Plant (Kato, Hyogo)
- Fiscal 2015 Fukuoka Plant (Koga, Fukuoka)
- Fiscal 2020 Gunma Central Plant (Ora, Gunma)
- Fiscal 2021 Shiga Plant (Higashiomi, Shiga)

#### Overseas Group Sites

- Fiscal 2017 Siam Toppan Packaging Co., Ltd. (Thailand)
- Fiscal 2017 Toppan Leefung Packaging & Printing (Dongguan) Co., Ltd. (PRC)

### Topic

#### Good Risk Sense Awards for 2023

On July 15, 2023, Toppan Inc. won a *Chemical Daily* Award and Risk Sensitivity Study Group Award at the FY2023 Good Risk Sense Award ceremony sponsored by the Risk Sensitivity Study Group of Japan. Toppan Inc. was selected in recognition of the outstanding performance of *Anzen Dojo* and other safety initiatives in heightening safety awareness and reducing the risk of occupational accidents.



\*The Risk Sensitivity Study Group of Japan was established by the Japan Society for Safety Engineering, a body set up under the Science Council of Japan. It monitors corporate safety activities, assesses their efforts, and commends outstanding initiatives to make them visible to other companies across Japan.

### Heightening Employee Safety Awareness

A Safety Project has been formed at Toppan Inc. with members from the Personnel & Labor Relations Division and the Manufacturing Management Division. Project members regularly visit Group sites to monitor their safety activities and carry out onsite patrols with a view to reducing the risk of occupational accidents at production sites across the Group.

The annual group training conducted at *Anzen Dojo* and other safety facilities for Japan-wide safety masters has been shifted to a web-based format to safeguard against COVID-19. Safety education and efforts to standardize safer work procedures have also been organized online in various forms for personnel at production departments throughout the Group.

Web-based efforts include remote safety audits, basic training sessions for safety masters and employees in charge of safety across Japan, and subcommittees where site personnel discuss safety measures for their production processes. In parallel with the remote initiatives launched during the COVID-19 period, we have begun holding onsite, in-person safety meetings and training sessions in conjunction with onsite inspections across Group sites.

### Data on Occupational Accidents

Under the “safety first” principle, we are creating safe, secure workplaces towards the elimination of occupational accidents throughout the entire Group.

### Occupational Accidents

		2018	2019	2020	2021	2022
Deaths from occupational accidents <input checked="" type="checkbox"/>	Toppan Inc.	0	0	0	0	1
	Toppan Inc. and some of its subsidiaries*3	0	0	0	0	1
Frequency rate*1 <input checked="" type="checkbox"/>	Toppan Inc.	0.048	0.144	0.095	0.046	0.092
	Toppan Inc. and some of its subsidiaries*3	0.210	0.342	0.238	0.444	0.340
Severity rate*2 <input checked="" type="checkbox"/>	Toppan Inc.	0.001	0.003	0.001	0.001	0.345
	Toppan Inc. and some of its subsidiaries*3	0.008	0.007	0.004	0.014	0.169

2022	Deaths from Occupational Accidents	Frequency Rate*1	Severity Rate*2
Toppan Inc. <input checked="" type="checkbox"/>	1	0.092	0.345
Some of its subsidiaries*3 <input checked="" type="checkbox"/>	0	0.552	0.018
Subtotal	1	0.340	0.169
Domestic related companies*4 <input checked="" type="checkbox"/>	0	0.533	0.018
Overseas affiliates*5	0	2.762	0.037
Total	1	1.238	0.089

\*Period covered: January 1–December 31

\*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)

\*3 Entities covered: 30 domestic subsidiaries under the control of either Toppan Inc. or its business divisions

\*4 Entities covered: 30 domestic related companies

\*5 Entities covered: 90 overseas affiliates

## Measures for Mental Healthcare

Approach Promotion framework

Activity results, performance data

We work with industrial physicians and the TOPPAN Group Health Insurance Union to undertake various measures for the prevention of mental health problems at the workplace. The measures broadly cover “primary, secondary, and tertiary prevention” strategies, as well as prevention-focused approaches (“fundamental prevention”) to improving communication skills and enhancing physical and mental health through better sleep.

We develop in-house training programs and training materials attuned to our internal mental healthcare needs by making extensive use of diverse knowledge and expertise from outside of the Group. Training programs embrace theories and methods such as cognitive behavior therapy, clinical art therapy (via the Art Salon workshop), the five factors & stress (FFS) theory, and Adler’s theories of individual psychology, as well as front-line findings on physical and mental condition. Our training also takes many forms, such as training for new employees, rank-based training, division-based training, workshops at workplaces, and training for candidates for overseas assignments. Emerging challenges such as harassment prevention and special care for remote working are also addressed in our training regime.

In the case of unavoidable absences from work because of mental health problems, we carefully check and care for individual employees on leave to support their recovery step by step by having them concentrate on medical treatment, preparing them for a return to work, confirming their readiness to return to work, and extending supports for them. Careful, deliberative support helps employees maintain good balance between work and medical treatment and take steps to avoid any exacerbation or recurrence of mental burdens.

### Developing 3D Stress Check & Support

We have analyzed extensive data from employee stress-checks and from specialists overseeing mental health problems at the workplace. The risk factors for mental illness identified so far include not only typical excessive stress, but also physical and mental conditions linked to unhealthy lifestyles and major changes in personal and working environments.

Based on these findings, we have developed our own 3D Stress Check & Support system that offers detailed risk assessments with an original algorithm and automatically

prescribes tailored forms of mental hygiene support, such as video coaching programs that employees in need can access without surrendering personally identifiable information. Stress checks are also arranged two times yearly for graduates who have been hired in the last 24 months. These checks attest to our redoubled mental healthcare efforts for new hires.

Meanwhile, feedback on the group analyses performed using data from the 3D Stress Check & Support system is relayed to managerial staff to guide their efforts towards workplace improvements across the Group.

### Overview of Mental Healthcare Activities

	Self-care	Line Care (by managers and supervisors)	Care Using Resources within Group sites	Care Using Resources outside of Group sites	
Fundamental Prevention	<ul style="list-style-type: none"> <li>Enhanced physical and mental condition                             <ul style="list-style-type: none"> <li>New employee training and training for employees hired in the last 24 and 36 months</li> <li>Original video materials</li> <li>Heightened awareness of the importance of good sleep</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Improved communication skills                             <ul style="list-style-type: none"> <li>Rank-based training</li> <li>Workshop on FFS theory</li> </ul> </li> <li>Harassment prevention                             <ul style="list-style-type: none"> <li>Various training programs</li> </ul> </li> </ul>		<ul style="list-style-type: none"> <li>In-house counseling support                             <ul style="list-style-type: none"> <li>Adler’s theories of individual psychology</li> <li>Cognitive behavior therapy</li> </ul> </li> <li>Healthcare promotion plan</li> </ul>	<ul style="list-style-type: none"> <li>Online counseling by the health insurance union</li> <li>Employee assistance programs (EAPs) for personnel assigned overseas</li> </ul>
Primary Prevention	<ul style="list-style-type: none"> <li>Good physical and mental condition</li> <li>Guidance on addressing environmental changes</li> </ul>	<ul style="list-style-type: none"> <li>Improved workplace environments through group analysis</li> </ul>	<ul style="list-style-type: none"> <li>Interviews by physicians</li> </ul>		
	<ul style="list-style-type: none"> <li>Training before overseas assignment</li> </ul>	<ul style="list-style-type: none"> <li>(Other training programs organized by Group sites)</li> </ul>			
Secondary Prevention		<ul style="list-style-type: none"> <li>Enhanced early-response capability based on caseness</li> </ul>			
		<ul style="list-style-type: none"> <li>Interviews, etc. through the coordination of supervisors, general affairs departments, industrial physicians, and the health insurance union</li> </ul>			
Tertiary Prevention	<ul style="list-style-type: none"> <li>“Return-to-work steps 2022” campaign to shorten the duration of absence and prevent the recurrence or exacerbation of mental burdens</li> </ul>				
			<ul style="list-style-type: none"> <li>Absentee care under the H-ARM-ONY program</li> </ul>		

## Work Styles at Toppan Inc.

Approach System Activity results, performance data

Labor representatives and management at Toppan Inc. have been engaged in a vigorous dialogue since 2019 to devise approaches to achieving flexible work styles. A remote work system was adopted on October 1, 2020, after the completion of a series of teleworking trials. This new system covers working arrangements of three types: working from home, working from satellite offices, and mobile working. The Company has also abolished the regulation requiring that core working-times be set for employees under the smart work system introduced in 2018. In parallel, its discretionary work system has been expanded to achieve full-time working from home. To spur innovation, the Company has revised existing working arrangements and introduced new systems to align with a new-normal work style suitable for the post-COVID-19 world.

Beyond these work system improvements, employees continue to receive training that encourages and equips them to establish their own work styles within the new-normal environment. Employees learn to set individual goals, commit themselves to completing incremental tasks towards their goals, and strive to actively collaborate with diverse people inside and outside of the TOPPAN Group.

### Supporting Work-Life Balance

At the ongoing business councils and labor-management committees to support work-life balance, Toppan Inc.'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.

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. Employees who have worked for the Company for 30 consecutive years are honored with a reward for long service, along with a period of leave.

### Annual Paid Leave Used (Toppan Inc.)

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022
Average paid leave used (days)	10.3	11.1	10.3	10.5	11.9
Average ratio*	54.9%	60.6%	55.2%	57.0%	64.6%

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

### Achieving a Good Work-Life Balance

Various systems and measures are in place at Toppan Inc. to balance work and life for employees and their families: worksite cafeterias and sports facilities, dormitories for single employees, and resort facilities at offsite locations; a system to encourage property accumulation through savings and financing; asset-building support through stock ownership and various types of collective insurance; enhanced support systems to maintain good work-care balance for employees with children and nursing care responsibilities; sick leave and extended leave; retirement benefits and corporate pension; and enriched systems for living support. The TOPPAN Group Fraternal Benefit Society, meanwhile, runs welfare programs for leisure, health promotion, and life design support. To assist diverse employee lifestyles, the Company's spouse-related systems were revised to accommodate same-sex partners and common-law

marriage on July 1, 2020. They are now granted leave for celebration and condolence and receive allowances, wedding gifts, and other benefits.

### Announcing a Common Employer's Action Plan

Toppan Inc. has been publishing its common employer's action plan based on the Japanese Act on Advancement of Measures to Support Raising Next-Generation Children.

The common employer's action plan 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 Toppan Inc.'s Common Employer's Action Plan (sixth term; in Japanese) based on the Japanese Act on Advancement of Measures to Support Raising Next-Generation Children >

[https://www.holdings.toppan.com/assets/ja/pdf/sustainability/toppan202303\\_actionplans6.pdf](https://www.holdings.toppan.com/assets/ja/pdf/sustainability/toppan202303_actionplans6.pdf)

### Housing for Single Employees

We are updating our housing for single employees to improve work-life balance by shortening commutes to our main Group sites and providing a secure, comfortable living environment. TOPPAN Heights Higashi Jujo in northern Tokyo is equipped with our newest décor products designed for comfortable living in a next-generation residential environment. As added amenities, a soundproofed theater room and common lounge facilitate communication among residents.



Exterior view

Latest TOPPAN décor products

Lounge

Main Leave Systems and Family Benefits

Leave Systems, Family Benefits, and Work-Life/Next-generation Support Measures (Toppan Inc.)

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 serious incidents. (To be taken in half-day allotments, as necessary.)
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 15% of their regular salaries from the Company (until their child reaches the age of two years) and subsidies of 1,000 yen a day 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 desk. A leave system for newborn care has been introduced from October 2022 in line with the amended Child and Family Care Leave Act of Japan. Regardless of gender or length of service, an employee can take up to four consecutive weeks (28 days) of leave within the first eight weeks from the date the child is born or is expected to be delivered, whichever is later. The 28 days allotted can also be split into two periods, if desired.
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 the Company 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 1,000-yen subsidy per day during the leave. The Company offers nursing care-related information and contracts external consultants to provide guidance.
Leave for Child Healthcare	Employees can take up to 10 days of leave a year, regardless of the number of children they are raising. (To be taken in half-day or 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 their 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.
Guidance on Finding Kindergartens and Daycare	Specialists provide knowledge and skills to parent employees seeking kindergartens and daycare for their children, as practical guidance 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 sends parent employees a complimentary childrearing magazine.

TOPPAN Job-based Personnel System

We are reforming our personnel systems to better reward human assets who have diverse skills and career backgrounds. Among its various aims, the reform seeks to promote support for the skill and career development of employees, the assignment of important roles to younger employees, the development of a scheme enabling veteran employees to demonstrate their

accumulated skills, and the creation of a working environment where every person can take on new challenges.

We have restructured our personnel system from one that grades employees uniformly by position into one that grades them more granularly by incorporating job-specific elements. This new job-based system eliminates the seniority approach by abolishing the criterion of tenure, expressed as years in individual positions, from the evaluation metrics. The revision

in the basic grading system for personnel treatment facilitates the promotion of human assets with diverse skills and career backgrounds. We have also added four new personnel evaluation metrics—"the creation of a sustainable society," "diversity," "respect for human rights," and "social value creation"—in the hopes of guiding human assets through the processes of behavioral innovation and personal growth towards enhanced organizational performance.

Second-job and Side-business Arrangements

We allow employees to engage in second jobs or side businesses, as a basic rule, unless they are in any way unable to avoid prolonged work or fulfill their duties of security, confidentiality, non-competition, or good faith in their work at TOPPAN.

Fifty-two employees used these arrangements at Toppan Inc. in fiscal 2022 (36 employees in fiscal 2021).

Office Environments Designed for Diverse Work Styles

Our office environments have been adapted to a diversity of new and flexible work styles that drive innovation. Along with shared offices in-house, we have opened "Atte," an office where people generate innovation by augmenting the value of face-to-face meetings. We have also set up ICT KOBŌ™ studios across Japan\* as bases that reinforce our system development departments, the driving forces behind our DX business. Nationwide studios will encourage human assets to choose diverse ways of working, create new businesses through interactions with local people and companies, and activate communities through increased local employment.

\*In addition to our existing studios in Nagano and Okinawa Prefectures, two studios opened in Fukuoka and Hiroshima Prefectures in 2022 and one opened in Hokkaido Prefecture in May 2023.